

§3153. Maine Milk Pool

1. Establishment. Within 180 days after September 23, 1983, the commissioner shall adopt rules establishing a fund to be known as the "Maine Milk Pool," to which all money collected from Maine dealers pursuant to subsection 2 must be credited. These funds must be redistributed to eligible Maine market producers, eligible northern Maine market producers and eligible Boston market producers according to procedures established under subsection 4.

[PL 1999, c. 161, §5 (AMD).]

2. Collections from dealers. Collections from dealers must be made as follows.

A. Effective January 1, 2000, each Maine market dealer shall, on a monthly basis, calculate for its Maine market producers the amount of payment at the adjusted base minimum price that would be payable to its Maine market producers according to the price calculated using that dealer's utilization rate, referred to in this subsection as "the Maine sample payment amount," and the amount of payment that would be due its Maine market producers according to the price calculated using the applicable component prices and producer price differential for Suffolk County, Massachusetts for the northeast marketing area milk marketing order, referred to in this subsection as "the comparable Boston payment amount." Except as otherwise provided in this paragraph, in any month in which the Maine sample payment amount is more than the comparable Boston payment amount, the Maine market dealer shall pay to the Maine Milk Pool the amount of the difference. Based on the fact that northern Maine market producers presently operate at significantly higher costs because of their remoteness from markets and supplies, that they face greater risks because they operate on a closer margin and because their markets are less secure, payments to the Maine Milk Pool at the adjusted base minimum price attributable to northern Maine market producers must be reduced by 1/2 and those producers' initial payments under this section must be increased by the corresponding amounts.

(1) For any month in which there is only one Maine market dealer subject to this paragraph and the milk sold or otherwise distributed by that dealer during that month does not exceed 1,000,000 pounds, the additional payment due to the Maine Milk Pool must instead be made by that dealer to its Maine market producers. [PL 2005, c. 382, Pt. F, §30 (AMD).]

B. For any month in which the Maine sample payment amount is less than the comparable Boston payment amount, the Maine market dealer may deduct the difference from the next month's initial payment to producers under section 2954-A, subsection 2, paragraph A. Upon the termination of their business relationship, producers are liable to dealers for all sums advanced under this paragraph that have not been recouped by way of deduction. [PL 2005, c. 382, Pt. F, §30 (AMD).]

C. For any month in which the Maine Milk Commission has established minimum prices payable to producers that include an over-order premium that the commission has determined is attributable to the activity of an eligible marketing cooperative, this paragraph applies. Each Maine market dealer shall, on a monthly basis, calculate for its Maine market producers the amount of payment from the over-order premium that would be payable to its Maine market producers according to the blend price calculated using that dealer's utilization rate. With respect to those producers who have designated an eligible marketing cooperative to receive the over-order premium, the dealer shall make the payment to the eligible marketing cooperative. With respect to those producers who have not designated an eligible marketing cooperative to receive the over-order premium, the dealer shall make the payment into the Maine Milk Pool. [PL 2005, c. 382, Pt. F, §30 (AMD).]

D. For any month in which the Maine Milk Commission has established minimum prices payable to producers that include an over-order premium that the commission has determined is not attributable to the activity of an eligible marketing cooperative, the over-order premium is not pooled. [PL 2005, c. 382, Pt. F, §30 (AMD).]

E. [PL 1987, c. 874, §§2, 4 (RP).]

E. [PL 1989, c. 436, §6 (NEW); PL 1989, c. 878, Pt. B, §8 (RP).]

F. For any month in which the Maine Milk Commission has included in Class I, Class II or Class III prices any amounts to reflect the increased costs of production pursuant to section 2954, subsection 2, paragraph A, those amounts must be paid into the Maine Milk Pool for redistribution in accordance with subsection 4. [PL 2005, c. 382, Pt. F, §30 (AMD).]

G. [PL 2005, c. 382, Pt. F, §30 (RP).]

[PL 2005, c. 382, Pt. F, §30 (AMD).]

3. Additional collections for promotion.

[PL 1999, c. 161, §6 (RP).]

4. Redistribution of pool; base minimum price. The commissioner shall, by rule, adopt procedures to redistribute payments into the Maine Milk Pool under subsection 2, paragraphs A and F on an equal basis to eligible Maine market producers and eligible Boston market producers, except that:

A. If any Boston market producer whose farm is located within 140 miles of Boston receives a plant price, excluding deductions or additions imposed by the northeast marketing area milk marketing order that is greater than the amount of the initial payment to Maine market producers under section 2954-A, subsection 2, paragraph A, the commissioner shall credit that additional amount against the redistribution from the Maine Milk Pool to which that producer would otherwise be entitled in order to avoid potential inequities arising from equal redistribution; [PL 2005, c. 382, Pt. F, §31 (AMD).]

B. If the credit against redistribution exceeds the pool payment due the producer, that producer shall pay into the Maine Milk Pool an amount equal to the excess or that producer's share of the cost of promotion, whichever is less. The commissioner may provide by rule that these amounts must be deducted from future pool payments made under this subsection to that producer or from pool payments due to that producer under subsection 5, or from future payments due to that producer for milk; and [PL 2005, c. 382, Pt. F, §31 (AMD).]

C. If the commissioner determines that payments from the pool will be made to dairies, cooperatives or some other entity as a representative of producers, then the dairy, cooperative or other representative shall pay to the producer the amount owed to that producer within such time period as is determined by the procedures established by rule under this subsection. [PL 2005, c. 382, Pt. F, §31 (AMD).]

D. [PL 1987, c. 447, §7 (RP).]

[PL 2005, c. 382, Pt. F, §31 (AMD).]

5. Redistribution of pool; over-order premium. Redistribution of payments into the pool under subsection 2, paragraph C is governed by this subsection.

A. For any month in which subsection 2, paragraph C is in effect, the commissioner shall pay those Maine market producers whose over-order premium was paid into the Maine Milk Pool an initial redistribution under this paragraph. In calculating the rate of this redistribution and the timing of its payment, the commissioner shall attempt to achieve, insofar as practicable, an initial redistribution that ensures that Maine producers who are not members of eligible marketing cooperatives receive an initial redistribution equivalent to that received by Maine producers who are members of eligible marketing cooperatives. The commissioner shall consider the following factors:

(1) The gross rate of redistribution used by eligible marketing cooperatives to calculate payment to their members;

- (2) Reasonable administrative and other charges deducted by eligible marketing cooperatives from the redistributions made to their members;
- (3) The timing of the redistributions made by an eligible marketing cooperative to its members; and
- (4) Such other factors as may be relevant to the goal of achieving, insofar as practicable, price equity among producers. [PL 2005, c. 382, Pt. F, §32 (AMD).]

B. The commissioner shall redistribute the remainder of the amount paid into the Maine Milk Pool under subsection 2, paragraph C on an equal basis to eligible Maine market producers and eligible Boston market producers; except that if any Maine market producer or Boston market producer receives an additional premium other than one attributable to the activity of an eligible marketing cooperative, the commissioner shall credit that additional premium against the redistribution to which that producer would otherwise be entitled under this paragraph in order to avoid potential inequities arising from equal redistribution. [PL 2005, c. 382, Pt. F, §32 (AMD).]

C. If the commissioner determines that the basis for redistribution adopted by an eligible marketing cooperative is disadvantageous to Maine producers belonging to that cooperative, that the cooperative has not made redistributions to its Maine members in a timely manner or that the administrative or other fees deducted by the cooperative from redistributions to its members are excessive, unjust or unreasonable, the commissioner may commence proceedings to revoke the eligible status of the cooperative pursuant to section 3155-B. [PL 2005, c. 382, Pt. F, §32 (AMD).]

C-1. [PL 1987, c. 874, §§3, 4 (RP).]

D. The commissioner shall, by rule, adopt such procedures as are necessary to implement this subsection. If the commissioner determines that payments from the pool will be made to dairies, cooperatives or some other entity as a representative of producers, then the dairy, cooperative or other representative shall pay to the producer the amount owed to that producer within such time period as is determined by the procedures established by rule under this subsection. [PL 1987, c. 447, §8 (NEW).]

[PL 2005, c. 382, Pt. F, §32 (AMD).]

6. Rules. The commissioner shall adopt by routine technical rule such procedures as are necessary to implement this section. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

[PL 2005, c. 382, Pt. F, §33 (NEW).]

SECTION HISTORY

PL 1983, c. 573, §4 (NEW). PL 1985, c. 506, §B5 (AMD). PL 1987, c. 447, §§6-8 (AMD). PL 1987, c. 874, §§2-4 (AMD). PL 1989, c. 436, §§5,6 (AMD). PL 1989, c. 878, §§B8,9 (AMD). PL 1991, c. 12 (AMD). PL 1991, c. 266, §8 (AMD). PL 1995, c. 693, §§17,18 (AMD). PL 1995, c. 693, §25 (AFF). RR 1997, c. 2, §32 (COR). PL 1999, c. 161, §§5,6 (AMD). PL 1999, c. 210, §1 (AMD). PL 1999, c. 679, §§B12,13 (AMD). PL 1999, c. 679, §B14 (AFF). PL 2001, c. 433, §1 (AMD). PL 2005, c. 382, §§F30-33 (AMD).

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