

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21

H.475

SHORT FORM

Introduced by Representative O'Brien of Tunbridge

Referred to Committee on

Date:

Subject: Agriculture; dairy; milk pricing; tiered pricing system; over order
price enhancement

Statement of purpose of bill as introduced: This bill proposes to implement measures to revitalize the Vermont dairy industry. The bill would establish a tiered system to set an equitable minimum price that milk handlers shall pay to milk producers for milk processed and manufactured within the State. The tiered pricing shall be based on milk producers' cost of production, including the costs of environmental compliance unique to Vermont milk producers. If market pricing under the Federal Milk Market Order 1 does not sufficiently cover the costs of production, the bill would require an over order price enhancement to be paid to Vermont milk producers. To ensure that the tiered pricing does not generate incentives to over produce, the bill would establish production tiers for small, medium, and large farms. In addition, to fund the tiered pricing system and the over order enhancements, a per gallon handling fee would be assessed on packaged milk sold in the State. The amount of the handling fee would be adjusted based on the market price paid to milk

1 producers per hundredweight of milk. The handling fee would be paid into the
2 General Fund for annual appropriation. The bill would require the Agency of
3 Agriculture, Food and Markets' annual budget request to include a request for
4 funding to implement the tiered pricing and over order price enhancements.

5 An act relating to establishing an equitable pricing system for the milk
6 production

7 It is hereby enacted by the General Assembly of the State of Vermont:

8 (TEXT OMITTED IN SHORT-FORM BILLS)