

AMENDED IN ASSEMBLY MARCH 26, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 629

Introduced by Assembly Member Perea

February 24, 2015

An act to amend Sections 62070 and 62071 ~~of~~ *of, and to add Section 62033 to*, the Food and Agricultural Code, relating to market milk.

LEGISLATIVE COUNSEL'S DIGEST

AB 629, as amended, Perea. ~~Market-milk.~~ *milk: stabilization and marketing plans: federal milk marketing order.*

Existing law authorizes the Secretary of Food and Agriculture to formulate stabilization and marketing plans that establish the prices to be paid by milk handlers for specified classes of market milk. Existing law provides that a stabilization and marketing plan may provide for, among other things, maximum charges for plant processing and transportation services, and minimum charges for the various services performed by a nonprofit cooperative association regarding class 1 market milk. *Existing law authorizes the secretary to amend or terminate any stabilization and marketing plan after notice and public hearing in accordance with specified requirements.*

This bill would *require the secretary to terminate all stabilization and marketing plans without further action by the producers of market milk if the producers approve and adopt a federal milk marketing order by January 1, 2017. The bill would also make nonsubstantive changes to the provisions regarding maximum and minimum charges, including updating a cross-reference.*

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ *yes*. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 62033 is added to the Food and
2 Agricultural Code, to read:

3 62033. Notwithstanding any other law, if the producers of
4 market milk approve and adopt a federal milk marketing order by
5 January 1, 2017, the secretary shall terminate all stabilization
6 and marketing plans without further action by the producers, and
7 the secretary shall proceed with an orderly transition to a federal
8 milk marketing order in a manner that does not disrupt the market
9 or payment to producers.

10 ~~SECTION 1.~~

11 SEC. 2. Section 62070 of the Food and Agricultural Code is
12 amended to read:

13 62070. Each stabilization and marketing plan may further
14 provide for maximum charges for plant processing and
15 transportation service on the market milk or market milk
16 components that are transported to the area where sold. The
17 stabilization and marketing plan may enumerate the applicable
18 maximum charges, and may establish individual charges for each
19 function enumerated. In establishing any maximum charges for
20 transportation services, the secretary shall base the maximum
21 charges upon the rates that are charged for actual or reasonably
22 similar services by highway carriers, as the term “highway carriers”
23 is defined in Section 737.3 of the Public Utilities Code.

24 ~~SEC. 2.~~

25 SEC. 3. Section 62071 of the Food and Agricultural Code is
26 amended to read:

27 62071. Each stabilization and marketing plan may provide for
28 minimum charges for the various services performed or rendered
29 by a nonprofit cooperative association with respect to class 1
30 market milk sold or delivered to another handler. Handler services
31 include component testing for payment purposes, quality control,
32 producer payroll, and weighing and sampling of bulk market milk.
33 Each stabilization and marketing plan may also include, but not
34 be limited to, minimum charges for the handling of intermittent
35 or irregular deliveries of market milk and plant standby services.
36 The stabilization and marketing plan may enumerate applicable
37 minimum charges and establish individual charges for each service
38 enumerated or, in the alternative, the secretary may establish one

- 1 or more minimum charges covering one or more of the separate
- 2 handler services.

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