



General Assembly

January Session, 2007

Raised Bill No. 1257

LCO No. 4611

04611_____ENV

Referred to Committee on Environment

Introduced by:
(ENV)

AN ACT ESTABLISHING A MILK HANDLER FEE SYSTEM.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective from passage*) (a) As used in this section
2 and section 2 of this act:

3 (1) "Basic price" means the Class I price of milk announced by the
4 administrator of the northeast marketing area milk marketing order;

5 (2) "Consumer" means any person other than a milk handler who
6 purchases fluid milk for consumption;

7 (3) "Fee period" means the period beginning on the Sunday closest
8 to the first day of the month and continuing through the Saturday
9 prior to the Sunday closest to the first day of the subsequent month;

10 (4) "Handler" means a person, firm or corporation who purchases,
11 handles or distributes milk in this state;

12 (5) "Milk" has the same meaning as in the Code of Federal
13 Regulations 7 CFR 1000.15 and 7 CFR 1000.16, and includes, but is not
14 limited to, whole milk, skim milk, low-fat milk, reduced fat milk, half

15 and half, flavored milk and cultured milks; and

16 (6) "Packaged milk" means milk that has been processed and placed
17 in containers for ultimate sale to consumers;

18 Sec. 2. (NEW) (*Effective from passage*) (a) Upon notification by the
19 Connecticut Milk Commission, the Department of Revenue Services
20 shall levy and impose a milk handling fee, at the rate established in
21 subsection (b) of this section, on the handling in this state of packaged
22 milk for sale in this state. The fee shall be paid by the handler. The fee
23 shall be computed on a gallon equivalent basis. Milk packaged for sale
24 in containers of less than one quart or twenty or more quarts in
25 volume or packaged milk that is sold to an institution that is owned
26 and operated by any town or municipality of this state, the state of
27 Connecticut or the federal government shall be exempt from the milk
28 handler fee.

29 (b) The rate of the fee levied under this section shall be established
30 for each fee period on the basis of the basic price of milk in effect on
31 the Sunday following the first Sunday of the fee period in accordance
32 with the following:

33 (1) If the basic price is \$19.50 per hundredweight and above, the rate
34 of the milk handling fee is zero cents per gallon;

35 (2) If the basic price between \$19.00 and \$19.49 per hundredweight,
36 the rate of the milk handling fee is two cents per gallon;

37 (3) If the basic price is between \$18.50 and \$18.99 per
38 hundredweight, the rate of the milk handling fee is three cents per
39 gallon;

40 (4) If the basic price is between \$18.00 to \$18.49 per hundredweight,
41 the rate of the milk handling fee is four cents per gallon;

42 (5) If the basic price is between \$17.50 to \$17.99 per hundredweight,
43 the rate of the milk handling fee is five cents per gallon;

44 (6) If the basic price is between \$17.00 to \$17.49 per hundredweight,
45 the rate of the milk handling fee is seven cents per gallon;

46 (7) If the basic price is between \$16.50 to \$16.99 per hundredweight,
47 the rate of the milk handling fee is eight cents per gallon;

48 (8) If the basic price is between \$16.00 to \$16.49 per hundredweight,
49 the rate of the milk handling fee is ten cents per gallon;

50 (9) If the basic price is between \$15.99 to \$15.50 per hundredweight,
51 the rate of the milk handling fee is eleven cents per gallon; and

52 (10) If the basic price is below \$15.50 per hundredweight, the rate of
53 the milk handling fee is twelve cents per gallon.

54 (c) Handlers shall pay the fee for each fee period on all milk subject
55 to the milk handling fee.

56 (d) In calculating the amount of packaged milk handled for sale in
57 this state during each fee period, the handler shall deduct from that
58 amount any packaged milk returned to the handler and not resold
59 during that fee period.

60 (e) The fee imposed and collected under this section shall be in
61 addition to any taxes or license fees imposed or collected under any
62 other law of this state.

63 (f) A handler subject to the fee imposed by subsection (a) of this
64 section shall register with the Department of Revenue Services not
65 later than five business days after becoming subject to the fee, on forms
66 provided by said department. The list of registered handlers shall be
67 made available to the public by said department. Not later than the
68 twenty-fifth day of each calendar month, a handler subject to the fee
69 imposed under subsection (a) of this section shall report to said
70 department the quantity of packaged milk handled in this state for sale
71 in this state during the preceding fee period, the quantity of packaged
72 milk handled that was subject to the milk handling fee and any other

73 information the Commissioner of Revenue Services determines
74 necessary or useful in the administration of this section. The
75 commissioner and the Connecticut Milk Commission may share such
76 information as is necessary to implement this section.

77 (g) Handlers shall pay to the Department of Revenue Services the
78 fee due for the preceding fee period not later than the twenty-fifth day
79 of each calendar month and submit information required by said
80 department on the forms provided by said department.

81 (h) The Department of Revenue Services shall pay all funds received
82 from the milk handling fee to the Treasurer to be deposited in the
83 General Fund.

84 Sec. 3. (NEW) (*Effective from passage*) If any provision of section 1 or
85 2 of this act is held to be invalid or unconstitutional by a court of
86 competent jurisdiction, the remaining provisions in section 1 or 2 of
87 this act shall not be affected and shall remain in full force and effect.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>from passage</i>	New section

Statement of Purpose:

To establish a handler fee on milk sold in Connecticut.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]