



General Assembly

Substitute Bill No. 1257

January Session, 2007

* SB01257ENV__031407__ *

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" shall have the same meaning as defined in section 22-
11 127 of the general statutes;

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 established pursuant to substitute
20 senate bill 1356 of the current session, the Department of Revenue
21 Services shall levy and impose a milk handling fee, at the rate
22 established in subsection (b) of this section, on the handling in this
23 state of packaged milk for sale in this state. The fee shall be paid by the
24 handler. The fee shall be computed on a gallon equivalent basis. Milk
25 packaged for sale in containers of less than one quart or twenty or
26 more quarts in volume or packaged milk that is sold to an institution
27 that is owned and operated by any town or municipality of this state,
28 the state of Connecticut or the federal government shall be exempt
29 from the milk handler fee.

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

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

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

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

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

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

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

47 (7) If the basic price is between \$16.50 to \$16.99 per hundredweight,

48 the rate of the milk handling fee is eight cents per gallon;

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

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

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

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

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

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

64 (f) A handler subject to the fee imposed by subsection (a) of this
65 section shall register with the Department of Revenue Services not
66 later than five business days after becoming subject to the fee, on forms
67 provided by said department. The list of registered handlers shall be
68 made available to the public by said department. At a frequency and
69 on a date prescribed by the Commissioner of Revenue Services, a
70 handler subject to the fee imposed under subsection (a) of this section
71 shall report to said department the quantity of packaged milk handled
72 in this state for sale in this state during the preceding fee periods, the
73 quantity of packaged milk handled that was subject to the milk
74 handling fee and any other information the Commissioner of Revenue
75 Services determines necessary or useful in the administration of this
76 section. The commissioner and the Connecticut Milk Commission may
77 share such information as is necessary to implement this section.

78 (g) Each handler subject to the milk handling fee imposed pursuant
79 to subdivision (a) of this section shall pay such fee to the
80 Commissioner of Revenue Services on a quarterly basis.

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

ENV *Joint Favorable Subst.*