



2003 SENATE BILL 455

February 11, 2004 - Introduced by Senators SCHULTZ, BROWN and KEDZIE, cosponsored by Representatives MCCORMICK, MUSSER, FREESE, GRONEMUS and ALBERS. Referred to Committee on Agriculture, Financial Institutions and Insurance.

- 1 **AN ACT to amend** 126.44 (1) (b); and **to create** 126.44 (1) (d) of the statutes;
2 **relating to:** financial information required to be provided by milk contractors.

Analysis by the Legislative Reference Bureau

Current law requires milk contractors to be licensed by the Department of Agriculture, Trade and Consumer Protection (DATCP). A milk contractor is an entity that buys milk from dairy farmers. A licensed milk contractor must file a financial statement with DATCP during each license year. The law requires the financial statement to either be audited by an independent certified public accountant or reviewed by an independent certified public accountant. Many milk contractors are also required to pay into the agricultural producer security fund. The fund makes payments to farmers when a milk contractor, or other agricultural contractor, defaults on payments to farmers.

This bill exempts certain licensed milk contractors from the requirement to provide an annual audited or reviewed financial statement to DATCP. The bill provides that a milk contractor that is disqualified from participation in the agricultural producer security fund because it had negative equity when the agricultural producer security fund was established may instead file an annual compilation of financial information accompanied by a sworn and notarized statement that the financial information is correct.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

