

1999 DRAFTING REQUEST

Assembly Substitute Amendment (ASA-AB483)

Received: 11/18/1999

Received By: traderc

Wanted: Soon

Identical to LRB:

For: David Ward (608) 266-3790

By/Representing: self

This file may be shown to any legislator: NO

Drafter: traderc

May Contact: DATCP

Alt. Drafters:

Subject: Agriculture - miscellaneous

Extra Copies:

Pre Topic:

No specific pre topic given

Topic:

Milk pricing, allow different payments to meet competition but require quarterly reporting

Instructions:

See Attached

Drafting History:

| <u>Vers.</u> | <u>Drafted</u> | <u>Reviewed</u> | <u>Typed</u> | <u>Proofed</u> | <u>Submitted</u> | <u>Jacketed</u> | <u>Required</u> |
|--------------|-----------------------|-----------------------|------------------------|----------------|----------------------------|----------------------------|-----------------|
| /? | traderc 11/29/1999 | jgeller 11/29/1999 | | _____ | | | |
| /1 | | | martykr 11/29/1999 | _____ | lrb_docadmin 11/29/1999 | lrb_docadmin 11/29/1999 | |
| /2 | traderc 01/03/2000 | jgeller 01/03/2000 | jfrantze 01/03/2000 | _____ | lrb_docadmin 01/03/2000 | lrb_docadmin 01/03/2000 | |

FE Sent For:

<END>

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| /? | traderc 11/29/1999 | ygeller 11/29/1999 | | _____ | | | |
| /1 | | 1/2 1/3 jlg | martykr 11/29/1999 | _____ | lrb_docadmin 11/29/1999 | lrb_docadmin 11/29/1999 | |

FE Sent For:

Handwritten notes: 1/3, 1/3, <END>, 1/3

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|--------------|----------------|-----------------|--------------|----------------|------------------|-----------------|-----------------|
| 1/? | traderc | 11/29 jlg | 11/29 dm | 11/29 mic | | | |

FE Sent For:

<END>

11/18/99 Meeting with Rep. Ward
New substitute amendment based on 99-0141/2

1. DATCP concern about proposed s. 100.22(1m)(e). Need to be sure that we are not causing problems with the Federal pasteurized milk ordinance which changes periodically. Call Bill Oenichen or John Morton, DATCP
224-4920 424-4922

2. Restore part of 100.22(3) that allows discrimination in good faith to meet competition, But require purchasers who use that provision to report (upon request) e.g. to producers quarterly the amount of milk that they bought at a premium to meet competition and the (weighted?) average of the premium that they are paying to meet competition (per hundred weights)

11/22 John Norton - ^(Pasteurized Milk Ordinance) it may not be an issue - will let me know.

11/29 Per John Norton - omit change related to Pasteurized Milk Ordinance

RET

50211

**ASSEMBLY SUBSTITUTE AMENDMENT ,
TO 1999 ASSEMBLY BILL 483**

DNote

regenerate
↓

1 AN ACT *to repeal* 100.22 (3); and *to repeal and recreate* 100.22 (1m) of the
2 statutes; **relating to:** authorizing the payment of different prices to producers
3 for milk based on specified criteria.

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

4 SECTION 1. 100.22 (1m) of the statutes is repealed and recreated to read:

5 100.22 (1m) MILK PRICING. A person engaged in the business of buying milk
6 from producers for the purpose of manufacturing, processing or resale may pay
7 producers different prices for the purchase of milk, if all of the following apply:

8 (a) Before making any payment to producers under this subsection, the person
9 engaged in the business of buying milk from producers establishes a payment
10 method based upon criteria specified by the person.

11 (b) Before making any payment to producers under this subsection, the person
12 engaged in the business of buying milk from producers announces, and offers to

1 make payment in accordance with, the payment method established under par. (a)
2 to all producers from whom the person buys milk.

3 (c) The person engaged in the business of buying milk from producers makes
4 payments to all milk producers from whom the person purchases milk in accordance
5 with the payment method established under par. (a).

6 (d) The payment method established under par. (a) is not part of any other
7 method used to discriminate between producers in the price paid for milk or in
8 services furnished in connection with the purchase of milk.

9 (e) If the payment method established under par. (a) requires testing of milk,
10 the person engaged in the business of buying milk complies with any rules
11 promulgated by the department concerning payment based on milk tests.

✓
Inset →
12
2-11
13

~~SECTION 2. 100.22 (3) of the statutes is repealed.~~

(END)

Section #. 100.22 (3)^x of the statutes is amended to read:

100.22 (3) JUSTIFICATION DEFENSE. It is a defense to a prosecution for violation of this section or a special order issued under this section to prove that the discrimination in price or services was done in good faith to meet competition[✓] ~~or was commensurate with an actual difference in the quantity of or transportation charges or marketing expenses for the milk purchased.~~

History: 1981 c. 124; 1991 a. 269.



Insert 2-11, p. 2

Section #. CR; 100.22 (3m)^x

100.22 (3m)

Reporting. A person engaged in the

business of buying milk from producers for the purpose of
manufacture, processing or resale who discriminates in price

~~to meet competition~~ to meet competition under

sub. (3) shall report to any person upon request

the amount of milk that was purchased ^{at an increased price} under sub. (3)
^{in the calendar quarter preceding the request}

and the average amount per ⁽¹⁰⁰⁾ one hundred pounds
by which the price ^{by the person} paid for milk ^{under sub. (3)} exceeded the price

paid by the person for other milk in that calendar quarter.

end of insert

50211/ldn
RET: Jg

DNote

Rep. Ward,

¶ John Norton of DATCP has informed me that, at least for the time being, DATCP does not see the need to include any language concerning the FDA's Pasteurized Milk Ordinance.

RET

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRBs0211/1dn
RCT;jlg:km

November 29, 1999

Rep. Ward:

John Norton of DATCP has informed me that, at least for the time being, DATCP does not see the need to include any language concerning the FDA's Pasteurized Milk Ordinance.

Rebecca C. Tradewell
Managing Attorney
Phone: (608) 266-7290
E-mail: Becky.Tradewell@legis.state.wi.us

Tradewell, Becky

From: Chase, Kim
Sent: Wednesday, December 22, 1999 3:10 PM
To: Tradewell, Becky
Subject: another change to our volume premium bill--Rep. Ward

Hi Becky,

Wondering if we could get yet another change to our proposal on volume premiums. The most current draft of the amendment is LRB 0211/1. We would like to keep the language the same except delete the 100.22 (3m) related to reporting.

If you have any questions, please call.

Thank you,
Kim Chase
Office of Rep. Ward



State of Wisconsin
1999 - 2000 LEGISLATURE
SOON

LRBs02117²
RCT:jlg:km
redraft
Maly
run

ASSEMBLY SUBSTITUTE AMENDMENT,
TO 1999 ASSEMBLY BILL 483

Regen

1 AN ACT *to amend* 100.22 (3); *to repeal and recreate* 100.22 (1m); and *to create*
2 100.22 (3m) of the statutes; **relating to:** authorizing the payment of different
3 prices to producers for milk based on specified criteria.

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

4 SECTION 1. 100.22 (1m)^x of the statutes is repealed and recreated to read:

5 100.22 (1m) MILK PRICING. A person engaged in the business of buying milk
6 from producers for the purpose of manufacturing, processing or resale may pay
7 producers different prices for the purchase of milk, if all of the following apply:

8 (a) Before making any payment to producers under this subsection, the person
9 engaged in the business of buying milk from producers establishes a payment
10 method based upon criteria specified by the person.

11 (b) Before making any payment to producers under this subsection, the person
12 engaged in the business of buying milk from producers announces, and offers to

1 make payment in accordance with, the payment method established under par. (a)
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3 (c) The person engaged in the business of buying milk from producers makes
4 payments to all milk producers from whom the person purchases milk in accordance
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6 (d) The payment method established under par. (a) is not part of any other
7 method used to discriminate between producers in the price paid for milk or in
8 services furnished in connection with the purchase of milk.

9 (e) If the payment method established under par. (a) requires testing of milk,
10 the person engaged in the business of buying milk complies with any rules
11 promulgated by the department concerning payment based on milk tests.

12 **SECTION 2.** 100.22 (3)^x of the statutes is amended to read:

13 100.22 (3) JUSTIFICATION DEFENSE. It is a defense to a prosecution for violation
14 of this section or a special order issued under this section to prove that the
15 discrimination in price or services was done in good faith to meet competition ~~or was~~
16 ~~commensurate with an actual difference in the quantity of or transportation charges~~
17 ~~or marketing expenses for the milk purchased.~~

18 **SECTION 3.** 100.22 (3m) of the statutes is created to read:

19 100.22 (3m) REPORTING. A person engaged in the business of buying milk from
20 producers for the purpose of manufacture, processing or resale who discriminate in
21 price to meet competition under sub. (3) shall report to any person upon request the
22 amount of milk that was purchased at an increased price under sub. (3) in the
23 calendar quarter preceding the request and the average amount per 100 pounds by

1
2
3

which the price paid by the person for milk under sub. (3) exceeded the price paid by
the person for other milk in that calendar quarter.

(END)