

2001 DRAFTING REQUEST

Bill

Received: **11/17/2000**

Received By: **traderc**

Wanted: **As time permits**

Identical to LRB:

For: **David Ward (608) 266-3790**

By/Representing: **Kim**

This file may be shown to any legislator: **NO**

Drafter: **traderc**

May Contact:

Alt. Drafters:

Subject: **Agriculture - miscellaneous**

Extra Copies:

Pre Topic:

No specific pre topic given

Topic:

Authorizing differing prices to be paid for milk based on specified factors

Instructions:

ASA 2 to 1999 AB 483 (s0211/2) (as the bill passed the Assembly)

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 11/30/2000	gilfokm 12/07/2000		_____			
/1			pgreensl 12/08/2000	_____	lrb_docadmin 12/08/2000	lrb_docadmin 12/15/2000	

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<END>

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1?	traderc	1-12/7 King	12/8/00 PG	12/8/00 PG/RS			

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~~ASSEMBLY SUBSTITUTE AMENDMENT 2,~~
~~TO 1999 ASSEMBLY BILL 483~~
2001

January 19, 2000 - Offered by Representative WARD.

GEN. CAT.

1 AN ACT to amend 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.

Analysis
insert

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4 SECTION 1. 100.22 (1m) of the statutes is repealed and recreated to read: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

12 **SECTION 2.** 100.22 (3) 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

(END)

P.W.F.

Analysis insert

1999 ASSEMBLY BILL 483

September 28, 1999 - Introduced by Representatives WARD, AINSWORTH, GARD, GOETSCH, HAHN, KEDZIE, KLUSMAN, KREIRICH, LADWIG, MUSSER, OTT, SERATTI, SKINDRUD, SPILLNER and SUDER, cosponsored by Senators SHIBILSKI, CLAUSING, DARLING and FITZGERALD. Referred to Committee on Agriculture.

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

Analysis by the Legislative Reference Bureau

Current law generally prohibits a person engaged in the business of buying milk from producers from discriminating between producers in the price paid for milk. It is a defense to prosecution for violating this prohibition that the discrimination in price was done in good faith to meet competition or was commensurate with an actual difference in the quantity of, or transportation charges for, the milk purchased. Current law also authorizes a person to pay producers different prices for milk based on differences in milk quality if certain conditions are satisfied.

This bill authorizes a person engaged in the business of buying milk from producers to pay producers different prices for milk based on volume if certain conditions are satisfied. The conditions include that the person establish a payment method based upon differences in the volume of milk purchased or picked up from a producer, and that the person make payment in accordance with the payment method to all producers from whom the person buys milk. This bill also

criteria specified by the person

must

the specified criteria

must

ASSEMBLY BILL 483

Under the bill, the fact that eliminates the current price discrimination.

defense to prosecution for violating the prohibition on milk

the discrimination was commensurate with an

actual difference in the quantity of, or transportation charges for the milk purchased is no longer a

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

SECTION 1. 100.22 (1) of the statutes is amended to read:

100.22 (1) PROHIBITION. Except as provided in sub. subs. (1m) and (1s), no person engaged in the business of buying milk from producers for the purpose of manufacture, processing or resale may discriminate between producers in the price paid for milk or in services furnished in connection with the purchase of milk if the discrimination injures producers or injures, destroys or prevents competition between competing purchasers of milk.

SECTION 2. 100.22 (1s) of the statutes is created to read:

100.22 (1s) PRICES BASED ON VOLUME. A person engaged in the business of buying milk from producers for the purpose of manufacturing, processing or resale may pay producers different prices for the purchase of milk based upon volume, if all of the following apply:

(a) Before making any payment to producers under this subsection, the person engaged in the business of buying milk from producers establishes a payment method based upon differences in volume of milk purchased or picked up from a producer, or both.

(b) Before making any payment to producers under this subsection, the person engaged in the business of buying milk from producers announces, and offers to make payment in accordance with, the payment method established under par. (a) to all producers from whom the person buys milk.



STEPHEN R. MILLER
CHIEF

State of Wisconsin

LEGISLATIVE REFERENCE BUREAU

100 NORTH HAMILTON STREET
5TH FLOOR
MADISON, WI 53701-2037

LEGAL SECTION: (608) 266-3561
LEGAL FAX: (608) 264-6948

December 8, 2000

MEMORANDUM

To: Representative Ward

From: Rebecca C. Tradewell, Managing Attorney

Re: LRB-1099 Authorizing differing prices to be paid for milk based on specified factors

The attached draft was prepared at your request. Please review it carefully to ensure that it is accurate and satisfies your intent. If it does and you would like it jacketed for introduction, please indicate below for which house you would like the draft jacketed and return this memorandum to our office. If you have any questions about jacketing, please call our program assistants at 266-3561. Please allow one day for jacketing.

X JACKET FOR ASSEMBLY _____ JACKET FOR SENATE

If you have any questions concerning the attached draft, or would like to have it redrafted, please contact me at (608) 266-7290 or at the address indicated at the top of this memorandum.

If the last paragraph of the analysis states that a fiscal estimate will be prepared, the LRB will request that it be prepared after the draft is introduced. You may obtain a fiscal estimate on the attached draft before it is introduced by calling our program assistants at 266-3561. Please note that if you have previously requested that a fiscal estimate be prepared on an earlier version of this draft, you will need to call our program assistants in order to obtain a fiscal estimate on this version before it is introduced.

Please call our program assistants at 266-3561 if you have any questions regarding this memorandum.