

Dairy Farm Preservation Act

Use of Retail Fluid Milk Coupons

Chapter 310 Sections 8-10

Summary: Sections 8-10 of Chapter 310 of the Acts of 2008 provide the Department authority to allow the use of fluid milk coupons under certain conditions: gives DAR authority to allow and regulate the use coupons of fluid milk to promote the increase in fluid milk consumption The DAR must protect local producer dealers from predatory pricing.

SECTION 8. The first paragraph of subsection (d) of section 14 of chapter 94A of the General Laws, as so appearing, is hereby amended by striking out the last sentence and inserting in place thereof the following sentence:- The provisions of this subsection and subsection (e) shall not prohibit the use of coupons, trading stamps or donations of milk exclusively for charitable purposes to any duly organized charitable corporation.

SECTION 9. Subsection (e) of said section 14 of said chapter 94A, as so appearing, is hereby further amended by inserting after the word “subsection”, in line 91, the following words:- or subsection (f).

SECTION 10. Said section 14 of said chapter 94A, as so appearing, is hereby further amended by adding the following subsection:-

(f) Notwithstanding the provisions of this section to the contrary, the department is hereby authorized and directed to establish a program to allow for the use of discount coupons in promotional and marketing campaigns of milk and cream for consumer use and benefit. The commissioner shall promulgate regulations necessary to carry out the provisions of this subsection. Said regulations shall be promulgated no later than 180 days from the effective date of this act and shall include, but not be limited to, reasonable and appropriate mechanisms to protect dairy farms that directly market their own fluid milk or cream to the consumer and civil penalties for violation of said regulations, including possible license suspension. The use of coupons in promotional or marketing campaigns shall be subject to the approval of the commissioner and shall not be predatory towards any Massachusetts dairy farmer who directly markets and sells their own fluid milk to the consumer. The use of coupons shall not result in the sale of milk at a price that is below the cost of production.

The commissioner is directed to annually study, analyze and assess the economic impact of this program on dairy farmers, producers, processors, consumers and the commonwealth’s milk markets. The report shall be submitted to the joint committee on environment, natural resources and agriculture, the secretary of energy and environmental affairs and the secretary of housing and economic development on or before October 1, 2010 and annually for the proceeding 4 years.