

HOUSE No. 2925

By Ms. Gobi of Spencer, petition of Anne M. Gobi and others relative to the imposition of retail milk dealer fees by the Department of Revenue. Revenue.

The Commonwealth of Massachusetts

PETITION OF:

Anne M. Gobi	William Smitty Pignatelli
Todd M. Smola	Christine E. Canavan
Donald F. Humason, Jr.	Jennifer M. Callahan
Rosemary Sandlin	

In the Year Two Thousand and Seven.

AN ACT ESTABLISHING RETAIL MILK DEALER FEES.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. The following terms will be added to the definitions
2 section of Chapter 94A, Section 1:—
3 “Average net raw milk price” shall mean the average net blended
4 milk price paid to producers of milk in the state, including premiums
5 and discounts; and
6 “Retail milk dealer” shall mean any milk dealer selling fluid milk
7 directly to ultimate consumers.

1 SECTION 2. Chapter 94A of the General Laws is hereby
2 amended by adding the following section 11A: —
3 Chapter 94A, Section 11A. Retail milk dealer fees.
4 (a) Fee: Upon notification by the Commissioner [of the Depart-
5 ment of Natural Resources], the Department of Revenue shall levy
6 and impose a retail milk dealer fee at the rate established in subsec-
7 tion (c) on the handling of milk sold at retail to final consumers for
8 consumption off the retail milk dealer’s premises in the Common-
9 wealth. The fee shall be paid by the retail milk dealer making such
10 sale to the final consumer. Milk packaged for sale in containers of
11 less than one quart or more than 20 quarts in volume, or packaged

12 milk that is sold to an institution that is owned and operated by any
13 town or municipality, the Commonwealth, or the Federal govern-
14 ment shall be exempt from the retail milk dealer fee.

15 (b) Open Space Preservation Fund: The Department of Revenue
16 shall deposit fees collected pursuant to this section into the Open
17 Space Preservation Fund maintained by the Commissioner.

18 (c) Rate of Fee: The rate of the retail milk dealer fee shall be
19 established for each fee period on the basis of the average net raw
20 milk price established by the Bureau in accordance with the
21 following:—

22 If the average net raw milk price is \$18.50 per hundredweight and
23 above, the retail milk dealer fee is 0¢ per retail gallon;

24 (1) If the average net raw milk price is \$18.00 to \$18.49 per hun-
25 dredweight, the retail milk dealer fee is 1¢ per retail gallon;

26 (2) If the average net raw milk price is \$17.50 to \$17.99 per hun-
27 dredweight, the retail milk dealer fee is 2¢ per retail gallon;

28 (3) If the average net raw milk price is \$17.00 to \$17.49 per hun-
29 dredweight, the retail milk dealer fee is 4¢ per retail gallon;

30 (4) If the average net raw milk price is \$16.50 to \$16.99 per hun-
31 dredweight, the retail milk dealer fee is 8¢ per retail gallon;

32 (5) If the average net raw milk price is \$16.00 to \$16.49 per hun-
33 dredweight, the retail milk dealer fee is 10¢ per retail gallon;

34 (6) If the average net raw milk price is below \$16.00, the retail
35 milk dealer fee is 12¢ per retail gallon;

36 For any container other than a gallon, the fee is computed on a
37 gallon-equivalent basis. The commissioner may change or alter the
38 retail milk dealer fee rates after a hearing conducted pursuant to
39 section 16 of this Chapter.

40 (c) Fee period: Retail milk dealers shall pay the fee on a calendar
41 month basis within 30 days after the end of the each calendar month.
42 Retail milk dealers shall maintain records of all transactions subject
43 to this section for a period of three years. The Department of Rev-
44 enue shall implement procedures and regulations as necessary to
45 carry out the purposes of this Act.

46 (d) Licensing: Notwithstanding any other provision of this
47 Chapter, including section 4(b) of this Chapter, every retail milk
48 dealer shall register as a milk dealer within 30 days of becoming
49 subject to the retail milk dealer fee.

1 SECTION 3. The following subsection will be added to Chapter
2 94A, Section 14:—

3 (e) Prohibited activities: Any retail dealer which passes the cost of
4 the retail milk dealer fee on to consumers in the form of higher retail
5 prices will be subject to license revocation or refusal of license
6 renewal pursuant to Section 6 of this Chapter.

1 SECTION 4. If any section, part, clause or phrase in this Act, is
2 for any reason held to be invalid or unconstitutional, sections parts,
3 clauses and phrases in said act not held to be invalid or unconstitu-
4 tional shall not be affected and shall remain in full force and effect.