

104TH CONGRESS
1ST SESSION

H. R. 1808

To amend the Agricultural Adjustment Act to repeal the minimum adjustments to prices of fluid milk under Federal marketing orders and to establish basing points in various geographical areas of the United States for purposes of determining prices to be paid to milk producers under such orders.

IN THE HOUSE OF REPRESENTATIVES

JUNE 8, 1995

Mr. ROTH introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To amend the Agricultural Adjustment Act to repeal the minimum adjustments to prices of fluid milk under Federal marketing orders and to establish basing points in various geographical areas of the United States for purposes of determining prices to be paid to milk producers under such orders.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Milk Marketing Order
5 Reform Act of 1995”.

1 **SEC. 2. REPEAL OF EXISTING MINIMUM ADJUSTMENTS TO**
2 **PRICES OF FLUID MILK.**

3 (a) REPEAL.—Paragraph (A) of section 8c(5) of the
4 Agricultural Adjustment Act (7 U.S.C. 608c(5)), reen-
5 acted with amendments by the Agricultural Marketing
6 Agreement Act of 1937, is amended by striking the third
7 and fourth sentences, including the table.

8 (b) TECHNICAL AMENDMENTS.—The first sentence
9 of such paragraph is amended—

10 (1) by striking “Classifying” and inserting
11 “The order shall classify”;

12 (2) by striking “fixing” the first place it ap-
13 pears and inserting “fix”; and

14 (3) by striking “providing” and inserting “pro-
15 vide”.

16 **SEC. 3. ESTABLISHMENT OF REGIONAL MILK PRICING SYS-**
17 **TEM.**

18 (a) ESTABLISHMENT.—Subsection (5) of section 8c
19 of the Agricultural Adjustment Act (7 U.S.C. 608c), reen-
20 acted with amendments by the Agricultural Marketing
21 Agreement Act of 1937, is amended by striking paragraph
22 (H), which is no longer effective pursuant to section 103
23 of the Food and Agriculture Act of 1965 (Public Law 89-
24 321; 79 Stat. 1188), and inserting the following new para-
25 graph:

1 “(H) (i) The Secretary shall designate by rule not less
2 than 4, and not more than 8, regions in the United States
3 which together include all geographical areas in the United
4 States that are subject to milk marketing orders. The en-
5 tire geographical area that is subject to a single milk mar-
6 keting order shall be included in a single region designated
7 under this paragraph.

8 “(ii) Each region designated under this paragraph
9 shall consist of a geographical area in which less than 60
10 percent of the aggregate amount of milk of the highest
11 use classification produced is consumed for fluid use.

12 “(iii) The Secretary shall designate a single site in
13 a milk surplus area in each such region and shall use such
14 site for purposes of determining the prices to be paid to
15 producers for milk produced in such region, including
16 price adjustments under paragraphs (A) and (B) for vol-
17 ume, market, and production differentials customarily ap-
18 plied by the handlers subject to the order involved and
19 for the grade or quality of the milk purchased.

20 “(iv) The aggregate amount of the adjustments made
21 in accordance with subparagraph (iii) under paragraphs
22 (A) and (B) shall be not less than \$1.12 per hundred-
23 weight of milk having 3.5 percent milkfat.”.

24 (b) CONFORMING AMENDMENTS.—Such subsection is
25 further amended—

1 (1) in the second sentence of paragraph (A), by
2 striking “for (1)” and all that follows through “(3)”
3 and inserting “made in accordance with paragraph
4 (H)(iii) and adjustments for”; and

5 (2) in paragraph (B)—

6 (A) by striking “Providing:” and inserting
7 “The order shall contain a provision provid-
8 ing—”;

9 (B) by striking “for (a)” and all that fol-
10 lows through “(c)” and inserting “made in ac-
11 cordance with paragraph (H)(iii), adjustments
12 for”; and

13 (C) by striking “(d)”, “(e)”, and “(f)”.

14 **SEC. 4. EFFECTIVE DATE.**

15 The amendments made by this Act shall take effect
16 one year after the date of the enactment of this Act.

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