## Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

| 1  | State of Arkansas   |
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| 2  | 87th General Assembly A Bill  |
| 3  | Regular Session, 2009 HOUSE BILL 1451   |
| 4  |   |
| 5  | By: Representatives Hoyt, Reynolds, T. Baker, Breedlove, J. Brown, Cole, L. Cowling, Dismang, George, |
| 6  | Hall, Harrelson, Hawkins, House, Lovell, McCrary, Overbey, Perry, Pierce, Powers, Saunders, Slinkard, |
| 7  | Stewart, Summers, Tyler, Wagner, Webb, Wells, B. Wilkins, J. Roebuck, Pyle, M. Burris, M. Martin,     |
| 8  | Ragland   |
| 9  | By: Senators Bryles, J. Jeffress, G. Jeffress, J. Taylor, D. Wyatt                                    |
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| 11 |   |
| 12 | For An Act To Be Entitled   |
| 13 | AN ACT TO ENSURE AN ADEQUATE SUPPLY OF ARKANSAS   |
| 14 | MILK FOR ARKANSAS CONSUMERS; TO STABILIZE AND   |
| 15 | STIMULATE DAIRY FARMS IN ARKANSAS; TO CREATE THE  |
| 16 | DAIRY STABILIZATION FUND; AND FOR OTHER PURPOSES.   |
| 17 |   |
| 18 | Subtitle  |
| 19 | AN ACT TO ENSURE AN ADEQUATE SUPPLY OF  |
| 20 | ARKANSAS MILK FOR ARKANSAS CONSUMERS; TO  |
| 21 | STABILIZE AND STIMULATE DAIRY FARMS IN  |
| 22 | ARKANSAS; AND TO CREATE THE DAIRY   |
| 23 | STABILIZATION FUND.   |
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| 26 | BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:                                       |
| 27 |   |
| 28 | SECTION 1. Arkansas Code Title 2, Chapter 10, is amended to add an                                    |
| 29 | additional subchapter to read as follows:   |
| 30 | 2-10-201. Definitions.  |
| 31 | As used in this subchapter:   |
| 32 | (1) "Butter" means the fatty substance obtained from milk by  |
| 33 | churning;   |
| 34 | (2) "Cheese" means solid foods made from pressed curds of milk,                                       |
| 35 | including hard, American, processed, shredded, mozzarella, and cream;                                 |
| 36 | (3) "Cultured milk products" means yogurt, cottage cheese, and  |

| 1  | sour cream;   |
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| 2  | (4)(A) "Dairy products" means refrigerated or frozen items sold               |
| 3  | to consumers in Arkansas that are processed directly from raw milk.           |
| 4  | (B) "Dairy products" includes without limitation:                             |
| 5  | (i) Butter;   |
| 6  | (ii) Cheese;  |
| 7  | (iii) Cultured milk products;   |
| 8  | (iv) Fluid milk; and  |
| 9  | (v) Ice cream.  |
| 10 | (C) "Dairy products" does not include a dairy product that                    |
| 11 | is used as an ingredient for a nondairy finished product;"                    |
| 12 | (5) "Fluid milk" means whole, reduced fat, skim, flavored, and                |
| 13 | buttermilk, including cream and half and half;                                |
| 14 | (6) "Ice cream" means flavored cream or custard made from milk,               |
| 15 | sweetened and frozen, including full fat, low fat, ice milk, frozen yogurt,   |
| 16 | and milk sherbet;   |
| 17 | (7) "Milk producer" means any person or entity that operates a                |
| 18 | bovine dairy farm that possesses a valid permit signed by the administrator   |
| 19 | of the Arkansas Grade "A" Milk Program; and                                   |
| 20 | (8) "Wholesaler" means a person or entity that is engaged as a                |
| 21 | distributor or manufacturer who receives, stores, manufactures, or sells milk |
| 22 | or other dairy products to retail sellers in Arkansas.                        |
| 23 |   |
| 24 | <u>2-10-202. Dairy fee.</u>   |
| 25 | (a) A wholesaler shall pay a dairy fee of thirty cents (30¢) per              |
| 26 | hundred weight on packaged milk and an equivalent amount as determined by the |
| 27 | Secretary of the Arkansas Agriculture Department on other dairy products sold |
| 28 | in Arkansas.  |
| 29 | (b)(1) The dairy stabilization fee shall be assessed and collected by         |
| 30 | the Director of the Department of Finance and Administration.                 |
| 31 | (2) The director shall deposit the dairy fee into general                     |
| 32 | revenues.   |
| 33 | (c) A wholesaler that is subject to the dairy fee under this section          |
| 34 | shall file a monthly return and remit the fee for the month to the Director   |
| 35 | of the Department of Finance and Administration on or before the 15th day of  |
| 36 | the month next following the month in which the sale was made.                |

| 1  | (d) The secretary shall provide quarterly reports to the Arkansas Milk        |
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| 2  | Stabilization Board regarding the assessment, collection, and disbursement of |
| 3  | moneys collected under this section.  |
| 4  | (e) If an Arkansas retailer purchases milk or dairy products from an          |
| 5  | unlicensed wholesaler, distributor, or manufacturer for sale in Arkansas, the |
| 6  | retailer shall pay the fee when the property is transferred to a retail store |
| 7  | for sale to the ultimate consumers as reflected in the records of the         |
| 8  | <u>retailer.</u>  |
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| 10 | <u>2-10-206. Rules.</u>   |
| 11 | The Director of the Department of Finance and Administration shall            |
| 12 | adopt rules to implement this subchapter.                                     |
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| 15 | /s/ Hoyt  |
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