

SENATE BILL NO. 560 (Substitute of Senate Bill No. 434 by Senator Mizell)

BY SENATOR MIZELL

1 AN ACT

2 To enact Part IV of Chapter 2 of Title 24 of the Louisiana Revised Statutes of 1950, to be
3 comprised of R.S. 24:121, relative to the dairy industry; to create the Dairy
4 Stabilization Study Commission; to provide for the membership of the commission;
5 to provide for the duties of the commission; to provide relative to meetings and per
6 diem; to authorize public hearings; to provide relative to public entity records, data,
7 and information; to require a committee report; to provide for termination of the
8 commission; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. Part IV of Chapter 2 of Title 24 of the Louisiana Revised Statutes of 1950,
11 comprised of R.S. 24:121, is hereby enacted to read as follows:

12 **PART IV. DAIRY STABILIZATION STUDY COMMISSION**

13 **§121. Dairy Stabilization Study Commission; creation; purpose; membership;**
14 **duties; reporting; termination**

15 **A.(1) The legislature finds that the decline of the dairy industry in**
16 **Louisiana has reached a tragic level, which is a matter of great importance to**
17 **the state's health and welfare.**

18 **(2) The legislature further finds that the dairy industry is an essential**
19 **agricultural activity in Louisiana and dairy farmers, processors, distributors,**
20 **retailers, and consumers are an integral component of the state's economy.**

21 **(3) The legislature further finds that consumers should be protected**
22 **against inadequate supplies of milk and dairy products and against excessive**
23 **prices for milk and dairy products.**

24 **(4) The legislature further finds that it is in the best interest of the state's**
25 **dairy industry and the dairy consumers in the state to create a commission to**
26 **study and review the Dairy Stabilization Law as provided in R.S. 3:4101 et seq.**

1 B. There is hereby created the Dairy Stabilization Study Commission,
2 referred to in this Part as the "commission", for the purposes of studying and
3 reviewing milk pricing in Louisiana, recommending best practices and
4 strategies to best assist the dairy industry, and recommending any necessary
5 statutory and regulatory changes to the legislature and the Department of
6 Agriculture and Forestry related to the study.

7 C. The membership of the commission shall be comprised of twenty-one
8 members as follows:

9 (1) The commissioner of agriculture or his designee.

10 (2) Three dairy farmers appointed by the Louisiana Farm Bureau
11 Federation, Inc.

12 (3) A dairy processor appointed by the Louisiana Dairy Products
13 Association.

14 (4) A dairy distributor appointed by the Louisiana Retailers Association.

15 (5) The president of the Senate or his designee.

16 (6) The speaker of the House of Representatives or his designee.

17 (7) The chairman of the House Committee on Agriculture, Forestry,
18 Aquaculture and Rural Development or his designee.

19 (8) The chairman of the Senate Committee on Agriculture, Forestry,
20 Aquaculture and Rural Development or his designee.

21 (9) Two economists from a public postsecondary four-year institution
22 appointed by the commissioner of higher education.

23 (10) An agriculture economist appointed by the chancellor of the
24 Louisiana State University Agricultural Center.

25 (11) An agriculture economist appointed by the chancellor of the
26 Southern University Agricultural Research and Extension Center.

27 (12) A consumer advocate appointed by the president of the Senate.

28 (13) A consumer advocate appointed by the speaker of the House of
29 Representatives.

30 (14) One member appointed by the Public Affairs Research Council of

1 Louisiana.

2 (15) One member appointed by the Louisiana Association of Business
3 and Industry.

4 (16) One member appointed by the Louisiana chapter of the National
5 Federation of Independent Business.

6 (17) An independent dairy processor appointed by the commissioner of
7 agriculture.

8 (18) The United States Department of Agriculture Milk Market
9 Administrator representing the Southeast Marketing Area Federal Order No.
10 7 or his designee.

11 D. Legislative members of the commission shall receive the same per
12 diem and travel allowance for attending meetings of the commission as is
13 normally provided for meetings of legislative committees. Other members of the
14 commission shall serve without compensation.

15 E. The legislature shall provide the facilities needed by the commission
16 to accomplish its tasks and shall designate staff from the Senate Committee on
17 Agriculture, Forestry, Aquaculture and Rural Development and the House
18 Committee on Agriculture, Forestry, Aquaculture and Rural Development to
19 assist the commission in performing its duties and responsibilities.

20 F. The chairman of the Senate Committee on Agriculture, Forestry,
21 Aquaculture and Rural Development and the chairman of the House Committee
22 on Agriculture, Forestry, Aquaculture and Rural Development shall serve as
23 cochairmen of the commission and shall convene the commission for its first
24 meeting by September 1, 2018. The commission shall meet upon the call of the
25 cochairmen as often as deemed necessary to carry out its duties. The
26 cochairmen shall establish a meeting schedule with a minimum of three
27 meetings and time line for completion of the commission's duties.

28 G. The commission may hold public hearings as part of its evaluation
29 process, and may appoint advisory groups to conduct studies, research, or
30 analyses, and make reports and recommendations with respect to a matter

1 within the jurisdiction of the commission. At least one member of the
2 commission shall serve on each advisory group.

3 H. The names of the persons who are to serve on the commission shall be
4 submitted to the president of the Senate and the speaker of the House of
5 Representatives on or before August 15, 2018.

6 I. At a minimum, the commission shall study and make
7 recommendations on the following:

8 (1) The retail price of milk and milk products in Louisiana, including an
9 analysis of how cost markups of milk and milk products at the retail level affect
10 the prices paid to milk processors, milk distributors, and dairy farmers.

11 (2) A comparison of other state programs which set minimum prices paid
12 to milk processors, milk distributors, and dairy farmers.

13 (3) A comparison of other state programs which regulate or establish
14 wholesale or retail prices of milk and milk products.

15 (4) An analysis on the effectiveness of the disruptive trade practices
16 provisions of the Dairy Stabilization Law as provided in R.S. 3:4108 and rules
17 adopted pursuant thereto.

18 (5) An analysis of whether supply and demand forces influenced by
19 federal and state dairy programs determine the price dairy farmers receive for
20 raw milk.

21 J. Except as provided in R.S. 3:4110, the commission shall be authorized
22 to request and receive such records, data, and information produced by any
23 public entity and such entity shall respond to the request in a timely manner.

24 K. The commission shall submit a written report of its findings and
25 recommendations to the president of the Senate, the speaker of the House of
26 Representatives, the Senate Committee on Agriculture, Forestry, Aquaculture
27 and Rural Development and the House Committee on Agriculture, Forestry,
28 Aquaculture and Rural Development not later than sixty days prior to the
29 convening of the 2019 Regular Session of the Legislature of Louisiana. The
30 report also shall include recommendations for any changes to laws, rules,

1 regulations, or guidelines that the commission deems necessary in order to
2 strengthen the dairy industry in Louisiana and protect consumers against
3 excessive prices for milk and dairy products.

4 L. The commission shall terminate on June 30, 2019.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____