

106TH CONGRESS
1ST SESSION

S. 124

To amend the Agricultural Adjustment Act to prohibit the Secretary of Agriculture from basing minimum prices for Class I milk on the distance or transportation costs from any location that is not within a marketing area, except under certain circumstances, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 19, 1999

Mr. FEINGOLD introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To amend the Agricultural Adjustment Act to prohibit the Secretary of Agriculture from basing minimum prices for Class I milk on the distance or transportation costs from any location that is not within a marketing area, except under certain circumstances, and for other purposes.

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

1 **SECTION 1. LOCATION ADJUSTMENTS FOR MINIMUM**
 2 **PRICES FOR CLASS I MILK.**

3 Section 8c(5) of the Agricultural Adjustment Act (7
 4 U.S.C. 608c(5)), reenacted with amendments by the Agri-
 5 cultural Marketing Agreement Act of 1937, is amended—

6 (1) in paragraph (A)—

7 (A) in clause (3) of the second sentence, by
 8 inserting after “the locations” the following:

9 “within a marketing area subject to the order”;

10 and

11 (B) by striking the last 2 sentences and in-
 12 serting the following: “Notwithstanding sub-
 13 section (18) or any other provision of law, when
 14 fixing minimum prices for milk of the highest
 15 use classification in a marketing area subject to
 16 an order under this subsection, the Secretary
 17 may not, directly or indirectly, base the prices
 18 on the distance from, or all or part of the costs
 19 incurred to transport milk to or from, any loca-
 20 tion that is not within the marketing area sub-
 21 ject to the order, unless milk from the location
 22 constitutes at least 50 percent of the total sup-
 23 ply of milk of the highest use classification in
 24 the marketing area. The Secretary shall report
 25 to the Committee on Agriculture of the House
 26 of Representatives and the Committee on Agri-

1 culture, Nutrition, and Forestry of the Senate
2 on the criteria that are used as the basis for the
3 minimum prices referred to in the preceding
4 sentence, including a certification that the mini-
5 mum prices are made in accordance with the
6 preceding sentence.”; and

7 (2) in paragraph (B)(c), by inserting after “the
8 locations” the following: “within a marketing area
9 subject to the order”.

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