

<h1>Regulatory Analysis Form</h1> <p>(Completed by Promulgating Agency)</p> <p>(All Comments submitted on this regulation will appear on IRRC's website)</p>		<p style="text-align: center;"><b>INDEPENDENT REGULATORY REVIEW COMMISSION</b></p> <p style="text-align: center; font-size: 2em; font-weight: bold;">RECEIVED</p> <p style="text-align: center; font-size: 1.5em;">DEC 12 2019</p> <p style="text-align: center;">Independent Regulatory Review Commission</p>
<p>(1) Agency</p> <p style="text-align: center;"><b>Pennsylvania Milk Marketing Board</b></p>		
<p>(2) Agency Number: 47</p> <p>Identification Number: 19</p>		
<p>(3) PA Code Cite: <b>7 Pa. Code Chapter 150</b></p>		<p>IRRC Number: 3241</p>
<p>(4) Short Title: <b>Milk Marketing Fees</b></p>		
<p>(5) Agency Contacts (List Telephone Number and Email Address):</p> <p>Primary Contact: <b>Doug Eberly, Chief Counsel – deberly@pa.gov – 717.836.3115</b></p> <p>Secondary Contact: <b>Andy Saylor, Staff Attorney – asaylor@pa.gov – 717.787.4374</b></p>		
<p>(6) Type of Rulemaking (check applicable box):</p> <p><input type="checkbox"/> Proposed Regulation</p> <p><input checked="" type="checkbox"/> Final Regulation</p> <p><input type="checkbox"/> Final Omitted Regulation</p>		<p><input type="checkbox"/> Emergency Certification Regulation;</p> <p><input type="checkbox"/> Certification by the Governor</p> <p><input type="checkbox"/> Certification by the Attorney General</p>
<p>(7) Briefly explain the regulation in clear and nontechnical language. (100 words or less)</p> <p>Section 150.3 is proposed to be deleted because the classification transition described in that regulation was implemented and completed by the Pennsylvania Milk Marketing Board (Board) more than fifteen years ago.</p> <p>Sections 150.11, 150.12, 150.21, 150.22, 150.51, 150.61, 150.62, 150.71, and 150.72 are proposed to be amended to increase the amount of the current license fees paid by milk dealers, subdealers, haulers, testers, and weigher – samplers.</p>		
<p>(8) State the statutory authority for the regulation. Include <u>specific</u> statutory citation.</p> <p>The Milk Marketing Fee Act, 31 P.S. § 700k-1, provides that the Board shall charge and collect license fees. Sections 700k-3(c) (milk dealers and subdealers), 700k-6 (milk haulers), 700k-7 (milk testers), and 700k-8 (milk weighers and samplers) provide that the Board has the authority to set the fees by regulation.</p>		
<p>(9) Is the regulation mandated by any federal or state law or court order, or federal regulation? Are there any relevant state or federal court decisions? If yes, cite the specific law, case or regulation as well as, any deadlines for action.</p>		

These fee regulations are mandated by the Milk Marketing Fee Act. They are not mandated by any federal law or regulation or any court decision. There are no relevant court decisions or deadlines for this action.

(10) State why the regulation is needed. Explain the compelling public interest that justifies the regulation. Describe who will benefit from the regulation. Quantify the benefits as completely as possible and approximate the number of people who will benefit.

The Milk Marketing Law, 31 P.S. §700j-101 (Law), provides that all funds collected or received by the Board are paid into the State Treasury and placed in the Milk Marketing Fund (Section 1101) (Fund). The Fund is used to pay the Board's expenses (Section 1102). The Board has not received any general fund appropriations since the 1996-1997 fiscal year.

The Fund's balance at the end of this 2018-2019 fiscal year is projected to be about \$3,500,000. However, the balance has been declining for several years despite careful stewardship of the Board's finances. The projected deficits for the next 4 years, if the fees are not increased, are about \$355,000, \$530,000, \$685,000, and \$745,000.

The last fee increase was effective January 2004 (See IRRC Regulation No. 2281).

The Board was established by the Legislature with "the power to supervise, investigate and regulate the entire milk industry in the Commonwealth" (Section 301 of the Law). The Board licenses milk dealers, subdealers, haulers, testers, and weigher – samplers. The Board sets the Commonwealth's producer, wholesale, and retail milk prices. The Board assures timely and correct payment to milk producers. The Board requires bonds from dealer as provided in the Milk Producers' Security Act to help assure farmers are paid for their milk. All Pennsylvanians benefit from the Board's existence, because it helps to provide stability and security to the dairy industry in Pennsylvania, which is a multi-billion dollar industry estimated to provide in the range of 45,000 to 52,000 jobs and an economic impact estimated in the range of \$8.9 billion to \$14.7 billion.

Fortunately the Board has been able to fulfill these responsibilities without a general fund appropriation for 20 years and without a fee increase for 15 years. Now a fee increase has become necessary for the continued viability of the Agency.

(11) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulations.

There are no applicable federal standards.

(12) How does this regulation compare with those of the other states? How will this affect Pennsylvania's ability to compete with other states?

Pennsylvania has a more comprehensive milk regulation program than most other states. Only two other states (Maine and North Dakota which produce much less milk) regulate producer (farmer), wholesale, and retail prices. Therefore other states may have lower fees. For example, Ohio has annual dealer, hauler, and weigher-sampler license fees of \$15. Maryland has a \$100 annual dealer license fee. New Jersey has a dealer license fee of \$0.025 per hundredweight (cwt) for dealer sales to consumers. New York has an annual fixed dealer license fee of \$100 plus an additional fee based on average daily volume, with a fee rate of about one cent cwt, to a maximum of \$7,500.00.

However, this regulation is not expected to negatively affect Pennsylvania's ability to compete with other states. Milk dealers and cooperatives are impacted the most by the proposed fee increases, and yet the Pennsylvania Association of Milk Dealers (PAMD) has informed the Board in writing that it *supports* the fee increase. A public meeting has been held (see No. 14 below) and there has been no indication of opposition to the increase from anyone. At that meeting, the attorney for the Pennsylvania Association of Dairy Cooperatives (PADC) said there has been no opposition from its members. PAMD and PADC have members who are major regional and national dealers and cooperatives, as well as Pennsylvania companies, who have substantial plants and business in Pennsylvania, who would be adversely affected if the regulation made Pennsylvania less competitive. Their non-opposition, and even support, demonstrates that this regulation is not expected to be disadvantageous for Pennsylvania.

(13) Will the regulation affect any other regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

No.

(14) Describe the communications with and solicitation of input from the public, any advisory council/group, small businesses and groups representing small businesses in the development and drafting of the regulation. List the specific persons and/or groups who were involved. ("Small business" is defined in Section 3 of the Regulatory Review Act, Act 76 of 2012.)

A public hearing was held on May 23, 2019 at the Farm Show Complex in Harrisburg PA. Notice of this hearing was given in Bulletin No. 1559 which was published in the PA Bulletin on April 13, 2019. This notice was also sent to the Board's network of more than 300 licensees, trade organizations, stores, individuals, and media who receive communications from the Board by email or mail.

The Bulletin was also posted on the Board's website ([www.mmb.pa.gov](http://www.mmb.pa.gov)). The proposed amendments were posted on the Board's website on April 16, 2019 (the examination fee increases in Sections 150.61 and 150.71 were inadvertently not included in that draft). The anticipated effective dates of the proposed changes were posted on April 23, 2019.

The Board received written communication only from the Pennsylvania Association of Milk Dealers (PAMD), who supported the amendments. At the hearing, the only attendees (other than the Board and Board personnel) were an attorney representing PAMD and an attorney and another person

representing the Pennsylvania Association of Dairy Cooperatives (PADC). The PAMD attorney endorsed the letter it had already sent to the Board. The PADC attorney said there has been no opposition from its members. Tim Moyer, the Secretary of the PMMB, gave a statement supporting the proposed amendments.

(15) Identify the types and number of persons, businesses, small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012) and organizations which will be affected by the regulation. How are they affected?

The Board currently licenses 42 milk testers and 1,388 milk weigher-samplers. Their annual license renewal fees will increase from \$20 to \$25. The examination fee for a new milk tester or weigher-sampler will increase from \$25 to \$30 and the license fee from \$20 to \$25.

The Board currently licenses 184 milk haulers. Their annual license renewal fees will increase from \$30 to \$35. The license application fee for a new milk hauler will also increase from \$30 to \$35.

The Board currently licenses 163 milk subdealers. Their annual fixed license renewal fees will increase from \$25 to \$50. The fixed license application fee for a new subdealer will still be \$50 but will no longer be prorated based on the time of year the license is issued. Their volume-based additional fee (designated as the "quart-equivalent fee") will increase twenty-five percent to a maximum of \$1,750, and will be calculated on the basis of milk sold, not milk purchased.

The Board currently licenses 180 milk dealers. Their annual fixed license fee renewal fees will increase from \$50 to \$100. The annual fixed license application fee for a new dealer will still be \$100 but will be prorated semi-annually instead of quarterly based on the time of year the application is submitted. The hundredweight fees, based on the amount of Pennsylvania producer milk purchased, will increase from \$0.045 cwt to \$0.060 cwt for controlled products (products for which the Board sets prices) and from \$0.0057 cwt to \$0.0064 cwt for non-controlled products.

The testers and weigher-samplers are individuals. A large majority, but not all, of the licensees are small businesses.

**Rationale for changing the calculation of the subdealer quart-equivalent fee from milk *purchased* by the subdealers to milk *sold* by the subdealers.** Subdealers currently pay an annual fee based on the number of quarts they buy in Pennsylvania. The Board proposes to base this fee on quarts sold in Pennsylvania. There are several reasons for the change.

- Dealer fees are based on sales. Our fee calculations will be more consistent when both dealer and subdealer fees are based on sales.
- Subdealers already report their annual sales on the Subdealer Survey form which they submit with their annual license renewal.
- Dealers licensed by the Board are required to report their sales to subdealers. Some subdealers purchase their products from dealers in other states. Those dealers may not be licensed by the Board. Then those sales to the subdealers are not reported to the Board. Recent analysis by milk industry economists and the Legislative Budget and Finance Committee's (LBFC) recent report, "A Study of Pennsylvania's Dairy Industry"

<http://lbfc.legis.state.pa.us/Resources/Documents/Reports/653.pdf> (page 107), have stated that the Board's effectiveness will be increased by gathering more comprehensive data about milk sales in Pennsylvania. By basing the fees on sales instead of purchases, the Board will obtain more definitive data about Pennsylvania transactions. The Subdealer Surveys are not adequate for this purpose because those are not audited as the reports of sales for fee-setting purposes can be.

**Fiscal impact on subdealers of the change from basing the quart-equivalent fees on sales instead of purchases.**

The subdealer quart-equivalent fee currently produces a total of about \$18,000.00 per license year for all subdealers. There are eleven fee categories based on volume. About eighty percent of the subdealers are in the smallest volume category. There are only five subdealers in the five highest categories.

The fees are currently calculated based on the volumes that licensed dealers report selling to licensed subdealers. Subdealer sales are not currently reported, other than on the Subdealer Surveys, which are not audited and are not necessarily consistently submitted.

Therefore we cannot calculate with certainty the impact of this change. But most of the subdealers have relatively small volume with limited geographical range. Their product sold is likely to be commensurate with their product purchased. The large volume subdealers, if this changes their fee at all, can be sure they will not experience an enormous change because there is a cap on the amount of this fee (\$1,750.00). Two of the five large subdealers are already in the top category, so the only increase they will experience is the proposed increase for that category.

The Board's expectation that this change is not likely to have a large impact is evidenced in the fee estimate for the year after this change is implemented. A twenty-five percent increase from \$18,000.00 to \$22,500.00 is projected.

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(16) List the persons, groups or entities, including small businesses, that will be required to comply with the regulation. Approximate the number that will be required to comply.

Please see No. 15 above.

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(17) Identify the financial, economic and social impact of the regulation on individuals, small businesses, businesses and labor communities and other public and private organizations. Evaluate the benefits expected as a result of the regulation.

The impact is described in No. 15 above. The benefit is the continued viability of the Milk Marketing Board.

Milk Dealers are projected to pay a total of about \$370,000 to \$385,000 per year more than they would under the current fee structure. This will be paid by the dealers and cooperatives – whose representative organizations have let us know they do not oppose the fee increases (as stated in No. 14 above).

Milk Subdealers are projected to pay a total of about \$8,500 per year more than they would under the current fee structure.

Milk haulers are projected to pay a total of about \$950 per year more than they would under the current fee structure.

Milk weigher-samplers are projected to pay a total of about \$8,195 per year more than they would have under the current fee structure.

Milk testers are projected to pay a total of about \$325 per year more than they would have under the current fee structure.

(18) Explain how the benefits of the regulation outweigh any cost and adverse effects.

As stated in more detail in No. 10 above, the Board's activities, including licensing, price-setting, bonding, and producer-payment oversight help provide stability and security for the multi-billion dollar Pennsylvania dairy industry. This fee increase will help assure the agency's continued viability, and therefore the viability of the regulated community.

(19) Provide a specific estimate of the costs and/or savings to the **regulated community** associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.

Please see No. 15 and No. 17 above for the specific cost estimates, which were prepared by the Secretary of the agency, Tim Moyer, based on informed estimates of how many licensees there are likely to be in the next several years, and what their volume of milk purchases or sales are expected to be.

No increase in legal, accounting, or consulting procedures is anticipated, because the licensees are already paying license fees. Subdealers will be calculating their fees based on their sales rather than having them calculated based on their purchases, but this is information they will obviously already have available.

(20) Provide a specific estimate of the costs and/or savings to the **local governments** associated with compliance, including any legal, accounting or consulting procedures which may be required. Explain how the dollar estimates were derived.

No costs or savings to local governments are anticipated.

(21) Provide a specific estimate of the costs and/or savings to the **state government** associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required. Explain how the dollar estimates were derived.

No costs or savings to the state government is anticipated because the agency is already assessing and collecting these fees. Increased revenue to the Milk Marketing Board is anticipated.

(22) For each of the groups and entities identified in items (19)-(21) above, submit a statement of legal, accounting or consulting procedures and additional reporting, recordkeeping or other paperwork, including copies of forms or reports, which will be required for implementation of the regulation and an explanation of measures which have been taken to minimize these requirements.

No additional legal, accounting or consulting procedures, or additional reporting, recordkeeping or other paperwork, including forms or reports, which will be required for implementation of the regulation. Subdealers will be calculating their fees based on their sales rather than having them calculated based on their purchases, but this is information they will obviously already have available.

(22a) Are forms required for implementation of the regulation?

The forms used to report sales or purchase volumes and submit license fees are already in use and will be modified to reflect the fee changes.

(22b) If forms are required for implementation of the regulation, attach copies of the forms here. If your agency uses electronic forms, provide links to each form or a detailed description of the information required to be reported. Failure to attach forms, provide links, or provide a detailed description of the information to be reported will constitute a faulty delivery of the regulation.

Several forms will be modified:

PMMB-001. New License Application: Dealer / Subdealer. Pages 6 and 7 will be modified (attached – deletions are lined out, additions are red and in a box).

PMMB-002. License Renewal: Dealer / Subdealer. Page 6 will be modified (attached – deletions are lined out, additions are red and in a box).

PMMB-62 MLFC. Monthly License Fee Calculation. Controlled sales fee to be changed from \$0.045 cwt (\$0.000450 per pound) to \$0.060 cwt (\$0.00060). Non-controlled sales fee to be changed from \$0.0057 cwt (\$0.000057 per pound) to \$0.0064 cwt (\$0.000064 per pound).

PMMB-77.

New Application for Milk Hauler's License. Fee to be changed from \$30.00 to \$35.00.

Milk Hauler's License Renewal Application. Fee to be changed from \$30.00 to \$35.00.

PMMB-81A. New Application for Weigher / Sampler Certificate. Fee for application to be changed from \$20.00 to \$25.00 and fee for examination from \$25.00 to \$30.00 (which increases the total fee for the exam and application from \$45.00 to \$55.00).

PMMB-81B.

Renewal Application for Weigher / Sampler Certificate. Fee to be changed from \$20.00 to \$25.00.

Renewal Application for Tester Certificate. Fee to be changed from \$20.00 to \$25.00.

PMMB-82B.

Application for Tester Certificate. Fee to be changed from \$20.00 to \$25.00 and fee for examination from \$25.00 to \$30.00 (which increases the total fee for the exam and application from \$45.00 to

\$55.00).

The forms to be modified which are not attached can be accessed at [www.mmb.pa.gov/Licensing/Pages/default.aspx](http://www.mmb.pa.gov/Licensing/Pages/default.aspx).

(23) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

The only applicable category is costs for regulated community. Cost projections were only made for FY+4. This is the projected total *increase* in fees if the proposed increase is adopted.

	This FY Yr 18-19	FY +1 Yr 19-20	FY +2 Yr 20-21	FY +3 Yr 21-22	FY +4 Yr 22-23	FY +5 Year
<b>SAVINGS:</b>	\$	\$	\$	\$	\$	\$
Regulated Community						
Local Government						
State Government						
<b>Total Savings</b>						
<b>COSTS:</b>						
Regulated Community	0	0	404,938	403,800	402,889	n/a
Local Government						
State Government						
<b>Total Costs</b>						
<b>REVENUE LOSSES:</b>						
Regulated Community						
Local Government						
State Government						
<b>Total Revenue Losses</b>						

(23a) Provide the past three year expenditure history for programs affected by the regulation.

Not applicable.

Program	FY -3	FY -2	FY -1	Current FY

(24) For any regulation that may have an adverse impact on small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012), provide an economic impact statement that includes the following:

- (a) An identification and estimate of the number of small businesses subject to the regulation.

Please see No. 15 above.

- (b) The projected reporting, recordkeeping and other administrative costs required for compliance with the proposed regulation, including the type of professional skills necessary for preparation of the report or record.

Please see No. 19 above.

- (c) A statement of probable effect on impacted small businesses.

The probable effect on the impacted small businesses is admittedly that their funds available for other purposes are reduced by the amount of the increased fees. However the fees are not considered unreasonable or so large that they will be an undue burden on the licensees.

- (d) A description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation.

The fee increases have been kept as limited as possible while still providing better financial viability for the agency. The agency has strived to be a careful steward of the fees it receives.

(25) List any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, the elderly, small businesses, and farmers.

The fee increases have been kept as limited as possible while still providing better financial viability for the agency.

(26) Include a description of any alternative regulatory provisions which have been considered and rejected and a statement that the least burdensome acceptable alternative has been selected.

The fee increases have been kept as limited as possible while still providing better financial viability for the agency. The least burdensome acceptable alternative has been selected.

(27) In conducting a regulatory flexibility analysis, explain whether regulatory methods were considered that will minimize any adverse impact on small businesses (as defined in Section 3 of the Regulatory Review Act, Act 76 of 2012), including:

- a) The establishment of less stringent compliance or reporting requirements for small businesses;
- b) The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses;

- c) The consolidation or simplification of compliance or reporting requirements for small businesses;
- d) The establishment of performance standards for small businesses to replace design or operational standards required in the regulation; and
- e) The exemption of small businesses from all or any part of the requirements contained in the regulation.

(a), (b), (c). The compliance and reporting requirements relevant to license fees are basic and could not be condensed or simplified.

(d). There are no relevant performance standards.

(e). The fixed license application fees and renewal fees are reasonable amounts to cover administrative costs, and no exemption from those fees for smaller businesses seems necessary or advisable. The other fees are based on volume, and therefore the smaller the business, the smaller its fee. Therefore no exemptions are included in the proposed regulations.

(28) If data is the basis for this regulation, please provide a description of the data, explain in detail how the data was obtained, and how it meets the acceptability standard for empirical, replicable and testable data that is supported by documentation, statistics, reports, studies or research. Please submit data or supporting materials with the regulatory package. If the material exceeds 50 pages, please provide it in a searchable electronic format or provide a list of citations and internet links that, where possible, can be accessed in a searchable format in lieu of the actual material. If other data was considered but not used, please explain why that data was determined not to be acceptable.

These budget projections were prepared by the Secretary of the agency, Tim Moyer. There will still be annual deficits (receipts less disbursements), if the proposed fee increases are implemented, but they will be considerably smaller deficits, thereby reducing the erosion of the Fund and enhancing the financial viability of the agency.

The Board realizes that this fee increase does not eliminate the annual deficits. A fee increase that would eliminate the budget deficits would be ideal for the agency, but not ideal for the dairy industry in Pennsylvania.

**CURRENT AND PROJECTED BUDGET – NO FEE INCREASE**

	FYE 18-19	FYE 19-20	FYE 20-21	FYE 21-22	FYE 22-23
Beginning Cash Balance	3,679,000	3,505,899	3,150,894	2,620,719	1,936,384
Receipts					
Dealer - Cwt Fees	1,703,229	1,677,006	1,651,570	1,626,897	1,602,964
Hauler - Cwt Fees	609,135	609,135	609,135	609,135	609,135
Subdealer - Quarts Fees	18,000	18,000	18,000	18,000	18,000
Dealer - Fixed Fees	9,950	9,950	9,950	9,950	9,950
Hauler - Fixed Fees	5,700	5,700	5,700	5,700	5,700
Subdealer - Fixed Fees	4,050	4,050	4,050	4,050	4,050
Weigher/Sampler - Fixed Fees	32,780	32,780	32,780	32,780	32,780
Tester - Fixed Fees	1,300	1,300	1,300	1,300	1,300
Examination Fees	5,000	5,000	5,000	5,000	5,000
Fines/Other Fees	5,000	5,000	5,000	5,000	5,000
Interest @1.75%	70,000	61,353	55,141	45,863	33,887
TOTAL Receipts	2,464,144	2,429,274	2,397,626	2,363,675	2,327,766
Total Funds Available	6,143,144	5,935,173	5,548,520	4,984,393	4,264,150

<b>Disbursements</b>					
Salary & Benefits	2,237,245	2,354,279	2,411,641	2,523,526	2,640,708
Operating Expenses	400,000	408,000	416,160	424,483	432,973
Total Operational Disbursements	2,637,245	2,762,279	2,827,801	2,948,009	3,073,681
Other Expense - MARS			100,000	100,000	
Other Expense STIR		22,000			
Total Disbursements	2,637,245	2,784,279	2,927,801	3,048,009	3,073,681
Receipts less Disbursements	(173,101)	(355,005)	(530,175)	(684,335)	(745,915)
Ending Cash Balance	3,505,899	3,150,894	2,620,719	1,936,384	1,190,469

**CURRENT AND PROJECTED BUDGET - WITH PROPOSED FEE INCREASE**

	FYE 18-19	FYE 19-20	FYE 20-21	FYE 21-22	FYE 22-23
Beginning Cash Balance	3,679,000	3,505,899	3,150,894	3,025,657	2,745,123
<b>Receipts</b>					
Dealer - Cwt Fees	1,703,229	1,677,006	2,027,538	1,994,641	1,962,730
Hauler - Cwt Fees	609,135	609,135	609,135	609,135	609,135
Subdealer - Quarts Fees	18,000	18,000	22,500	22,500	22,500
Dealer - Fixed Fees	9,950	9,950	19,900	19,900	19,900
Hauler - Fixed Fees	5,700	5,700	6,650	6,650	6,650
Subdealer - Fixed Fees	4,050	4,050	8,100	8,100	8,100
Weigher/Sampler - Fixed Fees	32,780	32,780	40,975	40,975	40,975
Tester - Fixed Fees	1,300	1,300	1,625	1,625	1,625
Examination Fees	5,000	5,000	6,000	6,000	6,000
Fines/Other Fees	5,000	5,000	5,000	5,000	5,000
Interest	70,000	61,353	55,141	52,949	48,040
TOTAL Receipts	2,464,144	2,429,274	2,802,564	2,767,475	2,730,655
Total Funds Available	6,143,144	5,935,173	5,953,458	5,793,132	5,475,778
<b>Disbursements</b>					
Salary & Benefits	2,237,245	2,354,279	2,411,641	2,523,526	2,640,708
Operating Expenses	400,000	408,000	416,160	424,483	432,973
Total Operational Disbursements	2,637,245	2,762,279	2,827,801	2,948,009	3,073,681
Other Expense - MARS			100,000	100,000	
Other Expense STIR		22,000			
Total Disbursements	2,637,245	2,784,279	2,927,801	3,048,009	3,073,681
Receipts less Disbursements	(173,101)	(355,005)	(125,237)	(280,534)	(343,026)
Ending Cash Balance	3,505,899	3,150,894	3,025,657	2,745,123	2,402,097

(29) Include a schedule for review of the regulation including:

- A. The length of the public comment period: 30 days after publication
- B. The date or dates on which any public meetings or hearings will be held: Held on May 23, 2019
- C. The expected date of delivery of the final-form regulation: December 12, 2019
- D. The expected effective date of the final-form regulation: 30 days after publication in the PA Bulletin
- E. The expected date by which compliance with the final-form regulation will be required: Fee increases for new

applicants will be effective 30 days after publication in the PA Bulletin. Fee increases for license renewals will be effective for license years beginning on or after July 1, 2020.

F. The expected date by which required permits, licenses or other approvals must be obtained:

not applicable

(30) Describe the plan developed for evaluating the continuing effectiveness of the regulations after its implementation.

The Board will continue to monitor the Board's finances closely, including the impact of these fee increases, and the Board's careful stewardship of its finances will continue.

**DEALER FINANCIAL SCHEDULE  
LICENSE FEES, FINANCIAL STATEMENT, AND BOND COMPUTATION**

**LICENSE FEES:**

NEW LICENSEE APPLICANTS OR APPLICANTS NOT LICENSED FOR A FULL CALENDAR YEAR ARE REQUIRED TO ATTACH THE ANNUAL FIXED FEE AS DESCRIBED IN A. BELOW. REVIEW THE HUNDREDWEIGHT FEE DESCRIBED IN B WHICH WILL BE DUE ON A MONTHLY BASIS UPON BEING LICENSED.

**A. ANNUAL FIXED FEE** NEW LICENSEES LICENSED AS OF JULY 1 SHALL PAY AN ANNUAL FIXED FEE OF **\$100.00** FOR APPLICATIONS SUBMITTED BEFORE JANUARY 1 AND **\$50.00** FOR APPLICATIONS SUBMITTED ON OR AFTER JANUARY 1.

**2. LICENSEES NOT ENGAGED IN THE MILK BUSINESS ON JULY 1, SHALL PAY A PROPORTIONATE FIXED ANNUAL FEE AS FOLLOWS:**

- For a license issued on or after October 1 but before January 1 of the succeeding year, the fee is **\$75.00.**
- For a license issued on or after January 1 but before April 1, the fee is **\$50.00.**
- For a license issued on or after April 1 but before July 1, the fee is **\$25.00.**

**B. HUNDREDWEIGHT FEE**

IN ADDITION TO THE ANNUAL FIXED FEE, A MILK DEALER WHO DID NOT HOLD A LICENSE FOR THE COMPLETE PRECEDING CALENDAR YEAR SHALL PAY ON A MONTHLY BASIS THE FOLLOWING HUNDREDWEIGHT FEES. THE MONTHLY PAYMENT SHALL ACCOMPANY THE PMMB-62, MILK DEALER'S MONTHLY REPORT.

- FOR PACKAGED MILK/CREAM PRODUCTS RECEIVED, PRODUCED, OR BROUGHT INTO THIS COMMONWEALTH DURING THE PREVIOUS MONTH: FEE IS **\$0.45060** PER HUNDREDWEIGHT.
- FOR MILK ON WHICH THE BOARD HAS NOT FIXED A PRICE, RECEIVED, PRODUCED, OR BROUGHT INTO THIS COMMONWEALTH DURING THE PREVIOUS MONTH: FEE IS **\$0.0570064** PER HUNDREDWEIGHT.

THESE MONTHLY PAYMENTS SHALL CONTINUE THROUGH JUNE OF THE YEAR FOLLOWING A FULL CALENDAR YEAR OF MONTHLY PAYMENTS. THE MONTHLY REPORTS AND FEES FOR THE FULL CALENDAR YEAR WILL BE USED AS THE BASIS FOR THE CALCULATION OF FEES AND BONDING REQUIREMENTS FOR THE SUCCEEDING LICENSE YEAR.

**FINANCIAL STATEMENT:**

ATTACHED IS AN ANNUAL REPORT OR A COMPREHENSIVE FINANCIAL STATEMENT.

**COMPUTATION OF DEALER BOND:**

AS A NEW APPLICANT, YOU MUST COMPLETE THIS SECTION. ENTER DOLLAR VALUES IN THE FOLLOWING TABLE BY ESTIMATING THE ANTICIPATED PURCHASES FOR EACH MONTH, STARTING WITH THE MONTH YOU ANTICIPATE STARTING BUSINESS.

- (A) RECORD THE ANTICIPATED DOLLAR VALUE OF PURCHASES FROM PENNSYLVANIA PRODUCERS (FARMERS) OR COOPERATIVES; AND/OR
- (B) RECORD THE ANTICIPATED DOLLAR VALUE OF PURCHASES FROM PRODUCERS (FARMERS) OR COOPERATIVES LOCATED OUTSIDE PENNSYLVANIA.

	(A)	(B)	Total Value (A+B)		(A)	(B)	Total Value (A+B)
JANUARY				JULY			
FEBRUARY				AUGUST			
MARCH				SEPTEMBER			
APRIL				OCTOBER			
MAY				NOVEMBER			
JUNE				DECEMBER			

**TO CALCULATE THE AMOUNT OF BOND TO BE POSTED, USE THE FOLLOWING:**

From the Total Value column on the above chart, identify the two (2) consecutive month period with the highest aggregate amount (i.e. add Months 1 and 2, then Months 2 and 3, etc.)

1. MONTHS OF \_\_\_\_\_ AND \_\_\_\_\_ TOTAL FOR BOTH MONTHS: \$ \_\_\_\_\_

**DEDUCTIONS:** VALUE OF MILK PURCHASED OR RECEIVED FROM PRODUCERS AND COOPERATIVES OUTSIDE OF PENNSYLVANIA FOR WHICH A BOND HAS BEEN FILED WITH THE STATE WHERE THE MILK IS PURCHASED. (MUST ATTACH COPIES OF BONDS FILED IN OTHER STATES.)

2. LESS ANY DEDUCTIONS \$ \_\_\_\_\_

3. NET AMOUNT: LINE 1 MINUS LINE 2 ABOVE \$ \_\_\_\_\_

4. NET AMOUNT: LINE 3 DIVIDED BY NUMBER OF DAYS IN MONTHS IN LINE 1 TIMES 40 \$ \_\_\_\_\_

5. A BOND EQUAL TO THE AMOUNT ON LINE 4 MUST BE PROVIDED

6. ATTACHED:  CORPORATE SURETY BOND IN THE AMOUNT OF  COLLATERAL BOND IN THE AMOUNT OF \_\_\_\_\_ \$ \_\_\_\_\_

**PMMB-001 NEW APPLICATION – DEALER / SUBDEALER (page 7)**

**SUB-DEALER FINANCIAL SCHEDULE  
LICENSE FEES, EVIDENCE OF FINANCIAL RESPONSIBILITY, AND BOND COMPUTATION**

**LICENSE FEES:**

**A. ANNUAL FIXED FEE**

NEW LICENSEES SHALL PAY AN ANNUAL FIXED FEE OF **\$50.00** OR A PROPORTIONATE FIXED FEE AS FOLLOWS:

- (1) ~~\$37.50 FOR A LICENSE ISSUED ON OR AFTER OCTOBER 1 BUT BEFORE JANUARY 1 OF THE SUCCEEDING YEAR.~~
- (2) ~~\$25.00 FOR A LICENSE ISSUED ON OR AFTER JANUARY 1 BUT BEFORE APRIL 1 OF THE SAME YEAR.~~
- (3) ~~\$12.50 FOR A LICENSE ISSUED ON OR AFTER APRIL 1 BUT BEFORE JULY 1 OF THE SAME YEAR.~~

**PLUS**

**B. QUARTS-EQUIVALENT FEE**

IN ADDITION TO THE ANNUAL FIXED FEE, A SUB-DEALER SHALL PAY, ON AN ANNUAL BASIS, A FEE ON MILK ON WHICH THE BOARD SETS PRICES. THE QUART-EQUIVALENT FEE SHALL BE ASSESSED IN ACCORDANCE WITH THE FOLLOWING SCHEDULE.

AVERAGE QUARTS PURCHASED <u>SOLD PER MONTH</u>	ANNUAL FEE
1 - 29,999	\$50.00 62.50
30,000 - 59,999	\$100.00 125.00
60,000 - 119,999	\$150.00 187.50
120,000 - 149,999	\$200.00
150,000 - 199,999	\$250.00 312.50
200,000 - 299,999	\$300.00 375.00
300,000 - 399,999	\$400.00 500.00
400,000 - 599,999	\$500.00 625.00
600,000 - 799,999	\$800.00 1000.00
800,000 - 999,999	\$1200.00 1500.00
1,000,000 & Over	\$1400.00 1750.00

**C. CALCULATE YOUR LICENSE FEE**

- 1. ANNUAL FIXED FEE \$ \_\_\_\_\_
  - 2. ANNUAL QUART -EQUIVALENT FEE \$ \_\_\_\_\_
- TOTAL LICENSE FEE DUE** \$ \_\_\_\_\_

**EVIDENCE OF FINANCIAL RESPONSIBILITY:**

THE FOLLOWING IS BEING FILED WITH THIS APPLICATION (CHECK ONLY ONE):

- CORPORATE SURETY
- COLLATERAL BOND  
(COLLATERAL **MUST** BE ATTACHED TO BOND FORM. PLEASE SEE REVERSE SIDE OF BOND FORM FOR TYPES OF ACCEPTABLE COLLATERAL).
- COD (COLLECT ON DELIVERY) LETTER

**COMPUTATION OF SUB-DEALER BOND:**

AS A NEW APPLICANT, YOU **MUST** COMPLETE THIS SECTION IF A BOND IS NEEDED.

Enter dollar values in the following table by estimating the *anticipated* purchases of "price-controlled packaged products" for each month, starting with the month you *anticipate* starting business. Price-controlled packaged products are Class I and II milk products which are listed on the PMMB monthly price sheets and purchased in Pennsylvania.

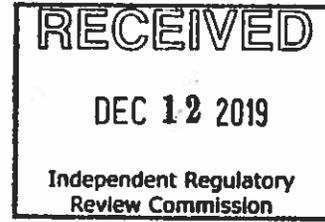
	VALUE		VALUE
JANUARY		JULY	
FEBRUARY		AUGUST	
MARCH		SEPTEMBER	
APRIL		OCTOBER	
MAY		NOVEMBER	
JUNE		DECEMBER	

THE AMOUNT OF THE BOND TO BE POSTED WILL BE THE HIGHEST VALUE FOR THE MONTH IDENTIFIED FROM THE VALUE COLUMN IN THE ABOVE CHART.

- 1. MONTH OF \_\_\_\_\_ TOTAL FOR MONTH IDENTIFIED \$ \_\_\_\_\_
- 2. ATTACHED HERETO IS A:  CORPORATE SURETY BOND IN THE AMOUNT OF \$ \_\_\_\_\_  
 COLLATERAL BOND IN THE AMOUNT OF \$ \_\_\_\_\_



**FACE SHEET  
FOR FILING DOCUMENTS  
WITH THE LEGISLATIVE REFERENCE BUREAU  
(Pursuant to Commonwealth Documents Law)**



DO NOT WRITE IN THIS SPACE

Copy below is hereby approved as to form and legality. Attorney General

BY: \_\_\_\_\_  
(DEPUTY ATTORNEY GENERAL)

\_\_\_\_\_  
DATE OF APPROVAL

Check if applicable  
Copy not approved. Objections  
attached.

Copy below is here by certified to be a true and correct copy of a document issued, prescribed or promulgated by:

**PENNSYLVANIA MILK MARKETING BOARD**  
(AGENCY)

DOCUMENT/FISCAL NOTE NO. **47-19**

DATE OF ADOPTION: 12/12/19

BY: Timothy Moyer  
**Timothy Moyer**  
**Chief of Support Services**

Copy below is hereby approved as to form and legality. Executive or Independent Agencies.

BY: Douglas Eberly  
**Douglas Eberly**  
**Chief Counsel**

12/12/19  
DATE OF APPROVAL

(Chief Counsel, Independent Agency)  
Check if applicable. No Attorney General approval or objection within 30 days after submission.

# FINAL RULEMAKING

## MILK MARKETING BOARD

[ 7 PA. CODE CH. 150 ]

### Milk Marketing Fees

The Milk Marketing Board (Board) amends Chapter 150 (relating to milk marketing fees) by increasing the license fees for milk dealers, subdealers and haulers, and increasing the examination and certificate fees for weigher-samplers and testers. The final regulations are the same as the proposed regulations published at 49 Pa. Bulletin 4991 (August 31, 2019).

#### A. *Effective Date*

This proposed rulemaking will be effective 30 days after final-form publication in the *Pennsylvania Bulletin*. Increases for new applicants will be effective when this proposed rulemaking is effective. Increases for renewal applicants will be effective for license years beginning on or after July 1, 2020. There is no sunset provision.

#### B. *Statutory Authority*

The Milk Marketing Fee Act (act) (31 P.S. §§ 700k-1—700k-10.1) gives the Board the authority to charge and collect license fees. Sections 700k-3(c), 700k-6, 700k-7 and 700k-8 provide that the Board has the authority to set the fees by regulation.

#### C. *Purpose and Explanation*

The Board is self-funded, primarily by these fees. The Board has not received any general fund appropriations since the 1996-1997 fiscal year. The fees have not been increased since January 2004. The fees and any other funds received by the Board are paid into the State Treasury and placed in the Milk Marketing Fund (Fund). Despite the Board's careful stewardship, expenses have increased substantially in these 15 years, while income has not. The Fund is being eroded by the resulting deficits. Without this fee increase, the Board's financial viability will become uncertain. Further details are available in the Regulatory Analysis Form for this proposed rulemaking, which is available at [www.irrc.state.pa.us](http://www.irrc.state.pa.us) or from the contact person designated as follows.

Section 150.3 is proposed to be deleted because the classification transition described in that regulation was implemented and completed by the Board as described in the regulation.

#### D. *Summary of Public Comments*

The only comments were received from the Independent Regulatory Review Commission (IRRC).

### *Adequacy of fee increase*

IRRC asked for an explanation of the Board's decision to seek a fee increase that reduces but does not eliminate the Board's budget deficits.

The Board realizes that this fee increase does not eliminate the annual deficits. A fee increase that would eliminate the budget deficits would be ideal for the agency, but not ideal for the dairy industry in Pennsylvania.

The Legislative Budget and Finance Committee (LBFC) released "A Study of Pennsylvania's Dairy Industry" in September 2019.

<http://lbfc.legis.state.pa.us/Resources/Documents/Reports/653.pdf>. It catalogues the challenges facing the Pennsylvania dairy industry. The Board is well aware of these challenges and was reluctant to increase fees more than absolutely necessary. The report noted that the Board was proposing a fee increase, and recommends pursuing alternative funding sources "before any additional burden is placed on Class I – IV parties to make up this shortfall" (page 98). The Report also recommends licensing milk retailers, which would be another potential source of income.

In July 2019 the Pennsylvania Dairy Future Commission was created by the Legislature. It is to issue a report by August 2020. One of its tasks is to make recommendations about the impact of state laws and regulations on the Pennsylvania dairy industry.

These studies are just examples of the serious efforts being made to support the Pennsylvania dairy industry in a time of enormous challenges. We do not know which, if any, of the recommendations or initiatives will come to fruition. But one or more could impact the Board's revenue. At a time when the dairy industry is struggling, and new directions are being considered, the Board is proposing fee increases that help but do not solve the funding situation, realizing further steps will be needed in coming years.

### *Revised method of calculating subdealer fee*

IRRC asked for an explanation of the Board's decision to change the method of calculating subdealer fees from milk *purchased* by the subdealers to milk *sold* by the subdealers.

Subdealers currently pay an annual fee based on the number of quarts they buy in Pennsylvania. The Board proposes to base this fee on quarts sold in Pennsylvania. There are several reasons for the change.

Dealer fees are based on sales. The fee calculations will be more consistent when both dealer and subdealer fees are based on sales.

Subdealers already report their annual sales on the Subdealer Survey form which they submit with their annual license renewal.

Dealers licensed by the Board are required to report their sales to subdealers. Some subdealers purchase their products from dealers in other states. Those dealers may not be licensed by the Board. Then those sales to the subdealers are not reported to the Board. Recent analysis by milk

industry economists and the LBFC report (page 107) have stated that the Board's effectiveness will be increased by gathering more comprehensive data about milk sales in Pennsylvania. By basing the fees on sales instead of purchases, the Board will obtain more definitive data about Pennsylvania transactions. The Subdealer Surveys are not adequate for this purpose because those are not audited as the reports of sales for fee-setting purposes can be.

#### *Fiscal impact of revised method of calculating subdealer fee*

IRRC asked what fiscal impact the revised method of calculating the subdealer fee will have on the regulated community.

The subdealer quart-equivalent fee currently produces a total of about \$18,000.00 per license year for all subdealers. There are eleven fee categories based on volume. About eighty percent of the subdealers are in the smallest volume category. There are only five subdealers in the five highest categories.

The fees are currently calculated based on the volumes that licensed dealers report selling to licensed subdealers. Subdealer sales are not currently reported, other than on the Subdealer Surveys, which are not audited and are not necessarily consistently submitted.

Therefore we cannot calculate with certainty the impact of this change. But most of the subdealers have relatively small volume with limited geographical range. Their product sold is likely to be commensurate with their product purchased. The large volume subdealers, if this changes their fee at all, can be sure they will not experience an enormous change because there is a cap on the amount of this fee (\$1,750.00). Two of the five large subdealers are already in the top category, so the only increase they will experience is the proposed increase for that category.

The Board's expectation that this change is not likely to have a large impact is evidenced in the fee estimate for the year after this change is implemented. A twenty-five percent increase from \$18,000.00 to \$22,500.00 is projected.

#### *E. Fiscal and Administrative Impact*

The milk dealers are projected to pay a combined total of about \$370,000 to \$385,000 per year more than they would under the current fee structure. The milk subdealers are projected to pay a combined total of about \$8,500 per year more than they would under the current fee structure. The milk haulers are projected to pay a combined total of about \$950 per year more than they would under the current fee structure. The milk weigher-samplers are projected to pay a combined total of about \$8,195 per year more than they would have under the current fee structure. The milk testers are projected to pay a combined total of about \$325 per year more than they would have under the current fee structure. These are projected estimates.

These fees are not new fees—they are increases in existing fees. Therefore the administrative impact is not expected to be significant. Subdealers will calculate their fees based on the volume of milk products sold, which is information that is obviously readily available, instead of having their fees calculated on the basis of milk products purchased, and therefore this is not expected to result in a significant administrative impact.

#### ***F. Regulatory Review***

Under section 5(a) of the Regulatory Review Act (71 P.S. § 745.5(a)), on July 31, 2019, the Board submitted a copy of the notice of proposed rulemaking, published at 49 Pa. Bulletin 4991 (August 31, 2019) to IRRC and to the Chairs of the House and Senate Committees on Agriculture and Rural Affairs for review and comment.

Under section 5(g) of the Regulatory Review Act, the Board is required to submit to IRRC and the House and Senate Committees copies of comments received during the public comment period, as well as other documents when requested. In preparing the final-form rulemaking, the Board has considered all comments from IRRC and the public.

Under section 5.1(j.2) of the Regulatory Review Act (71 P.S. § 745.5(a)(j.2)), on \_\_\_\_\_, this final-form rulemaking was deemed approved by the House and Senate Committees. Under section 5.1(e) of the Regulatory Review Act, IRRC met on \_\_\_\_\_, and approved this final-form rulemaking.

#### ***G. Contact Person***

Interested persons may obtain information regarding this final-form rulemaking by contacting Douglas Eberly, Chief Counsel, Milk Marketing Board, 2301 North Cameron Street, Harrisburg, PA 17110, ra-pmmb@pa.gov within 30 days after publication in the *Pennsylvania Bulletin*. Individuals who require this information in a different format may call the Pennsylvania AT&T Relay Service for TDD users, (717) 787-4194 or (800) 654-5984.

ROBERT N. BARLEY,  
Chairperson

Annex A

TITLE 7. AGRICULTURE

PART VI. MILK MARKETING BOARD

CHAPTER 150. MILK MARKETING FEES

GENERAL PROVISIONS

§ 150.3. [Classification of licenses—statement of policy] Reserved.

[It is the policy of the Board to establish a license classification system that reflects the changes occurring in the market conditions and business characteristics of the dairy industry. The Board anticipates implementation of changes in the license classification system that will go into effect during the license year 2001—2002. The Board's proposed changes will eliminate the license classifications of importing retailer, importing distributor, broker, receiving station and subdealer store. In order to reduce the administrative burden of calculating and refunding license fees during the license year to those entities that will not be required to be licensed under the new license classification system, it is the Board's intent to notify those entities currently licensed as an importing retailer, importing distributor, broker, receiving station or subdealer store that they are not required to complete and file a license application for the license year 2001—2002 and any succeeding license years.]

LICENSE FEES OF MILK DEALERS

§ 150.11. Fixed fees.

(a) A new applicant for a milk dealer's license shall pay a fixed fee of \$100 [for a license issued on or after July 1 but before October 1 of the same year or a proportionate fixed fee as follows:] for applications submitted before January 1 of the license year for which the application is submitted, and \$50 for applications submitted on or after January 1.

[(1) \$75 for a license issued on or after October 1 but before January 1 of the succeeding year.

(2) \$50 for a license issued on or after January 1 but before April 1 of the same year.

(3) \$25 for a license issued on or after April 1 but before July 1 of the same year.]

(b) An applicant for annual renewal of a milk dealer's license shall pay a fixed fee of [50] \$100.

§ 150.12. Hundredweight fees.

(a) In addition to the fixed fee imposed under § 150.11 (relating to fixed fees), a milk dealer that was licensed for the entire calendar year preceding license renewal shall pay an annual hundredweight fee as set forth in paragraphs (1) and (2).

(1) For milk for which the Board has fixed a minimum wholesale or retail price, received, produced or brought into this Commonwealth during the calendar year preceding the period for which the license is issued, the fee is [~~\$.045~~] \$.060 per hundredweight.

(2) For milk for which the Board has not fixed a minimum wholesale or retail price, received, produced or brought into this Commonwealth during the calendar year preceding the period for which the license is issued, the fee is [~~\$.0057~~] \$.0064 per hundredweight.

(b) In addition to the fixed fee imposed under § 150.11, a milk dealer that was not licensed for the entire calendar year preceding license application or renewal shall pay a monthly hundredweight fee as set forth in paragraphs (1) and (2). Monthly payments shall continue until the milk dealer has been licensed for an entire calendar year and for each month thereafter until the next license year begins. Annual payments shall then commence under subsection (a).

(1) For milk for which the Board has fixed a minimum wholesale or retail price, received, produced or brought into this Commonwealth during the preceding month, the fee is [~~\$.045~~] \$.060 per hundredweight.

(2) For milk for which the Board has not fixed a minimum wholesale or retail price, received, produced or brought into this Commonwealth during the preceding month, the fee is [~~\$.0057~~] \$.0064 per hundredweight.

\* \* \* \* \*

#### LICENSE FEES OF MILK SUBDEALERS

##### § 150.21. Fixed fees.

(a) A new applicant for a subdealer's license shall pay a fixed fee of \$50 [for a license issued on or after July 1 but before October 1 of the same year or a proportionate fixed fee as follows:];

(1) \$37.50 for a license issued on or after October 1 but before January 1 of the succeeding year.

(2) \$25 for a license issued on or after January 1 but before April 1 of the same year.

(3) \$12.50 for a license issued on or after April 1 but before July 1 of the same year.]

(b) An applicant for annual renewal of a subdealer's license shall pay a fixed fee of [~~\$25~~] \$50.

##### § 150.22. Quart-equivalent fee.

(a) In addition to the fixed fee imposed under § 150.21(b) (relating to fixed fees), an applicant for annual renewal of a subdealer's license shall pay an annual quart-equivalent fee calculated by dividing the total quarts of milk [~~purchased~~] sold during the previous calendar year by the number of months in which the subdealer engaged in business. The Board will assess the fee in accordance with the following schedule:

<b>Ave. Qts. [<i>Purchased</i>] <u>Sold</u> Per Month</b>	<b>Annual Fee</b>
1—29,999	\$ [50] <u>62.50</u>
30,000—59,999	[100] <u>125.00</u>
60,000—119,999	[150] <u>187.50</u>
120,000—149,999	200.00
150,000—199,999	[250] <u>312.50</u>
200,000—299,999	[300] <u>375.00</u>
300,000—399,999	[400] <u>500.00</u>
400,000—599,999	[500] <u>625.00</u>
600,000—799,999	[800] <u>1000.00</u>
800,000—999,999	[1200] <u>1500.00</u>
1,000,000 and over	[1400] <u>1750.00</u>

(b) As used in subsection (a), "quarts" means the total volume of milk for which the Board sets a [**wholesale**] price expressed in quart equivalents.

### **LICENSE FEES OF MILK HAULERS**

#### **§ 150.51. Fixed fees.**

A new applicant for a milk hauler's license and an applicant for annual renewal of a milk hauler's license shall pay a fixed fee of [**\$30**] **\$35**.

### **CERTIFICATION FEES OF MILK TESTERS**

#### **§ 150.61. Examination fee.**

The fee to take the Board-approved examination for a certificate of proficiency in milk testing is [**\$25**] **\$30**, payable when the examination is taken. The examination fee is not refundable and may not be applied toward payment of the fixed fees in § 150.62 (relating to fixed fees for new and renewed certificates).

#### **§ 150.62. Fixed fees for new and renewed certificates.**

A new applicant for a milk tester's certificate and an applicant for renewal of a milk tester's certificate shall pay a fee of [**\$20**] **\$25**, which shall accompany the milk tester certificate application (available from the Board Office or website).

### **CERTIFICATION FEES OF MILK WEIGHERS AND SAMPLERS**

#### **§ 150.71. Examination fee.**

The fee to take the Board-approved examination for a certificate of proficiency in milk weighing and sampling is [**\$25**] **\$30**, payable when the examination is taken. The examination

fee is not refundable and may not be applied toward payment of the fixed fees in § 150.72 (relating to fixed fees for new and renewed certificates).

**§ 150.72. Fixed fees for new and renewed certificates.**

A new applicant for a milk weigher and sampler's certificate and an applicant for renewal of a milk weigher and sampler's certificate shall pay a fee of [~~\$20~~ \$25], which shall accompany the milk weigher/sampler certificate application (available from the Board Office or website).

**PENNSYLVANIA MILK MARKETING BOARD**

**FINAL REGULATION**

**7 PA. CODE CH. 150**

**Milk Marketing Fees**

**NAMES AND ADDRESSES OF ALL COMMENTATORS**

The only comments were received from the Independent Regulatory Review Commission.

Independent Regulatory Review Commission

333 Market Street, 14<sup>th</sup> Floor

Harrisburg PA 17101

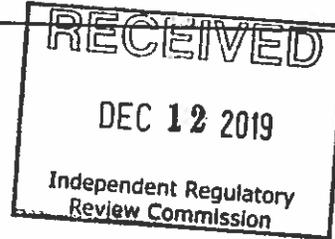
Phone: (717) 783-5417

Fax: (717) 783-2664

Email: [irrchelp@irrc.state.pa.us](mailto:irrchelp@irrc.state.pa.us)

TRANSMITTAL SHEET FOR REGULATIONS SUBJECT  
TO THE REGULATORY REVIEW ACT

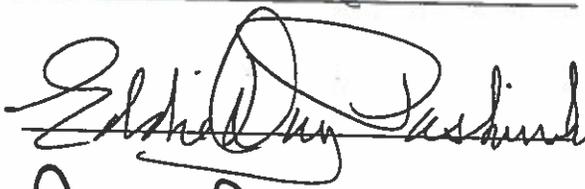
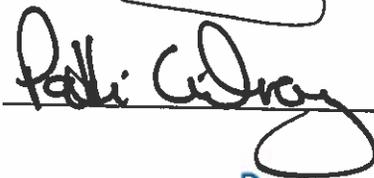
I.D. Number: 47-19  
Subject: Milk Marketing Fees  
Agency: Pennsylvania Milk Marketing Board



TYPE OF REGULATION

Final Regulation

FILING OF REGULATION

<u>DATE</u>	<u>SIGNATURE</u>	<u>DESIGNATION</u>
<u>December 12, 2019</u>		House Committee on Agriculture & Rural Affairs (Majority Chair)
<u>December 12, 2019</u>		House Committee on Agriculture & Rural Affairs (Minority Chair)
<u>December 12, 2019</u>		Senate Committee on Agriculture & Rural Affairs (Majority Chair)
<u>December 12, 2019</u>		Senate Committee on Agriculture & Rural Affairs (Minority Chair)
<u>December 12, 2019</u>		Independent Regulatory Review Commission
<u>December 12, 2019</u>		Legislative Reference Bureau