

Minutes

Producer Committee Conference Call Meeting

March 28, 2019 9:00 a.m.
Milk Control Bureau Office
1404 8th Avenue, Helena, Montana

Conference Call Access:

Call-in Number: 1-866-740-1260
Access Number: 4445210#

Call to Order

Committee Chair David Miller called the meeting to order at 9:01 a.m.

Attendance

Committee Member	Present	Absent
David Miller (Chair)	X	
Sam Hofer (Vice-Chair)	X	
Dan Daugherty	X	
Tim Huls	X	
Nelson Kamerman	X	
Mark Kleinsasser	X	
John Waldner		X

Montana Department of Livestock Staff:

Chad Lee, Bureau Chief, Milk Control Bureau

Guests: none

Approval of Minutes from March 1, 2019 Meeting

Tim Huls moved, and Nelson Kamerman seconded the motion to approve the minutes of the March 1, 2019 meeting as presented. The motion carried. All members present voted in favor.

New Business

Quota Transfer Requests:

Sage Creek Colony requested to transfer 3,000 lbs/day of milk quota to Pondera Colony, which will apply beginning April 1, 2019.

Sam Hofer moved, and Mark Kleinsasser seconded a motion to approve the transfer request. Five committee members voted in favor. One committee member abstained.

Prior to voting, Dan Daugherty inquired about the sales price for the transfer. Mr. Lee informed the committee that the administrative rules do not require transfer prices to be disclosed. There was discussion about 2019 House Bill 592 and how it relates to quota transfers. Mr. Lee noted to the committee that if HB 592 is signed into law,

passage alone would not eliminate quota. Statewide quota would only be eliminated if the following conditions transpired: (1) the Board of Milk Control received a petition to rescind the statewide pool and (2) completion of a referendum in which the conditions required for rescission of the statewide pool were met. Mr. Lee noted that even if a referendum to rescind the statewide pool passed, rescission (and loss of statewide quota) would not go into effect until the Board of Milk Control amended administrative rules, which would take some time. Mr. Lee informed the committee that it should proceed on the matter considering the administrative rules currently in effect.

Other New Business

Mr. Lee informed the committee that the bureau completed the annual calculation to determine whether additional quota should be issued to producers. A quota readjustment will not occur in 2019. Two conditions would have had to have been met: (1) non-surplus Class I and Class II usage would have needed to exceed 83.5% of quota receipts (the actual amount in 2018 was 57.84%) and (2) Non-surplus Class I and Class II usage would have needed to increase in 2018 compared to 2016 (such usage actually declined by 8.6 million lbs.). The last time a quota readjustment was made was in 2001.

Mr. Lee informed the committee that the Senate Agriculture, Livestock and Irrigation Committee will likely take action on House Bill 592 when it meets on March 28th based on statements made by the committee chair on March 26th.

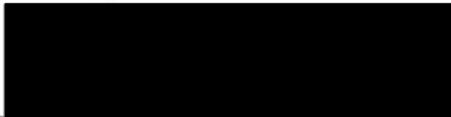
Public Comment

None.

Adjournment

Nelson Kamerman moved, and Mark Kleinsasser seconded the motion to adjourn the meeting. All members present voted in favor.

The meeting adjourned at 9:14 a.m.



_____, Producer Committee Chair

Date: 5-28-2019