

## LCB File No. R067-00

### PROPOSED REGULATION OF THE DAIRY COMMISSION

The Dairy Commission held a public workshop regarding raw milk pricing in the Southern Nevada Marketing Area on March 16, 2000. The following language was support by all interested parties.

The Dairy Commission will hold a final public hearing on this regulation on April 27, 2000.

**Section 1.** Chapter 584 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this regulation.

**Sec. 2.** *“Advanced pricing factors” means the price components released by the United States Department of Agriculture based on the weighted average of the two most recent NASS U.S. average weekly survey prices announced before the 24th day of each month. [7 Code of Federal Regulations § 1000.50 (q)]*

**Sec. 3.** *“Component prices” means the pricing factors released by the United States Department of Agriculture based on the weighted average for the preceding month of NASS weekly prices announced on or before the 5th day of each month. [7 Code of Federal Regulations § 1000.50]*

**Sec. 4.** NAC 584.5551 is hereby amended to read as follows:

As used in NAC 584.5551 to 584.6712, inclusive, *and sections 2 and 3 of this regulation* unless the context otherwise requires, the words and terms defined in chapter 584 of NRS and in NAC 584.5555 to 584.5751, inclusive, *and sections 2 and 3 of this regulation* have the meanings ascribed to them in those sections.

**Sec. 5.** NAC 584.5567 is hereby amended to read as follows:

**581.5567** “Class differential” means the price set by the commission and added to the ~~basic formula price or to the price of class III fluid milk and fluid cream~~ *advanced pricing factors and/or*

*the component prices* to determine the minimum price to be paid to a producer by a distributor for each class of fluid milk and fluid cream.

**Sec. 6.** NAC 584.6482 is hereby amended to read as follows:

584.6482 1. Except as otherwise provided in this subsection, the minimum price for fluid milk and fluid cream to be paid to a producer by a distributor located in the western Nevada marketing area, except a distributor located in zone 9 of the western Nevada marketing area, is the minimum price established for fluid milk and fluid cream set each month by the State of California Department of Food and Agriculture for the northern California marketing area. If the minimum price for fluid milk and fluid cream established for the northern California marketing area is revised, the commission will review the revised price to determine whether it is acceptable. Unless the commission, within 5 days after the price for the northern California marketing area is revised, determines that the revised price is unacceptable, the revised price for the northern California marketing area shall be deemed the minimum price for fluid milk and fluid cream to be paid to a producer by a distributor located in the western Nevada marketing area, except a distributor located in zone 9 of the western Nevada marketing area. The minimum price for fluid milk and fluid cream to be paid to a producer by a distributor located in the western Nevada marketing area, except a distributor located in zone 9 of the western Nevada marketing area, may be obtained at no cost:

(a) By mail, from the State Dairy Commission, 4600 Kietzke Lane, Building A, Suite 107, Reno, Nevada 89502;

(b) By telephone, at (775) 688-1211; or

(c) By electronic mail, at [dairycom@govmail.state.nv.us](mailto:dairycom@govmail.state.nv.us).

2. Except as otherwise provided in this subsection, the minimum price for fluid milk and fluid cream to be paid to a producer by a distributor located in the eastern Nevada marketing area, except

a distributor located in zone 5 of the eastern Nevada marketing area, is the minimum price for fluid milk and fluid cream set each month in the Federal Milk Marketing Orders. If the minimum price for fluid milk and fluid cream established in the Federal Milk Marketing Orders for the eastern Nevada marketing area is revised, the commission will review the revised price to determine whether it is acceptable. Unless the commission, within 5 days after the price established in the Federal Milk Marketing Orders is revised, determines that the revised price is unacceptable, the revised price set forth in the Federal Milk Marketing Orders shall be deemed the minimum price for fluid milk and fluid cream to be paid to a producer by a distributor located in the eastern Nevada marketing area, except a distributor located in zone 5 of the eastern Nevada marketing area. A copy of the Federal Milk Marketing Orders may be obtained at no cost:

(a) By mail, from the State Dairy Commission, 4600 Kietzke Lane, Building A, Suite 107, Reno, Nevada 89502;

(b) By telephone, at (775) 688-1211; or

(c) By electronic mail, at dairycom@govmail.state.nv.us.

3. Except as otherwise provided in this subsection, the minimum price for fluid milk and fluid cream to be paid to a producer by a distributor located in the southern Nevada marketing area, zone 5 of the eastern Nevada marketing area or zone 9 of the western Nevada marketing area ~~is the basic formula price or, in the absence of a basic formula price, the price of class III fluid milk and fluid cream]~~ *shall be based on the advanced pricing factors and/or the component prices* set each month by the United States Department of Agriculture, plus the class differential set by the commission. The minimum price for fluid milk and fluid cream to be paid to a producer by a distributor located in the southern Nevada marketing area, zone 5 of the eastern Nevada marketing area or zone 9 of the western Nevada marketing area may be obtained at no cost:

(a) By mail, from the State Dairy Commission, 1840 East Sahara Avenue, Suite 111, Las Vegas, Nevada 89104;

(b) By telephone, at (702) 486-8212; or

(c) By electronic mail, at dairycom@govmail.state.nv.us.

**Sec. 7.** NAC 584.5555 is hereby repealed. (Definition of basic formula price)