

**SENATE BILL NO. 354**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY THE SENATE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Introduced: 3/27/02  
Referred: Resources

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to the prices paid by milk processing plants to suppliers of fluid milk."**

2 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

3 \* **Section 1.** AS 17 is amended by adding a new chapter to read:

4 **Chapter 90. Miscellaneous Provisions.**

5 **Sec. 17.90.010. Purchase of fluid milk.** (a) A person who does business as a  
6 milk processing plant in the state and pays a supplier a reduced price for low fat milk  
7 shall pay suppliers of high fat milk a proportionately higher price for the high fat milk.

8 (b) In this section,

9 (1) "high fat milk" means fluid milk that contains more than 3.25  
10 percent butterfat;

11 (2) "low fat milk" means fluid milk that contains less than 3.25 percent  
12 butterfat;

13 (3) "milk processing plant" means a place where fluid milk is  
14 processed, pasteurized, or packaged;

15 (4) "proportionately higher price" means a price that equals an amount

1 that is the same percentage higher than the standard fluid milk price as the price for  
2 the corresponding low fat fluid milk is lower than the standard fluid milk price; in this  
3 paragraph,

4 (A) "corresponding low fat fluid milk" means the low fat milk  
5 whose butterfat content is the same percentage below the butterfat content of  
6 standard fluid milk as the percentage of butterfat in the high fat milk is above  
7 the butter fat content of the standard fluid milk;

8 (B) "standard fluid milk" means fluid milk that contains 3.25  
9 percent butterfat.

10 \* **Sec. 2.** AS 45.50.471(b) is amended by adding a new paragraph to read:

11 (43) failing to comply with AS 17.90.010 (purchase of fluid milk).