

ASSEMBLY BILL

No. 1910

Introduced by Committee on Agriculture (Galgiani (Chair), Tom Berryhill (Vice Chair), Conway, Fuller, Ma, Mendoza, and Yamada)

February 16, 2010

An act to amend Section 62640 of the Food and Agricultural Code, relating to milk.

LEGISLATIVE COUNSEL'S DIGEST

AB 1910, as introduced, Committee on Agriculture. Milk Producers Security Trust Fund: handler default.

Existing law confers upon the Secretary of Food and Agriculture the ability to establish and administer the Milk Producers Security Trust Fund to protect milk producers against loss of payment for bulk milk transferred to handlers. Existing law authorizes the secretary to pay money from the Milk Producers Security Trust Fund to the pool equalization fund to cover the amount that a handler defaults in payments to the pool equalization fund if, after consultation with the Milk Producers Security Trust Fund Board, the secretary determines that additional efforts will not result in collection of the amount due.

This bill would require the secretary to first exhaust all administrative and legal remedies within his or her authority against the defaulting handler, and execute all judgments resulting from those remedies, prior to recommending to the board this payment from the Milk Producers Security Trust Fund.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 62640 of the Food and Agricultural Code
2 is amended to read:
3 62640. If a handler defaults in payments to the pool
4 equalization fund provided for in Chapter 3 (commencing with
5 Section 62700) and the ~~director~~ *secretary* determines that additional
6 efforts will not result in collection of the amount due, the ~~director~~
7 *secretary*, after consultation with the board, may pay money from
8 the Milk Producers Security Trust Fund to the pool equalization
9 fund to cover the amount of the default. *However, the secretary*
10 *shall first exhaust all administrative and legal remedies within his*
11 *or her authority against the defaulting handler, and execute all*
12 *judgments resulting from those remedies, prior to recommending*
13 *to the board this payment from the Milk Producers Security Trust*
14 *Fund.*

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