

COMMISSION MEETING HELD MAY 21, 2003

Minutes of the meeting of the Commission held in Department of Agriculture and Consumer Services, Washington Building, 1100 Bank Street, Richmond, Virginia, Second Floor Board Room number 204.

THE COMMISSION:

PRESENT: Ms. Ursula Edmonds, Commissioner; Mr. James Townsend, Chairperson; Ms. Judith Motley, Commissioner; Mr. John Gillam, Commissioner; Kimberly Bridges, Commissioner; Mr. Edward C. Wilson, Jr., Deputy Administrator; Mr. Rodney L. Phillips, Administrator, Carolyn Wells, Agency Administrative Assistant; Michael Myatt, Cooperative Milk Producers Association; Mike Todd, Dairy Farmers of America and Allen O'Hara, Maryland Virginia Milk Producers.

James Townsend, Chairperson called the meeting to order at 10:00 a.m.

Mr. Townsend asked for a motion to accept the minutes from the previous meeting. Ursula Edmonds moved and Lorna Daniels seconded the motion. The minutes were accepted as written.

The Deputy Administrator gave a review of Class I sales summary and adjacent market prices. (see pages

The Deputy Administrator reviewed the Regulatory Review. The regulations to be reviewed is the Public Participation /Guidelines 2 VAC 15-11 and the Regulations for the Control and Supervision of Virginia's Milk Industry 2 VAC 15-20.

Therefore, it is the intent of the Commission to retain the Regulation in its current form.

STATE MILK COMMISSION REGULATORY REVIEW 2003

Regulation: 2 VAC 15-11
Title: Public Participation Guidelines
Authority: Title 3.1, Chapter 21 § 3.1-430 and Article 2 of the Administrative Process Act, § 9-6.14:7.1D of the Code of Virginia

The Virginia State Milk Commission did not receive any public comment on this regulation during the regulatory review process. The Commission assumes the following in the absence of any public comments or evidence to the contrary:

1. There is no need to develop, amend, or repeal the regulation.
2. There is an essential need for the regulation.
3. The regulation does not interfere in public enterprise or life.
4. There are no less burdensome and intrusive alternatives to the regulation.
5. The regulation meets the specific goals that it is intended to achieve.
6. The regulation is clearly written and easily understandable.
7. The regulation is efficient, effective and its cost of compliance is not burdensome.

STATE MILK COMMISSION REGULATORY REVIEW 2003

Regulation: 2 VAC 15-20
Title: Regulations for the Control and Supervision of Virginia's Milk Industry.
Authority: Title 3.1, Chapter 21, § 3.1-430 of the Code of Virginia.

The Virginia State Milk Commission received a request to repeal 2 VAC 15-20-100 6(b)(c)(e) and 7(b) during the regulatory review process. The Commission's review of this request did not disclose any compelling evidence that would justify repealing that regulation. Therefore, the Commission assumes the following in the absence of any public comment or evidence to the contrary:

1. There is no need to develop, amend, or repeal the regulation.
2. There is an essential need for the regulation.
3. The regulation does not interfere in public enterprise or life.
4. There are no less burdensome and intrusive alternatives to the regulation.
5. The regulation meets the specific goals that it is intended to achieve.
6. The regulation is clearly written and easily understandable.
7. The regulation is efficient, effective and its cost of compliance is not burdensome.

The Administrator reviewed a hardship request from Forkland Farms, Corp. After much discussion, John Gillam made a motion to deny the request; Lorna Daniels seconded the motion. Motion carried.

Commission staff held technical hearings and/or tele-conference interviews with various firms applying for distributor licenses on all Virginia markets. The applicants all agreed to comply with the Rules and Regulations of the Commission and there being no other evidence to the contrary the Administrator recommended the granting, canceling &/or issuing of licenses as indicated below. Ursula Edmonds made a motion to accept all the following changes, seconded by Lorna Daniels, effective June 1, 2003. Motion carried.

Licenses Issue/Cancel/Re-issue/Amend:

Issue:

<u>License No.</u>	<u>Type of License</u>	<u>Distributor</u>	<u>Company Rep</u>	<u>Markets</u>
307.000.1	NPGD	Crowley Foods, LLC T/a Kemps Foods (Lancaster) P.O. Box 549 Binghamton, NY 13902	Gary Latta	All
292.002.2	SD	Vendors Supply, Inc. 4410 Crossings Blvd. Prince George, VA 23875	J. Wayne Salmon	All

AMEND

<u>License No.</u>	<u>Type of License</u>	<u>Distributor</u>	<u>Company Rep</u>	<u>Markets</u>
237.000.1	NPGD	FROM: Ready Food Products, Inc 10975 Dutton Road Philadelphia, PA 19154 TO: Crowley Foods LLC 10975 Dutton Road Philadelphia, PA 19154	Bruce Elkins	All
243.000.1	NPGD	FROM: Superbrand Dairy Products P.O. Box 7448 High Point, NC 27264-7448 TO: Winn-Dixie Stores, Inc. P.O. Box 7448 High Point, NC 27264-7448	Keith Pardue Keith Pardue	All All

The Administrator gave an update concerning the consolidation of the State Milk Commission with the Department of Agriculture and Consumer Services. Everything remains the same as of date and the move date has not been decided.

Allen O'Hara, Maryland and Virginia Milk Producers gave an update on National Milk Producers Federation new program called Program CWT or the Hundredweight Program.

The Administrator reviewed the request from Kroger on retail price controls. Lorna Daniels made a motion to deny their request, Ursula Edmonds seconded the motion. The motion carried.

The Administrator discussed Regulation 2 VAC 15-11 and 15-20. After much discussion Lorna Daniels made a motion to retain both Regulations. Ursula Edmonds seconded the motion. The motion carried.

The next Commission Meeting will be held August 13, 2003 at 10:30. The meeting will be held at Commission Member's home, Judith Motely, Chatham, Virginia.

There being no further business the meeting was adjourned.