

### **Why do I have a deduction in my milk check?**

The Creamery License Law provides for an assessment of 2.5 cents per hundred-weight for milk and 50 cents per pound of butterfat received as cream from Indiana producers on the total of such receipts for the month of May.

All milk producers of the State of Indiana shall pay this fee. It shall be deducted from their checks for the month of May production.

The processor, receiving station, milk shipping station, milk factory, milk distributor, cheese factory, condensory, ice cream factory, other processing plant, person or person's agent handling, receiving, buying or paying for milk or cream from producers, bargaining agent, or another plant shall charge 2.5 cents per hundred-weight back to the producer, associations and cooperatives, the processor shall make this charge directly to the individual producer.

Funding also comes from licensing fees placed on the haulers, testers, and plants.

### **What is this money used for?**

This money is used to fund the operations of the Indiana Creamery License Division. The primary goal of the division is to ensure accuracy and fairness in the measuring, weighing, sampling, and payment of Indiana milk. We serve as an insurance policy for the Indiana dairy farmer.

Random spot checks are performed on every milk hauler that hauls Indiana milk. The average of all of the butterfat results of each producer making up a particular load is compared to the butterfat of the load sample. Over 400 checks were performed on samples last year. On farm checks are also performed to ensure sampling and loading procedures are followed correctly according to Indiana Code, this is something new we've started this past year after a few concerns by farmers were posed to the division about the procedures of milk haulers. Indiana dairy farmers concerns with their milk payment, hauler performance or other issues are addressed as presented to the division as well.

The division also tries to play an active role in the dairy industry by serving as a member on several boards and planning committees as well as attend meetings for other Indiana dairy related groups.

### **How is this different from the Indiana Board of Animal Health?**

The Indiana Creamery License Division (CLD) is concerned with the accuracy and fairness in measuring, weighing, sampling, and payment purposes. The Indiana Board of Animal Health is primarily concerned with sanitation and health issues. The CLD is here to ensure the Indiana Dairy farmer is getting paid for the quality and volume of milk he/she is producing and that the milk processor is getting the quality and volume of milk they are paying for. The CLD has the jurisdiction to take appropriate action against individuals not meeting requirements as stated in the Indiana Law.