Senate Study Bill 234

Bill Text

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Section 1. <u>NEW SECTION</u>. 192.101A DEFINITIONS.
          As used in this chapter, all terms shall have the same
    3 meaning as defined in the "Grade A Pasteurized Milk Ordinance,
    4 1993 Revision". However, notwithstanding the ordinance, the
 1 5 following definitions shall apply:
         1. "Bulk milk tanker" means a mobile bulk container used
    7 to transport milk or fluid milk products from a dairy farm to
  1 8 a milk plant or from a milk plant to another milk plant,
  1 9 including an over-the-road semitanker or a tanker that is
  1 10 permanently mounted on a motor vehicle.
  1 11
          2. "Milk grader" means a person, including dairy industry
  1 12 milk intake personnel, other than a milk hauler, who collects
  1 13 a milk sample from a bulk tank or a bulk milk tanker.
         3. "Milk hauler" means a person who transports raw milk or
  1 15 raw milk products to or from a milk plant, receiving station,
  1 16 or transfer station, including a dairy industry milk field
  1 17 person.
 1 18
          Sec. 2. Section 192.104, Code 1997, is amended to read as
 1 19 follows:
  1 20
         192.104 COLORING REJECTED MILK.
 It shall be the duty of the

    A milk hauler or

 cream
- a milk
  1 22 grader
 to thoroughly
— <u>may</u> mix
 with all rejected milk or cream,
  1 23 a harmless coloring matter
 as will

    in rejected milk to prevent

  1 24
 all such
- the rejected milk from being offered for sale.
          Sec. 3. Section 192.108, Code 1997, is amended to read as
  1 26 follows:
 1 27
          192.108 ADMINISTRATION OF THE CHAPTER - INSPECTIONS
 1 28 REQUIRED.
          The department shall administer this chapter and rules
  1 30 adopted pursuant to this chapter. The department is
  1 31 responsible for the inspection of a dairy farm, milk plant,
  1 32 transfer station, or receiving station to ensure compliance
  1 33 with this chapter and chapters 190 and 191.
 Whenever
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- The department shall enter into an inspection
  1 35 contract with a person qualified to perform inspection
    1 services if the agreement for the services is cost-effective
  2 2 and the quality of inspection ensures compliance with state
    3 and federal law. A person entering into an inspection
    4 contract with the department for the purpose of inspecting
   5 premises, taking samples, or testing samples, shall be deemed
  2 6 to be an agent of the department, and shall have the same
    7 authority under this chapter provided to the department,
  2 8 unless the contract specifies otherwise. The department shall
  2 9 review inspection services performed by a person under an
  2 10 inspection contract to ensure quality cost-effective
  2 11 inspections. If a person is acting in a manner which is
  2 12 inconsistent with the provisions of the applicable chapter or
  2 13 contract, the department may revoke the inspection contract
  2 14 after notice and hearing, in the manner described for permit
  2 15 revocation in section 192.107 and perform such acts as are
  2 16 necessary to enforce this chapter. Except as provided in this
  2 17 chapter or chapter 194, a person shall not charge a milk
  2 18 plant, receiving station, or transfer station a fee for
  2 19 inspection relating to milk or milk products.
         Sec. 4. Section <u>192.110</u>, subsection 1, Code 1997, is
  2 21 amended to read as follows:
         1. The person has a pasteurized milk and milk products
  2 23 sanitation compliance rating of ninety percent or more as
  2 24 calculated according to the rating system as contained in the
  2 25 federal public health service publications, "Procedures
  2 26 Governing the Cooperative State-Public Health Service/Food and
  2 27 Drug Administration Program for Certification of Interstate
  2 28 Milk Shippers
 1989
- 1995" and "Method of Making Sanitation
  2 29 Ratings of Milk Supplies,
 1987
- 1995 Revision". The applicable
  2 30 provisions of these publications are incorporated into this
  2 31 section by this reference. A copy of each publication shall
  2\ 32 be on file with the department or in the office of the person
  2 33 subject to an inspection contract as provided in section
  2 34 192.108.
  2 35
         Sec. 5. Section 192.111, Code 1997, is amended to read as
 3 1 follows:
         192.111 INSPECTION FEES - DEPOSIT IN GENERAL FUND -
  3 3 APPROPRIATION.
  3 4 1. Except as otherwise provided in this section,
all of
 3 5 the following shall apply:
        a. The following persons must receive a permit or license
  3 7 from the department and pay the following fees:
         (1) A milk plant which is not a receiving station
 shall
  3 9 must obtain a permit and pay
  an inspection
<u>a permit</u> fee not
  3 10 greater than one thousand dollars per year.
         (2) A transfer station
  3 11
 shall

    must obtain a permit and pay
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3 12
 an inspection
- a permit fee not greater than two hundred
  3 13 dollars per year.
         (3) A receiving station which is not a milk plant must
  3 15 obtain a permit and pay a permit fee of not greater than two
  3 16 <u>hundred dollars per year.</u>
  3 17
         (4) A milk hauler
 shall

    must obtain a license and pay

 3 18
 -inspection
- a license fee not greater than
 -twenty-five
ten
  3 19 dollars per year.
         (5) A milk grader must obtain a license and pay a license
 3 21 fee of not greater than ten dollars per year.
  3 22
        b. Each bulk milk tanker shall be licensed by the
  3 23 <u>department and pay a license fee not greater than twenty-five</u>
  3 24 <u>dollars per year.</u> However, a license fee shall not be
  3 25 required for a vehicle used for the collection of milk for
  3 26 manufacturing dairy products which has paid a license fee for
  3 27 the same period pursuant to section 194.19.
 3 28
          The secretary shall
 fix
- establish the fees provided in this
  3 29 <u>subsection</u> annually. The fees shall be paid on July 1 of each
  3 30 year.
          2. A purchaser of milk from a grade "A" milk producer
  3 32 shall pay an inspection fee not greater than one point five
  3 33 cents per hundredweight. The fee shall be payable monthly to
  3 34 the
 <del>secretary</del>
- department in a manner prescribed by the
  3 35 secretary.
        3. a. Fees collected under this section and sections
  4 2 192.133, 194.14, 194.19, and 194.20
  , and 195.9
- shall be
  4 3 deposited in the general fund of the state. All moneys
  4 4 deposited under this section are appropriated to the
  4 5 department for the costs of inspection, sampling, analysis,
  4 6 and other expenses necessary for the administration of this
    7 chapter and
 <del>chapters</del>
<u>- chapter</u> 194
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and 195

- -, and shall be subject
 - 4 8 to the requirements of section 8.60.
 - 4 9 b. In each fiscal year, the secretary shall calculate the
 - 4 10 balance of funds deposited under this section by subtracting
 - 4 11 all moneys expended for the costs of inspection, sampling,
 - 4 12 analysis and other expenses necessary for the administration
 - 4 13 of this chapter and

-chapters

- <u>chapter</u> 194

and 195

- If the
 - 4 14 calculation shows a balance of funds deposited under this
 - 4 15 section on June 30 of any fiscal year equal to or exceeding
 - 4 16 one hundred fifty thousand dollars, the secretary shall reduce
 - 4 17 the fees provided for in subsection 2 of this section and
 - 4 18 section 194.20 for the next fiscal year in an amount which
 - 4 19 will result in an ending estimated balance of such funds for
 - 4 20 June 30 of the next fiscal year of one hundred fifty thousand
 - 4 21 dollars.
 - 4 22 Sec. 6. <u>NEW SECTION</u>. 192.112 REGULATION MILK HAULERS, 4 23 MILK GRADERS, AND BULK MILK TANKERS.
 - $4\ 24$ 1. The department shall adopt rules pursuant to chapter
 - 4 25 17A which provide for licensing milk haulers, milk graders, 4 26 and bulk milk tankers as provided in section 192.111. The
 - 4 27 department shall establish standards of operation for milk
 - 4 28 haulers, milk graders, and bulk milk tankers. The standards
 - 4 29 shall include, but need not be limited to, all of the
 - 4 30 following:

5

- 31 a. The construction of bulk milk tankers.
- 4 32 b. The cleaning, maintenance, and sanitization of bulk 4 33 milk tankers.
- 4 34 c. Recordkeeping relating to the use and cleaning of bulk 4 35 milk tankers.
- 1 d. Supplies needed to perform the duties of milk hauling 2 and milk grading.
- 3 e. Proper milk hauling and milk grading procedures, 4 including but not limited to sanitation, the examination and 5 measurement of milk, the handling of milk, and the taking and 6 handling of milk samples.
- 7 f. Recordkeeping required for milk haulers and milk 8 graders.
- 5 9 g. Ongoing training requirements, if any, for milk haulers 5 10 and milk graders.
- 5 11 Sec. 7. <u>NEW SECTION</u>. 192.113 PENALTIES.
- 5 12 1. a. A person shall not act as a milk hauler unless the 5 13 person is licensed as a milk hauler pursuant to section
- 5 14 192.111. A person shall not solicit another person to act as
- 5 15 a milk hauler or procure or obtain the services of a person to
- 5 16 act as a milk hauler unless the person solicited or from whom
- 5 17 the services are procured or obtained is licensed as a milk
- 5 18 hauler pursuant to section 192.11.
- 5 19 b. A person shall not act as a milk grader unless the
- 5 20 person is licensed as a milk grader pursuant to section 5 21 192.111. A person shall not solicit another person to act as
- 5 22 a milk grader or procure or obtain the services of a person to
- 5 23 act as a milk grader, unless the person solicited or from whom
- 5 24 the services are procured or obtained is licensed as a milk
- 5 25 grader pursuant to section 192.11.
- 5 26 c. A person shall not operate a bulk milk tanker unless 5 27 the bulk milk tanker is licensed pursuant to section 192.111.
- 5 28 A person shall not solicit another person to operate a bulk
- 5 29 milk tanker or procure or obtain the services of a person to
- 5 30 operate a bulk milk tanker, unless the bulk milk tanker is
- 5 31 licensed pursuant to section 192.11.
- 5 32 2. A person who violates this section is subject to a
- 5 33 civil penalty of at least one hundred dollars but not more
- 5 34 than one thousand dollars for each violation. Each day that a 5 35 violation continues shall constitute a new violation.
 - 1 However, a person shall not be subject to a civil penalty of
- 6 2 more than ten thousand dollars for a continuing violation.
- 6 3 Civil penalties shall be deposited in the general fund of the
- 6 4 state.

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Sec. 8. Section 192.118, Code 1997, is amended to read as
 6 6 follows:
         192.118 CERTIFIED LABORATORIES.
         To insure uniformity in the tests and reporting, an
  6 9 employee certified by the United States public health service
  6 10 of the bacteriological laboratory of the department shall
  6 11 annually certify, in accordance with the United States food
  6 12 and drug administration publication "Evaluation of Milk
  6 13 Laboratories" (
 1985
- 1995 revision), all laboratories doing
  6 14 work in the sanitary quality of milk and dairy products for
  6 15 public report. The approval by the department shall be based
  6 16 on the evaluation of these laboratories as to personnel
  6 17 training, laboratory methods used, and reporting. The results
  6 18 on tests made by approved laboratories shall be reported to
  6 19 the department on request, on forms prescribed by the
  6 20 secretary of agriculture, and such reports may be used by the
  6 21 department.
  6 22
         The department shall annually certify, in accordance with
  6 23 the United States food and drug administration publication
  6 24 "Evaluation of Milk Laboratories" (
 1985

    1995 revision), every

 6 25 laboratory in the state doing work in the sanitary quality of
  6 26 milk and dairy products for public report. The certifying
  6 27 officer may enter any such place at any reasonable hour to
  6 28 make the survey. The management of the laboratory shall
  6 29 afford free access to every part of the premises and render
  6 30 all aid and assistance necessary to enable the certifying
  6 31 officer to make a thorough and complete examination.
         Sec. 9. Section 194.18, Code 1997, is amended to read as
 6 33 follows:
  6 34
         194.18 COLORING UNLAWFUL MILK.
  6 35
 It shall be the duty of each licensed

    A milk hauler or milk

  7 1 grader
 of milk to
 licensed pursuant to section 192.112 may mix
  7 2
 with any unlawful milk, whenever observed by the grader
  7 3 harmless coloring matter
that will
<u> in unlawful milk as</u>
  7 4 provided in section 194.9 to prevent the unlawful milk
to be
 7 5 <u>from being</u> processed and used in any form for human
  7 6 consumption.
         Sec. 10. Chapters 193 and 195, Code 1997, are repealed.
  7 8
                                EXPLANATION
         This bill amends Code sections regulating the milk
 7 10 industry, including the collection, transportation, and
  7 11 grading of milk. The bill regulates three different entities,
  7 12 including a bulk milk tanker which is used to transport milk
  7 13 or fluid milk products, a milk grader who collects milk
  7 14 samples, and a milk hauler who transports raw milk or raw milk
  7 15 products. The bill provides that a milk hauler or a milk
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- 7 16 grader may color contaminated milk. It removes discretion
- 7 17 from the department of agriculture and land stewardship in
- 7 18 contracting for inspection services, and it updates references
- 7 19 to publications used in inspecting and testing milk and
- 7 20 facilities. The bill amends provisions relating to licensing
- 7 21 and permitting for persons involved in the industry, including
- 7 22 the imposition of fees. The bill provides for the regulation
- 7 23 of milk haulers, milk graders, and bulk milk tankers required
- 7 24 to be licensed under the bill, by authorizing the department
- 7 25 to adopt rules providing for licensing of such persons and
- 7 26 establishing standards of operation. The bill establishes
- 7 27 penalties for persons who act as milk haulers or milk graders
- 7 28 or who operate bulk milk tankers in violation of the bill.
- 7 29 The bill establishes penalties for persons who solicit an
- 7 30 unlicensed person to act as a milk hauler or milk grader or
- 7 31 who operate a bulk milk tanker. A person violating the bill
- 7 32 is subject to a civil penalty of at least \$100 but not more
- 7 33 than \$1,000 for a violation. A person is not subject to more
- 7 34 than \$10,000 for a continuing violation. The bill repeals
- $7\ 35\ {\rm chapters}\ {\rm regulating}\ {\rm butter}\ {\rm production}\ {\rm and}\ {\rm cream}\ {\rm grading}.$
- 8 1 LSB 2463SC 77
- 8 2 da/cf/24