IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 152

BY AGRICULTURAL AFFAIRS COMMITTEE

AN ACT RELATING TO DAIRY PRODUCTS; AMENDING THE HEADING FOR CHAPTER 5, TITLE 37, 2 IDAHO CODE, TO REMOVE REFERENCE TO BABCOCK TESTS AND TO PROVIDE FOR 3 MILK COMPONENTS AND QUALITY TESTING; AMENDING SECTION 37-503, IDAHO 4 5 CODE, TO REVISE PROVISIONS RELATING TO CERTAIN LICENSES AND TO REVISE DEFINITIONS; AMENDING SECTION 37-504, IDAHO CODE, TO PROVIDE FOR THE 6 PRORATION OF LICENSE FEES AND TO REVISE PROVISIONS RELATING TO THE NON-7 ISSUANCE AND REVOCATION OF CERTAIN LICENSES; AMENDING SECTION 37-505, IDAHO CODE, TO REVISE REPORTING REQUIREMENTS; AMENDING SECTION 37-506, 9 10 IDAHO CODE, TO REVISE TESTING PROVISIONS, TO AUTHORIZE THE DEPARTMENT OF AGRICULTURE TO CONDUCT CERTAIN AUDITS RELATING TO PAYMENTS FOR MILK 11 AND CREAM AND TO CORRECT A CODIFIER'S ERROR; AMENDING SECTION 37-507, 12 IDAHO CODE, TO REVISE PROVISIONS RELATING TO STATEMENTS OF MILK AND 13 CREAM PURCHASED; AMENDING SECTION 37-509, IDAHO CODE, TO REMOVE MIS-14 15 DEMEANOR PENALTY PROVISIONS AND TO PROVIDE FOR CIVIL PENALTIES AND TO PROVIDE THAT THE DIRECTOR OF THE IDAHO DEPARTMENT OF AGRICULTURE SHALL 16 NOT BE REQUIRED TO REPORT MINOR VIOLATIONS; AMENDING SECTION 37-510, 17 IDAHO CODE, TO REMOVE REFERENCE TO BABCOCK TESTS AND TO REQUIRE EV-18 19 ERY OPERATOR TESTING COMPONENTS IN MILK OR CREAM TO RETAIN SAMPLES FOR A SPECIFIED PERIOD OF TIME; AMENDING SECTION 37-513, IDAHO CODE, TO 20 REMOVE REFERENCE TO BABCOCK TESTS AND TO REVISE CERTAIN EVIDENCE PROVI-21 SIONS; AMENDING SECTION 37-515, IDAHO CODE, TO AUTHORIZE THE DEPARTMENT 22 OF AGRICULTURE TO PROMULGATE CERTAIN RULES AND TO PROVIDE THAT CERTAIN 23 PAYMENTS AND REFUNDS SHALL BE MADE TO AGGRIEVED PARTIES WITHIN A SPEC-24 IFIED TIME PERIOD; REPEALING SECTION 37-517, IDAHO CODE, RELATING TO 25 VIOLATIONS CONSTITUTING MISDEMEANORS; REPEALING SECTION 37-518, IDAHO 26 CODE, RELATING TO PROSECUTIONS; REPEALING SECTION 37-519, IDAHO CODE, 27 RELATING TO CONSTRUCTION OF SPECIFIED LAW WITH SANITARY AND HEALTH 28 LAWS; AND REPEALING CHAPTER 6, TITLE 37, IDAHO CODE, RELATING TO THE 29 STANDARDIZATION OF GLASSWARE FOR BABCOCK TESTS. 30

31 Be It Enacted by the Legislature of the State of Idaho:

32 SECTION 1. That the Heading for Chapter 5, Title 37, Idaho Code, be, and the same is hereby amended to read as follows:

34 CHAPTER 5

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INSPECTION AND LICENSING OF DAIRY PRODUCT DEALERS AND ESTABLISHMENTS -- BABCOCK TESTS MILK COMPONENTS AND QUALITY TESTING

37 SECTION 2. That Section 37-503, Idaho Code, be, and the same is hereby 38 amended to read as follows:

39 37-503. LICENSES -- RETAIL VENDOR EXCEPTED -- FEES -- POSTING -- DEF-40 INITIONS. Every creamery, milk plant, shipping or cream buying station, milk condensing plant, cheese factory, mix making plant, ice cream factory, reprocessing plant, casein plant, powdered milk plant, or factory of milk products, or other person receiving or purchasing milk or cream in bulk other than a retail vendor of milk on the basis of the amount of milk fat volume, milk components or milk quality therein, shall annually obtain a license therefor. Such license shall be issued by the department upon being satisfied that the building, places, or premises where such milk or dairy products are to be received or purchased are maintained in a sanitary manner, and that cream scales are protected and placed on a solid foundation and away from drafts, and that a laboratory or inclosed enclosed test room is provided in which to test milk and cream, that ample light is provided therein, and that at all times the room is kept in a clean and sanitary condition, and upon payment of such license fee to the department according to the following schedule:

Milk condensery, one hundred dollars (\$100), reprocessing plant, one hundred dollars (\$100), creamery, fifty dollars (\$50.00), cheese factory, twenty dollars (\$20.00), ice cream factory, twenty dollars (\$20.00), mix making plant, twenty dollars (\$20.00), casein plant, twenty dollars (\$20.00), milk powder plant, thirty dollars (\$30.00), cream buying or shipping station, fifteen dollars (\$15.00). When one $\underline{(1)}$ or more kinds of dairy products are being manufactured by the same firm on the same premises, this shall be construed to require that a separate license be procured for each kind of product manufactured and sold. The license, when issued, shall be posted in a conspicuous place in the plant for which issued.

The term "creamery" shall mean any place, building or structure wherein milk or cream is manufactured into butter for sale.

The term "milk plant" shall mean any place, building or structure wherein milk is received for bottling, pasteurizing, clarifying or otherwise processing.

The term "shipping or cream buying station" shall mean any place where milk or cream is delivered by the producers to a buyer, not a manufacturer, or to the agent or representative of a manufacturer or processor of dairy products for shipment or transportation to such manufacturer or processor.

The term "milk condensing plant" shall mean any place, building or structure wherein milk is condensed or processed by evaporation of removing a considerable portion of the water or other milk constituents normally contained therein.

The term "cheese factory" shall mean any place, building or structure wherein milk is manufactured into cheese.

The term "ice cream factory" shall mean any place, building or structure wherein milk or cream, regardless of butterfat content, and with or without other constituents, shall be manufactured into a frozen or semifrozen product for human consumption and for sale at wholesale or retail. This term shall not include "frozen dessert machines."

The term "frozen dessert machine" shall mean the freezer or other device by which the liquid ingredients for frozen dessert are frozen to a solid or semisolid consistency and are discharged, expelled or drawn off for sale at retail.

The term "mix making plant" shall mean any place, building or structure wherein milk or cream, with or without other constituents, shall be mixed

or processed for resale to ice cream factories; provided, that any duly licensed ice cream factory may carry on, as a part of its business, the business of mix making plant without being required to pay therefor, additional license for so doing.

 The term "reprocessing plant" shall mean any place, building or structure wherein a cheese dairy product is made by comminuting and mixing one or more lots of cheese of the same variety or of different varieties into a homogenous, plastic mass with or without the addition of water and emulsifying agents mixed, dried, shredded, packaged or further processed into a dairy product. A reprocessing plant does not include retail stores, restaurants or similar institutions.

The term "casein plant" shall mean any place, building or structure wherein casein is manufactured for sale.

The term "powdered milk plant" shall mean any place, building or structure wherein milk or any product of milk is processed by evaporating or removing therefrom the water or moisture contained therein to a point where the product may be handled as a dry product. A powdered milk plant also includes a facility wherein dry milk products are blended or processed into other milk products.

SECTION 3. That Section 37-504, Idaho Code, be, and the same is hereby amended to read as follows:

- 37-504. LICENSES -- DURATION AND REVOCATION. Licenses shall be issued by the department for the period of one (1) year, fees for which shall be prorated for the appropriate number of months until renewal, and shall expire on December thirty-first of each year issued, and may be revoked by the department after a hearing on ten (10) days' notice to the licensee, if such licensee shall fail to comply with the provisions of this act. No such license shall be issued, and if issued may be revoked, in the following cases:
- (a) If the milk or cream, or any product thereof, used in such manufacturing or processing operations, has reached an advanced state of fermentation or shows a stage of putrefactive fermentation;
- (b) If the milk or cream or any product thereof be stored or kept in cans or other containers that have not been sterilized with boiling water or live steam after each delivery;
- (c) If the utensils or apparatus that come in contact with milk or cream or the products thereof in the process of manufacture or processing are not thoroughly washed or sterilized by means of boiling water or live steam after each using;
- (d) If the floor of the building or room in which the manufacturing or processing is conducted, or the product kept or stored, is so constructed or in such condition as to permit the flowing or soaking of water, milk or other liquids underneath such floor or among the interstices of such floor in such manner as to permit fermentation and decay to take place;
- (e) If the condition of the floor in the building or room where the manufacturing or processing is conducted or the product stored or kept be such that it may not be readily kept free from dirt and filth;
- (f) If drains are not provided that will convey refuse milk, water and sewage to a point at least fifty (50) yards distant from such building or room where the manufacturing or processing is conducted or the product stored;

(g) If any cesspool, privy vault, hog yard, slaughter-house, hen house, manure, or any decaying vegetable or animal matter that will emit or produce foul odors, shall be permitted to exist within such distance as will permit the odors therefrom to reach any such building or room where the manufacturing or processing is conducted or the product stored;

- (h) If the building or room where the manufacturing or processing is conducted or the product stored is so constructed or so maintained as not to permit access thereto of sufficient light and air to secure good ventilation;
- (i) If any room or building used in connection with the manufacturing or processing of the product, any insects, vermin or any species of animal life are permitted;
- (j) If upon the floor of any room or building where the manufacturing or processing of such product is conducted, or upon the sides of walls thereof, any milk or its products or any other filth is allowed to accumulate, ferment or decay;
- (k) If the body or wearing apparel of any person employed in the manufacturing and processing of the product, or coming in contact with the milk, cream or the product thereof while the manufacturing or processing is carried on shall be unclean, or shall not be washed from time to time with reasonable frequency;
- $(\pm \underline{1})$ If there shall be permitted to exist any other cause or thing calculated or tending to render the milk or cream, or any product thereof, used or produced in such manufacturing or processing operations, unclean, impure and unhealthy.
- $\underline{\text{(2)}}$ If the licensee does not meet rules adopted by the department of agriculture for the processing of grade A and manufacturing grade milk and milk products.
- SECTION 4. That Section 37-505, Idaho Code, be, and the same is hereby amended to read as follows:
- 37-505. REPORTS OF LICENSEES. All buyers of butterfat, cream, milk or other dairy products, required to be licensed by the provisions of this act, shall report to the director of the department of agriculture monthly the number of pounds of each grade of cream, butterfat or other dairy products purchased or manufactured and prices paid at each station operated by any creamery, cheese factory, condensery, casein, milk powder or ice cream plant in the state. Such report blanks are to be furnished by the department and additional reports may be called for at the discretion of the department.
- SECTION 5. That Section 37-506, Idaho Code, be, and the same is hereby amended to read as follows:
- 37-506. METHOD OF TESTING MILK AND CREAM. All milk and cream purchased or sold in the state of Idaho at a price based based upon or determined by the milkfat, butterfat, protein, lactose, or solids content nonfat or somatic cell counts thereof, shall be tested by the methods as are approved in the latest edition of the Methods of Analysis of the Association of Analytical Chemists and as approved by the director of the department of agriculture of the state of Idaho. Samples must be taken from every shipment of milk and

cream. Daily composite samples in the case of milk or sweet cream must be taken and individual samples taken in the case of sour cream. Accurate thermometers must be provided at all times. All composite mMilk and sweet cream samples must be kept protected and in a tamper-proof place between forty (40) thirty-three (33) and fifty forty-five (450) degrees Fahrenheit, and be kept for three (3) days after testing in a protected place between forty (40) and fifty (50) degrees Fahrenheit. Such samples may be examined and tested by the department of agriculture at any time. The department of agriculture is authorized to conduct audits of a person's, corporation's, cooperative's or company's payments for milk or cream to determine if such payments comply with established requirements.

SECTION 6. That Section 37-507, Idaho Code, be, and the same is hereby amended to read as follows:

37-507. STATEMENT TO SHOW NUMBER OF POUNDS OF MILK OR CREAM PURCHASED. Every person, corporation, cooperative or company operating a creamery, when using the Babcock test as a standard to that determines the value of any milk or cream received or bought by such person, corporation, cooperative or company to be manufactured into butter, on a milk volume, component or somatic cell count basis shall, when paying for such milk or cream, include in every statement or check issued to any patron in payment therefor a statement of the number of pounds of butterfat milk, milk components and the average somatic cell counts, if applicable, for which payment is made. Records for such transactions shall be retained by the purchaser of the milk or cream for at least one (1) year from the date the tests were conducted.

SECTION 7. That Section 37-509, Idaho Code, be, and the same is hereby amended to read as follows:

- 37-509. PENALTY FOR VIOLATIONS. $\underline{(1)}$ Whoever shall violate any of the provisions of sections 37-506 through 37-508, Idaho Code, shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than twenty-five dollars (\$25.00) nor more than two hundred dollars (\$200), for each and every offense, or be imprisoned in the county jail not less than thirty (30) days nor more than sixty (60) days, or both such fine and imprisonment this chapter or the rules promulgated hereunder for carrying out any requirements herein specified may be assessed a civil penalty by the department or its duly authorized agent of not more than ten thousand dollars (\$10,000) for each offense.
- (2) Assessment of a civil penalty may be made in conjunction with any other department administrative action.
- (3) No civil penalty may be assessed unless the person, corporation, cooperative or company charged was given notice and opportunity for a hearing pursuant to the Idaho administrative procedure act.
- (4) If the department is unable to collect such penalty or if any person, corporation, cooperative or company fails to pay all or a set portion of the civil penalty as determined by the department, it may recover such amount by action in the appropriate district court.
- (5) Any person, corporation, cooperative or company against whom the department has assessed a civil penalty under the provisions of this section

may, within twenty-eight (28) days of the final action by the agency making the assessment, appeal the assessment to the district court of the county in which the violation is alleged by the department to have occurred.

- (6) Nothing in this chapter shall be construed as requiring the director to report minor violations for prosecution when he believes that the public interest will be best served by suitable warnings or other administrative action.
- SECTION 8. That Section 37-510, Idaho Code, be, and the same is hereby amended to read as follows:
 - 37-510. RETENTION OF TESTED SAMPLES. Every operator of a Babcock test for butterfat testing components in milk or cream for the purpose of determining their commercial value when purchased or sold shall keep for the period of forty-eight (48) hours after completing a test a portion sufficient for two (2) tests of each and every sample tested. These samples shall be accessible to the director or his representative at any and all times and legible record of all tests made by the operator of said tests shall be accessible to the department for a period of thirty (30) days following such tests.
- SECTION 9. That Section 37-513, Idaho Code, be, and the same is hereby amended to read as follows:
 - 37-513. FALSE TESTS -- EVIDENCE. No person shall falsely manipulate or misread the Babcock test or any other milk or cream testing apparatus. The writing of a check or payment of money by such person, corporation, cooperative or company for cream or milk shall constitute prima facie evidence that such test was made.
- 25 SECTION 10. That Section 37-515, Idaho Code, be, and the same is hereby 26 amended to read as follows:
 - 37-515. FEES AND FINES -- DISPOSITION. Fees and fines collected under the provisions of this act shall be credited and paid into the dairy industry and inspection fund. The department is authorized by rule to set forth parameters relating to payments, refunds or other adjustments whenever the department determines milk or cream component testing fails to meet requirements. The payments or refunds shall be made to the aggrieved party within thirty (30) days.
- SECTION 11. That Section 37-517, Idaho Code, be, and the same is hereby repealed.
- SECTION 12. That Section 37-518, Idaho Code, be, and the same is hereby repealed.
- SECTION 13. That Section 37-519, Idaho Code, be, and the same is hereby repealed.
- SECTION 14. That Chapter 6, Title 37, Idaho Code, be, and the same is hereby repealed.