

THE GENERAL ASSEMBLY OF PENNSYLVANIA

**SENATE BILL**

No. **840** Session of  
2021

INTRODUCED BY SCHWANK, VOGEL, COSTA, STREET, J. WARD, MARTIN,  
FONTANA, COMITTA, YUDICHAK, MENSCH, KANE, MUTH, STEFANO,  
PITTMAN, AUMENT AND SANTARSIERO, AUGUST 17, 2021

REFERRED TO AGRICULTURE AND RURAL AFFAIRS, AUGUST 17, 2021

AN ACT

1 Amending the act of April 28, 1937 (P.L.417, No.105), entitled  
2 "An act relating to milk and the products thereof; creating a  
3 Milk Marketing Board; establishing its jurisdiction, powers  
4 and duties; regulating the production, transportation,  
5 manufacturing, processing, storage, distribution, delivery  
6 and sale of milk and certain products thereof; providing for  
7 the licensing of milk dealers and the payment of fees  
8 therefor; requiring milk dealers to file bonds to secure  
9 payment for milk to producers and certain milk dealers;  
10 authorizing the holding of hearings and the issuance of  
11 subpoenas by the board; conferring jurisdiction upon courts  
12 to punish contempts and to prohibit violations of this act  
13 and of rules, regulations and orders of the board;  
14 authorizing the board to adopt rules, regulations and orders,  
15 and to enter into interstate and Federal compacts; requiring  
16 persons who weigh, measure, sample or test milk to procure  
17 permits or certificates, to take examinations, to pay fees  
18 therefor, to furnish certain notices, records and statements,  
19 and to use certain methods of weighing, measuring, sampling  
20 and testing; authorizing the board to examine the business,  
21 papers and premises of milk dealers and producers, requiring  
22 the keeping of records and the filing of reports by milk  
23 dealers, and permitting, with limitations, the use of  
24 information obtained thereby; authorizing the board to fix  
25 prices for milk and certain milk products subject to the  
26 approval of the Governor, and conferring certain powers upon  
27 the Governor with respect thereto; providing for appeals to  
28 the courts from decisions of the board, and for the burden of  
29 proof upon such appeals; prescribing penalties, fines and  
30 imprisonment for violations of this act and rules,  
31 regulations and orders of the board; defining perjury;  
32 defining remedies; repealing legislation supplied and  
33 superseded by this act, and saving rights, duties and

1 proceedings thereunder; and making appropriations," in  
2 purpose, short title and definitions, further providing for  
3 definitions and construction; in licenses of milk dealers,  
4 providing for milk distributors required to be licensed and  
5 for refusal, suspension or revocation of license; and, in  
6 records, reports and information, further providing for  
7 records and for reports.

8 The General Assembly of the Commonwealth of Pennsylvania  
9 hereby enacts as follows:

10 Section 1. The definition of "store" in section 103 of the  
11 act of April 28, 1937 (P.L.417, No.105), known as the Milk  
12 Marketing Law, is amended and the section is amended by adding a  
13 definition to read:

14 Section 103. Definitions; Construction.--The following terms  
15 shall be construed in this act to have the following meanings,  
16 except in those instances where the context clearly indicates  
17 otherwise:

18 \* \* \*

19 "Milk distributor" or "distributor" means any person who  
20 purchases or receives for resale milk from sources outside of  
21 this Commonwealth and handles the milk within this Commonwealth  
22 for further sale in the same containers as those in which the  
23 milk was purchased or received. The term does not include a milk  
24 dealer licensed by the Commonwealth on the effective date of  
25 this definition.

26 \* \* \*

27 "Store" includes a grocery store, hotel, restaurant, soda  
28 fountain, dairy products store, or any similar mercantile  
29 establishment which sells [or distributes] milk.

30 \* \* \*

31 Section 2. The act is amended by adding sections to read:

32 Section 401.1. Milk Distributors Required to be Licensed.--

33 (a) A person may not operate as a milk distributor in this

1 Commonwealth unless the person holds a milk distributor's  
2 license issued by the board.

3 (b) A license application must be completed and filed by the  
4 milk distributor:

5 (1) within thirty days after the effective date of this  
6 section; or

7 (2) prior to engaging in business.

8 (c) A license must be renewed annually before July 1. A  
9 renewal application must be filed by June 15.

10 (d) The board shall prescribe forms for applications under  
11 subsections (b) and (c).

12 Section 404.2. Refusal, Suspension or Revocation of  
13 License.--(a) This section shall apply if the board makes a  
14 determination, after a hearing under section 405, that an  
15 applicant or a licensee has not complied with this act or a  
16 regulation or order under this act.

17 (b) If subsection (a) applies, the board may:

18 (1) Decline to grant a license to an applicant.

19 (2) Decline to renew a license of a licensee.

20 (3) Suspend or revoke a license.

21 Section 3. Sections 701 and 702 of the act are amended to  
22 read:

23 Section 701. Records.--Milk dealers and distributors subject  
24 to license by the board shall keep within the Commonwealth the  
25 following records, as applicable to their operations:

26 (1) A record of the quantity of all milk received or  
27 produced, detailed as to location and as to names and addresses  
28 of producers or milk dealers or distributors from whom received,  
29 with butterfat or appropriate milk component tests, weights;  
30 prices paid, and deductions or charges made.

1 (2) A record of the quantity of all milk sold, detailed as  
2 to grade, use, location, market outlet, and size and type of  
3 container, with prices and amounts received therefor, and the  
4 butterfat or appropriate milk component tests thereof.

5 (3) A record of the quantities of all milk transported,  
6 shipped, or hauled, including the distances and the amounts paid  
7 for the movement of such milk, in all cases where the dealer  
8 pays on his own account or on the account of producers for the  
9 movement thereof.

10 (4) A record of the quantity of each milk product  
11 manufactured, the quantity of milk used in the manufacture of  
12 each product, and the quantity and value of milk products sold.

13 (4.1) The price or cost of containers used, by size and  
14 type.

15 (5) A record of wastage or loss of milk or butterfat.

16 (6) A record of the spread or handling expense and profit or  
17 loss, represented by the difference between the price paid and  
18 the price received for all milk and milk products.

19 (7) A record of all other transactions affecting the assets,  
20 liabilities, or net worth of the dealer or distributor.

21 (8) Such other records and information as the board may deem  
22 necessary for the proper enforcement of this act.

23 The records herein required shall be kept in the possession  
24 of the milk dealer or distributor for a period not less than two  
25 years, unless the board otherwise provides.

26 Section 702. Reports.--Each milk dealer or distributor  
27 shall, from time to time, as required by rule, regulation or  
28 order of the board, make and file a verified report, on forms  
29 prescribed by the board, of all matters on account of which a  
30 record is required to be kept, together with such other

1 information or facts as may be pertinent and material within the  
2 scope of the purposes and intent of this act. Such report shall  
3 cover a period specified in the order, and shall be filed within  
4 a time fixed by the board.

5 Section 4. This act shall take effect in 60 days.