

# HOUSE BILL REPORT

## ESB 5962

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**As Reported By House Committee On:**  
Agriculture & Ecology

**Title:** An act relating to dairy products.

**Brief Description:** Changing dairy products regulations.

**Sponsors:** Senators Rasmussen and Newhouse.

**Brief History:**

**Committee Activity:**

Agriculture & Ecology: 3/27/95 [DPA].

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### HOUSE COMMITTEE ON AGRICULTURE & ECOLOGY

**Majority Report:** Do pass as amended. Signed by 13 members: Representatives Chandler, Chairman; Koster, Vice Chairman; Mastin, Ranking Minority Member; Chappell, Assistant Ranking Minority Member; Clements; Delvin; R. Fisher; Honeyford; Johnson; Kremen; Poulsen; Regala and Rust.

**Staff:** Kenneth Hirst (786-7105).

**Background:** The Food and Drug Administration has adopted a "Grade 'A' Pasteurized Milk Ordinance" (PMO) which constitutes a national standard for milk sanitation. Its sanitation requirements apply to interstate shipments of milk and milk products. The PMO has been incorporated into this state's milk and dairy laws as the principal component of this state's milk sanitation requirements. A Dairy Inspection Program Advisory Committee makes recommendations to the Director of Agriculture concerning the state's dairy inspection program. The recommendations must be consistent with the PMO.

A distributor's milk and milk products sold in quantities of less than one gallon must be delivered in standard milk bottles or single serving containers. The receiving hotels, restaurants, grocery stores and similar establishments may not sell or serve milk or milk products except in the containers received from the distributor or from bulk containers equipped with approved dispensing devices. However, this latter restriction does not apply to cream consumed on the premises which may be served from the original bottle or from an approved dispenser.

**Summary of Amended Bill:** The Dairy Inspection Program Advisory Committee must develop a proposal to impose a civil penalty in lieu of a degrade or summary suspension for violations of the PMO. The committee must inquire regarding the acceptability of the proposal to the FDA, regulatory agencies that implement the PMO in states to which this state's milk is shipped, and other public and private organizations that may be affected by the issue. The committee shall provide a written report containing its conclusions and recommendations to the house of representatives and senate committees having jurisdiction over milk quality issues by December 15, 1995.

A distributor's milk and milk products sold in quantities of one gallon or less (rather than less than one gallon, as under current state law) must be delivered in standard milk bottles or in single-service containers. An exemption provided by law is altered which currently permits cream to be served from the original bottle or otherwise dispensed for consumption on the premises of a commercial establishment. The exemption now applies only to serving sizes of cream that do not exceed one-half pint and now also applies to such servings of milk.

**Amended Bill Compared to Engrossed Bill:** The amendments direct the committee to conduct the civil penalty study rather than the Department of Agriculture (as in the Engrossed Senate Bill).

**Appropriation:** None.

**Fiscal Note:** Requested on March 24, 1995.

**Effective Date of Amended Bill:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** If milk from a dairy fails two successive tests, the dairy's milk must be "degraded" to class C milk. There is no market for class C milk so it is simply dumped. That is a very severe penalty. The study will determine whether a civil penalty may be levied in lieu of a "degrade" and still meet PMO requirements.

**Testimony Against:** None.

**Testified:** Mike Schwisow, Oregon-Washington Dairy Processors Association (pro); and Tim Erwin (pro).