SSB 6377 - H COMM AMD

By Committee on Economic Development, Agriculture & Trade

ADOPTED AS AMENDED 03/01/2006

- 1 Strike everything after the enacting clause and insert the 2 following:
- "NEW SECTION. **Sec. 1.** The legislature finds that chapter 15.36 3 4 RCW includes the regulation of raw milk and raw milk products including arrangements known as "cow shares" in which one or more individuals 5 6 purchase one or more shares in a milk-producing animal in return for a 7 portion of the milk that is produced. The legislature also finds that the agencies charged with protecting public health and safety need to 8 9 have strong enforcement mechanisms and be able to respond rapidly, comprehensively, and effectively. It is not the intent of this act to 10 11 prohibit either the sale of raw milk or cow share or similar 12 arrangements by producers and processors who are properly licensed 13 under chapter 15.36 RCW.
- 14 **Sec. 2.** RCW 15.36.012 and 1999 c 291 s 1 are each amended to read 15 as follows:
- 16 For the purpose of this chapter:
- 17 "Adulterated milk" means milk that is deemed adulterated under 18 appendix L of the PMO.
- 19 "Colostrum milk" means milk produced within ten days before or 20 until practically colostrum free after parturition.
- "DMO" means supplement I, the recommended sanitation ordinance for grade A condensed and dry milk products and condensed and dry whey, to the PMO published by the United States public health service, food and drug administration.
- "Dairy farm" means a place or premises where one or more cows, goats, or other mammals are kept, a part or all of the milk or milk products from which is sold or offered for sale ((to a milk processing plant, transfer station, or receiving station)).

"Dairy technician" means any person who takes samples of milk or cream or fluid derivatives thereof, on which sample tests are to be made as a basis of payment, or who grades, weighs, or measures milk or cream or the fluid derivatives thereof, the grade, weight, or measure to be used as a basis of payment, or who operates equipment wherein milk or products thereof are pasteurized.

"Degrade" means the lowering in grade from grade A to grade C.

"Department" means the state department of agriculture.

"Director" means the director of agriculture of the state of Washington or the director's duly authorized representative.

"Grade A milk processing plant" means any milk processing plant that meets all of the standards of the PMO to process grade A pasteurized milk or milk products.

"Grade A pasteurized milk" means grade A raw milk that has been pasteurized.

"Grade A raw milk" means raw milk produced upon dairy farms conforming with all of the items of sanitation contained in the PMO, in which the bacterial plate count does not exceed twenty thousand per milliliter and the coliform count does not exceed ten per milliliter as determined in accordance with RCW 15.36.201.

"Grade A raw milk for pasteurization" means raw milk produced upon dairy farms conforming with all of the same items of sanitation contained in the PMO of grade A raw milk, and the bacterial plate count, as delivered from the farm, does not exceed eighty thousand per milliliter as determined in accordance with RCW 15.36.201.

"Grade C milk" is milk that violates any of the requirements for grade A milk but that is not deemed to be adulterated.

"Milk" means the lacteal secretion, practically free of colostrum, obtained by the complete milking of one or more healthy cows, goats, or other mammals.

"Milk hauler" means a person who transports milk or milk products in bulk to or from a milk processing plant, receiving station, or transfer station.

"Milk processing" means the handling, preparing, packaging, or processing of milk in any manner in preparation for sale as food, as defined in chapter 69.04 RCW. Milk processing does not include milking or producing milk on a dairy farm that is shipped to a milk processing plant for further processing.

"Milk processing plant" means a place, premises, or establishment where milk or milk products are collected, handled, processed, stored, bottled, pasteurized, aseptically processed, bottled, or prepared for distribution, except an establishment that merely receives the processed milk products and serves them or sells them at retail.

"Milk products" means the product of a milk manufacturing process.

"Misbranded milk" means milk or milk products that carries a grade label unless such grade label has been awarded by the director and not revoked, or that fails to conform in any other respect with the statements on the label.

"Official laboratory" means a biological, chemical, or physical laboratory that is under the direct supervision of the state or a local regulatory agency.

"Officially designated laboratory" means a commercial laboratory authorized to do official work by the department, or a milk industry laboratory officially designated by the department for the examination of grade A raw milk for pasteurization and commingled milk tank truck samples of raw milk for antibiotic residues and bacterial limits.

"PMO" means the grade "A" pasteurized milk ordinance published by the United States public health service, food and drug administration.

"Pasteurized" means the process of heating every particle of milk or milk product in properly designed and operated equipment to the temperature and time standards specified in the PMO.

"Person" means an individual, partnership, firm, corporation, company, trustee, or association.

"Producer" means a person or organization who operates a dairy farm and provides, sells, or offers milk for sale ((to a milk processing plant, receiving station, or transfer station)).

"Receiving station" means a place, premises, or establishment where raw milk is received, collected, handled, stored, or cooled and prepared for further transporting.

"Sale" means selling, offering for sale, holding for sale, preparing for sale, <u>distributing</u>, <u>dispensing</u>, <u>delivering</u>, <u>supplying</u>, trading, bartering, offering a gift as an inducement for sale of, and advertising for sale in any media.

36 "Transfer station" means any place, premises, or establishment 37 where milk or milk products are transferred directly from one milk tank 38 truck to another. 1 "Wash station" means a place, facility, or establishment where milk 2 tanker trucks are cleaned in accordance with the standards of the PMO.

Sec. 3. RCW 15.36.111 and 1999 c 291 s 6 are each amended to read as follows:

- (1) The director shall inspect all dairy farms and all milk processing plants prior to issuance of a license under this chapter and at a frequency determined by the director by rule: PROVIDED, That the director may accept the results of periodic industry inspections of producer dairies if such inspections have been officially checked periodically and found satisfactory. In case the director discovers the violation of any item of grade requirement, he or she shall make a second inspection after a lapse of such time as he or she deems necessary for the defect to be remedied, but not before the lapse of three days, and the second inspection shall be used in determining compliance with the grade requirements of this chapter. Whenever there is any violation of the same requirement of this chapter on the second inspection, the director may initiate proceedings to degrade, suspend the license, or assess a civil penalty.
- (2) One copy of the inspection report detailing the grade requirement violations shall be posted by the director in a conspicuous place upon an inside wall of the milk tank room or a mutually agreed upon location on a dairy farm or given to an operator of the milk processing plant, and said inspection report shall not be defaced or removed by any person except the director. Another copy of the inspection report shall be filed with the records of the director.
- (3) Every milk producer and milk processing plant shall permit the director access to all parts of the establishment during the working hours of the producer or milk processing plant, which shall at a minimum include the hours from 8 a.m. to 5 p.m., and every milk processing plant shall furnish the director, upon his or her request, for official use only, samples of any milk product for laboratory analysis, and a true statement of the actual quantities of milk and milk products of each grade purchased and sold((, together with a list of all sources, records of inspections and tests, and recording thermometer charts)).
- 36 (4) The director shall have access to all parts of a dairy farm or
 37 facility that is not licensed as a milk producer or milk processing

- 1 plant if the director has information that the dairy farm or facility
- 2 is engaged in activities that require a license under this chapter.
- 3 The director shall have access during the working hours of the dairy
- 4 farm or facility, which shall at a minimum include the hours from 8
- 5 <u>a.m.</u> to 5 p.m. The director shall have the authority to take samples
- 6 of milk or any milk products and water and environmental samples for
- 7 laboratory analysis. For all establishments subject to this subsection
- 8 and subsection (3) of this section, the director shall have access to
- 9 records including, but not limited to, customer lists, milk production
- 10 records, temperature records, and records of inspections and tests.
- 11 (5) If the director is denied access to a dairy farm or milk
- 12 processing plant, the director may apply to a court of competent
- 13 jurisdiction for a search warrant authorizing access to the property
- 14 and facilities for purposes of conducting tests and inspections, taking
- 15 samples, and examining records. To show that access is denied, the
- 16 <u>director shall file with the court an affidavit or declaration</u>
- 17 <u>containing a description of his or her attempts to notify and locate</u>
- 18 the owner or the owner's agent and to secure consent. Upon
- 19 application, the court may issue a search warrant for the purposes
- 20 <u>requested</u>.
- 21 **Sec. 4.** RCW 15.36.511 and 1999 c 291 s 24 are each amended to read 22 as follows:
- 23 (1) It is unlawful for any person to:
- 24 $((\frac{1}{1}))$ (a) Interfere with or obstruct any person in the 25 performance of official duties under this chapter;
- 26 $((\frac{2}{2}))$ (b) Employ a tester, sampler, weigher, grader, or pasteurizer who is not licensed as a dairy technician;
- 28 $((\frac{3}{3}))$ (c) Alter or tamper with a seal placed by the director; 29 $(\frac{3}{3})$
- 30 (4))) (d) Alter or tamper with a sample of milk or milk products 31 taken or sealed by the director; or
- (e) Operate as a milk producer or milk processing plant without
 obtaining a license from the director.
- 34 (2) Except as provided under RCW ((15.35.131)) 15.36.131, it is unlawful for a milk processing plant to accept milk from a person not
- 36 licensed as a producer or milk processor.

NEW SECTION. **Sec. 5.** A new section is added to chapter 15.36 RCW to read as follows:

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The director may issue a cease and desist order to any person whom the director has reason to believe is engaged in an activity for which a license is required by this chapter. The person to whom such notice is issued may request an adjudicative proceeding to contest the order.

NEW SECTION. Sec. 6. A new section is added to chapter 15.36 RCW to read as follows:

- (1) When the director has probable cause to believe that milk or milk products are being sold, distributed, stored, or transported in violation of this chapter or rules adopted under this chapter, the director may issue and serve upon the owner or custodian of the milk or milk products a written notice of embargo and order prohibiting the sale of the milk or milk products. If the owner or custodian is not available for service, the director may attach the notice of embargo and order prohibiting sale to the container holding the milk or milk products. The milk or milk products shall not be sold, used, or removed until this chapter has been complied with and the milk or milk products have been released from embargo under conditions specified by the director in writing.
- (2) The department may issue a destruction and disposal order covering any embargoed milk or milk products. The destruction and disposal shall occur at the cost of the owner or custodian.
- (3) The person to whom the notice of embargo and order prohibiting sale was issued or the person to whom a destruction or disposal order was issued may request an adjudicative proceeding to contest the order.
- 27 (4) A state court shall not allow the recovery of damages from an 28 administrative action under this section if the court finds there was 29 probable cause for the action.
- 30 <u>NEW SECTION.</u> **Sec. 7.** A new section is added to chapter 15.36 RCW 31 to read as follows:
- 32 (1) It is unlawful for any person to sell raw milk from a dairy 33 farm that is not licensed as a milk producer or a milk processing plant 34 under this chapter.
 - (2) The sale of raw milk from a dairy farm that is not licensed as

1 a milk producer and a milk processing plant under this chapter
2 constitutes:

(a) For the first offense, a misdemeanor; and

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- (b) For the second and subsequent offenses, a gross misdemeanor punishable according to chapter 9A.20 RCW.
- (3) Neither the issuance of a cease and desist order nor payment of a civil penalty relieves the person so selling raw milk from criminal prosecution, but the remedy of a cease and desist order or civil penalty is in addition to any criminal liability.
- NEW SECTION. Sec. 8. (1) The legislature finds that small-scale dairies have varying degrees of familiarity with statutory and regulatory requirements and the range of acceptable methods they can use to meet those requirements. The legislature therefore directs the department of agriculture to convene a work group to identify and help resolve obstacles faced by small-scale dairies in their efforts to become licensed as milk producers and milk processing plants.
 - (2) The director of the department of agriculture shall include in the work group representatives of small-scale and conventional dairies, public health officials, the cooperative extension, industry associations, consumers, and other stakeholders as the director deems appropriate. Representatives from the department's food safety and small farms direct marketing programs shall staff the work group.
 - (3) The work group shall:
- 24 (a) Identify barriers to small-scale dairies in achieving 25 licensing;
 - (b) Examine potential solutions to those barriers that are size-appropriate and economically feasible;
- 28 (c) Identify sources of technical assistance and information on 29 best management practices; and
- 30 (d) Recommend other actions that will assist small-scale dairies to 31 become licensed.
- 32 (4) By December 1, 2006, the department of agriculture and 33 representatives of the work group shall report on their work and 34 recommendations to appropriate standing committees of the legislature.
- 35 <u>NEW SECTION.</u> **Sec. 9.** The sum of thirty thousand dollars, or as

- 1 much thereof as may be necessary, is appropriated for the fiscal year
- 2 ending June 30, 2007, from the general fund to the department of
- 3 agriculture for the purposes of section 8 of this act."
- 4 Correct the title.

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