

**SENATE BILL NO. 2072  
with House Amendments  
SENATE BILL NO. 2072**

Sixty-third  
Legislative Assembly  
of North Dakota

Introduced by

Agriculture Committee

(At the request of the Agriculture Commissioner)

1 A BILL for an Act to create and enact a new subsection to section 4-30-01 and three new  
2 sections to chapter 4-30 of the North Dakota Century Code, relating to shared animal ownership  
3 agreements; and to amend and reenact subsections 7 and 21 of section 4-30-01 and sections  
4 4-30-36, 4-30-36.2, 4-30-36.3, and 4-30-36.4 of the North Dakota Century Code, relating to  
5 dairy products regulations.

6 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

7 **SECTION 1. AMENDMENT.** Subsection 7 of section 4-30-01 of the North Dakota Century  
8 Code is amended and reenacted as follows:

9 7. "Dairy or dairy farm" means a place where one or more dairy animals are kept, a part  
10 or all of the milk or milk products from which is sold ~~or~~ offered for sale, or transferred  
11 in accordance with a shared animal ownership agreement.

12 **SECTION 2. AMENDMENT.** Subsection 21 of section 4-30-01 of the North Dakota Century  
13 Code is amended and reenacted as follows:

14 21. "Pasteurized Milk Ordinance" means the ~~2009~~2011 revision of the Grade "A"  
15 Pasteurized Ordinance issued by the United States food and drug administration and  
16 by the United States department of agriculture's public health service.

17 **SECTION 3.** A new subsection to section 4-30-01 of the North Dakota Century Code is  
18 created and enacted as follows:

19 "Shared animal ownership agreement" means any contractual arrangement under  
20 which an individual:

- 21 a. Acquires an ownership interest in a milk-producing animal;
- 22 b. Agrees to pay another for, reimburse another for, or otherwise accept financial  
23 responsibility for the care and boarding of the milk-producing animal at the dairy  
24 farm; and

- 1           c. Is entitled to receive a proportionate share of the animal's raw milk production as  
2           a condition of the contractual arrangement.

3           **SECTION 4. AMENDMENT.** Section 4-30-36 of the North Dakota Century Code is amended  
4 and reenacted as follows:

5           **4-30-36. Standards for grade A milk and milk products - Adoption of amendments.**

- 6           1. Only grade A milk may be sold as fluid beverage for human consumption. The  
7           minimum standards for milk and milk products designated as grade A are the same as  
8           the minimum requirements of the Pasteurized Milk Ordinance which includes  
9           provisions from the "Grade A Condensed and Dry Milk Products and Condensed and  
10          Dry Whey - Supplement 1 to the Grade A PMO". The commissioner may adopt as-  
11          ~~regulations~~ other standards in the interest of public safety, wholesomeness of product,  
12          consumer interest, sanitation, good supply, salability, and promotion of grade A milk  
13          and milk products.
- 14          2. It is not a violation of this section to transfer or obtain raw milk under a shared animal  
15          ownership agreement. However, a person may not resell raw milk or raw milk products  
16          obtained under a shared animal ownership agreement.

17          **SECTION 5. AMENDMENT.** Section 4-30-36.2 of the North Dakota Century Code is  
18 amended and reenacted as follows:

19          **4-30-36.2. State milk sanitation rating and sampling surveillance officer - Duties -**  
20 **Guidelines.**

21          The state milk sanitation rating and sampling surveillance officer is responsible for the rating  
22 and certification of milk and dairy products. The rating and certification of milk and dairy  
23 products must be in accordance with the procedures outlined in the public health service/food  
24 and drug administration publication entitled "Methods of Making Sanitation Ratings of Milk  
25 Shippers - ~~2009~~2011 Revision, Edition" and the sampling of milk and dairy products must be in  
26 accordance with the guidelines in the Standard Methods.

27          **SECTION 6. AMENDMENT.** Section 4-30-36.3 of the North Dakota Century Code is  
28 amended and reenacted as follows:

29          **4-30-36.3. Milk laboratory evaluations officer - Duties - Guidelines.**

30          The milk laboratory evaluations officer is responsible for the certification and evaluation of  
31 milk and dairy products laboratories within the state. Evaluations and certification of milk

1 laboratories must be made in accordance with the Standard Methods and the procedures  
2 outlined in the public health service/food and drug administration publication entitled "Evaluation  
3 of Milk Laboratories - ~~2009~~2011 Edition".

4 **SECTION 7. AMENDMENT.** Section 4-30-36.4 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6 **4-30-36.4. Grade A pasteurized milk ordinance.**

7 Dairy producers, processors, and manufacturers shall comply with the Pasteurized Milk  
8 Ordinance and follow the standards set by the "Procedures Governing the Cooperative  
9 State-Public Health Service Food and Drug Administration Program of the National Conference  
10 on Interstate Milk Shipments, ~~2009~~2011 Revision".

11 **SECTION 8.** A new section to chapter 4-30 of the North Dakota Century Code is created  
12 and enacted as follows:

13 **Shared animal ownership agreement - Dairy farm registration.**

14 The owner of a dairy farm that participates in a shared animal ownership agreement shall  
15 register with the commissioner by providing a written document that includes:

- 16 1. The name of the dairy farm; and  
17 2. The address of the dairy farm.

18 **SECTION 9.** A new section to chapter 4-30 of the North Dakota Century Code is created  
19 and enacted as follows:

20 **Shared animal ownership agreement - Requirements.**

21 A person that transfers an animal's raw milk production in accordance with a shared animal  
22 ownership agreement does not violate this chapter if:

- 23 1. The dairy farm is registered under section 8 of this Act;  
24 2. The milk is transferred at the dairy farm where the milk-producing animal is located or  
25 delivered to another location in accordance with a shared animal ownership  
26 agreement;  
27 3. The individual receiving milk has entered a shared animal ownership agreement with  
28 the owner of the dairy farm and is receiving milk on the individual's own behalf or on  
29 the behalf of another who has entered a shared animal ownership agreement with the  
30 owner of the dairy farm;

- 1       4. The shared animal ownership agreement contains a prominent statement warning  
2       that:  
3       a. The milk is not pasteurized;  
4       b. Potential pathogens may be present in the milk; and  
5       c. There are potential health concerns associated with the consumption of raw milk  
6       or raw milk products; and  
7       5. Annually, the owner of the dairy farm provides to individuals who have entered shared  
8       animal ownership agreements with the owner:  
9       a. The standards used to ensure the health of the milk-producing animals that are  
10      part of the shared animal ownership agreement;  
11      b. The standards used to ensure the production of milk;  
12      c. The results of any tests performed on the milk-producing animals, together with  
13      an explanation of the test results; and  
14      d. The results of any tests performed on the milk from the milk-producing animals,  
15      together with an explanation of the test results.

16       **SECTION 10.** A new section to chapter 4-30 of the North Dakota Century Code is created  
17 and enacted as follows:

18       **Shared animal ownership agreement - Prohibition.**

19       A person may not publish any statement that asserts or implies the approval or  
20 endorsement by the commissioner of shared animal ownership agreements and the acquisition  
21 of raw milk under such agreements.