

SENATE BILL NO. 2072
with Conference Committee 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 four new
2 sections to chapter 4-30 of the North Dakota Century Code, relating to shared animal ownership
3 agreements; to amend and reenact subsection- 21 of section 4-30-01 and sections 4-30-36,
4 4-30-36.2, 4-30-36.3, and 4-30-36.4 of the North Dakota Century Code, relating to dairy
5 products regulations; and to provide for a legislative management study.

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

7 **SECTION 1. AMENDMENT.** Subsection 21 of section 4-30-01 of the North Dakota Century
8 Code is amended and reenacted as follows:

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

12 **SECTION 2.** A new subsection to section 4-30-01 of the North Dakota Century Code is
13 created and enacted as follows:

14 "Shared animal ownership agreement" means any contractual arrangement under
15 which an individual:

16 a. Acquires an ownership interest in a milk-producing animal;

17 b. Agrees to pay another for, reimburse another for, or otherwise accept financial
18 responsibility for the care and boarding of the milk-producing animal at the dairy
19 farm; and

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

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

1 **4-30-36. Standards for grade A milk and milk products - Adoption of amendments.**

2 1. Only grade A milk may be sold as fluid beverage for human consumption. The
3 minimum standards for milk and milk products designated as grade A are the same as
4 the minimum requirements of the Pasteurized Milk Ordinance which includes
5 provisions from the "Grade A Condensed and Dry Milk Products and Condensed and
6 Dry Whey - Supplement 1 to the Grade A PMO". The commissioner may adopt as-
7 regulations other standards in the interest of public safety, wholesomeness of product,
8 consumer interest, sanitation, good supply, salability, and promotion of grade A milk
9 and milk products.

10 2. It is not a violation of this section to transfer or obtain raw milk under a shared animal
11 ownership agreement. However, a person may not resell raw milk or raw milk products
12 obtained under a shared animal ownership agreement.

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

15 **4-30-36.2. State milk sanitation rating and sampling surveillance officer - Duties -**
16 **Guidelines.**

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

23 **SECTION 5. AMENDMENT.** Section 4-30-36.3 of the North Dakota Century Code is
24 amended and reenacted as follows:

25 **4-30-36.3. Milk laboratory evaluations officer - Duties - Guidelines.**

26 The milk laboratory evaluations officer is responsible for the certification and evaluation of
27 milk and dairy products laboratories within the state. Evaluations and certification of milk
28 laboratories must be made in accordance with the Standard Methods and the procedures
29 outlined in the public health service/food and drug administration publication entitled "Evaluation
30 of Milk Laboratories - ~~2009~~2011 Edition".

1 **SECTION 6. AMENDMENT.** Section 4-30-36.4 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **4-30-36.4. Grade A pasteurized milk ordinance.**

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

8 **SECTION 7.** A new section to chapter 4-30 of the North Dakota Century Code is created
9 and enacted as follows:

10 **Shared animal ownership agreement - Notification of commissioner.**

- 11 1. If during a calendar year the owner of a dairy farm licensed to sell grade A or
12 manufacturing grade milk in this state enters or continues to participate in a shared
13 animal ownership agreement, the owner shall notify the agriculture commissioner.
14 2. The notification must be in writing and must be submitted within thirty days after the
15 conclusion of each calendar year.

16 **SECTION 8.** 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 - Requirements.**

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

- 21 1. The milk is transferred at the dairy farm where the milk-producing animal is located or
22 delivered to another location in accordance with a shared animal ownership
23 agreement;
24 2. The individual receiving the milk has entered a shared animal ownership agreement
25 with the owner of the dairy farm and is receiving the milk on the individual's own behalf
26 or on behalf of another who has entered a shared animal ownership agreement with
27 the owner of the dairy farm;
28 3. The shared animal ownership agreement contains a prominent statement warning
29 that:
30 a. The milk is not pasteurized;
31 b. Potential pathogens may be present in the milk; and

- 1 c. There are potential health concerns associated with the consumption of raw milk
2 or raw milk products.
- 3 4. Annually, the owner of the dairy farm provides to individuals who have entered shared
4 animal ownership agreements with the owner:
- 5 a. The standards used to ensure the health of the milk-producing animals that are
6 part of the shared animal ownership agreement;
- 7 b. The standards used to ensure the production of milk;
- 8 c. The results of any tests performed on the milk-producing animals, together with
9 an explanation of the test results; and
- 10 d. The results of any tests performed on the milk from the milk-producing animals,
11 together with an explanation of the test results.

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

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

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

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

20 **Commissioner - Rulemaking authority - Limitation.**

21 Notwithstanding chapter 28 32, the commissioner may not adopt any rule that restricts,
22 limits, or imposes additional requirements on any individual transferring or obtaining raw milk in
23 accordance with the terms of a shared animal ownership agreement.

24 **SECTION 11. LEGISLATIVE MANAGEMENT STUDY - RAW MILK.** During the 2013-14
25 interim, the legislative management shall consider studying the availability of raw or
26 unpasteurized milk, for human consumption, in this state. The study should examine the nature
27 and extent of governmental oversight with respect to the safety of the milk; the health of the
28 animals used to produce the milk; and the conditions under which the product is produced,
29 transferred, or obtained. The legislative management shall report its findings and
30 recommendations, together with any legislation required to implement the recommendations, to
31 the sixty-fourth legislative assembly.