
ASSEMBLY BILL NO. 111—COMMITTEE ON
HEALTH AND HUMAN SERVICES

(ON BEHALF OF THE DAIRY COMMISSION)

FEBRUARY 13, 2003

Referred to Committee on Health and Human Services

SUMMARY—Makes various changes related to processing and sale of dairy products. (BDR 51-539)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to dairy products; revising provisions relating to fees imposed by the State Dairy Commission and the issuance of licenses and permits; revising provisions concerning retention of certain records by pasteurizing plants; revising provisions governing the processing and sale of milk and cream; requiring disclosure of certain governmental actions against licensed distributors and applicants for licensure as distributors; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 **Section 1.** Chapter 584 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 to 5, inclusive, of this
3 act.
4 **Sec. 2.** *“Dairy foods manufacturing plant” means:*
5 1. *Any place, structure or building where milk or other dairy*
6 *products are received or handled for manufacturing or prepared*
7 *for distribution, or both;*
8 2. *When used with regard to the production, transportation,*
9 *grading or use of milk, any plant that handles or purchases milk*
10 *for manufacturing purposes; and*



1 3. When used with regard to licensing, permitting or other
2 regulatory requirements, only those plants that manufacture dairy
3 products, including ice cream, butter, natural cheese, processed
4 cheese, dry milk products, dry whey, evaporated milk products,
5 condensed milk products and such other products for human
6 consumption as may otherwise be designated.

7 **Sec. 3.** "Single-service plant" means a place, structure or
8 building where a person engages in the business of manufacturing
9 a single-service container or closure for use by a milk plant for the
10 packaging of finished Grade A milk or milk products.

11 **Sec. 4.** A dairy foods manufacturing plant shall not receive
12 for sale, produce, sell, offer for sale or have in storage any
13 manufactured dairy product if the plant does not possess a permit
14 from the Commission. Such a permit is not transferable.

15 **Sec. 5. 1.** The Commission shall charge and collect the
16 following annual fees:

- 17 (a) For a dairy that produces:
 - 18 (1) One thousand gallons or less per day \$75
 - 19 (2) At least 1,001 but not more than 3,000 gallons
20 per day 100
 - 21 (3) More than 3,000 gallons per day..... 150
- 22 (b) For a milk plant that produces:
 - 23 (1) Less than 2,000 gallons per day 150
 - 24 (2) At least 2,000 but not more than 10,000 gallons
25 per day 300
 - 26 (3) More than 10,000 gallons per day..... 500
- 27 (c) For a dairy foods manufacturing plant that is:
 - 28 (1) Less than 1,000 square feet 150
 - 29 (2) At least 1,000 but not more than 3,000 square feet... 180
 - 30 (3) At least 3,001 but not more than 5,000 square feet... 230
 - 31 (4) More than 5,000 square feet..... 280
- 32 (d) For a single-service plant 115
- 33 (e) For a hauler of milk..... 20
- 34 (f) For a milk tank truck 65

35 2. The Commission shall charge the following fees for the
36 review of plans for dairies, dairy foods manufacturing plants and
37 milk plants:

- 38 (a) For a plan for a new facility, \$200 plus an amount equal to
39 the fee for an annual permit for a facility of that kind.
- 40 (b) For a plan to remodel a facility which has a permit, \$50
41 plus an amount equal to one-half of the fee for an annual permit
42 to operate the facility after the remodeling.

43 **Sec. 6.** NRS 584.001 is hereby amended to read as follows:
44 584.001 As used in this chapter, unless the context otherwise
45 requires, the words and terms defined in NRS 584.005 and 584.007 ,



1 *and sections 2 and 3 of this act* have the meanings ascribed to them
2 in those sections.

3 **Sec. 7.** NRS 584.067 is hereby amended to read as follows:
4 584.067 1. The Commission may adopt and enforce
5 regulations to carry out the provisions of this chapter.

6 2. The Commission shall adopt regulations establishing
7 procedures for:

8 (a) Its administration and government;

9 (b) The formation and adoption of stabilization and marketing
10 plans;

11 (c) The conduct of its public hearings;

12 (d) The manner in which information relating to costs required
13 of producers, distributors and retailers is determined and presented
14 to the Commission; and

15 (e) Classifying fluid milk products into ~~three~~ separate classes.

16 **Sec. 8.** NRS 584.079 is hereby amended to read as follows:

17 584.079 1. The Commission may refuse to grant any license
18 ~~herein~~ *or permit* provided *in this chapter* and may revoke or
19 suspend any such license *or permit* as the case may require when it
20 is satisfied that ~~any applicant or~~ *an applicant, a licensee or a*
21 *permit holder* has violated any provision of this chapter, but no
22 order may be made refusing, revoking or suspending any license *or*
23 *permit* except after hearing upon at least 10 days' notice to the
24 applicant ~~or licensee.~~, *licensee or permit holder, as appropriate.*

25 2. The decision may include an order refusing, revoking or
26 suspending the license *or permit* applied for or held by the
27 respondent, or fixing such other conditional and probationary orders
28 as may be proper for the enforcement of this chapter.

29 3. After any decision, including any conditional or
30 probationary orders, should the respondent fail, refuse or neglect to
31 comply with any such orders, the Commission may suspend or
32 revoke the license *or permit* in accordance with the procedure
33 provided in this section.

34 4. Previous violation by any applicant or by any person
35 connected with the applicant of any provision of this chapter is
36 ground for denial, revocation or suspension of a license ~~or~~ *or*
37 *permit.*

38 **Sec. 9.** NRS 584.145 is hereby amended to read as follows:

39 584.145 Pasteurizing plants ~~shall~~ *must* be equipped with a
40 self-registering device for ~~record of~~ *recording* the time and
41 temperature of pasteurizing. Such *a* record ~~shall~~ *must* be kept for
42 ~~2~~ *at least 6* months and ~~shall~~ *must* be available for inspection by
43 any health officer or person charged with the enforcement of NRS
44 584.110 to 584.160, inclusive.



1 **Sec. 10.** NRS 584.250 is hereby amended to read as follows:
2 584.250 All cream sold in the State of Nevada on the basis of
3 the richness or the percentage of milk fat contained therein must be
4 tested by the Babcock test ~~[, using a procedure]~~ *or any other testing*
5 *equipment or procedures* approved by the Commission.

6 **Sec. 11.** NRS 584.595 is hereby amended to read as follows:
7 584.595 1. No distributor may deal in fluid milk, fluid cream
8 or any other dairy product without first having obtained a license
9 from the Commission.

10 2. The license required by this section is in addition to any
11 license otherwise required by law.

12 3. Application for a license must be made on forms prescribed
13 by the Commission, accompanied by a fee of \$25 and must state the
14 name and address of the applicant and such details as to the nature
15 of the applicant's business as the Commission may require. The
16 applicant ~~[shall]~~ *must* satisfy the Commission:

17 (a) Of the applicant's good faith, character and responsibility in
18 seeking to carry on the business stated in the application. *The*
19 *applicant shall furnish the Commission with information*
20 *regarding all civil or criminal actions brought by any*
21 *governmental agency against the applicant, or any member of the*
22 *senior management of the applicant, within the most recent 10*
23 *years, where the character or reputation for honesty, competence*
24 *or integrity of the applicant or any member of the senior*
25 *management of the applicant was brought into question,*
26 *regardless of whether the action resulted in a reprimand, fine,*
27 *penalty or conviction.*

28 (b) That the applicant has complied with the provisions of this
29 chapter and the regulations adopted by the Commission.

30 4. Licenses must be issued for a *12-month* period ~~[of 12~~
31 ~~months]~~ from the 1st day of each year or for the remainder of the
32 calendar year from the date of issuance. A license *issued pursuant*
33 *to this section* is not transferable.

34 5. Application for renewal of a license for the following year
35 by a licensee, accompanied by the fee of \$25, must be submitted to
36 the Commission before the expiration date of the license held, and if
37 not so made, the applicant shall pay an additional sum equal to the
38 application fee before the license may be issued.

39 6. Application for an amendment to an existing license must be
40 accompanied by a fee of \$25 and made upon forms prescribed by
41 the Commission.

42 7. *If a civil or criminal action is brought by any governmental*
43 *agency against a licensee, or any member of the senior*
44 *management of the licensee, where the character or reputation for*
45 *honesty, competence or integrity of the licensee or any member of*



1 *the senior management of the licensee is brought into question,*
2 *the licensee shall immediately notify the Commission and provide*
3 *the Commission with information regarding that action.*

4 **Sec. 12.** NRS 584.649 is hereby amended to read as follows:

5 584.649 1. The Commission may lower the rate of any
6 assessment required to be paid under NRS 584.647 or 584.648,
7 whenever it finds that the cost of administering the provisions of
8 this chapter can be defrayed from revenues derived from the lower
9 rates.

10 2. A distributor shall pay the amount of the assessment to the
11 Commission on or before the ~~15th~~ 20th of the month following the
12 month during which the fluid milk, ~~or~~ fluid cream, ~~was received~~
13 ~~or the~~ butter or fresh dairy product was distributed. *If the payment*
14 *is sent by mail, it is subject to the provisions of NRS 238.100.* If the
15 assessment for the month is less than \$3, the distributor may delay
16 payment for 3 months or until the cumulative assessments are \$3 or
17 more, whichever occurs first.

18 3. If payments of assessments are not made as provided in
19 subsection 2, the Commission shall charge, as a penalty for the late
20 payment, the amount of \$10 or 10 percent of the total amount due
21 but remaining unpaid, whichever is greater.

