PROPOSED REGULATION OF THE STATE DAIRY COMMISSION OF THE STATE DEPARTMENT OF AGRICULTURE

LCB File No. R109-13

Summary of Proposed Amendments

NAC 584.0103 is hereby amended to read as follows:

NAC 584.0103 Adoption by reference of standards of identity for certain dairy products. (NRS 584.067, 584.103, 584.135)

2. A copy of the publications which contain these parts may be obtained from the United States Government Printing Office free of charge on the Internet website http://www.gpo.gov/fdsys. [, or by mail at P.O. Box 979050, St. Louis, Missouri 63197-9000, for the following prices:]

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(a) For Title 7, Parts 53-209, $42;
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- (b) For Title 21, Parts 100-169, \$55; and
- (c) For Title 21, Parts 170-199, \$56.)

NAC 584.02415 is hereby amended to read as follows:

NAC 584.02415 Adoption by reference of certain sections of Milk for Manufacturing Purposes and Its Production and Processing: Recommended Requirements. (NRS 584.067)

- 1. The Commission hereby adopts by reference the following sections of Milk for Manufacturing Purposes and Its Production and Processing: Recommended Requirements, [September 2005] *July 2011*, published by the United States Department of Agriculture, and any subsequent revision of the publication that has been approved by the Executive Director for use in this State. Each revision of the publication shall be deemed approved by the Executive Director unless, after review and consultation with the Commission, the Executive Director files an objection to the revision with the Office of the Secretary of State within 60 days after the date of publication of the revision. The following sections are hereby adopted:
 - (a) Subpart B Definitions.
 - (b) Subpart C Quality Requirements for Milk for Manufacturing Purposes.
 - (c) Subpart D Farm Requirements for Milk for Manufacturing.
 - (d) Subpart E Requirements for Licensed Dairy Plants:
 - (1) Sec. E1. General Requirements.
- (2) Sec. E2. Supplemental requirements for plants manufacturing, processing and packaging instant nonfat dry milk, nonfat dry milk, dry whole milk, dry buttermilk, dry whey, and other dry milk products.
- [(2)] (3) Sec. E3. Supplemental requirements for plants manufacturing, processing and packaging butter and related products.
- [(3)] (4) Sec. E4. Supplemental requirements for plants manufacturing and packaging cheese.
 - (5). Sec. E5. Equipment and Utensils.
- [(4)] (6) Sec. E6. Supplemental requirements for plants manufacturing, processing and packaging pasteurized process cheese and related products.

- (7) Sec E7. Supplemental requirements for plants manufacturing, processing and packaging pasteurized evaporated, condensed, or sterilized milk products.
 - (e) Subpart F Administrative Procedures.
- 2. Copies of this publication are available [, free of charge, from the United States Department of Agriculture, P.O. Box 96456, Washington, D.C. 20090-6456, or on the Internet at http://www.ams.usda.gov/dairy.htm] www.gpo.gov.

NAC 584.2091 is hereby amended to read as follows:

NAC 584.2091 Samples of certified raw milk and its products. (NRS 584.067, 584.208)

- 2. Samples must be analyzed at an official laboratory *approved by the Dairy Commission*. [All sampling procedures and laboratory examinations must substantially comply with the requirements set forth in:]
- [(a) Standard Methods for the Examination of Dairy Products published by the American Public Health Association at 800 I Street, N.W., Washington, D.C. 20001-3710, available for a price of \$58.50 for members and \$85 for nonmembers; and
- [(b) Official Methods of Analysis of AOAC INTERNATIONAL published by AOAC INTERNATIONAL at 481 North Frederick Avenue, Suite 500, Gaithersburg, Maryland 20877-2417, available for a price of \$660.]

NAC 584.3001 is hereby amended to read as follows:

NAC 584.3001 Adoption by reference of certain federal publications. (NRS 584.067)

- 1. The Commission hereby adopts by reference the following publications:
- (a) Grade "A" Pasteurized Milk Ordinance (Includes provisions from the Grade "A" Condensed and Dry Milk Products and Condensed and Dry Whey--Supplement I to the Grade "A" PMO), [2009] 2011 Revision, except as otherwise noted in this section, and any subsequent revision of the publication that has been approved by the Executive Director for use in this State. Each revision of the publication shall be deemed approved by the Executive Director unless, after review and consultation with the Commission, the Executive Director files an objection to the revision with the Office of the Secretary of State within 60 days after the date of publication of the revision. The following items are deleted from the Ordinance:
 - (1) The fourth paragraph of section 3.
 - (2) Section 15.
 - (3) Section 16.
 - (4) Section 17.
 - (5) Appendix P.

In the following sections the Somatic Cell Counts are changed from 750,000 per mL for an individual producer to 400,000 per mL (exclusive of goat milk):

Section 7. Standards for Grade "A" Milk and Milk Products, Table 1.

Appendix E. Examples of 3-out-of-5 Compliance Enforcement Procedures, Table 11.

(b) Procedures Governing the Cooperative State-Public Health Service/Food and Drug Administration Program of the National Conference on Interstate Milk Shipments, 2009 2011 Revision, and any subsequent revision of the publication that has been approved by the Executive Director for use in this State. Each revision of the publication shall be deemed approved by the Executive Director unless, after review and consultation with the Commission, the Executive Director files an objection to the revision with the Office of the Secretary of State within 60 days after the date of publication of the revision.

(c) Methods of Making Sanitation Ratings of Milk Shippers, [2009] 2011 Revision, and any subsequent revision of the publication that has been approved by the Executive Director for use in this State. Each revision of the publication shall be deemed approved by the Executive Director unless, after review and consultation with the Commission, the Executive Director files an objection to the revision with the Office of the Secretary of State within 60 days after the date of publication of the revision.

NAC 584.5751 is hereby amended to read as follows:

NAC 584.5751 "Wholesale customer" defined. (NRS 584.067, 584.547) "Wholesale customer" means any customer of a processing distributor or a [Peddler d] Distributor, other than a [home delivery] retail customer.

NAC 584.5792 is hereby amended to read as follows:

NAC 584.5792 Report of distributor's monthly remittance. (NRS 584.067, 584.547)

1. Each distributor [subject to the stabilization and marketing plan set forth in NAC 584.5551 to 584.6712, inclusive,] shall submit to the Commission, on a form prescribed and furnished by the Commission, or on a facsimile of the form, a monthly remittance report showing the distributor's monthly distribution of fluid milk, fluid cream, butter and fresh dairy by-products.

NAC 584.6482 is hereby amended to read as follows:

NAC 584.6482 Establishment of minimum price for fluid milk and fluid cream to be paid to producer by distributor. (NRS 584.067, 584.547)

- 1. Except as otherwise provided in this subsection, the minimum price for fluid milk and fluid cream to be paid to a producer by a distributor located in the Northern Nevada Marketing Area is the minimum price established for fluid milk and fluid cream set each month by the State of California Department of Food and Agriculture for the Northern California Marketing Area. If the minimum price for fluid milk and fluid cream established for the Northern California Marketing Area is revised, the Commission will review the revised price to determine whether it is acceptable. Unless the Commission, within 5 days after the price for the Northern California Marketing Area is revised, determines that the revised price is unacceptable, the revised price for the Northern California Marketing Area shall be deemed the minimum price for fluid milk and fluid cream to be paid to a producer by a distributor located in the Northern Nevada Marketing Area. The minimum price for fluid milk and fluid cream to be paid to a producer by a distributor located in the Northern Nevada Marketing Area may be obtained at no cost:
- (a) By mail, from the Nevada *Department of Agriculture, Food & Nutrition Division*, [State] Dairy Commission, [4600 Kietzke Lane, Building A, Suite 107, Reno, Nevada 89502] 405 S.21st. Street, Sparks, Nevada 89431;
 - (b) By telephone, at [(775) 688-1211] (775)353-3758;
 - (c) By electronic mail, at dairycom@dairy.state.nv.us fnd@agri.nv.gov; or
 - (d) On the Internet, at http://dairy.nv.gov.
- 2. Except as otherwise provided in this subsection, the minimum price for fluid milk and fluid cream to be paid to a producer by a distributor located in the Southern Nevada Marketing Area is the advanced pricing factors or the component prices set each month by the United States Department of Agriculture, as applicable, plus the class differential set by the Commission. The minimum price for fluid milk and fluid cream to be paid to a producer by a distributor located in the Southern Nevada Marketing Area may be obtained at no cost:

- (a) By mail, from the *Nevada Department of Agriculture, Food & Nutrition Division*, [State] Dairy Commission, [1830 East Sahara Avenue, Suite 112] 2300 McLeod, Las Vegas, Nevada 89104;
 - (b) By telephone, at [(702) 486-8212] (702)668-4585;
 - (c) By electronic mail, at dairycom@dairy.state.nv.us; or
 - (d) On the Internet, at http://dairy.nv.gov.

NAC 584.6507 is hereby amended to read as follows:

NAC 584.6507 Minimum markup of butter, milk and fresh dairy by-products by retailers; reduction of markup. (NRS 584.067, 584.547)

- 1. A retailer may apply to butter a minimum markup of 6 percent of the purchase price and may apply to milk and fresh dairy by-products a minimum markup of 10 percent of the purchase price. Retailers shall file statements of costs for butter and fresh dairy by-products in accordance with NRS 584.583, unless they are using *a markup equal to or greater than* the *minimum* markup permitted by this subsection.
- 2. A retailer may reduce [the prescribed markup] its price to the extent necessary to meet a lawful competitive price and is not subject to penalty if it submits information to the Commission in the manner set forth for distributors in NRS 584.584.