

PROPOSED REGULATION OF THE STATE DAIRY COMMISSION

LCB File No. R082-11

NEVADA DAIRY COMMISSION

Summary of Proposed Amended, Repealed, and New Regulations

Chapter 584 of NAC is hereby amended by adding thereto the provisions set forth as sections 1, 2, 3, 4 and 5 of this regulation.

Sec.1

(NAC 584.0131 suggested) "Hooved Mammals' Milk" defined.

"Hooved mammals' milk" is the normal lacteal secretion, practically free from colostrums, obtained by the complete milking of one (1) or more healthy hooved mammals. Hooved mammals include but are not limited to, the members of the Order Cetartiodactyla, such as: Family Bovidae (cattle, water buffalo, sheep, goats, yaks, etc.), Family Camelidae (llamas, alpacas, camels, etc.), Family Cervidae (deer, reindeer, moose, etc.), and Family Equidae (horses, donkeys, etc.).

Sec. 2

(NAC 584.1960 suggested) Adoption by reference of standards of identity for certain dairy products.

1. The Commission hereby adopts by reference the following publications as they existed on January 27, 2011, and any subsequent revision of these publications that have been approved by the Executive Director for use in this State. Each revision of these publications 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 publications are hereby adopted:

(a) "Standards of Identity for Frozen Desserts set forth in Title 21 of the Code of Federal Regulations, Parts 100 to 199, inclusive.

(b) "Standards of Identity for Butter and Related Products through the Agricultural Marketing Service (Standards, Inspections, Marketing Practices)," set forth in Title 7 of the Code of Federal Regulations, Parts 53 to 209, inclusive.

(c) "Standards of Identity for Cheeses & Related Cheese Products," set forth in Title 21 of the Code of Federal Regulations, Parts 100 to 199, inclusive.

(d) "Standards of Identity for Milk & Cream," set forth in Title 21 of the Code of Federal Regulations, Parts 100 to 199, inclusive.

2. A copy of the publications which contain these parts may be obtained from the Superintendent of Documents, United States Government Printing Office, P.O. Box 979050, St. Louis, Missouri 63197-9000.

Sec. 3

NAC 584.6093 suggested) Illegal selling or dispensing.

1. Other than as provided for in NRS 584.208, any transaction involving the transfer or dispensing of raw milk by barter, sale or contractual agreement including, but not limited to, the sale of shares or interest in, or the rental of, any hooved lactating mammal in exchange for any form of compensation, is illegal.

Sec. 4

(NAC 584.7521 suggested) “Fluid milk and fluid cream” defined.

1. In addition to the provisions contained in NRS 584.350 and 584.355, “Fluid milk” and “Fluid cream” includes the milk from all hooved mammals as defined in NAC 584.0131.

Sec. 5

(NAC 584.7522 suggested) “Fresh dairy products” defined.

1. In addition to the provisions contained in NRS 584.357, “Fresh dairy products” includes yogurt, eggnog and butter.

NAC 584.0067 is hereby amended to read as follows:

NAC 584.0067 “Dairy products” defined. (NRS 584.067) “Dairy products” includes any product manufactured from milk or any derivative or product of milk *for human consumption*.

NAC 584.007 is hereby repealed.

~~[NAC 584.007 “Department” defined. (NRS 584.067) “Department” means the State Department of Agriculture.]~~

NAC 584.1021 is hereby amended to read as follows:

NAC 584.0121 “Adulterated and misbranded” defined. (NRS 584.067) ~~[“Adulterated or misbranded” means any milk or milk product that contains any unwholesome substance which does not conform with its definition or which carries a grade label unless the grade label has been awarded by the Commission.]~~

Adulterated Milk, Milk Products, and Frozen Desserts - Any milk or milk product shall be deemed to be adulterated if one or more of the conditions prescribed in 402 of the Federal Food, Drug and Cosmetic Act, as amended (21 U.S.C. 342) exist.

Misbranded Milk, Milk Products, and Frozen Desserts – Milk, milk products, and frozen dessert products are misbranded:

- 1. When their container(s) bear or accompany any false or misleading written, printed or graphic matter;*
- 2. When such milk, milk products, and frozen desserts do not conform to their definitions as contained in these rules;*
- 3. When such products are not labeled in accordance with Rule 420-16-3-.05. When one or more of the conditions described in 403 of the Federal Food, Drug and Cosmetic Act, as amended (21 U.S.C. 343) exist.*

NAC 584.0141 is hereby amended to read as follows:

NAC 584.0141 “Dairy farm” defined. (NRS 584.067) “Dairy farm” ~~means any place where one or more milking cows, sheep or goats are kept and where a part or all of the milk produced from those milking cows, sheep or goats is delivered, sold or offered for sale to a dairy foods manufacturing plant.]~~ *A dairy farm is any place or premises where one (1) or more hooved lactating mammals are kept for milking purposes, and from which a part or all of the milk or milk product(s) is sold or offered for sale.*

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. (NRS 584.067)

1. The Commission hereby adopts by reference the following sections of Milk for Manufacturing Purposes and Its Production and Processing, ~~[November 1996]~~ *September 2005*, published by the United States Department of Agriculture, ~~[as they existed on January 1, 2002,]~~ 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. E3. Supplemental requirements for plants manufacturing, processing and packaging butter and related products.

(3) Sec. E4. Supplemental requirements for plants manufacturing and packaging cheese.

(4) Sec. E6. Supplemental requirements for plants manufacturing, processing and packaging pasteurized process cheese and related 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/stand.htm>.

NAC 584.02515 is hereby amended to read as follows:

NAC 584.02515 Adoption by reference of standards of identity for certain dairy products. (NRS 584.067, 584.103, 584.135)

1. The Commission hereby adopts by reference the following publications as they existed on January 1, ~~[2002]~~ *2011*, and any subsequent revision of these publications that have been approved by the Executive Director for use in this State. Each revision of these publications 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 publications are hereby adopted:

(a) “Standards of Identity for Frozen Desserts and Frozen Novelties,” set forth in Title 21 of the Code of Federal Regulations, Parts 100 to 199, inclusive.

(b) “Standards of Identity for ~~[Butter and Related Products,]~~ *Agricultural Marketing Service (Standards, Inspections, Marketing Practices)* set forth in Title ~~[21]~~ 7 of the Code of Federal Regulations, Parts ~~[100 to 199]~~ 53 to 209, inclusive.

(c) “Standards of Identity for Cheeses *and Related Cheese Products,*” set forth in Title 21 of the Code of Federal Regulations, Parts 100 to 199, inclusive.

2. A copy of the publications which contain these parts may be obtained from the Superintendent of Documents, United States Government Printing Office, P.O. Box 979050, St. Louis, Missouri 63197-9000, ~~[for the following prices:~~

~~—(a) For Parts 100-169, \$44; and~~

~~—(b) For Parts 170-199, \$45.]~~

NAC 584.1641 is hereby amended to read as follows:

NAC 584.1641 “Certified milk” defined. (NRS 584.067, 584.208) “Certified milk” means the unadulterated lacteal secretion, practically free from colostrum, obtained by the complete milking of one or more healthy ~~[cows]~~ *hooved mammals*.

NAC 584.1691 is hereby repealed.

~~[NAC 584.1691 “Certified raw goat’s milk” defined. (NRS 584.067, 584.208) “Certified raw goat’s milk” means the unadulterated lacteal secretion, practically free of colostrum, obtained by the complete milking of one or more healthy goats.]~~

NAC 584.1741 is hereby amended to read as follows:

NAC 584.1741 “Certified raw milk” defined. (NRS 584.067, 584.208) “Certified raw milk” means unpasteurized, marketed milk and includes milk from ~~[cows and goats]~~ *hooved mammals*.

NAC 584.1811 is hereby repealed.

~~[NAC 584.1811 “Misbranded” defined. (NRS 584.067, 584.208) “Misbranded” means any raw milk or product made from it that fails to:~~

~~—1. Conform in any respect with any statement on its label; or~~

~~—2. Declare an ingredient on its label as required in NAC 584.2621.]~~

NAC 584.1841 is hereby repealed.

~~[NAC 584.1841 Standards for certified raw milk. (NRS 584.067, 584.208) Certified raw milk must contain 3.5 percent milk fat and not less than 8.5 percent solids other than fat and have a specific gravity of not less than 1.029.]~~

NAC 584.1851 is hereby repealed.

~~[NAC 584.1851 Standards for certified raw goat’s milk. (NRS 584.067, 584.208) Certified raw goat’s milk must contain not less than 10.7 percent milk solids and not less than 2.8 percent milk fat.]~~

NAC 584.1861 is hereby repealed.

~~[NAC 584.1861 Standards for certified raw skim milk or raw nonfat milk. (NRS 584.067, 584.208) Certified raw skim milk or raw nonfat milk must contain less than 0.25 percent milk fat and not less than 8.5 percent milk solids other than fat.]~~

NAC 584.1871 is hereby repealed.

~~[NAC 584.1871 Standards for certified raw low fat milk. (NRS 584.067, 584.208)~~

~~—1. Certified raw low fat milk must contain:~~

~~—(a) Not less than 0.5 percent and not more than 2.0 percent milk fat; and~~

~~—(b) Not less than 8.5 percent nor more than 10 percent milk solids other than fat.~~

~~—2. The carton or bottle must be plainly and conspicuously labeled to show the amount of milk fat contained in the low fat milk.]~~

NAC 584.1881 is hereby repealed.

~~[NAC 584.1881 Standards for certified raw table cream, raw light cream or raw coffee cream. (NRS 584.067, 584.208) Certified raw table cream, raw light cream or raw coffee cream must contain not less than 18 percent milk solids and less than 30 percent milk fat.]~~

NAC 584.1891 is hereby repealed.

~~[NAC 584.1891 Standards for certified raw whipping cream or raw all purpose cream. (NRS 584.067, 584.208) Certified raw whipping cream or raw all purpose cream must contain more than 30 percent milk fat.]~~

NAC 584.1911 is hereby repealed.

~~[NAC 584.1911 Standards for certified raw half and half milk. (NRS 584.067, 584.208) Certified raw half and half milk must contain not less than 10.5 percent milk fat.]~~

NAC 584.1921 is hereby repealed.

~~[NAC 584.1921 Standards for certified raw buttermilk and certified raw cultured buttermilk. (NRS 584.067, 584.208)~~

~~—1. Certified raw buttermilk must contain not less than 8.10 percent milk solids other than fat.~~

~~—2. Certified raw cultured buttermilk must contain 8.5 percent or more milk solids other than fat.]~~

NAC 584.1931 is hereby repealed.

~~[NAC 584.1931 Standards for certified raw vitamin D milk. (NRS 584.067, 584.208) Certified raw vitamin D milk must contain at least 400 U.S.P. units of vitamin D by the addition to the milk of an approved antirachitic concentrate.]~~

NAC 584.1941 is hereby repealed.

~~[NAC 584.1941 Standards for certified raw skim milk or raw low fat milk with vitamins A and D. (NRS 584.067, 584.208) Certified raw skim milk or raw low fat milk with vitamins A and D must contain at least 400 U.S.P. units of vitamin D per quart and at least 2000 U.S.P. units of vitamin A per quart by the addition of approved vitamin concentrates. The label must state the amounts of those vitamins added and include a nutritional panel which lists the percentages in the milk of daily allowances of ingredients recommended by the United States Government.]~~

NAC 584.1951 is hereby repealed.

~~[NAC 584.1951 Standards for certified raw cottage cheese. (NRS 584.067, 584.208) Certified raw cottage cheese must:~~

~~—1. Be produced from dry curd which is made by adding:~~

- ~~—(a) Harmless bacteria which produces lactic acid, either with or without enzymes which clot milk; or~~
- ~~—(b) Phosphoric, lactic or citric acid of a grade which is approved for adding to food, with or without rennet or another enzyme which clots milk, and state on the label that the product was produced by the process of direct acidification.~~
- ~~—2. Contain not less than 4 percent milk fat by weight; and~~
- ~~—3. Contain not more than 80 percent moisture.]~~

NAC 584.1961 is hereby repealed.

- ~~[NAC 584.1961 Standards for certified raw low fat cottage cheese. (NRS 584.067, 584.208) Certified raw low fat cottage cheese must contain:~~
- ~~—1. Not less than 0.5 percent and not more than 2 percent milk fat by weight, and the amount of milk fat in the cottage cheese must be stated on the carton; and~~
 - ~~—2. Not more than 82.50 percent moisture.]~~

NAC 584.1971 is hereby repealed.

- ~~[NAC 584.1971 Standards for certified raw low fat yogurt. (NRS 584.067, 584.208) Certified raw low fat yogurt must contain:~~
- ~~—1. Not less than 0.5 percent and not more than 2 percent milk fat by weight, and the amount of milk fat in the yogurt must be stated on the carton;~~
 - ~~—2. Not less than 8.50 percent milk solids other than fat;~~
 - ~~—3. Not more than 0.6 percent harmless edible stabilizer;~~
 - ~~—4. If it is a fruit yogurt, not less than 8 percent by weight of clean, mature, sound fruit or its equivalent in other forms; and~~
 - ~~—5. No molds, yeast or fungi.]~~

NAC 584.1981 is hereby repealed.

- ~~[NAC 584.1981 Standards for certified raw nonfat yogurt. (NRS 584.067, 584.208) Certified raw nonfat yogurt must contain:~~
- ~~—1. Not more than 0.25 percent milk fat;~~
 - ~~—2. Not more than 0.6 percent harmless edible stabilizer;~~
 - ~~—3. If it is a fruit yogurt, not less than 8 percent by weight of clean, mature, sound fruit or its equivalent in other forms; and~~
 - ~~—4. No molds, yeast or fungi.]~~

NAC 584.1991 is hereby repealed.

- ~~[NAC 584.1991 Standards for certified raw yogurt. (NRS 584.067, 584.208) Certified raw yogurt must contain:~~
- ~~—1. Not less than 3.5 percent milk fat;~~
 - ~~—2. Not more than 0.6 percent harmless edible stabilizer;~~
 - ~~—3. If it is a fruit yogurt, not less than 8 percent by weight of clean, mature, sound fruit or its equivalent in other forms, provided however that its milk fat content may not be reduced to less than 2.8 percent; and~~
 - ~~—4. No molds, yeast or fungi.]~~

NAC 584.2011 is hereby amended to read as follows:

NAC 584.2011 Bacteriological and chemical standards. (NRS 584.067, 584.208) In addition to the temperature and bacteriological standards prescribed in paragraph (a) of subsection 1 of NRS 584.208, all certified milk and products made from it must be produced, packaged and distributed in conformance with the following bacteriological and chemical standards:

1. Salmonella limits Not exceeding 0 per milliliter.
2. Somatic cells ~~[1,000,000]~~ 400,000 per milliliter
3. Antibiotics No detectable zone using ~~[the Bacillus subtilis method or its equivalent.]~~ *any beta lactam test method which has been independently evaluated or evaluated by FDA and has been found acceptable by FDA for detecting drug residues in raw milk.*

NAC 584.2051 is hereby amended to read as follows:

NAC 584.2051 Inspections by Commission. (NRS 584.067, 584.208) Before issuing a permit, the Commission will inspect each certified dairy farm, milk hauler and bottling or packaging plant whose certified milk or products made from it are intended for *human* consumption ~~[in this State]~~. After issuing the permit, the Commission will inspect each certified dairy farm and milk hauler at least once every 6 months and each bottling or packaging plant at least once every 3 months.

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)

1. The Commission may obtain samples of certified raw milk and products made from it for examination as often as the Commission deems necessary and at any time or place before the milk or product is sold to a consumer.

2. Samples must be analyzed at an official laboratory. All sampling procedures and laboratory examinations must substantially comply with the requirements set forth in:

(a) Standard Methods for Examination of Dairy Products published by the American Public Health Association at 880 I Street, N.W., Washington, D.C. 20001-3710, ~~[available for a price of \$45;]~~ and

(b) Official Methods of Analysis of AOAC INTERNATIONAL published by the Association of Official Analytical Chemists at 481 North Frederick Avenue, Suite 500, Gaithersburg, Maryland 20877-2417, ~~[available for a price of \$499]~~.

NAC 584.2111 is hereby amended to read as follows:

NAC 584.2111 Screening tests for somatic cells. (NRS 584.067, 584.208) Screening tests of samples of raw milk for somatic cells must be made using *any test approved by the Commission* ~~[the Wisconsin Mastitis Test]~~. If that test indicates the presence of ~~[7]~~400,000 or more somatic cells, it must be confirmed by a direct count of somatic cells using a microscope.

NAC 584.2171 is hereby amended to read as follows:

NAC 584.2171 Construction of milking barn, stable or parlor. (NRS 584.067, 584.208)

Every dairy farm must have a milking barn, stable or parlor, located apart from any contaminating surroundings, in which the milking herd must be housed during milking operations. Any area used for milking must:

1. Have a floor which is constructed of concrete or an equally impervious material, graded to drain liquids and coved with a 2-inch radius at the intersection of the floor and wall.
2. Have walls and ceilings with a smooth finish that are light in color and impervious to water, soil and dust.
3. Have natural or artificial light that is well distributed and suitable for milking, day or night. The working area must be illuminated by a minimum of 50 foot-candles of light and contain 4 square feet of window space for each 60 square feet of floor space unless the area is provided with adequate artificial light.
4. Have sufficient air space and air circulation to prevent condensation and excessive odors. The minimum height of a ceiling in an area where ~~{eows}~~ *hooved mammals* are milked must be 7 feet. Ventilation by means of forced air may be permitted upon approval by the Commission. Where ventilation by forced air is not in use, the area for milking must contain a minimum of 2 square feet of window for each milking stall. The area for milking must contain ceiling vents to give adequate ventilation.
5. Contain dust-tight, covered boxes or bins, or other separate storage facilities for ground, chopped or concentrated feed.
6. Contain adequate concrete ramps outside the doors providing entrance into and exit from the milk barn or parlor. These ramps and any holding corrals which are located adjacent to the milking barn or within 25 feet of it must have surfaces of concrete with curbs graded to provide drainage. The minimum height of curbs for holding corrals is 18 inches. The extent of the area which must have a surface of concrete will depend on the location and type of construction of the barn.
7. Have provisions for the disposal of liquid wastes from the milkhouse, milk barn, stable or parlor and any adjoining ramps in a manner that prevents the pollution of any waterway or underground supply of water, the creation of odors and the breeding of flies. If the area contains a tank or tanks for liquid manure, the size of the pit which is necessary will be determined by the size of the operation and the length of time between pumpings.

NAC 584.2211 is hereby amended to read as follows:

NAC 584.2211 ~~{Cow}~~ *Barn yard.* (NRS 584.067, 584.208)

1. The ~~{eow}~~ *barn* yard must be graded to provide drainage and may not have standing pools of water. The slope of the land in corrals must exceed 2 percent.
2. The ~~{eow}~~ *barn* yard must be kept reasonably clean, with wet manure stored so that it is inaccessible to the ~~{eows}~~ *hooved mammals* and dry manure properly packed and maintained.
3. The ~~{eow lot}~~ *barn yard* must *provide enough space for the healthy housing of animals.* ~~{contain a minimum of 400 square feet per cow, except where housing for the cows is in the form of loose stalls.}~~
4. Areas for feeding and watering must have hard surfaces.

NAC 584.2341 is hereby amended to read as follows:

NAC 584.2341 *Milking.* (NRS 584.067, 584.208)

1. The udders and teats of animals to be milked must be cleaned and rinsed with an approved bactericidal solution and dried before each milking. An alternative method of udder preparation may be used if the Commission has evaluated and approved the particular method.

2. The flanks, bellies and tails of all ~~[milking cows]~~ *hooved mammals* must be free of visible dirt at the time of milking. The hair on the udder, tail and that portion of the flank adjacent to the udder must be clipped at least once per year, or more often if needed.

3. Each milker shall clean and rinse his hands with a bactericidal solution and dry them before each milking. A milker may not milk with wet hands. Each milker and milk handler shall wear clean clothing while milking or handling milk or products made from it.

NAC 584.2351 is hereby amended to read as follows:

NAC 584.2351 Transfer of milk. (NRS 584.067, 584.208) After milk is obtained from a ~~[cow]~~ *hooved mammal*, the milk must be transported by means of an enclosed pipeline. The transfer of milk from a bulk holding or cooling tank to a transport tank must be through a port for the hose located in the wall of the milkhous. The port must be constructed so that it is self-closing and easily cleaned. The area under the port on the outside wall must be a surface that is easily cleaned and is sufficiently large to protect the milk hose from contamination. All this equipment is subject to the approval of the Commission.

NAC 584.2511 is hereby amended to read as follows:

NAC 584.2511 Cleaning and sanitizing of containers and equipment. (NRS 584.067, 584.208)

1. The surfaces of all containers, equipment and utensils that are designed for repeated use and are used in the transportation, processing, handling and storage of milk or milk products must be cleaned and sanitized before each use.

2. Every person who receives deliveries of milk or products made from it shall thoroughly clean any containers designed for repeated use in which the milk or product is delivered before returning the container to the milk plant. Employees of the plant shall not pick up, for return to the plant, any container designed for repeated use that is dirty.

3. Any bottling plant in which containers designed for repeated use are washed manually must be equipped with:

(a) A two-compartment wash-and-rinse vat for that purpose; and

(b) A steam cabinet or an individual steam jet and hood for sanitizing the cleaned containers, or an additional vat if sanitizing is done with chemicals. Containers cleaned in this manner must be properly drained before use.

4. If a plant utilizes bottle washers which are automatic, those washers must treat the bottles for bacteria with steam, hot water or chemically. If a plant utilizes bottle washers of the soaker type, in which bactericidal treatment depends upon the causticity of the washing solution, the caustic strength for a given temperature and time for soaking must be that specified by the Commission ~~[based on the specifications for beverage bottles of the National Soft Drink Association]~~. The containers washed and treated in this manner must be rinsed to ensure that they are free of residues from cleaning compounds and live harmful organisms.

5. A cleaning compound other than one which is caustic may be approved by the Commission if its effectiveness in cleaning is equivalent to that achieved by a caustic solution.

NAC 584.2621 is hereby amended to read as follows:

NAC 584.2621 Labeling of containers. (NRS 584.067, 584.208)

1. Each bottle or other package containing certified raw milk or a product made from it must be plainly labeled and marked with:

(a) The name of the milk or product, as prescribed in the standards of identity in NAC 584.1841 to 584.1991, inclusive, which accurately describes the content of the bottle or package;

(b) The name of the dairy or packaging plant and its location;

(c) In the case of milk or a product fortified with vitamins, a nutritional label which states the percentage of the daily allowance, as recommended by the United States Government, of the vitamins that the product contains;

~~[(d) The copyright seal of the American Association of Medical Milk Commissions; and]~~

~~[(e)]~~ (d) A statement of quantity; *and*

(e) The following statement: Unpasteurized dairy products may contain disease causing organisms. Persons at highest risk of disease from these organisms include newborns and infants, the elderly, pregnant women, and those with illnesses or other conditions that weaken their immunity.

2. Proposed labels for certified milk and products made from it must be submitted to and approved by the Commission before being printed or used.

NAC 584.2651 is hereby amended to read as follows:

NAC 584.2651 Date respecting assurance of quality: Location. (NRS 584.067, 584.208) The date respecting the assurance of quality must be legible and placed on the various types of containers as follows:

1. If a container made of glass or rigid plastic, by:

(a) Embossing, imprint or overlay in fine, clearly visible lettering on the cap or container;

(b) Heat or pressure-sensitive seal; or

(c) Collar or tag.

2. If a plastic bag, by:

(a) Seal which is sensitive to heat or pressure;

(b) Upper or lower margin of the seal; or

(c) Overlay in fine, clearly visible lettering.

3. If a gable-topped, rectangular container, by affixing it on the upper flat margin, above the gable.

4. If a flat-top, rectangular carton, by affixing it to the flat panel or the margin of the top of the carton.

~~[5. If a tetrahedral container, by:~~

~~—(a) Affixing it to the information panel or sealed end of the container; or~~

~~—(b) Embossing, imprint or overlay in fine and clearly visible lettering.~~

~~—6.]~~ 5. If a cylindrical glass, plastic or fiberboard container which has straight sides or is capable of being nested, by embossing, imprint or overlay on the lid, side or bottom in fine and clearly visible lettering.

NAC 584.2681 is hereby repealed.

~~[NAC 584.2681 Medical examinations of employees. (NRS 584.067, 584.208)~~

~~—1. Any person who is to be employed in any capacity at a dairy that produces certified raw milk must have a medical examination before beginning work and every 3 months thereafter, and must be free of all communicable diseases.~~

~~—2. The owner or operator of the dairy must post, in a conspicuous location, the health cards for all employees along with the permit issued by the Commission to operate the dairy.]~~

NAC 584.2711 is hereby amended to read as follows:

NAC 584.2711 Employee to report illness. (NRS 584.067, 584.208)

1. Every employee shall report immediately to the owner or operator of the farm any illness which he may have such as a sore throat, fever, diarrhea, skin eruption or acute respiratory infection. ~~[, and also shall report any such illness to the physician at the time of his periodic examination.]~~

2. The owner or operator of a farm shall exclude an employee from work or contact with the ~~[cows]~~ **hooved mammals** or handling of milk or milk utensils if the employee has a sore throat, fever, diarrhea, skin eruption or acute respiratory infection.

NAC 584.2721 is hereby repealed.

~~[NAC 584.2721 Health records of employees. (NRS 584.067, 584.208) The employment and health records of employees must be available at a dairy for inspection by the Commission. These records must contain the name and address of each employee, the date of his employment, his medical history and the results of any physical examination by a physician and any laboratory tests.]~~

NAC 584.2731 is hereby amended to read as follows:

NAC 584.2731 Records of ~~[cows and goats]~~ hooved mammals. (NRS 584.067, 584.208)

1. Every ~~[milk cow or goat]~~ **hooved mammal** in a certified herd must be eartagged or tattooed with a number that permanently identifies her.

2. Every ~~[milk cow or goat]~~ **hooved mammal** must be registered in a written record of the herd that includes:

(a) The dates of entrance into, and departure from, the herd and of service and freshening;

(b) The results of tuberculin and brucellosis testing and veterinary and bacteriological examinations;

(c) Any detection of abnormal milk, illness or injury; and

(d) Any other information which may be of importance to the health authority of the Department.

3. The records must be retained for 1 year after the ~~[cow or goat]~~ **hooved mammal** departs from the herd.

NAC 584.2751 is hereby amended to read as follows:

NAC 584.2751 Udders of ~~[cows and goats]~~ hooved mammals. (NRS 584.067, 584.208) ~~[Cows or goats]~~ Hooved mammals which produce certified milk must have healthy udders.

NAC 584.2761 is hereby amended to read as follows:

NAC 584.2761 Examination by veterinarian. (NRS 584.067, 584.208) Every ~~[cow]~~ **hooved mammal** admitted or readmitted to a milk herd must be examined by an approved veterinarian and her milk must be examined by an approved bacteriologist for a bacterial count and for hemolytic streptococci and other organisms which cause mastitis. The milk of such an animal must not be allowed to enter the supply of certified milk until favorable veterinary and bacteriological reports have been received and placed in the record of the herd.

NAC 584.2771 is hereby amended to read as follows:

NAC 584.2771 Tuberculosis. (NRS 584.067, 584.208)

1. Each animal in a certified herd must be tested for tuberculosis and satisfactorily pass the test before any milk from the animal is sold. Each animal must be retested at least once every 12 months. The test must be performed by a licensed veterinarian who is certified to administer the test by the Division of Animal Industry of the Department.

2. Any animal found to be infected after the test must be disposed of in accordance with the requirements approved by the Division of Animal Industry of the Department. A certificate signed by the veterinarian or attested to by the Commission constitutes evidence of the test.

3. A veterinarian performing a test for tuberculosis shall make a complete record of the test, and the record must be kept on file at the dairy for 3 years. A summary of the test must be filed with the Commission.

4. ~~[All cows]~~ *A hooved mammal* that reacts to a tuberculosis test must be removed from the herd immediately upon discovery of the reaction, and the milk must be discarded. The barn and exercise yards used by these ~~[cows]~~ *animals* must be cleaned and disinfected in a manner approved by the Division of Animal Industry of the Department *of Agriculture*.

NAC 584.2781 is hereby amended to read as follows:

NAC 584.2781 Brucellosis. (NRS 584.067, 584.208)

1. All herds approved for the production of certified raw milk must be officially accredited as free of brucellosis and maintained free of that disease. The herd must be tested at intervals not to exceed every 90 days by the ring test in a state which is accredited to be free of brucellosis. All herds producing certified milk in states that are not so accredited must be tested by the ring test at intervals of not more than 35 days. The blood sera of each ~~[cow]~~ *hooved mammal* in a herd must be tested for agglutination at intervals of not more than 12 months. All tests must be approved by the U.S. Department of Agriculture or by the Division of Animal Industry of the Department *of Agriculture*.

2. After the tests are performed, any ~~[cow]~~ *hooved mammal* which reacts to the test must be removed from the milking herds and disposed of by a method approved by the Division of Animal Industry. Animals which are suspected of being infected with brucellosis must be removed from the milking string and either sold for slaughter or retested at intervals of not less than 30 days until free of brucellosis before being readmitted to the milking string.

3. If a ring test of a milk supply is positive, each ~~[cow]~~ *hooved mammal* in the herd must be given a blood test and the tests for the herd must be negative before any milk from the herd may be sold as certified raw milk. After ~~[a cow]~~ *a hooved mammal* has reacted to such a test, the ~~[cow]~~ *animal* and her herd must be retested for blood agglutinins until a negative test of the complete herd indicates complete freedom from brucella infection.

~~[4. All provisions of this section relating to brucellosis apply equally to herds of goats.]~~

NAC 584.2791 is hereby amended to read as follows:

NAC 584.2791 Salmonella. (NRS 584.067, 584.208) Milk from ~~[cows]~~ *hooved mammals* approved for the production of certified milk must be free from the organisms which cause salmonellosis, and all ~~[cows]~~ *hooved mammals* must be tested for that organism a minimum of once per year. Any ~~[cow]~~ *hooved mammal* to be added to a certified herd must pass a test for salmonella by obtaining a negative result and be certified free of that organism before entering the milking line.

NAC 584.2811 is hereby amended to read as follows:

NAC 584.2811 Mastitis and abnormal milk. (NRS 584.067, 584.208)

1. Any ~~{cow}~~ *hooved mammal* affected with either acute or chronic mastitis must be immediately removed from the milking string and treated. She may not be returned to the milking string until her milk is normal and all residues from antibiotics have been eliminated from her body.

2. A ~~{cow-or-goat}~~ *hooved mammal* which shows a complete induration of one quarter or extensive induration of one or more quarters of the udder upon physical examination, whether secreting abnormal milk or not, must be permanently excluded from the milking herd.

NAC 584.2821 is hereby amended to read as follows:

NAC 584.2821 Commission may require tests or examinations. (NRS 584.067, 584.208)

The Commission may at any time require any test or examination it deems necessary after consultation with the Division of Animal Industry of the Department *of Agriculture*. If the Division requires additional tests and an animal reacts to a test, the diseased animal must be disposed of as the Division of Animal Industry of the Department may require.

~~[Bd. of Health, Raw Milk Reg. § 11.9, eff. 1-7-82]~~—(NAC A by Dairy Comm'n by R151-01, 12-17-2001, eff. 1-1-2002)

NAC 584.2831 is hereby amended to read as follows:

NAC 584.2831 Sickness or death in herd. (NRS 584.067, 584.208)

1. If a disease occurs that appears to be of a serious nature, or if a number of ~~{cows}~~ *hooved mammals* become sick at about the same time, the dairyman shall withdraw such ~~{cows}~~ *hooved mammals* from the certified herd, destroy their milk and notify a veterinarian and the Commission immediately.

2. The carcass of any dead ~~{cow-or-goat}~~ *hooved mammal*, whether diseased or not, must be disposed of in a sanitary manner.

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, [1999] 2009 Revision (*including provisions from the Grade "A" Condensed and Dry Milk Products and Condensed and Dry Whey--Supplement I to the Grade "A" PMO*), 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.

~~[(b) Grade "A" Condensed and Dry Milk Products and Condensed and Dry Whey--Supplement I to the Grade "A" Pasteurized Milk Ordinance, 1995 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 fifth paragraph of section 3.~~
- ~~— (2) Section 12.~~
- ~~— (3) Section 13.~~
- ~~— (4) Section 14.]~~

~~(e)b~~ Procedures Governing the Cooperative State-Public Health Service/Food and Drug Administration Program of the National Conference on Interstate Milk Shipments, [1999] 2009 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.

~~(d)c~~ Methods of Making Sanitation Ratings of Interstate Milk Shippers, [1999] 2009 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.

2. Copies of these publications are available, ~~[free of charge,]~~ from the Food and Drug Administration, Milk Safety Branch, 200 “C” Street, S.W., Washington, D.C. 20204.

NAC 584.4321 is hereby amended to read as follows:

NAC 584.4321 Dates respecting assurance of quality. (NRS 584.067)

1. At the time of sale to the consumer by a retail store of any milk or milk product, there must appear upon the package or container of the product the date established by the processor as the date on which, in order to ensure quality, the product is to be removed from the shelf or similar location or vehicle from which the product is offered for sale to the consumer. This section does not apply to any bulk milk shipments of milk or milk products between distributors.

2. The date respecting assurance of quality must appear at the top of the carton or package and must be indelible and in a contrasting color to the carton or package in the area where the date is affixed. The date respecting assurance of quality must be the first three letters of the month followed by the day of the month. The date must be of a size commensurate with the size of the container and the location on the container, but in no case may the letters be less than three-sixteenths of an inch in height.

3. Any heat or pressure sensitive seal conveying the quality assurance date must not cover any other legally required information.

4. The date respecting assurance of quality must be placed on the various types of containers in accordance with one of the following options:

(a) Glass or rigid plastic:

(1) Embossed, imprinted or overlaid in fine, clearly visible lettering on the cap or containers;

(2) Heat or pressure sensitive seal; and

(3) Collar or tag.

(b) Plastic bags:

- (1) Heat or pressure sensitive seal;
- (2) Upper or lower seal margin; and
- (3) Overlay in fine, clearly visible lettering.

(c) Gable-topped rectangular containers, with the date placed on the upper flat margin above gable.

(d) Flat-top, rectangular carton, with the date affixed to the flat panel or margin of top.

~~[(e) Tetrahedral:~~

~~— (1) Informational panel;~~

~~— (2) Sealed ends; and~~

~~— (3) Embossed, imprinted or overlaid in fine, clearly visible lettering.~~

~~—(f)] (e) Cylindrical glass, plastic or fiberboard, straight sided or nested with the lid embossed, imprinted or overlaid in fine, clearly visible lettering, or on the side or bottom of the container.~~

5. Nothing in this section precludes the removal by the Commission of any or all of the products from sale before the expiration of the quality assurance date if analysis indicates that the product fails to meet applicable standards.

6. Deviations from the location of the date respecting assurance of quality or the manner of declaring the date may only be made with written permission from the Commission.

NAC 584.4561 is hereby amended to read as follows:

NAC 584.4561 Brucellosis. (NRS 584.067)

1. All animals in a herd, and any additions to the herd, must be free from brucellosis before any milk from the herd may be sold.

2. Freedom from brucellosis is evidenced by a satisfactory blood serum test for agglutinins against brucella abortus, or by three successive satisfactory ring tests at intervals not less than 3 months nor more than 6 months, or by other tests approved by the United States Department of Agriculture or the Division of Animal Industry of the Department *of Agriculture*. The tests must be made and any reactors found must be removed from the milking herds and disposed of by approved methods of the agencies.

3. Herds that use blood agglutination tests must be tested at least once every 12 months. If the herd is to be tested by the ring test, this must be accomplished at intervals of not more than 6 months. Negative ring tests of the milk supply are considered as satisfactory compliance with this section.

4. A positive ring test of the milk supply requires a blood test of the entire herd, and a negative blood test of that herd must eventually be accomplished. After a reactor has been found in a herd, that herd must be retested by blood agglutinins until a negative test of the complete herd indicates complete freedom from brucella infection.

5. Dairy cattle, sheep or goats, officially vaccinated as calves, lambs or kids, which react to the blood agglutination test must be referred to the veterinarian supervising that herd for his written recommendation regarding such tests.

6. This testing is not required in brucellosis free counties that used the brucellosis free system approved by the United States Department of Agriculture or the Division of Animal Industry of the Department *of Agriculture*.

NAC 584.4571 is hereby amended to read as follows:

NAC 584.4571 Tuberculosis. (NRS 584.067)

1. A tuberculin test of all animals in a herd, and any additions to the herd, must be made before any milk from the herd is sold and at least once every 12 months thereafter.

2. This testing must be done by a licensed veterinarian duly certified to run these tests by the Division of Animal Industry of the Department *of Agriculture*. The tests must be given and any reactors disposed of in accordance with the requirements approved by the Division of Animal Industry of the Department.

3. A certificate signed by the veterinarian or attested to by the Commission is evidence of the tests. In tuberculosis free counties that used the tuberculosis free system approved by the United States Department of Agriculture or the Division of Animal Industry of the Department *of Agriculture*, this annual testing is not required.

NAC 584.4581 is hereby amended to read as follows:

NAC 584.4581 Other infections. (NRS 584.067)

1. ~~[Cows, sheep or goats]~~ *Hooved mammals* that show a complete induration of one quarter or extensive induration on one or more quarters of the udder upon physical examination, whether secreting abnormal milk or not, must be permanently excluded from the milking herd. This does not apply in the case of a quarter that is completely dry.

2. ~~[Cows, sheep or goats]~~ *Hooved mammals* giving bloody, stringy or otherwise abnormal milk, but without entire or extensive induration of the udder, must be excluded from the herd until reexamination shows that the milk has become normal.

3. The Commission may require any test or examination it deems necessary after consultation with the Division of Animal Industry of the Department *of Agriculture*. In the event the Commission does require additional tests, and in the event a reactor is found among a herd, that particular diseased animal must be disposed of as the Division of Animal Industry of the Department *of Agriculture* requires.

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.

2. The monthly remittance report must be submitted to the Commission at its *principal* office ~~[in Reno]~~ on or before the 15th day of the month following the month during which the fluid milk, fluid cream, butter and fresh dairy by-products were distributed.

NAC 584.5911 is hereby amended to read as follows:

NAC 584.5911 Extension of credit by distributor. (NRS 584.067, 584.547, 584.585)

1. A sale by a distributor for which payment is not made before or at delivery is an extension of credit by the distributor.

2. Except for a sale to the Federal Government, no sale of milk or dairy products from a distributor to a wholesale customer or to another distributor may be made on terms of credit under which the final payment for the milk or dairy products is due more than ~~[45]~~ *60* days after the date of delivery.

3. Any violation of subsection 2 is an unfair practice by the seller and the purchaser.

4. For the purpose of this section:

(a) The period for which credit is extended is the period between the day when the milk or dairy products are delivered and the day when the payment is received by the distributor; and

(b) The giving of a promissory note, postdated check or other evidence of indebtedness is not payment of a debt unless it is immediately payable.

NAC 584.5922 is hereby amended to read as follows:

NAC 584.5922 Sale of dairy product by processing distributor at price below cost prohibited. (NRS 584.067, 584.547, 584.585)

1. Except as otherwise provided in NRS 584.584, and section 2, a processing distributor shall not sell, offer to sell, advertise or bid for the sale of any dairy product at a price less than his costs as shown by his latest statement of costs on file with the Commission.

2. Except as otherwise provided in NRS 584.582, a processing distributor may offer a discount, if the discount is intended to promote the sale of dairy products and complies with the Dairy Coupon and Promotion Policy adopted by the commission.

NAC 584.5951 is hereby repealed.

NAC 584.5951 Advertising by distributors. (NRS 584.067, 584.547, 584.585)

1. A distributor shall not make any reference to a wholesale customer in any advertisement unless the distributor pays only for that portion of the cost of the advertisement which is attributable to advertising the products of the distributor. A distributor shall retain for 3 years a record of the apportionment of costs for any advertisement in which reference is made to a wholesale customer.

2. A distributor may not provide any type of advertisement to a wholesale customer other than an advertisement which refers only to the distributor or the products of the distributor.

NAC 584.6051 is hereby amended to read as follows:

NAC 584.6051 ~~[Equipment furnished to wholesale customer by distributor.]~~ A customer cannot require equipment or service from a distributor. (NRS 584.067, 584.585)

1. A customer cannot require a distributor to furnish any equipment or perform service upon any equipment of the customer. ~~[Except as otherwise provided in NAC 584.6053, a distributor shall not sell, lease, lend or otherwise furnish any equipment to a wholesale customer who purchases dairy products, or perform service upon any equipment of such a customer, unless the customer pays consideration equal to:~~

~~—(a) The fair market value of the equipment if it is sold;~~

~~—(b) The fair market rental of the equipment if it is leased, lent or furnished; or~~

~~—(c) The fair market value of the service if service is provided.~~

~~—2. A distributor who leases equipment to a wholesale customer who purchases dairy products shall file with the Commission a copy of the lease agreement for that equipment.~~

~~—3. As used in this section, “equipment” means any object used to transport, distribute, display or serve dairy products, including, but not limited to, bunkers, bossy carts and self-service ice cream machines.]~~

NAC 584.6053 is hereby repealed.

~~[NAC 584.6053 Bunker loaned to wholesale customer by distributor. (NRS 584.067, 584.585)~~

~~—1. A distributor may lend, without charge, a bunker to a wholesale customer during an active promotional period of the wholesale customer if:~~

- ~~—(a) Except as otherwise provided in subsection 2, the bunker does not exceed 60 inches in length;~~
- ~~—(b) The distributor lends such a bunker to any other wholesale customer who requests a bunker during an active promotional period; and~~
- ~~—(c) The distributor does not lend the bunker to the wholesale customer for the purpose of securing or retaining the fluid milk or fluid cream business of that wholesale customer or any other wholesale customer.~~
- ~~—2. A distributor may lend, without charge, a bunker that exceeds 60 inches in length to a wholesale customer during an active promotional period of the wholesale customer if the distributor:~~
 - ~~—(a) Receives prior approval from the Commission; and~~
 - ~~—(b) Complies with the requirements set forth in paragraphs (b) and (c) of subsection 1.~~
- ~~—3. A wholesale customer who receives a bunker pursuant to this section:~~
 - ~~—(a) May use the bunker only to store dairy products that are advertised for sale at a special price during the active promotional period; and~~
 - ~~—(b) Shall release the bunker to the distributor not later than 5 days after the last day of the active promotional period.~~
- ~~—4. As used in this section, “active promotional period” means a period of not more than 90 days during which a dairy product is advertised for sale at a special price.]~~

NAC 584.6092 is hereby amended to read as follows:

NAC 584.6092 Additional prohibited practices. (NRS 584.067, 584.547, 584.585)

1. No distributor, peddler-distributor, retail store or representative of a distributor, peddler-distributor or retail store may engage in ~~[any of the following]~~ *the* unfair practices: ~~to extend~~

~~—(a) The payment, allowance or acceptance of secret rebates, secret refunds, secret fees or unearned discounts by any person, whether in the form of money or otherwise.~~

~~—(b) Except as otherwise provided in NAC 584.6041 and 584.6053, the giving of any dairy products, substitute dairy products as defined in NRS 584.176, services or articles of any kind, except to bona fide charities.~~

~~—(c) The extension]~~ to certain customers ~~[of]~~ special prices, *equipment* or services not made available to all customers who purchase dairy products ~~[or substitute dairy products, as defined in NRS 584.176.]~~ of like quantity under like terms and conditions.

2. *Subject to the provisions of NRS 584.582 and NRS 584.583, a distributor or a [A] retail store may offer [shall not give trading stamps, premiums or any other type of] discounts on [for] the purchase or sale of dairy products. Any other type of discount is prohibited unless it complies with the Dairy Coupon and Promotion Policy adopted by the commission. [A violation of this subsection is an unfair practice.]*

NAC 584.6121 is hereby amended to read as follows:

NAC 584.6121 Applicant for distributor’s license: Qualifications. (NRS 584.067, 584.547)

An applicant for a distributor’s license has the burden of proving his qualifications to receive the license. ~~[If the applicant is a corporation, the corporation]~~ *The applicant* must also be qualified to do business in this State.

NAC 584.6171 is hereby amended to read as follows:

NAC 584.6171 Distributor's license: Factors for denial. (NRS 584.067, 584.079, 584.547)

The Commission will not deny an application for a license as a distributor of dairy products or dairy by-products, or both, in this State, or an application for the amendment of a distributor's existing license unless it finds:

1. That the applicant or licensee has not complied with the applicable requirements set forth in chapter 584 of NRS or NAC 584.5551 to 584.9391, inclusive;

2. That the applicant or licensee has failed to provide satisfactory evidence that the dairy product which the applicant or licensee wishes to distribute is listed on the Interstate Milk Shipper's List;

3. That the applicant or licensee has failed to provide satisfactory evidence that the plant or the facilities from which the applicant or licensee plans to ship dairy products has been inspected by the agency responsible for conducting such inspections in the state where the plant or facility is located;

~~[4. That the issuance of a license or granting of an amendment to the existing license will tend to create destructive competition in a market already adequately served;]~~ or

~~[5]~~4. That the issuance of a license is not in the public interest, as the public interest and policy of the State of Nevada are set forth in NRS 584.390, 584.395, 584.410 and 584.415.

NAC 584.6174 is hereby repealed.

~~[NAC 584.6174 Distributor's license: Issuance of temporary permit by Commission. (NRS 584.067, 584.547) The Commission will not issue a license to an applicant at a meeting of the Commission held outside the marketing area in which the applicant wishes to distribute dairy products. The Commission may issue to such an applicant a temporary permit to distribute dairy products in the marketing area in which he wishes to distribute dairy products which is valid until not later than the next meeting of the Commission held within that marketing area. The temporary permit is subject to cancellation without recourse upon notifying the holder in writing of the cancellation not less than 24 hours before the permit is cancelled]~~

NAC 584.6177 is hereby amended to read as follows:

NAC 584.6177 Distributor's license: Issuance of temporary permit by Executive Director. (NRS 584.067, 584.547) The Executive Director *or his designee* may issue a temporary permit to an applicant to distribute dairy products in the marketing area in which the applicant wishes to distribute dairy products. ~~[The temporary permit expires no later than the date of the next scheduled meeting of the Commission held within that marketing area.]~~ The temporary permit is subject to cancellation without recourse upon notifying the holder in writing of the cancellation not less than ~~[24]~~ 72 hours *from the postmark of the cancellation notice* before the permit is cancelled. ~~[The Executive Director shall report to the Commission any temporary permit that the Executive Director issues pursuant to this section.]~~

NAC 584.6181 is hereby amended to read as follows:

NAC 584.6181 Distributor's license: Amendment to include new brand or label. (NRS 584.067, 584.547)

1. A distributor who intends to distribute, manufacture, process, sell or offer for sale under a new brand name or label any fluid milk product ~~[or any ice cream in containers of a quart or more]~~ which he has not previously distributed, manufactured, processed, sold or offered for sale in the marketing area must submit a written request to the Commission to amend his license to

reflect the addition of the new brand or label to his line of dairy products. The request must include the cost and price of the product.

~~[2. If a distributor discontinues his use of a brand name or label in the marketing area, he must submit a written request to the Commission and receive its approval before resuming the use.]~~

NAC 584.6184 is hereby repealed.

~~[NAC 584.6184 Distributor's license: Restrictions. (NRS 584.067, 584.547) The Commission may place restrictions upon a license issued to a distributor, which:~~

- ~~—1. Limit the products he may distribute;~~
- ~~—2. Require the distributor to place a particular label on the products he distributes;~~
- ~~—3. Prohibit the distributor from distributing products to certain wholesale customers; or~~
- ~~—4. Designate the marketing area in which the distributor may distribute products.]~~

NAC 584.6201 is hereby amended to read as follows:

NAC 584.6201 Change of ownership of licensee. (NRS 584.067, 584.547, **584.595**)

1. *Pursuant to the requirements of NAC 584.6121 and NAC 584.6131, a distributor's license is not transferable.* ~~[A licensee that wishes to change its ownership must file an application with the Commission for approval of the change in ownership. If the application is not approved by the Commission before the change in ownership of the licensee occurs, the license expires.]~~

2. For the purposes of this section, *[the ownership of a] license expires if 50 percent or more of the ownership of a licensee is acquired.* ~~[licensee changes when:~~

- ~~—(a) More than 10 percent of the ownership of the licensee is sold;~~
- ~~—(b) The licensee pledges, as security for a loan, extension of credit, guaranty or other obligation, more than 10 percent of its ownership;~~
- ~~—(c) A court of competent jurisdiction enters an order which transfers more than 10 percent of the ownership of the licensee; or~~
- ~~—(d) More than 10 percent of the ownership of the licensee is transferred by gift, devise or bequest.]~~

NAC 584.6261 is hereby amended to read as follows:

NAC 584.6261 Processing distributor required to file statement. (NRS 584.067, 584.547, 584.583)

1. Each processing distributor shall file with the Commission the statement of costs required by subsection 5 of NRS 584.583. The statement must be filed with the Commission at its *principal* office ~~[in Reno]~~ no later than December 31 of each year. The statement must cover the entire calendar year or the fraction of the calendar year during which the processing distributor was in operation, as shown by his monthly reports to the Commission for the purposes of assessment.

2. A statement of costs must be filed for each licensed processing plant. The statement must separately show the cost for each container size of each product distributed, regardless of whether the product was processed, manufactured or purchased for resale.

3. The statement must separately show the dock cost, wholesale delivered cost and retail delivered cost.

4. Any significant change in costs during a calendar year must be reported when the change occurs if the change substantially affects the unit cost of any fluid milk product or by-product. The statement of costs must be amended from time to time by additional filings in order to

correct any errors or make the filings current. Each amendment must clearly state the period and product or products covered.

NAC 584.6417 is hereby amended to read as follows:

NAC 584.6417 Monthly usage report of distributor. (NRS 584.067, 584.547)

1. A processing distributor located in this State who receives, sells or transfers milk shall keep a monthly usage report which includes:

- (a) The quantity of milk received, sold or transferred;
- (b) The class of usage of the milk;
- (c) The price;
- (d) The total gallons of milk processed by product type during the month;
- (e) The total weight of milk processed by product type;
- (f) The results of a butterfat test for the various product types;
- (g) The total butterfat by product type;
- (h) The source of the milk;
- (i) The person to whom the milk was sold or transferred, if appropriate;
- (j) A statement which indicates whether the milk was graded, ungraded or degraded; and
- (k) Any other information the Commission requests to substantiate usage.

2. A processing distributor shall submit his monthly usage report to the Commission's *principal* office ~~[in Reno]~~ on or before the 15th day of the month following the calendar month for which the report is submitted. The report must be made on a form prescribed and furnished by the Commission or on a facsimile of the form.

NAC 584.6422 is hereby amended to read as follows:

NAC 584.6422 Adoption by reference of standards for determining weight of fluid milk or fluid cream. (NRS 584.067, 584.547) A distributor shall use the standards for determining the weight of fluid milk or fluid cream adopted by the United States Department of Agriculture, which are hereby adopted by reference. A copy of the standards may be obtained ~~[at no cost]~~ from the United States Department of Agriculture, Agricultural Marketing Service, Dairy Programs, Office of Market Administrator, 1930-220th Street, S.E., Suite 102, Bothell, Washington 98021-8471.

NAC 584.6462 is hereby repealed.

~~[NAC 584.6462 Notification of expiration, modification and renewal of contract with producer. (NRS 584.067, 584.547)~~

~~—1. A distributor shall notify the Commission, not less than 10 days before the expiration date of a contract with a producer, whether the contract will be allowed to expire, will be renewed or will be modified and renewed. If the contract will be modified and renewed, the distributor shall send a copy of the proposed modification with his notice to the Commission.~~

~~—2. If a distributor and producer wish to modify a contract before it expires, the distributor must send to the Commission a notice and copy of the modification not less than 10 days before the modification becomes effective]~~

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 State Dairy Commission, 4600 Kietzke Lane, Building A, Suite 107, Reno, Nevada 89502];~~

(b) By telephone~~[, at (775) 688-1211];~~

(c) By electronic mail~~[, at dairycom@dairy.state.nv.us];~~ or

(d) On the Internet~~[, at http://dairy.state.nv.us].~~

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 State Dairy Commission, 1840 East Sahara Avenue, Suite 112, Las Vegas, Nevada 89104];~~

(b) By telephone~~[, at (702) 486-8212];~~

(c) By electronic mail~~[, at dairycom@dairy.state.nv.us];~~ or

(d) On the Internet~~[, at http://dairy.state.nv.us].~~

NAC 584.6492 is hereby repealed.

~~[NAC 584.6492 Wholesale prices for dairy products. (NRS 584.067, 584.547) The wholesale prices for dairy products are the prices listed by each distributor on the price lists filed by him pursuant to NRS 584.583. No distributor may sell at prices other than those contained in his lists, except to agencies of the Federal Government.]~~

NAC 584.6497 is hereby repealed.

~~[NAC 584.6497 Minimum retail price for fluid milk and fluid cream. (NRS 584.067, 584.547) Each month the Commission will issue a marketing order for each marketing area in this State. The marketing order will include:~~

~~—1. The formula for determining the minimum retail price of fluid milk and fluid cream; and~~

~~—2. The minimum retail price for fluid milk and fluid cream.]~~

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.
(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 ~~[whose prices are not promulgated by regulation]~~ 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 the markup permitted by this subsection.

2. A ~~[grocery]~~ *retailer* store may reduce the prescribed markup to the extent necessary to meet a lawful competitive price if it submits information to the Commission in the manner set forth for distributors in NRS 584.584.

3. As used in this section, “purchase price” includes the cost of the product and the cost to transport the product to the retailer.