REVISED PROPOSED REGULATION OF THE

STATE DAIRY COMMISSION

LCB File No. R082-11

February 8, 2012

EXPLANATION - Matter in *italics* is new; matter in brackets [omitted material] is material to be omitted.

AUTHORITY: §§1-5, 7-12, 39-42, 52 and 54, NRS 584.067; §§6 and 14-38, NRS 584.067 and 584.208; §13, NRS 584.067 and 584.103; §§43 and 53, NRS 584.067 and 584.547; §§44-46; NRS 584.067 and 584.585; §§47-51, NRS 584.067 and 584.595.

A REGULATION relating to dairy products; revising provisions concerning milk and milk products produced from hoofed mammals; adopting by reference certain standards of identity for dairy products; revising provisions governing the production, sale and delivery of dairy products; prohibiting certain transfers of interest in hoofed mammals for certain purposes; revising provisions governing licensure as a distributor of dairy products; repealing certain provisions concerning standards for raw milk products; and providing other matters properly relating thereto.

Section 1. Chapter 584 of NAC is hereby amended by adding thereto the provisions set

forth as sections 2 to 6, inclusive, of this regulation.

Sec. 2. "Hoofed mammal" means a mammal belonging or pertaining to the order

Artiodactyla or Perissodactyla, including, without limitation, members of the family:

- 1. Bovidae, including, without limitation, cattle, water buffalo, sheep, goats and yaks.
- 2. Camelidae, including, without limitation, llamas, alpacas and camels.
- 3. Cervidae, including, without limitation, deer, reindeer and moose.
- 4. Equidae, including, without limitation, horses and donkeys.

Sec. 3. "Misbranded" means any dairy product:

1. Which is packaged in a container that displays or is accompanied by any false or misleading written, printed or graphic matter;

2. Which does not, as required by section 5 of this regulation, conform to the definition or standard of identity of the dairy product that is packaged in the container; or

3. For which one or more of the conditions prescribed in 21 U.S.C. § 343 exist.

Sec. 4. The Commission will interpret the term:

1. "Fluid cream," as defined in NRS 584.350, to include fluid cream from a hoofed mammal.

2. "Fluid milk," as defined in NRS 584.355, to include fluid milk from a hoofed mammal.

3. "Fresh dairy products," as defined in NRS 584.357, to include yogurt, eggnog and butter.

Sec. 5. A dairy product for which a definition or standard of identity has been prescribed in Parts 53 to 209, inclusive, of Title 7 of the Code of Federal Regulations and Parts 100 to 199, inclusive, of Title 21 of the Code of Federal Regulations, as adopted by reference in NAC 584.02515, must conform to that definition or standard of identity.

Sec. 6. A person shall not engage in a transaction involving the barter of, sale of shares or interest in, or rental of, a hoofed mammal that is lactating in exchange for any consideration if the transaction is intended to result in the transfer or delivery of raw milk or a product made from it in violation of this chapter or chapter 584 of NRS.

Sec. 7. NAC 584.005 is hereby amended to read as follows:

584.005 As used in this chapter, unless the context otherwise requires, the words and terms defined in NAC 584.0055 to 584.0075, inclusive, *and sections 2 and 3 of this regulation* have the meanings ascribed to them in those sections.

Sec. 8. NAC 584.0067 is hereby amended to read as follows:

584.0067 ["Dairy] *Except as otherwise provided in NAC 584.01415, "dairy* products" includes any product manufactured from milk or any derivative or product of milk [.] *which is*

intended for human consumption.

Sec. 9. NAC 584.0111 is hereby amended to read as follows:

584.0111 As used in NAC 584.0111 to 584.0551, inclusive, unless the context otherwise requires, the words and terms defined in NAC [584.0121 to] 584.0141, 584.01415 and 584.0151 [, inclusive,] have the meanings ascribed to them in those sections.

Sec. 10. NAC 584.0141 is hereby amended to read as follows:

584.0141 "Dairy farm" means any place where one or more [milking cows, sheep or goats] *hoofed mammals which are lactating* are kept *for the purpose of milking* and where a part or all of the milk produced from those [milking cows, sheep or goats is delivered,] *hoofed mammals is* sold or offered for sale . [to a dairy foods manufacturing plant.]

Sec. 11. NAC 584.02415 is hereby amended to read as follows:

584.02415 1. The Commission hereby adopts by reference the following sections of *Milk for Manufacturing Purposes and Its Production and Processing* [, November 1996,] :

<u>Recommended Requirements</u>, 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.] http://www.ams.usda.gov/dairy.htm.

Sec. 12. NAC 584.02515 is hereby amended to read as follows:

584.02515 1. The Commission hereby adopts by reference [the following publications] Parts 53 to 209, inclusive, of Title 7 of the Code of Federal Regulations and Parts 100 to 199, inclusive, of Title 21 of the Code of Federal Regulations, as they existed on January 1, [2002,] *2011*, and any subsequent revision of these [publications] *regulations* that have been approved by the Executive Director for use in this State. Each revision of these [publications] *regulations* 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," set forth in Title 21 of the Code of Federal Regulations, Parts 100 to 199, inclusive.

(c) "Standards of Identity for Cheese," set forth in Title 21 of the Code of Federal

Regulations, Parts 100 to 199, inclusive.]

A copy of the publications which contain these parts may be obtained from the

 [Superintendent of Documents,] 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:

(a) For *Title 7, Parts 53-209, \$42;*

(b) For Title 21, Parts 100-169, [\$44;] \$55; and

[(b)] (c) For *Title 21*, Parts 170-199, [\$45.] \$56.

Sec. 13. NAC 584.0421 is hereby amended to read as follows:

584.0421 1. A person [may] *shall* not manufacture, freeze, sell, offer or expose for sale, or have in possession with intent to sell, any manufactured dairy product which is adulterated or misbranded.

2. Imitation ice cream or ice milk made of vegetable fat must be plainly labeled as being imitation ice cream or ice milk.

3. Any adulterated, misbranded or improperly labeled manufactured dairy product may be impounded by the Commission and disposed of in accordance with state law.

4. As used in this section, "adulterated" means any dairy product for which one or more of the conditions prescribed in 21 U.S.C. § 342 exist.

Sec. 14. NAC 584.1611 is hereby amended to read as follows:

584.1611 As used in NAC 584.1611 to 584.2881, inclusive, and section 6 of this

regulation, unless the context otherwise requires, the words and terms defined in NAC 584.1621

to [584.1831,] 584.1821, inclusive, have the meanings ascribed to them in those sections.

Sec. 15. NAC 584.1621 is hereby amended to read as follows:

584.1621 "Adulterated" means:

- 1. Any raw milk or cream to which water has been added; or
- 2. Any raw milk or product made from it which:
- (a) Contains any unwholesome substance; or
- (b) Does not conform with the applicable standard of identity [prescribed in NAC 584.1841

to 584.1991, inclusive.] adopted by reference in NAC 584.02515.

Sec. 16. NAC 584.1641 is hereby amended to read as follows:

584.1641 "Certified milk" means the unadulterated lacteal secretion, practically free from colostrum, obtained by the complete milking of one or more healthy [cows.] *hoofed mammals*.

Sec. 17. NAC 584.1741 is hereby amended to read as follows:

584.1741 "Certified raw milk" means unpasteurized, marketed milk and includes milk from [cows and goats.] *hoofed mammals*.

Sec. 18. NAC 584.2011 is hereby amended to read as follows:

584.2011 *1*. 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.] (a)	Salmonella limits	Not exceeding 0 per milliliter.
[2.] (b)	Somatic cells	[1,000,000] Not exceeding 400,000 per
		milliliter.
[3.] (c)	Antibiotics	No detectable zone using [the Bacillus subtillis
		method or its equivalent.] an approved beta-
		lactam test method.

2. For purposes of this section, a beta-lactam test method is approved if it has been:

- (a) Independently evaluated; or
- (b) Evaluated by the United States Food and Drug Administration,

and has been found acceptable by the United States Food and Drug Administration for detecting drug residues in raw milk.

Sec. 19. NAC 584.2021 is hereby amended to read as follows:

584.2021 1. A person within this State [may] *shall* not sell, offer for sale or possess with intent to sell any raw milk or product made from it that:

(a) Has not been produced in conformity with the regulations and standards adopted by the county milk commission in the county in which it is produced and certified by that county milk commission. This prohibition does not apply to a dairy licensed to produce unpasteurized grade A milk for sale to a licensed milk plant.

(b) Is adulterated or misbranded.

2. The State Dairy Commission may require such chemical and physical tests to detect the adulteration of raw milk or products made from it as the State Dairy Commission deems necessary.

Sec. 20. NAC 584.2051 is hereby amended to read as follows:

584.2051 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.

Sec. 21. NAC 584.2091 is hereby amended to read as follows:

584.2091 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 <u>the</u> 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;] \$58.50 for members and \$85 for nonmembers; and

(b) *Official Methods of Analysis* of AOAC INTERNATIONAL published by the [Association of Official Analytical Chemists] AOAC INTERNATIONAL at 481 North Frederick Avenue, Suite 500, Gaithersburg, Maryland 20877-2417, available for a price of [\$499.] \$660.

Sec. 22. NAC 584.2111 is hereby amended to read as follows:

584.2111 [Screening]

1. Except as otherwise provided in this section for the testing of raw milk from a goat or a sheep, confirmatory or screening tests of samples of raw milk for somatic cells must be made using the [Wisconsin Mastitis Test. If that] Direct Microscopic Somatic Cell Count (Single Strip Procedure) or Electronic Somatic Cell Count procedure.

2. For the testing of raw milk from a goat, if the test conducted pursuant to subsection 1 indicates the presence of 1,500,000 or more somatic cells, the Pyronin Y-Methyl Green Stain or the "New York" modification procedure must be used to confirm the range of somatic cell levels. Screening tests conducted pursuant to this subsection must be conducted by an analyst certified to conduct that procedure. 3. For the testing of raw milk from a sheep, if the test conducted pursuant to subsection 1 indicates the presence of [700,000] 750,000 or more somatic cells, [it] the count must have been derived from or be confirmed by [a direct count of somatic cells using a microscope.] the Pyronin Y-Methyl Green Stain or the "New York" modification procedure.

Sec. 23. NAC 584.2171 is hereby amended to read as follows:

584.2171 Every dairy farm [must] *shall* 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 **[cows]** *hoofed 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.

Sec. 24. NAC 584.2211 is hereby amended to read as follows:

584.2211 1. The [cow yard] *barnyard* 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 [cow yard] *barnyard* must be kept reasonably clean, with wet manure stored so that it is inaccessible to the [cows] *hoofed mammals* and dry manure properly packed and maintained.

3. The [cow lot] barnyard must [contain a minimum of 400 square feet per cow, except where housing for the cows is in the form of loose stalls.] provide adequate space to house the animals in a healthy manner.

4. Areas for feeding and watering must have hard surfaces.

Sec. 25. NAC 584.2341 is hereby amended to read as follows:

584.2341 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] *hoofed 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 or her hands with a bactericidal solution and dry them before each milking. A milker [may] *shall* not milk with wet hands. Each milker and milk handler shall wear clean clothing while milking or handling milk or products made from it.

Sec. 26. NAC 584.2351 is hereby amended to read as follows:

584.2351 After milk is obtained from a [cow,] *hoofed 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 milkhouse. 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.

Sec. 27. NAC 584.2511 is hereby amended to read as follows:

584.2511 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.

Sec. 28. NAC 584.2621 is hereby amended to read as follows:

584.2621 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 *adopted by reference* in NAC [584.1841 to 584.1991, inclusive,] 584.02515, 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)] 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.

Sec. 29. NAC 584.2651 is hereby amended to read as follows:

584.2651 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.

—<u>6.</u>] 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.

Sec. 30. NAC 584.2711 is hereby amended to read as follows:

584.2711 1. Every employee shall report immediately to the owner or operator of the farm any illness which the employee 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 or her periodic examination.]

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

Sec. 31. NAC 584.2731 is hereby amended to read as follows:

584.2731 1. Every [milk cow or goat] *hoofed mammal* in a certified herd must be eartagged or tattooed with a number that permanently identifies [her.] *the hoofed mammal*.

2. Every [milk cow or goat] *hoofed 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 *not less than* 1 year after the [cow or goat] *hoofed mammal* departs from the herd.

Sec. 32. NAC 584.2751 is hereby amended to read as follows:

584.2751 [Cows or goats] *Hoofed mammals* which produce certified milk must have healthy udders.

Sec. 33. NAC 584.2761 is hereby amended to read as follows:

584.2761 Every [cow] *hoofed mammal* admitted or readmitted to a milk herd must be examined by an approved veterinarian and [her] *its* 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.

Sec. 34. NAC 584.2771 is hereby amended to read as follows:

584.2771 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 hoofed mammal* that [react] *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] the animal must be cleaned and disinfected in a manner approved by the Division of Animal Industry of the Department.

Sec. 35. NAC 584.2781 is hereby amended to read as follows:

584.2781 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] hoofed 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.

2. After the tests are performed, any [cow] *hoofed 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] *hoofed 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] *hoofed mammal* has reacted to such a test, the [cow] *animal* and [her] *its* 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.]

Sec. 36. NAC 584.2791 is hereby amended to read as follows:

584.2791 Milk from [cows] *hoofed mammals* approved for the production of certified milk must be free from the organisms which cause salmonellosis, and all [cows] *hoofed mammals* must be tested for that organism a minimum of once per year. Any [cow] *hoofed 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.

Sec. 37. NAC 584.2811 is hereby amended to read as follows:

584.2811 1. Any [cow] hoofed mammal affected with either acute or chronic mastitis must be immediately removed from the milking string and treated. [She may] *The hoofed mammal must* not be returned to the milking string until [her] *its* milk is normal and all residues from antibiotics have been eliminated from [her] *its* body.

2. A [cow or goat] *hoofed mammal* which shows a complete inducation of one quarter or extensive inducation 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.

Sec. 38. NAC 584.2831 is hereby amended to read as follows:

584.2831 1. If a disease occurs that appears to be of a serious nature, or if a number of **[cows]** *hoofed mammals* become sick at about the same time, the dairyman shall withdraw such **[cows]** *hoofed 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,] *hoofed mammal*, whether diseased or not, must be disposed of in a sanitary manner.

Sec. 39. NAC 584.3001 is hereby amended to read as follows:

584.3001 1. The Commission hereby adopts by reference the following publications:

(a) *Grade "A" Pasteurized Milk Ordinance* [, 1999] (Includes provisions from the Grade "A" Condensed and Dry Milk Products and Condensed and Dry Whey--Supplement I to the Grade "A" PMO), 2009 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.
- (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)] 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.] 5100 Paint Branch Parkway, College Park, MD 20740-3835, or on the Internet at http://www.fda.gov.

Sec. 40. NAC 584.4321 is hereby amended to read as follows:

584.4321 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)] 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] *product* 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.

Sec. 41. NAC 584.4561 is hereby amended to read as follows:

584.4561 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] or 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. 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,] *Hoofed mammals which are part of a herd* officially vaccinated as [calves, lambs or kids,] *young mammals and* which react to the blood agglutination test must be referred to the veterinarian supervising that herd for his or her 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.

Sec. 42. NAC 584.4581 is hereby amended to read as follows:

584.4581 1. [Cows, sheep or goats] *Hoofed 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] *Hoofed 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. 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 requires.

Sec. 43. NAC 584.5792 is hereby amended to read as follows:

584.5792 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 office in Reno on or before the [15th] 20th day of the month following the month during which the fluid milk, fluid cream, butter and fresh dairy by-products were distributed.

Sec. 44. NAC 584.5911 is hereby amended to read as follows:

584.5911 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.

Sec. 45. NAC 584.6051 is hereby amended to read as follows:

584.6051 [1. Except as otherwise provided in NAC 584.6053, a] *No* distributor [shall not sell, lease, lend or otherwise] *may be required to* 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. <u>3.</u> 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.] *for dairy products sold by the distributor.*

Sec. 46. NAC 584.6092 is hereby amended to read as follows:

584.6092 1. No distributor, peddler-distributor, retail store or representative of a distributor, peddler-distributor or retail store may engage in [any of] the [following] unfair [practices:

(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] *practice of extending* 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. [A] *Except as otherwise provided in NRS 584.582 and 584.583, a distributor or* retail store [shall not] *may* give [trading stamps, premiums or any other type of discount for] *discounts on* the purchase or sale of dairy products. [A violation of this subsection is an unfair practice.]

Sec. 47. NAC 584.6121 is hereby amended to read as follows:

584.6121 An applicant for a distributor's license has the burden of proving his or her qualifications to receive the license [. If the applicant is a corporation, the corporation] *and* must [also] be qualified to do business in this State.

Sec. 48. NAC 584.6171 is hereby amended to read as follows:

584.6171 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] Shippers 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; *or*

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.] 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.

Sec. 49. NAC 584.6177 is hereby amended to read as follows:

584.6177 The Executive Director *or his or her 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 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.] For the purposes of this section, notice of the cancellation shall be deemed to have been given on the date and time, if any, of the postmark appearing on the envelope containing the notice of cancellation.

Sec. 50. NAC 584.6181 is hereby amended to read as follows:

584.6181 [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 or she 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 the distributor's license to reflect the addition of the new brand or label to his or her line of dairy products. The request must include the cost and price of the product.

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

Sec. 51. NAC 584.6201 is hereby amended to read as follows:

584.6201 1. 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.] *license issued to a distributor is not transferable.*

2. [For the purposes of this section, the ownership of a licensee changes when:

--29--LCB Draft of Revised Proposed Regulation R082-11 (a) More] *A license expires if more* than [10] *50* 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.] *acquired by a person other than the licensee*.

Sec. 52. NAC 584.6482 is hereby amended to read as follows:

584.6482 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.] 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 State Dairy Commission, [1840] 1830 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.] http://dairy.nv.gov.

Sec. 53. NAC 584.6507 is hereby amended to read as follows:

584.6507 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 store] *retailer* 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.

Sec. 54. NAC 584.0121, 584.1651, 584.1661, 584.1671, 584.1681, 584.1691, 584.1711, 584.1721, 584.1731, 584.1751, 584.1761, 584.1771, 584.1781, 584.1791, 584.1811, 584.1831, 584.1841, 584.1851, 584.1861, 584.1871, 584.1881, 584.1891, 584.1911, 584.1921, 584.1931, 584.1941, 584.1951, 584.1961, 584.1971, 584.1981, 584.1991, 584.2681, 584.2721, 584.5951, 584.6053, 584.6174, 584.6184, 584.6462, 584.6492 and 584.6497 are hereby repealed.

TEXT OF REPEALED SECTIONS

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.

584.1651 "Certified raw buttermilk" defined. (NRS 584.067, 584.208) "Certified raw buttermilk" means a fluid product resulting from the manufacture of butter from certified raw cream.

584.1661 "**Certified raw cottage cheese**" **defined.** (**NRS 584.067, 584.208**) "Certified raw cottage cheese" means a soft, uncured cheese made from certified raw milk by mixing cottage dry curd with a creaming mixture of one or more milk ingredients.

584.1671 "Certified raw cultured buttermilk" defined. (NRS 584.067, 584.208)

"Certified raw cultured buttermilk" means a fluid product resulting from the souring of certified raw skim milk or raw low-fat milk by using harmless bacteria which produce lactic acid or another, similar bacterial culture.

584.1681 "Certified raw cultured milk" and "raw cultured whole milk buttermilk"

defined. (**NRS 584.067, 584.208**) "Certified raw cultured milk" or "raw cultured whole milk buttermilk" means a fluid or semifluid product resulting from the souring of certified raw milk by harmless, acid-producing bacteria or another, similar culture.

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.

584.1711 "Certified raw half and half" defined. (NRS 584.067, 584.208) "Certified raw half and half" means a product made by mixing certified raw milk and certified raw cream.

584.1721 "Certified raw low-fat cottage cheese" defined. (NRS 584.067, 584.208) "Certified raw low-fat cottage cheese" means cottage cheese made from certified raw milk which contains a reduced amount of milk fat.

584.1731 "Certified raw low-fat yogurt" and "certified raw nonfat yogurt" defined. (NRS 584.067, 584.208) "Certified raw low-fat yogurt" and "certified raw nonfat yogurt" means yogurt made from certified raw milk which contains a reduced amount of milk fat and harmless, acid-producing bacteria.

584.1751 "Certified raw skim milk," "raw nonfat milk" and "raw low-fat milk" defined. (NRS 584.067, 584.208) "Certified raw skim milk," "raw nonfat milk" or "raw low-fat milk" means certified raw milk from which milk fat has been removed to reduce its milk fat content.

584.1761 "Certified raw skim milk with vitamins A and D" and "raw low-fat milk with vitamins A and D" defined. (NRS 584.067, 584.208) "Certified raw skim milk with vitamins A and D" or "raw low-fat milk with vitamins A and D" means certified raw milk to which an approved concentrate of vitamin has been added to increase the content of the vitamin D and vitamin A.

584.1771 "Certified raw table cream," "light cream," "coffee cream," "whipping cream" and "all purpose cream" defined. (NRS 584.067, 584.208) "Certified raw table cream," "light cream," "coffee cream," "whipping cream" or "all purpose cream" means cream made from certified raw milk.

584.1781 "Certified raw vitamin D milk" defined. (NRS 584.067, 584.208) "Certified raw vitamin D milk" means whole, certified raw milk rendered antirachitic.

584.1791 "Certified raw yogurt" defined. (NRS 584.067, 584.208) "Certified raw yogurt" means yogurt made from certified raw milk which has been fermented by one or more

strains of Lactobacillus bulgaricus, Streptococcus thermophilus, Lactobacillus acidophilus or other harmless acid-producing bacteria.

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.

584.1831 "**Producer of certified raw milk**" **defined.** (**NRS 584.067, 584.208**) "Producer of certified raw milk" means any person or firm who operates a dairy farm for the production of certified raw milk and sells it to a bottling plant for sale as certified raw milk or a product made from it or retains it on his or her property and bottles it in his or her own bottling plant.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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 or her employment, his or her medical history and the results of any physical examination by a physician and any laboratory tests.

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.

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.

584.6174 Distributor's license: Issuance of temporary permit by Commission. (NRS584.067, 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 or she 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.

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 or she may distribute;
- 2. Require the distributor to place a particular label on the products he or she 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.

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 or her 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.

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 the

distributor pursuant to NRS 584.583. No distributor may sell at prices other than those contained in his or her lists, except to agencies of the Federal Government.

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.