

HOUSE BILL NO. 352

INTRODUCED BY G. HERTZ, K. WAGONER

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4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR THE MONTANA LOCAL FOOD CHOICE ACT;  
5 EXEMPTING CERTAIN FOOD PRODUCERS FROM FOOD LICENSURE, PERMITTING, CERTIFICATION,  
6 PACKAGING, LABELING, AND INSPECTION REGULATIONS AS WELL AS CERTAIN OTHER STANDARDS  
7 AND REQUIREMENTS; PROVIDING EXCEPTIONS TO CERTAIN REQUIREMENTS; PROVIDING  
8 DEFINITIONS; AND AMENDING SECTIONS 30-12-301, 50-31-104, 50-31-106, 50-31-108, 50-31-201,  
9 50-50-301, 81-2-101, 81-2-102, 81-2-105, 81-9-201, 81-9-218, 81-21-101, 81-21-102, 81-21-103, 81-22-101,  
10 81-22-102, 81-22-201, 81-22-303, 81-22-304, 81-22-401, 81-22-405, 81-22-412, 81-22-413, 81-22-416,  
11 81-22-420, 81-22-421, ~~AND~~ 81-22-503, 81-23-103, 81-23-401, AND 81-23-405, MCA."

12  
13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

14  
15 NEW SECTION. Section 1. Short title -- purpose. (1) This chapter may be cited as the "Montana Local  
16 Food Choice Act".

17 (2) The purpose of this act is to allow for the sale and consumption of homemade food and food products  
18 and to encourage the expansion of agricultural sales by ranches, farms, and home-based producers and the  
19 accessibility of homemade food and food products to informed end consumers by:

- 20 (a) facilitating the purchase and consumption of fresh and local agricultural products;
- 21 (b) enhancing the agricultural economy; and
- 22 (c) providing Montana citizens with unimpeded access to healthy food from known sources.

23  
24 NEW SECTION. Section 2. Definitions. For purposes of this chapter, the following definitions apply:

25 (1) "Deliver" means to transfer a product as a result of a transaction between a producer and an informed  
26 end consumer. The action may be performed by the producer or the producer's designated agent at a farm,  
27 ranch, home, office, traditional community social event, or another location agreed to between the producer or  
28 agent and the informed end consumer.

29 (2) "Home consumption" means:  
30 (a) the consumption of food or a food product in a private home; or

1 (b) the consumption of food or a food product from a private home.

2 (3) "Homemade" means food or a food product that is prepared in a private home kitchen and that is not  
3 licensed, permitted, certified, packaged, labeled, or inspected per any official regulations.

4 (4) "Informed end consumer" means a person who is the last person to purchase a product, does not  
5 resell the product, and has been informed that the product is not licensed, permitted, certified, packaged, labeled,  
6 or inspected per any official regulations.

7 (5) (a) "Producer" means a person who harvests, produces, or prepares a product that may be  
8 consumed as food or a food product. THE TERM INCLUDES A PERSON OPERATING A SMALL DAIRY, AS DEFINED IN  
9 81-21-101.

10 (b) The term does not include the entities listed in [section 3(1)(c)].

11 (6) "Traditional community social event" means an event at which people gather as part of a community  
12 for the benefit of those gathering or for the benefit of the community, including but not limited to a:

13 (a) wedding;

14 (b) funeral;

15 (c) church or religious social;

16 (d) school event;

17 (e) potluck;

18 (f) neighborhood gathering; or

19 (g) club meeting or social.

20 (7) "Transaction" means an exchange of buying and selling.

21  
22 **NEW SECTION. Section 3. Exemptions from regulations -- transactions -- information required**

23 **-- exceptions.** (1) (a) A state agency or an agency of a political subdivision of the state may not require licensure,  
24 permitting, certification, packaging, labeling, or inspection that pertains to the preparation, serving, use,  
25 consumption, or storage of food or a food product under this chapter.

26 (b) This chapter does not preclude an agency from providing assistance, consultation, or inspection  
27 requested by a producer.

28 (c) A producer as defined in this chapter is not:

29 (i) a retail food establishment, a cottage food operation, or a temporary food establishment, as each term  
30 is defined in 50-50-102;

- 1 (ii) a wholesale food establishment, as defined in 50-57-102; or
- 2 (iii) a dairy or a manufactured dairy products plant, as defined in 81-22-101.
- 3 (d) A producer is not subject to labeling, licensure, inspection, sanitation, or other requirements or
- 4 standards of 30-12-301; Title 50, chapter 31; or Title 81, chapters 2, 9, 21, or 22.
- 5 (2) Transactions pursuant to this chapter:
- 6 (a) must be directly between the producer and the informed end consumer;
- 7 (b) must be only for home consumption or consumption at a traditional community social event; and
- 8 (c) must occur only in this state and may not involve interstate commerce.
- 9 (3) ~~A~~ EXCEPT AS PROVIDED IN SUBSECTION (7), A producer shall inform an end consumer that any food or
- 10 food product sold through ranch, farm, or home-based sales pursuant to this chapter has not been licensed,
- 11 permitted, certified, packaged, labeled, or inspected per any official regulations.
- 12 (4) Except for raw, unprocessed fruit and vegetables, food shall not be sold or used in a retail food
- 13 establishment, as defined in 50-50-102, unless the food has been licensed, permitted, certified, packaged,
- 14 labeled, and inspected as required by law.
- 15 (5) EXCEPT AS PROVIDED IN SUBSECTION (6) AND PURSUANT TO [SECTIONS 1 THROUGH 3], A PRODUCER MAY
- 16 DONATE FOOD OR FOOD PRODUCTS TO A TRADITIONAL COMMUNITY SOCIAL EVENT.
- 17 (6) A PRODUCER MAY NOT DONATE MILK TO A TRADITIONAL COMMUNITY SOCIAL EVENT.
- 18 (7) (A) MEAT OR MEAT PRODUCTS SOLD PURSUANT TO [SECTIONS 1 THROUGH 3] MUST BE PROCESSED AT A
- 19 STATE-LICENSED OR FEDERALLY APPROVED MEAT ESTABLISHMENT.
- 20 (B) SUBSECTION (7)(A) DOES NOT APPLY TO A PRODUCER, AS DEFINED IN [SECTION 2], WHO SLAUGHTERS FEWER
- 21 THAN 1,000 POULTRY BIRDS A YEAR.

22

23 **Section 4.** Section 30-12-301, MCA, is amended to read:

24 **"30-12-301. Method of sale of commodities -- general.** (1) Commodities in liquid form may be sold

25 only by liquid measure or by weight, and, except as otherwise provided in parts 1 through 5, commodities not in

26 liquid form may be sold only by weight, by measure of length or area, or by count. Liquid commodities may be

27 sold by weight and commodities not in liquid form may be sold by count only if those methods give accurate

28 information as to the quantity of commodity sold. This section does not apply to:

29 (a) commodities when sold for immediate consumption on the premises where sold;

30 (b) vegetables when sold by the head or bunch;

- 1 (c) commodities in containers standardized by a law of this state or by federal law;
- 2 (d) commodities in package form when there exists a general consumer usage to express the quantity  
3 in some other manner;
- 4 (e) concrete aggregates, concrete mixtures, and loose solid materials such as earth, soil, gravel, crushed  
5 stone, and the like, when sold by cubic measure;
- 6 (f) unprocessed vegetable and animal fertilizer when sold by cubic measure; ~~or~~
- 7 (g) cottage food products as defined in 50-50-102; or
- 8 (h) food or food products sold pursuant to [sections 1 through 3].

9 (2) The department may adopt reasonable rules necessary to ensure that amounts of commodity sold  
10 are determined in accordance with good commercial practice and are determined and represented as to be  
11 accurate and informative to all parties at interest."  
12

13 **Section 5.** Section 50-31-104, MCA, is amended to read:

14 **"50-31-104. Department authorized to adopt rules.** (1) The department may adopt rules for the  
15 efficient enforcement of this chapter. The department may adopt by reference the regulations adopted by the food  
16 and drug administration under the federal act and the Fair Packaging and Labeling Act (15 U.S.C. 1451, et seq.).

17 (2) No hearing is required for adoption by reference of those regulations adopted under the federal act  
18 and the Fair Packaging and Labeling Act (15 U.S.C. 1451, et seq.).

19 (3) The department may not establish rules related to enforcement of this chapter for food or a food  
20 product sold pursuant to [sections 1 through 3]."  
21

22 **Section 6.** Section 50-31-106, MCA, is amended to read:

23 **"50-31-106. Inspections and taking of samples authorized.** (1) The department or its authorized  
24 agents have free access at all reasonable hours to any factory, warehouse, or establishment in which foods,  
25 drugs, devices, or cosmetics are manufactured, processed, packed, or held for introduction into commerce or to  
26 any vehicle being used to transport or hold the foods, drugs, devices, or cosmetics in commerce, for the purpose  
27 of:

28 (a) inspecting the factory, warehouse, establishment, or vehicle to determine if any of the provisions of  
29 this chapter are being violated; and

30 (b) securing samples or specimens of any food, drug, device, or cosmetic after paying or offering to pay

1 for the sample.

2 (2) The department shall make or cause to be made examinations of samples secured under the  
3 provisions of this section to determine whether or not any provision of this chapter is being violated.

4 (3) Pursuant to [sections 1 through 3], the department may not conduct inspections of or take samples  
5 from producers as defined in [section 2]."

6

7 **Section 7.** Section 50-31-108, MCA, is amended to read:

8 **"50-31-108. Regulations concerning additives.** (1) The department, upon its own motion or upon the  
9 petition of any interested party requesting that a rule be established, whenever public health or other  
10 considerations in the state require, is authorized to adopt, amend, or repeal rules, whether or not in accordance  
11 with regulations promulgated under the federal act, prescribing tolerances for any added poisonous or deleterious  
12 substances for food additives, for pesticide chemicals in or on raw agricultural commodities, or for color additives,  
13 including but not limited to zero tolerances and exemptions from tolerances in the case of pesticide chemicals  
14 in or on raw agricultural commodities, and prescribing the conditions under which a food additive or a color  
15 additive may be safely used and exemptions when the food additive or color additive is to be used solely for  
16 investigational or experimental purposes.

17 (2) A petitioner shall establish by data submitted to the department that a necessity exists for the rule  
18 and that its effect will not be detrimental to the public health. If the data furnished by the petitioner is not sufficient  
19 to allow the department to determine whether the regulation should be promulgated, the department may require  
20 additional data to be submitted and failure to comply with the request is sufficient grounds to deny the request.

21 (3) In adopting, amending, or repealing rules relating to the substances, the department shall consider  
22 among other relevant factors the following, which the petitioner, if any, shall furnish:

23 (a) the name and all pertinent information concerning the substance, including, when available:

24 (i) its chemical identity and composition;

25 (ii) a statement of the conditions of the proposed use, including directions, recommendations, and  
26 suggestions and including specimens of proposed labeling; and

27 (iii) all relevant data bearing on the physical or other technical effect and the quantity required to produce  
28 the effect;

29 (b) the probable composition of or other relevant exposure from the article and of any substance formed  
30 in or on a food, drug, or cosmetic resulting from the use of the substance;

1 (c) the probable consumption of the substance in the diet of humans and animals taking into account  
2 any chemically or pharmacologically related substance in the diet;

3 (d) safety factors that, in the opinion of experts qualified by scientific training and experience to evaluate  
4 the safety of the substances for the use or uses for which they are proposed to be used, are generally recognized  
5 as appropriate for the use of animal experimentation data;

6 (e) the availability of any needed practicable methods of analysis for determining the identity and quantity  
7 of:

8 (i) the substance in or on an article;

9 (ii) any substance formed in or on the article because of the use of the substance; and

10 (iii) the pure substance and all intermediates and impurities; and

11 (f) facts supporting a contention that the proposed use of the substance will serve a useful purpose.

12 (4) The department may not establish rules related to food additives under this section for food or a food  
13 product sold pursuant to [sections 1 through 3]."

14

15 **Section 8.** Section 50-31-201, MCA, is amended to read:

16 **"50-31-201. Department authorized to adopt food standards.** (1) Whenever in the judgment of the  
17 department such action will promote honesty and fair dealing in the interest of consumers, the department shall  
18 ~~promulgate~~ adopt regulations fixing and establishing for any food or class of food a reasonable definition and  
19 standard of identity, standard of quality, and/or fill of container.

20 (2) In prescribing a definition and standard of identity for any food or class of food in which optional  
21 ingredients are permitted, the department shall, for the purpose of promoting honesty and fair dealing in the  
22 interest of consumers, designate the optional ingredients which shall be named on the label.

23 (3) The definitions and standards ~~so promulgated~~ shall conform ~~so far~~ as much as practicable to the  
24 definitions and standards promulgated under authority of the federal act, or the department may ~~promulgate~~ adopt  
25 by reference the definitions and standards promulgated under authority of the federal act.

26 (4) The department may not adopt food standards or regulations under this section for food or a food  
27 product sold pursuant to [sections 1 through 3]."

28

29 **Section 9.** Section 50-50-301, MCA, is amended to read:

30 **"50-50-301. Health officers and sanitarians to make investigations and inspections -- training**

1 **requirements.** (1) State and local health officers, sanitarians-in-training, and registered sanitarians shall make  
 2 investigations and inspections of retail food establishments once a year and make reports to the department as  
 3 required under rules adopted by the department. An inspection may be conducted more often than once a year.

4 (2) A person conducting an inspection must be certified and have completed a food safety training  
 5 program, such as the program administered by the national restaurant association educational foundation or its  
 6 equivalent.

7 (3) (a) A cottage food operation is not subject to inspection under this section unless the state or local  
 8 health officer is investigating a complaint based on an illness or an outbreak suspected to be directly related to  
 9 cottage food products.

10 (b) A cottage food operation may request an inspection and pay the appropriate costs for that inspection  
 11 on a voluntary basis.

12 (4) A producer as defined in [section 2] selling food or a food product pursuant to [sections 1 through  
 13 3] is not subject to inspection under this section unless the state or local health officer is investigating a complaint  
 14 based on an illness or an outbreak suspected to be directly related to that food or food product."

15

16 **SECTION 10. SECTION 81-2-101, MCA, IS AMENDED TO READ:**

17 **"81-2-101. Authority of department agents.** ~~In~~ Except for the premises of a small dairy as defined in  
 18 81-21-101, in the performance of official duties; an agent or officer of the department may enter on or in a lot,  
 19 yard, land, building, room, premises, enclosure, car, wagon, boat, or other place or vehicle used for the treatment,  
 20 storage, manufacture, display, or transportation of animals, meat, or dairy products intended for sale or disposal  
 21 as food. The agent or officer may enter anywhere where livestock may be found that are affected with or that have  
 22 been exposed to or that the officer has reason to believe are either affected with or have been exposed to an  
 23 infectious, contagious, communicable, or dangerous disease or disease-carrying insects."

24

25 **Section 11.** Section 81-2-102, MCA, is amended to read:

26 **"81-2-102. Powers of department.** (1) The department may:

27 (a) supervise the sanitary conditions of livestock in this state, under the provisions of the constitution and  
 28 statutes of this state and the rules adopted by the department. The department may quarantine a lot, yard, land,  
 29 building, room, premises, enclosure, or other place or section in this state that is or may be used or occupied by  
 30 livestock and that in the judgment of the department is infected or contaminated with an infectious, contagious,

1 communicable, or dangerous disease or disease-carrying medium by which the disease may be communicated.  
2 The department may quarantine livestock in this state when the livestock is affected with or has been exposed  
3 to disease or disease-carrying medium. The department may prescribe treatments and enforce sanitary rules that  
4 are necessary and proper to circumscribe, extirpate, control, or prevent the disease.

5 (b) foster, promote, and protect the livestock industry in this state by the investigation of diseases and  
6 other subjects related to ways and means of prevention, extirpation, and control of diseases or to the care of  
7 livestock and its products and to this end may establish and maintain a laboratory, may make or cause to be  
8 made biologic products, curatives, and preventative agents, and may perform any other acts and things as may  
9 be necessary or proper in the fostering, promotion, or protection of the livestock industry in this state;

10 (c) impose and collect fees that the department considers appropriate for the tests and services  
11 performed by it at the laboratory or elsewhere and for biologic products, curatives, and preventative agents made  
12 or caused to be made by the department. In fixing these fees, the department shall take into consideration the  
13 costs, both direct and indirect, of the tests, services, products, curatives, and agents. All fees must be deposited  
14 in the state special revenue fund for the use of the animal health functions of the department.

15 (d) subject to subsection (2), adopt rules and orders that it considers necessary or proper to prevent the  
16 introduction or spreading of infectious, contagious, communicable, or dangerous diseases affecting livestock and  
17 alternative livestock in this state;

18 (e) (i) adopt rules and orders that it considers necessary or proper for the inspection, testing, and  
19 quarantine of all livestock and alternative livestock imported into this state; and

20 (ii) adopt rules and orders that it considers necessary or proper governing inspections and tests of  
21 livestock and alternative livestock intended for importation into this state to prevent the introduction or spreading  
22 of infectious, contagious, communicable, or dangerous diseases affecting livestock and alternative livestock;

23 (f) adopt rules and orders that it considers necessary or proper for the supervision, inspection, and  
24 control of the standards and sanitary conditions of slaughterhouses, meat depots, meat and meat food products,  
25 dairies, milk depots, milk and its byproducts, barns, dairy cows, factories, and other places and premises where  
26 meat or meat foods, milk or its products, or any byproducts thereof intended for sale or consumption as food are  
27 produced, kept, handled, or stored. An authorized representative of the department may take samples of a  
28 product so produced, kept, handled, or stored for analysis or testing by the department. The records of the  
29 samples and their analysis and test, when identified as to the sample by the oath of the officer taking it and  
30 verified as to the analysis or test by the oath of the chemist or bacteriologist making it, are prima facie evidence



1 of the facts set forth in them when offered in evidence in a prosecution or action at law or in equity for violation  
2 of 81-9-201, 81-20-101, 81-21-102, 81-21-103, part 1, 2, or 3 of this chapter, or a rule or order of the board  
3 adopted thereunder. These standards, insofar as they relate to dairies or milk and its byproducts, may not include  
4 standards of weight or measurement. A producer as defined in [section 2] selling food or a food product pursuant  
5 to [sections 1 through 3] is not subject to the rules and orders adopted under this subsection (1)(f).

6 (g) adopt rules and orders that seem necessary or proper for the supervision and control of  
7 manufactured and refined foods for livestock and the manufacture, importation, sale, and method of using a  
8 biologic remedy or curative agent for the treatment of diseases of livestock. However, as far as practicable, the  
9 standards approved by the United States department of agriculture must be adopted.

10 (h) install an adequate system of meat inspection in accordance with 81-9-216 through 81-9-220 and  
11 81-9-226 through 81-9-236 that must provide ways and means for shipping home-grown and home-killed meats  
12 into any city in this state. As far as practicable, the rules must conform with the meat-inspection requirements of  
13 the United States department of agriculture.

14 (i) slaughter or cause to be slaughtered any livestock in this state known to be affected with or that has  
15 been exposed to an infectious, contagious, communicable, or dangerous disease, when the slaughter is  
16 necessary for the protection of other livestock, and destroy or cause to be destroyed all barns, stables, sheds,  
17 outbuildings, fixtures, furniture, or personal property infected with any infectious, contagious, communicable, or  
18 dangerous disease when they cannot be thoroughly cleaned and disinfected and the destruction is necessary  
19 to prevent the spreading of the disease;

20 (j) indemnify the owner of any property destroyed by order of the department or pursuant to any rules  
21 adopted by the department under 81-20-101, 81-21-102, 81-21-103, or part 1, 2, or 3 of this chapter;

22 (k) require persons, firms, and corporations engaged in the production or handling of meat, meat food  
23 products, dairy products, or any byproducts thereof to furnish statistics of the quantity and cost of the food and  
24 food products produced or handled and the name and address of persons supplying them any of the products.

25 (2) (a) As used in subsection (1)(d), "order" means a command, direction, or instruction issued by the  
26 department, board, or board's administrator in circumstances that clearly constitute an existing imminent peril to  
27 the public health, safety, or welfare or to animal health or welfare.

28 (b) An order under subsection (1)(d) may last no more than 5 years and may be altered or rescinded as  
29 necessary to address the circumstances set out in subsection (1)(d). An order may not be used to create a  
30 permanent program.

1 (c) As used in subsection (2)(b), "program" means a legislatively or administratively created function,  
2 project, or duty of an agency.

3 (3) When in the exercise of its powers or the discharge of its duties it becomes necessary for employees  
4 of the department to investigate facts and conditions, they may administer oaths, take affidavits, and compel the  
5 attendance and testimony of witnesses."  
6

7 **Section 12.** Section 81-2-105, MCA, is amended to read:

8 **"81-2-105. Authority of municipal corporations.** (1) Nothing in this title prevents the governing  
9 authority of a municipal corporation from enacting or enforcing ordinances for the inspection of slaughterhouses,  
10 meat depots, meat markets, meat food products, creameries, butter or cheese factories, dairies, or dairy products  
11 located, sold, or offered for sale in the limits of the municipal corporation. An ordinance may not be enforced in  
12 conflict with the powers of this title delegated to the department and its officers or agents.

13 (2) The governing authority of a municipal corporation may not enact or enforce ordinances pursuant  
14 to this section for producers as defined in [section 2] selling food or a food product pursuant to [sections 1 through  
15 3]."  
16

17 **Section 13.** Section 81-9-201, MCA, is amended to read:

18 **"81-9-201. Meat establishment license -- fees and renewals.** (1) ~~It Except for producers as defined~~  
19 ~~in [section 2] selling food or a food product pursuant to [sections 1 through 3] to an informed end consumer as~~  
20 ~~defined in [section 2] AS PROVIDED IN [SECTION 3],~~ it is unlawful for a person, firm, or corporation to engage in the  
21 business of slaughtering livestock or poultry, including the operation of a mobile slaughter facility as defined in  
22 81-9-217, or processing, storing, or wholesaling livestock or poultry products without having a license issued by  
23 the department. The department shall establish an annual fee for a license issued under this section, to be paid  
24 into the state special revenue fund for the use of the department.

25 (2) All licenses expire each year on the anniversary date established by rule by the board of review  
26 established in 30-16-302 and must be renewed by the department on request of the licensee. However, when  
27 the department finds that the establishment for which the license is issued is not conducted in accordance with  
28 the rules and orders of the board made under 81-2-102, the department shall revoke the license and may not  
29 renew it until the establishment is in a sanitary condition in accordance with department rules.

30 (3) Investor-owned equine slaughter or processing facilities must be licensed pursuant to this section.

1 (4) A person, firm, or corporation violating this section or any rule or order promulgated by authority of  
 2 81-2-102 is guilty of a misdemeanor and upon conviction shall be fined not more than \$500."

3

4 **Section 14.** Section 81-9-218, MCA, is amended to read:

5 **"81-9-218. Exemptions.** (1) The following persons are exempt from 81-9-201, 81-9-216 through  
 6 81-9-220, and 81-9-226 through 81-9-236:

7 (a) a person who slaughters livestock or poultry or prepares or processes livestock or poultry products  
 8 for the person's own personal or household use; ~~and~~

9 (b) a person who transports dead, dying, or diseased animals or poultry for the purpose of treatment,  
 10 burial, or disposal in a manner that would prevent the carcasses from being used as human food; and

11 (c) a producer as defined in [section 2] who sells food or a food product pursuant to [sections 1 through  
 12 SLAUGHTERS FEWER THAN 1,000 POULTRY BIRDS A YEAR PURSUANT TO [SECTION 3].

13 (2) A person engaged in the custom slaughtering of livestock or poultry delivered by the owner for  
 14 custom slaughter or a person engaged in the preparation of the carcasses and parts and meat food products of  
 15 the livestock or poultry when slaughtered or prepared for exclusive use in the owner's household by the owner  
 16 or members of the owner's household or the owner's nonpaying guests or employees is exempt from 81-9-216  
 17 through 81-9-220 and 81-9-226 through 81-9-236 if the carcasses, parts, or meat food products or containers  
 18 of the articles are:

19 (a) kept separate from carcasses, parts, or meat food products prepared for sale;

20 (b) plainly marked "Not for Sale" immediately after being slaughtered or prepared and remain plainly  
 21 marked until delivered to the owner; and

22 (c) prepared and packaged in a sanitary manner and in a sanitary facility."

23

24 ~~Section 14.~~ Section 81-21-102, MCA, is amended to read:

25 ~~"81-21-102. Licensing of milk plants and dairies selling milk or cream for public consumption.~~

26 ~~(1) It Except for producers as defined in [section 2] selling milk or cream as food or a food product pursuant to~~  
 27 ~~[sections 1 through 3], it is unlawful for the following businesses to operate in this state without first obtaining a~~  
 28 ~~license from the department:~~

29 ~~(a) a dairy selling milk or cream for public consumption in the form in which it is originally produced;~~

30 ~~(b) a condensed, evaporated, or powdered milk plant; and~~

1 ~~———(c) a fluid milk plant.~~

2 ~~———(2) A license expires on December 31 of the year issued. The department may, following the procedures~~  
 3 ~~in the Montana Administrative Procedure Act, deny, suspend, or revoke a license when it determines that a~~  
 4 ~~person to whom the license is issued has failed to comply with the rules of the department or has failed to conduct~~  
 5 ~~the person's establishment in a sanitary manner. All license fees collected must be deposited into the general~~  
 6 ~~fund.~~

7 ~~———(3) The department may issue a restraining order prohibiting a dairy from selling or giving away milk or~~  
 8 ~~cream not produced or handled under the laws of this state or the rules of the department. It is unlawful for a~~  
 9 ~~dairy, while restrained, to sell or give away for public consumption milk or cream produced or handled by the~~  
 10 ~~dairy, and it is also unlawful for a dairy products manufacturing plant, milk plant, or cream station to purchase or~~  
 11 ~~use the cream or milk from a dairy while the dairy is restrained.~~

12 ~~———(4) The department shall establish license fees for the following facilities:~~

13 ~~———(a) a condensed, evaporated, or powdered milk factory;~~

14 ~~———(b) a fluid milk plant; and~~

15 ~~———(c) a dairy.~~

16 ~~———(5) A person violating this section is guilty of a misdemeanor."~~

17

18 **SECTION 15. SECTION 81-21-101, MCA, IS AMENDED TO READ:**

19 **"81-21-101. Definitions.** As used in this part, the following definitions apply:

20 (1) "Fluid milk plant" means a place where milk or cream is not produced but is purchased or collected  
 21 and prepared for distribution to the consumer in liquid form.

22 (2) "Public consumption" means the use of milk or cream by the public for any purpose.

23 (3) "Small dairy" means a place where no more than 5 lactating cows, 10 lactating goats, or 10 lactating  
 24 sheep are kept for producing milk."

25

26 **SECTION 16. SECTION 81-21-102, MCA, IS AMENDED TO READ:**

27 **"81-21-102. Licensing of milk plants and dairies selling milk or cream for public consumption.**

28 (1) ~~It~~ Except for a small dairy, it is unlawful for the following businesses to operate in this state without first  
 29 obtaining a license from the department:

30 (a) a dairy selling milk or cream for public consumption in the form in which it is originally produced;

1 (b) a condensed, evaporated, or powdered milk plant;

2 (c) a fluid milk plant.

3 (2) A license expires on December 31 of the year issued. The department may, following the procedures  
4 in the Montana Administrative Procedure Act, deny, suspend, or revoke a license when it determines that a  
5 person to whom the license is issued has failed to comply with the rules of the department or has failed to conduct  
6 the person's establishment in a sanitary manner. All license fees collected must be deposited into the general  
7 fund.

8 (3) The department may issue a restraining order prohibiting a dairy from selling or giving away milk or  
9 cream not produced or handled under the laws of this state or the rules of the department. It is unlawful for a  
10 dairy, while restrained, to sell or give away for public consumption milk or cream produced or handled by the  
11 dairy, and it is also unlawful for a dairy products manufacturing plant, milk plant, or cream station to purchase or  
12 use the cream or milk from a dairy while the dairy is restrained.

13 (4) The department shall establish license fees for the following facilities:

14 (a) a condensed, evaporated, or powdered milk factory;

15 (b) a fluid milk plant; and

16 (c) a dairy.

17 (5) A person violating this section is guilty of a misdemeanor."  
18

19 **SECTION 17. SECTION 81-21-103, MCA, IS AMENDED TO READ:**

20 **"81-21-103. Exceptions of certain producers of dairy products.** (1) The owners or operators of small  
21 dairies, dairies, creameries, butter factories, cheese factories, or other places of business engaged in the  
22 production, storage, or transportation of dairy products are not required to procure a license from the department  
23 of public health and human services for the business of production, storage, or transportation of these food  
24 products.

25 (2) This section does not limit:

26 (a) the supervision or regulation by the department of public health and human services of the sanitary  
27 condition of a restaurant, hotel, boardinghouse, or retail market or the products sold or offered for sale at those  
28 facilities; or

29 (b) the duties imposed by law on the department of public health and human services to make sanitary  
30 rules for the eradication or control of an epidemic of human disease that may exist in a community."

1

2       **SECTION 18. SECTION 81-22-101, MCA, IS AMENDED TO READ:**3       **"81-22-101. Definitions.** For the purpose of this chapter, the following definitions are adopted:4           (1) "Agent" means a person who is authorized by another person to act for that other person in dealing  
5 with a third person.6           (2) "Butter" is the clean, nonrancid product made by gathering the fat of fresh ripened milk or cream into  
7 a mass that also contains a small portion of the other milk constituents, with or without salt, and must contain not  
8 less than 80% of milk fat. No tolerance for deficiency in milk fat is permitted. Butter may also contain added  
9 coloring matter.10          (3) "Cheese" is the sound, solid, and ripened product made from milk or cream by coagulating the casein  
11 with rennet or lactic acid, with or without ripening ferments and seasoning, and must contain in the water-free  
12 substance not less than 50% of milk fat and not more than 39% of moisture. Cheese may also contain added  
13 coloring matter.14          (4) "C.I.P." means the procedure by which sanitary pipelines or pieces of dairy equipment are  
15 mechanically cleaned in place by circulation when this procedure meets the 3-A accepted practices for  
16 permanently installed sanitary product-pipelines and cleaning systems.17          (5) "Code of Federal Regulations" refers especially but is not limited to Title 21, which contains the  
18 definitions and standards of identity for products as established by the food and drug administration, United  
19 States department of health and human services.20          (6) "Cream" means the milk fat that rises to the surface when milk is allowed to stand or that is separated  
21 from milk by centrifugal force when sold, used, or intended for use in a manufactured product.

22          (7) "Creamery" means a place where butter is made for commercial purposes.

23          (8) "Culture" means the harmless lactic acid fermenting bacteria that are added to milk or cream to make  
24 manufactured dairy products like cultured buttermilk, cheese, cottage cheese, yogurt, sour cream, cream cheese,  
25 butter, and similar products.26          (9) "Dairy" or "dairy farm" means a place where ~~one or more cows or goats~~ 6 or more lactating cows,  
27 11 or more lactating goats, or 11 or more lactating sheep are kept, a part or all of the milk or cream from which  
28 is used for manufacturing purposes.29          (10) The term "department", unless otherwise indicated, means the department of livestock provided for  
30 in Title 2, chapter 15, part 31.

1 (11) "Directly acidified" and similar terms mean the process of adding a food grade acid to milk or cream  
2 instead of or in addition to the adding of culture.

3 (12) "Filled dairy products" means milk, cream, skimmed milk, or any combination of these, whether or  
4 not condensed, evaporated, concentrated, frozen, powdered, dried, or desiccated, or any food product made or  
5 manufactured from them, to which has been added or which has been blended or compounded with fat or oil  
6 other than milk fat so that the resulting product is in imitation or semblance of a dairy product, including milk,  
7 cream, sour cream, skimmed milk, ice cream, low-fat ice cream, whipped cream, flavored milk or skim milk yogurt,  
8 dried or powdered milk, cheese, cream, cream cheese, cottage cheese, creamed cottage cheese, ice cream mix,  
9 low-fat ice cream mix, sherbet, condensed milk, evaporated milk, or concentrated milk.

10 (13) "French ice cream", "French custard ice cream", and similar frozen products, except sherbets and  
11 water ices, are varieties of ice cream.

12 (14) "Grading" means the examination of milk, cream, or products by sight, odor, taste, or laboratory  
13 analysis, the results of which determine a grade designating their quality.

14 (15) "Ice cream" is a frozen product made with pure, sweet milk, cream, skim milk, evaporated or  
15 condensed milk, evaporated or condensed skim milk, dry milk, dry skim milk, pure milk fat, wholesome sweet  
16 butter, or any combination of these products, with or without sweetening, or clean wholesome eggs or egg  
17 products, with or without the use of harmless flavoring and coloring. Ice cream must contain not less than 10%  
18 of milk fat, not less than 33% total solids, and may or may not contain pure and harmless edible stabilizer. Ice  
19 cream may contain not to exceed 1% gelatin. A frozen milk or milk product may not be manufactured or sold  
20 unless it contains at least 10% butterfat, excepting sherbets, ices, and other exceptions under this section. All  
21 ice cream must be manufactured from pasteurized ice cream mix.

22 (16) (a) "Ice cream mix" is a pasteurized, unfrozen product used in the manufacture of ice cream and  
23 must comply with the requirements for ice cream.

24 (b) "Mix" includes the liquid, unfrozen product from which those frozen products listed under subsections  
25 (21)(a)(iii) through (21)(a)(xii) are made.

26 (17) "Intrastate commerce" means commerce within this state under the jurisdiction of the state and  
27 includes the operation of a business or service establishment.

28 (18) "Manufactured dairy product" means an item enumerated in subsection (21) or any other dairy  
29 product made by incorporating milk or cream or converting milk or cream into a different state of appearance or  
30 quality. For purposes of reporting production and licensing, manufactured dairy product includes but is not limited

1 to:

2 (a) ice cream or its mix;

3 (b) French ice cream, custard ice cream, French custard ice cream, their low-fat counterparts, or their  
4 mixes;

5 (c) sherbets of all kinds or their mixes;

6 (d) animal or vegetable fat frozen desserts or their mixes;

7 (e) frozen confections or their mixes when made in a manufactured dairy products plant;

8 (f) water ices or their mixes;

9 (g) frozen dessert sandwiches, bars, cones, and similar novelties;

10 (h) frozen dessert made of nondairy origins and other products made in the semblance or imitation of  
11 dairy products or their mixes when made in a manufactured dairy products plant;

12 (i) ice milk or its mix;

13 (j) cheese of all kinds, including cottage cheese, cheese curd, cheese dressing, and cream cheese,  
14 either cultured or directly acidified;

15 (k) sour cream when cultured or directly acidified;

16 (l) eggnog, low-fat eggnog, eggnog-flavored milk, and similar flavored products;

17 (m) buttermilk, cultured or from churned butter or directly acidified;

18 (n) butter;

19 (o) yogurt, low-fat yogurt, or flavored yogurt, either cultured or directly acidified or frozen.

20 (19) "Manufactured dairy products plant" or "factory" means a place where milk or cream is collected and  
21 converted into a product or into a different state of appearance or quality or that manufactures those products  
22 listed in subsection (21). If only products of semblance or imitation of dairy products are made, the plant is not  
23 considered a manufactured dairy products plant.

24 (20) "Milk" means the lacteal secretion, practically free from colostrum, obtained by the milking of one  
25 or more healthy cows located in modified accredited areas and modified certified areas or from cows in herds fully  
26 accredited as tuberculosis-free by the United States department of agriculture or in the process of being  
27 accredited, when the milk or cream is sold for use in, intended for use in, or used in a manufactured dairy product.

28 (21) (a) "Milk" and "cream" mean milk and cream sold, used, or intended for manufacturing purposes or  
29 for conversion into products of a form other than the form in which originally produced or products commonly  
30 known as but not limited to:



- 1 (i) butter;
- 2 (ii) cheese, including cottage cheese, low-fat cottage cheese, cheese curd, and cream cheese, which  
3 are either cultured or directly acidified, and cheese dressings;
- 4 (iii) ice cream or its mix;
- 5 (iv) frozen dessert or its mix;
- 6 (v) sherbets of all kinds or their mixes;
- 7 (vi) frozen ice cream bars, sandwiches, cones, and similar novelties;
- 8 (vii) frozen desserts or products made in the semblance or imitation of frozen dessert;
- 9 (viii) frozen confections or their mixes;
- 10 (ix) water ices or their mixes;
- 11 (x) ice milk or its mix;
- 12 (xi) French ice cream, French custard, or their mixes;
- 13 (xii) frozen custard or its mix and frozen yogurt;
- 14 (xiii) yogurt, flavored yogurt, and low-fat yogurt;
- 15 (xiv) sour cream, either cultured or directly acidified;
- 16 (xv) cream cheese, either cultured or directly acidified;
- 17 (xvi) buttermilk, either cultured, from churned butter, or directly acidified;
- 18 (xvii) eggnog, low-fat eggnog, eggnog-flavored milk, whipped cream, flavored toppings, and similar  
19 flavored products;
- 20 (xviii) dry or powdered milk; and
- 21 (xix) condensed milk products.
- 22 (b) The items specified in subsection (21)(a) must conform to the standards of identity set forth in the  
23 Code of Federal Regulations. If standards of identity are not set forth in the code, then the standards adopted  
24 by the department prevail. The labeling of manufactured dairy products must be in accordance with the Montana  
25 Food, Drug, and Cosmetic Act.
- 26 (22) "Milk or cream station" means a place other than a creamery where deliveries of milk or cream are  
27 weighed, graded, sampled, tested, or collected for purchase.
- 28 (23) "Mislabeled", "unwholesome", "food additives", "optional ingredients", "impure", "misbranded",  
29 "contaminated", "adulterated", "perishable", "hazardous", "unfit", "spoiled", "damaged", and similar terms, when  
30 applied to a manufactured dairy product or product made in semblance or in imitation of a manufactured dairy

1 product, are as defined in Title 50, chapter 31.

2 (24) "Official test" means test procedures outlined in the sources referred to under 81-22-301 concerning  
3 samples, methods, and rules of evidence.

4 (25) "Pasteurization", "pasteurizing", and similar terms mean the process of heating every particle of milk  
5 or milk product to at least 145 degrees F and holding it continuously at or above this temperature for at least 30  
6 minutes or to at least 161 degrees F and holding it continuously at or above this temperature for at least 15  
7 seconds in equipment that is properly operated and approved by the department. Milk products that have a higher  
8 fat content than milk or contain added sweeteners must be heated to at least 155 degrees F and held  
9 continuously at or above this temperature for at least 30 minutes, or to at least 175 degrees F and held  
10 continuously at or above this temperature for at least 25 seconds. This definition does not bar any other  
11 pasteurization process that has been recognized by the United States public health service to be equally effective  
12 and that is approved by the department.

13 (26) "Person" means an individual, firm, partnership, corporation, cooperative, or other business unit or  
14 trade device.

15 (27) "Producer" means the person who exercises control over the production of milk or cream delivered  
16 to a milk or cream receiving station or manufactured dairy products plant or who receives payment for milk or  
17 cream used in manufacturing.

18 (28) "Safe temperature" means 45 degrees F or less unless the product is frozen, in which case the  
19 temperature must be at or below 0 degrees F.

20 (29) "Small dairy" means a place where no more than 5 lactating cows, 10 lactating goats, or 10 lactating  
21 sheep are kept for producing milk.

22 ~~(29)~~(30) "Testing", "test", "tested", and similar words mean the examination of milk, cream, or  
23 manufactured dairy products by sight, odor, taste, or biological or chemical laboratory analysis to determine their  
24 quality, wholesomeness, or composition.

25 ~~(30)~~(31) "Water ice" means a frozen product containing but not limited to the following ingredients: water,  
26 sugar, flavoring, coloring, stabilizers, and other ingredients allowed by the Code of Federal Regulations as  
27 optional ingredients."

28

29 **Section 19.** Section 81-22-102, MCA, is amended to read:

30 **"81-22-102. General authority of department.** (1) The department may regulate and establish

1 sanitation standards for persons operating dairies producing milk for manufacturing purposes. The department  
 2 may regulate and establish sanitation and quality standards for a person engaged in the processing of  
 3 manufactured dairy products or of products made or sold in the semblance or imitation of dairy products in this  
 4 state when those products made in semblance or imitation of dairy products are made in a manufactured dairy  
 5 products plant.

6 (2) The department may adopt minimum standards for the production, transportation, grading, testing,  
 7 use, processing, packaging, and storage of milk and cream used for manufacturing purposes and of  
 8 manufactured dairy products.

9 (3) The department shall adopt rules and establish fees for licenses for selling or producing milk as  
 10 required by 81-23-202.

11 (4) The department may not establish fees, rules, or standards under this chapter for producers as  
 12 defined in [section 2] SMALL DAIRIES selling milk or cream as food or a food product pursuant to [sections 1 through  
 13 3]."

14  
 15 **Section 20.** Section 81-22-201, MCA, is amended to read:

16 **"81-22-201. License required to operate manufactured dairy products plant.** (1) It shall be unlawful  
 17 for any person to operate a manufactured dairy products plant, concentrated, condensed, or evaporated milk  
 18 and/or cream plant, milk and cream buying station, creamery, dairy producing milk for manufacturing purposes,  
 19 water ice manufacturing plant, cheese plant including cottage cheese, and cream cheese, sour cream, yogurt,  
 20 or frozen dessert manufacturing plant without first obtaining a license from the department.

21 (2) Any manufactured dairy products plant or dairy which undergoes a change of ownership shall be  
 22 considered a new plant or dairy for relicensing purposes, provided that changes of ownership shall not be  
 23 construed to include changes of stockholders.

24 (3) A producer as defined in [section 2] SMALL DAIRY selling milk or cream as food or a food product  
 25 pursuant to [sections 1 through 3] is exempt from the licensing requirements of this section."

26  
 27 **Section 21.** Section 81-22-303, MCA, is amended to read:

28 **"81-22-303. Sampling and testing by department.** (1) The department shall have the authority to  
 29 sample, test, ~~and/or~~ or retest samples of milk or cream or their products at any dairy, at the premises of any  
 30 supplier of milk or cream for manufacturing purposes, or at any manufactured dairy products plant, milk plant,

1 or cream buying or receiving station.

2 (2) The department may not sample, test, or retest milk or cream sold as food or a food product pursuant  
3 to [sections 1 through 3]."

4

5 **Section 22.** Section 81-22-304, MCA, is amended to read:

6 **"81-22-304. Department's right of entry into dairy or plants for inspection -- penalty.** (1) The  
7 department or its authorized agent has the right of entry during normal business hours, including Sundays and  
8 holidays, into a dairy supplying milk or cream for manufacturing purposes, manufactured dairy products plant,  
9 milk plant, cream receiving station, transportation facility, or any premises where dairy products, dairy  
10 manufactured products, or their substitutes or imitations are produced, manufactured, sold, offered for sale, or  
11 stored while in transit to inspect the dairy or plant, its facilities and products, or to obtain samples for testing or  
12 analysis. It is unlawful for a person to interfere with the department or its authorized agent in the performance of  
13 its duty to enter, inspect, or obtain samples.

14 (2) Violation of this section is a misdemeanor and subjects the offender to a fine of not less than \$50 and  
15 not more than \$500 or to imprisonment in the county jail for not less than 1 or more than 30 days or both such  
16 fine and imprisonment.

17 (3) The department's right of entry under this section does not apply to producers as defined in [section  
18 2] SMALL DAIRIES selling milk or cream as food or a food product pursuant to [sections 1 through 3]."

19

20 **Section 23.** Section 81-22-401, MCA, is amended to read:

21 **"81-22-401. Grading of milk -- condemnation of unsafe milk.** ~~Milk~~ Except for milk or cream sold as  
22 food or a food product pursuant to [sections 1 through 3], milk or cream purchased for use in milk plants or for  
23 use in a manufactured dairy product in this state shall be graded by licensed graders, weighers, and samplers.  
24 It is unlawful to sell, purchase, or use milk or cream for a food purpose if the milk or cream is found to be musty,  
25 adulterated, rancid, dirty, with marked undesirable odors or flavors, or to contain foreign objects, fragments,  
26 substances, or excessive bacteria. The milk or cream grader or the department shall condemn the milk or cream  
27 and may add to the milk or cream a nontoxic coloring substance or rennet and return it to or leave it with the  
28 producer with an explanation of the cause for rejection."

29

30 **Section 24.** Section 81-22-405, MCA, is amended to read:

1           **"81-22-405. Labeling of cheese containers.** ~~It Except for a producer as defined in [section 2]~~ SMALL  
 2           DAIRY selling milk or cream as food or a food product pursuant to [sections 1 through 3], ~~it shall be is~~ unlawful and  
 3           punishable as a misdemeanor for any person to offer for sale, expose for sale, or sell any cheese in any container  
 4           or wrapper unless such container or wrapper bears a legible label or inscription indicating the net weight, type  
 5           or style of cheese, and the manufacturer's or distributor's name and address or plant number."

6

7           **Section 25.** Section 81-22-412, MCA, is amended to read:

8           **"81-22-412. Manufactured products to conform to standards of identity.** ~~It Except for a producer~~  
 9           ~~as defined in [section 2]~~ SMALL DAIRY selling milk or cream as food or a food product pursuant to [sections 1  
 10           through 3], ~~it shall be is~~ unlawful for any person to manufacture, display, transport, sell, or offer for sale in  
 11           Montana as a manufactured dairy product any substance or product which does not conform to the standards  
 12           of identity for such product as defined in the Code of Federal Regulations or to the standard of identity established  
 13           by the department."

14

15           **Section 26.** Section 81-22-413, MCA, is amended to read:

16           **"81-22-413. Pasteurization required.** (1) All milk and cream used in the manufacture of any dairy  
 17           product or products made in semblance or imitation of dairy products sold, offered for sale, purveyed, stored,  
 18           displayed, or transported in Montana must be pasteurized. However, cheese held, stored, or aged for at least 60  
 19           days at not less than 35 degrees F is not required to be made from pasteurized milk or cream but must be labeled  
 20           "made from raw or unpasteurized milk or unpasteurized cream", as the case may be. Other cultured raw or  
 21           unpasteurized dairy products that can be made safe by aging must be similarly aged and labeled as required  
 22           above.

23           (2) The pasteurization and labeling requirements of this section do not apply to milk or cream sold as  
 24           food or a food product pursuant to [sections 1 through 3]."

25

26           **Section 27.** Section 81-22-416, MCA, is amended to read:

27           **"81-22-416. Milk and manufactured dairy products to conform to standards.** ~~All~~ Except for milk or  
 28           cream sold as food or a food product pursuant to [sections 1 through 3], all milk and cream used in manufactured  
 29           dairy products, and the manufactured dairy products, shall conform to the standards of purity, quality, and  
 30           wholesomeness as provided in this chapter or in the regulations promulgated under the authority of this chapter."

1

2           **Section 28.** Section 81-22-420, MCA, is amended to read:

3           **"81-22-420. Labeling of animal or vegetable fat contents on frozen desserts.** (1) Any frozen dessert  
4 made in the semblance of or in imitation of ice cream in this chapter, which contains any amount of animal fat  
5 (other than milk fat) or vegetable fat or oil (other than any such fat or oil which is naturally present in any flavoring  
6 ingredient), shall be labeled as an animal fat product or vegetable fat product, or a combination of both, as the  
7 case may be. Such animal fat or vegetable fat products shall be manufactured from a pasteurized mix which has  
8 been processed in a licensed manufacturing dairy product plant. All persons manufacturing, offering for sale or  
9 exchange, or selling such animal fat or vegetable fat frozen desserts shall be subject to the sanitary, reporting,  
10 and licensing regulations of this chapter and of the regulations promulgated under the authority of this chapter.

11           (2) No representation shall be made by statement, word, grade designation, design, symbol, device, or  
12 in any other manner on any container, package, or wrapper or on any advertising media that such animal fat or  
13 vegetable fat product, or combination thereof, is ice cream, sherbet, or any of their low-fat counterparts or  
14 derivatives or any other products which are prohibited from containing animal or vegetable fats.

15           (3) The container, package, or wrapper containing such animal fat or vegetable fat frozen dessert shall  
16 be clearly and plainly marked, labeled, or printed on the outside in boldfaced letters with the words, "animal fat  
17 product", "vegetable fat product", "animal-vegetable fat product", or "vegetable-animal fat product", as the case  
18 may be, and shall bear thereon the common or usual name of each of the ingredients therein, including the fats  
19 or oils, except that spices, flavorings, or colorings may be designated as such without naming each.

20           (4) The labeling requirements of this section do not apply to milk or cream sold as food or a food product  
21 pursuant to [sections 1 through 3]."

22

23           **Section 29.** Section 81-22-421, MCA, is amended to read:

24           **"81-22-421. Labeling on manufactured dairy products to conform to requirements.** Labeling Except  
25 for milk or cream sold as food or a food product pursuant to [sections 1 through 3], labeling on manufactured dairy  
26 products must conform to requirements of the Food, Drug, and Cosmetic Act and to the other requirements that  
27 are adopted by the department or the department of public health and human services."

28

29           **Section 30.** Section 81-22-503, MCA, is amended to read:

30           **"81-22-503. Buyers and plants to make records available to department.** (1) Persons, including

1 cooperatives, who buy or sell milk or cream on the basis of butterfat, protein, solids, or other component content  
2 of milk or cream shall make available to the department, on its request, records showing the amounts of milk or  
3 cream sold or purchased, the price per pound, the amount paid, the sampling period for which the amount was  
4 paid, and the name and address of the person to whom payment was made or from whom payment was received.

5 (2) A manufactured dairy product plant, on request by the department, shall make available production  
6 records of dairy manufactured products covered by this chapter and manufactured products made in semblance  
7 or imitation of these dairy products.

8 (3) Producers as defined in [section 2] SMALL DAIRIES selling milk or cream as food or a food product  
9 pursuant to [sections 1 through 3] are exempt from the recordkeeping requirements of this section."

10

11 **SECTION 31. SECTION 81-23-103, MCA, IS AMENDED TO READ:**

12 **"81-23-103. General powers of department and board.** (1) The Except for milk produced from a small  
13 dairy as defined in 81-21-101, the board shall supervise, regulate, and control the milk industry of this state,  
14 including the production, processing, storage, distribution, and sale of milk sold for consumption in this state. The  
15 board shall conduct hearings and make determinations under this chapter and under board rules and orders  
16 promulgated pursuant to this chapter. This chapter does not affect the status, force, or operation of any provision  
17 of public health laws, county board of health rules, or municipal ordinances for the promotion or protection of the  
18 public health.

19 (2) The department may cooperate with the department of public health and human services, a county  
20 or city board of health, or the department of agriculture in enforcing this chapter.

21 (3) The department shall assist the board by investigating all matters pertaining to the production,  
22 processing, storage, distribution, and sale of milk in this state and by bringing proceedings to enforce the orders  
23 of the board. The department, in exercising its enforcement duties, may subpoena milk dealers, their records,  
24 books, and accounts, and any other person from whom information may be desired or considered necessary to  
25 carry out the purposes and intent of this chapter. The department may take depositions of witnesses who are sick  
26 or absent from the state or who cannot otherwise appear in person before the department at its offices. The  
27 department shall give at least 10 days' notice to the proposed witness.

28 (4) The department shall provide staff to the board as provided in 2-15-121 to assist in technical,  
29 enforcement, and regulatory activities."

30

1           **SECTION 32. SECTION 81-23-401, MCA, IS AMENDED TO READ:**

2           **"81-23-401. Entry, inspection, and investigation.** ~~The~~ Except for the premises of a small dairy as  
3 defined in 81-21-101, the department may enter, at all reasonable hours, all places where milk is produced,  
4 processed, bottled, handled, or stored or where the books, papers, records, or documents relative to those  
5 transactions are kept, and may inspect and copy them in any place in this state. The department may administer  
6 oaths and take testimony for the purpose of ascertaining facts which, in the judgment of the department, are  
7 necessary to administer this chapter."

8

9           **SECTION 33. SECTION 81-23-405, MCA, IS AMENDED TO READ:**

10           **"81-23-405. Violations made misdemeanors -- penalties.** (1) ~~A~~ Except for a person operating a small  
11 dairy as defined in 81-21-101, a person who produces, sells, distributes, or handles milk in any way, except as  
12 a consumer, without a license from the board as required by this chapter or who violates a lawful rule of the  
13 department or board is guilty of a misdemeanor punishable by a fine not exceeding \$600. Each day's violation  
14 is a separate offense.

15           (2) The district courts have original jurisdiction in all criminal actions for violations of this chapter and in  
16 all civil actions for the recovery or enforcement of penalties provided for in this chapter. All of those actions, both  
17 criminal and civil, must be tried in the district court.

18           (3) The county attorneys, in their respective counties, shall diligently prosecute all violations of this  
19 chapter."

20

21           **NEW SECTION. Section 34. Codification instruction.** [Sections 1 through 3] are intended to be  
22 codified as an integral part of Title 50, and the provisions of Title 50 apply to [sections 1 through 3].

23

- END -