#### 2015 Senate Bill 512 (LRB -1729)

An Act to repeal 97.20 (1) (g), 97.20 (2) (e) 5. b., 97.21 (1) (d), 97.22 (1) (e), 97.23 (1) (b), 97.24 (1) (cm), 97.29 (1) (g) 1. and 2., 97.29 (1) (g) 3. and 97.29 (1) (g) 4. to 8.; to renumber and amend 97.20 (1) (b), 97.29 (1) (g) (intro.), 97.29 (1) (h) and 97.29 (1) (h); to consolidate, renumber and amend 97.20 (2) (e) 5. (intro.) and a.; to amend 97.01 (1), 97.01 (10) (a), 97.01 (11), 97.09 (1), 97.18 (1) (a), 97.20 (1) (a), 97.20 (1) (h), 97.24 (1) (ar), 97.25 (1) (b), 97.27 (1) (b) 5., 97.29 (1) (h) 2., 126.01 (17) and 234.90 (1) (cp); to create 97.01 (10) (b), 97.01 (10) (c), 97.20 (1) (b) 1. to 5., 97.20 (1) (fg), 97.20 (1) (fgm) and 97.29 (1) (h) 1. to 13. of the statutes; and to affect 1983 Wisconsin Act 536; relating to: dairy plant and food processing plant licensing requirements and granting rule-making authority.

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01-06.	S.	Introduced by Senators Moulton and Marklein; cosponsored by Representatives Nerison, E. Brooks,	
		Ballweg, Hutton, T. Larson, Murphy, Murtha, A. Ott and Tauchen	579
01-06.	S.	Read first time and referred to Committee on Agriculture, Small Business, and Tourism	579
01-13.	S.	Public hearing held	
01-13.	S.	Executive action taken	
01-15.	S.	Report passage recommended by Committee on Agriculture, Small Business, and Tourism, Ayes 9, Noes	
		0	609
01-15.	S.	Available for scheduling	
01-19.	S.	Placed on calendar 1-20-2016 pursuant to Senate Rule 18(1)	615
01-20.	S.	Read a second time	
01-20.	S.	Ordered to a third reading	628
01-20.	S.	Rules suspended	
01-20.	S.	Read a third time and passed	
01-20.	S.	Ordered immediately messaged	
01-21.	A.	Received from Senate	
01-25.	A.	Read first time and referred to committee on Rules	540
02-04.	A.	Placed on calendar 2-9-2016 by Committee on Rules	
02-09.	A.	Rules suspended to withdraw from calendar and take up	604
02-09.	A.	Read a second time	
02-09.	A.	Ordered to a third reading	605
02-09.	A.	Rules suspended	605
02-09.	A.	Read a third time and concurred in	. 605
02-09.	A.	Ordered immediately messaged	605
02-10.	S.	Received from Assembly concurred in	



## 2 0 1 5 ENROLLED BILL

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## State of Misconsin 2015 - 2016 LEGISLATURE

LRB-1729/1 MCP:wlj&amn

## **2015 SENATE BILL 512**

January 6, 2016 – Introduced by Senators Moulton and Marklein, cosponsored by Representatives Nerison, E. Brooks, Ballweg, Hutton, T. Larson, Murphy, Murtha, A. Ott and Tauchen. Referred to Committee on Agriculture, Small Business, and Tourism.

AN ACT to repeal 97.20 (1) (g), 97.20 (2) (e) 5. b., 97.21 (1) (d), 97.22 (1) (e), 97.23 (1) (b), 97.24 (1) (cm), 97.29 (1) (g) 1. and 2., 97.29 (1) (g) 3. and 97.29 (1) (g) 4. to 8.; to renumber and amend 97.20 (1) (b), 97.29 (1) (g) (intro.), 97.29 (1) (h) and 97.29 (1) (h); to consolidate, renumber and amend 97.20 (2) (e) 5. (intro.) and a.; to amend 97.01 (1), 97.01 (10) (a), 97.01 (11), 97.09 (1), 97.18 (1) (a), 97.20 (1) (a), 97.20 (1) (h), 97.24 (1) (ar), 97.25 (1) (b), 97.27 (1) (b) 5., 97.29 (1) (h) 2., 126.01 (17) and 234.90 (1) (cp); to create 97.01 (10) (b), 97.01 (10) (c), 97.20 (1) (b) 1. to 5., 97.20 (1) (fg), 97.20 (1) (fm) and 97.29 (1) (h) 1. to 13. of the statutes; and to affect 1983 Wisconsin Act 536; relating to: dairy plant and food processing plant licensing requirements and granting rule—making authority.

### Analysis by the Legislative Reference Bureau

This bill makes changes to food regulations for dairy plants and food processing plants.

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Under current law, an operator of a dairy plant must obtain a license to operate from the Department of Agriculture, Trade and Consumer Protection (DATCP). The operator of a food processing plant must obtain a separate license from DATCP.

Under the bill, a licensed food processing plant that processes dairy products into prepared foods that are not dairy products need not also obtain a dairy plant license if the dairy products used at the plant are produced by a licensed dairy plant and are pasteurized or otherwise treated for safe consumption. The bill changes the definition of "dairy product" to include milk from cows, goats, sheep, or hooved or camelid mammals, any product or by—product derived solely from that milk, any item that meets a standard of identity under the federal regulations or the U.S. Code, and any item that fails to meet a federal standard of identity solely because it contains milk from goats, sheep, or hooved or camelid mammals instead of cow's milk.

The bill also changes other definitions relating to dairy plants and food processing plants.

# The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

**SECTION 1.** 97.01 (1) of the statutes is amended to read:

97.01 (1) "Butter" means the clean, nonrancid product made by gathering in any manner the fat of fresh or ripened <u>cow's</u> milk or cream into a mass, which also contains a small portion of the other milk constituents, with or without salt or added coloring matter, and contains not less than 80% of milk fat. Renovated or process butter is the product made by melting butter and reworking, without the addition or use of chemicals or any substances except milk, cream, or salt, and contains not more than 16% of water and at least 80% of milk fat.

**SECTION 2.** 97.01 (10) (a) of the statutes is amended to read:

97.01 (10) (a) "Milk" means the whole, fresh, clean, lacteal secretion, practically free of colostrum, obtained by the complete milking of one or more healthy cows, goats, or sheep. Milk from cows shall contain not less than 3% of milk fat, and not less than 8.25% of milk solids not fat. Milk from cows may be standardized by the addition or removal of cream or by the addition of concentrated milk, dry whole

1	milk, skim milk, concentrated skim milk, or nonfat milk. Milk from cows may also
2	be standardized by removing water through reverse osmosis or other nonthermal
3	methods and adding potable water. When so standardized, milk from cows sold in
4	final package form shall contain not less than 3.25% of milk fat, and not less than
5	8.25% of milk solids not fat. Milk may be homogenized.
6	SECTION 3. 97.01 (10) (b) of the statutes is created to read:
7	97.01 (10) (b) "Lowfat milk" means cow's milk from which sufficient milk fat
8	has been removed to produce a food having a milk fat content of either 0.5 percent,
9	1 percent, 1.5 percent, or 2 percent and a milk solids not fat content of not less than
10	10 percent.
11	SECTION 4. 97.01 (10) (c) of the statutes is created to read:
12	97.01 (10) (c) "Skim milk" means cow's milk from which sufficient milk fat has
13	been removed to reduce its milk fat content to less than 0.5 percent and which has
14	a milk solids not fat content of not less than 9 percent.
15	SECTION 5. 97.01 (11) of the statutes is amended to read:
16	97.01 (11) "Nonfat dry milk" means the product resulting from the removal of
17	fat and water from cow's milk, and contains the lactose, milk proteins and milk
<b>18</b>	minerals in the same relative proportions as in the fresh cow's milk from which made.
19	It contains not over $5\%$ by weight of moisture. The fat content is not over $1\ 1/2\%$ by
20	weight unless otherwise indicated.
21	SECTION 6. 97.09 (1) of the statutes is amended to read:
22	97.09 (1) Definitions and standards of identity, composition, quality and fill of
23	container for foods, and amendments thereto, now or hereafter adopted under the
24	federal act or this chapter are definitions and standards of identity, composition,
25	quality and fill of container under s. 97.03. However, when such action will promote

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honesty and fair dealing in the interest of consumers, the department may amend, stay or reject such federal regulations or make rules establishing definitions and standards of identity, composition, quality and fill of container for foods where no federal regulations exist, or which differ from federal regulations.

**SECTION 7.** 97.18 (1) (a) of the statutes is amended to read:

97.18 (1) (a) For the purposes of this section "oleomargarine" or "margarine" includes oleomargarine, margarine, butterine and other similar substances, fats and fat compounds sufficiently adaptable to the ordinary uses of butter, to lead readily to use as an alternative to butter, but this section shall not apply to lard, cream cheese, cheese food compounds, nor to any other dairy product made exclusively of cow's milk or milk solids with or without added vitamins, if such product is sold or distributed in such manner and form as will clearly distinguish it from butter. Nor shall this section apply to shortenings not churned or emulsified in milk or cream or having a melting point of 112 degrees Fahrenheit or more as determined by the capillary tube method unless there is sold or given away with such shortening any compound which, when mixed with such shortening, makes oleomargarine, butterine or similar substances.

**Section 8.** 97.20 (1) (a) of the statutes is amended to read:

"Dairy plant" means any place where a dairy product is 97.20 (1) (a) manufactured or processed for sale or distribution, and includes a processing plant, receiving station, or transfer station.

**SECTION 9.** 97.20 (1) (b) of the statutes is renumbered 97.20 (1) (b) (intro.) and amended to read:

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1	97.20 (1) (b) (intro.) "Dairy product" means milk or any product or by-product
2	of milk, or any commodity in which milk or any milk product or by-product is a
3	principal ingredient. any of the following:
4	SECTION 10. 97.20 (1) (b) 1. to 5. of the statutes are created to read:
5	97.20 (1) (b) 1. Milk or any product or by-product derived solely from milk.
6	2. Hooved or camelid mammals' milk or any product or by-product derived
7	solely from hooved or camelid mammals' milk.
8	3. An item that meets a definition or standard of identity under 21 CFR 131,
9	133, 135.3 to 135.140, or 184.1979 or under 21 USC 321a or 321c.
10	4. An item that fails to meet a definition or standard of identity specified in
11	subd. 3. solely because the item contains hooved or camelid mammals' milk or milk
12	from goats or sheep instead of or in addition to milk from cows.
13	5. A product that is ready to eat, sell, distribute, or market and that is made
14	solely of 2 or more of the items under subds. 1. to 4.
15	SECTION 11. 97.20 (1) (fg) of the statutes is created to read:
16	97.20 (1) (fg) "Hooved or camelid mammal" includes water buffalo, yaks, and
17	other bovine species; camels, llamas, alpacas, and other camelid species; and horses,
18	donkeys, and other equine species.
19	SECTION 12. 97.20 (1) (fm) of the statutes is created to read:
20	97.20 (1) (fm) "Hooved or camelid mammals' milk" means the lacteal secretion,
21	practically free of colostrum, obtained by the complete milking of one or more healthy
22	hooved or camelid mammals.
23	SECTION 13. 97.20 (1) (g) of the statutes is repealed.

**SECTION 14.** 97.20 (1) (h) of the statutes is amended to read:

1	97.20 (1) (h) "Processing plant" means a dairy plant facility engaged in
2	pasteurizing, processing or manufacturing milk or dairy products, or processing
3	dairy products into other dairy products, for sale or distribution.
4	SECTION 15. 97.20 (2) (e) 5. (intro.) and a. of the statutes are consolidated,
5	renumbered 97.20 (2) (e) 5. and amended to read:
6	97.20 (2) (e) 5. A food processing plant licensed under s. 97.29 that processes
7	dairy products into a prepared food that is not a dairy product if all of the following
8	apply: a. The the dairy products used by the food processing plant are manufactured
9	at a dairy plant from ingredients that are pasteurized or are produced under other
10	processes that eliminate or reduce to an acceptable level the food safety hazards
11	associated with the dairy products, including aseptically processed foods, high acid
12	foods, heat treated foods, aged foods, cold pack foods, and similarly processed foods.
13	<b>Section 16.</b> 97.20 (2) (e) 5. b. of the statutes is repealed.
14	SECTION 17. 97.21 (1) (d) of the statutes is repealed.
15	Section 18. 97.22 (1) (e) of the statutes is repealed.
16	SECTION 19. 97.23 (1) (b) of the statutes is repealed.
17	Section 20. 97.24 (1) (ar) of the statutes is amended to read:
18	97.24 (1) (ar) "Fluid milk product" means cream, sour cream, half and half
19	whipped cream, concentrated milk, concentrated milk products, cottage cheese, skim
20	milk, flavored milk, buttermilk, cultured buttermilk, cultured milk, yogurt, vitamir
21	and mineral fortified milk or milk products, and any other product made by adding
22	any substance to milk or any of these products.

SECTION 21. 97.24 (1) (cm) of the statutes is repealed.

**SECTION 22.** 97.25 (1) (b) of the statutes is amended to read:

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1	97.25 (1) (b) "Dairy product" has the meaning given in s. 97.20 (1) (b) means
2	cow's milk or any product or by-product derived solely from cow's milk, or any item
3	in which cow's milk or any product or by-product derived solely from cow's milk is
4	a principal ingredient.
5	SECTION 23. 97.27 (1) (b) 5. of the statutes is amended to read:
6	97.27 (1) (b) 5. A warehouse operated by a milk distributor licensed under s.
7	97.21 (3), and used primarily for the storage and distribution of milk, as defined in
8	s. 97.01 (10) (a), and fluid milk products, as defined in s. 97.20 (1) (c) and (g) 97.24
9	<u>(1) (ar)</u> .
10	<b>SECTION 24.</b> 97.29 (1) (g) (intro.) of the statutes is renumbered 97.29 (1) (g) and
11	amended to read:
12	97.29 (1) (g) "Food processing" means the manufacture or preparation of food
13	for sale through the process of canning, extracting, fermenting, distilling, pickling,
14	freezing, baking, drying, smoking, grinding, cutting, mixing, coating, stuffing,
15	packing, bottling, or packaging, or through any other treatment or preservation
16	process. "Food processing" includes the activities of a bakery, confectionary, or
17	bottling establishment, and also includes the receipt and salvaging of distressed food
18	for sale or use as food. "Food processing" does not include any of the following:
19	SECTION 25. 97.29 (1) (g) 1. and 2. of the statutes are repealed.
20	Section 26. 97.29 (1) (g) 3. of the statutes, as affected by 2015 Wisconsin Act
21	55, is repealed.
22	<b>SECTION 27.</b> 97.29 (1) (g) 4. to 8. of the statutes are repealed.
23	SECTION 28. 97.29 (1) (h) of the statutes is renumbered 97.29 (1) (h) (intro.) and
24	amended to read:

97.29 (1) (h) (intro.) "Food processing plant" means any place where used
primarily for food processing is conducted, where the processed food is not intended
to be sold or distributed directly to a consumer. "Food processing plant" does not
include any establishment subject to the requirements of s. 97.30 or any restaurant
or other establishment holding a permit under s. 254.64, to the extent that the
activities of that establishment are covered by s. 97.30 or the permit under s. 254.64.
of the following:

**SECTION 29.** 97.29 (1) (h) of the statutes, as affected by 2015 Wisconsin Act 55, is renumbered 97.29 (1) (h) (intro.) and amended to read:

97.29 (1) (h) (intro.) "Food processing plant" means any place where used primarily for food processing is conducted, where the processed food is not intended to be sold or distributed directly to a consumer. "Food processing plant" does not include any establishment subject to the requirements of s. 97.30 or an establishment holding a license under s. 97.605, to the extent that the activities of that establishment are covered by s. 97.30 or the license under s. 97.605. of the following:

**Section 30.** 97.29 (1) (h) 1. to 13. of the statutes are created to read:

97.29 (1) (h) 1. A retail food establishment if the food processing activities at that establishment are authorized by a license issued under s. 97.30.

- 2. A restaurant or other establishment where meals are prepared or processed for retail sale directly to consumers or through vending machines if the food processing activities at that establishment are authorized by a permit issued under s. 254.64.
- 3. An establishment covered by a license or permit under ch. 125 to sell alcohol beverages if the food processing activities related to alcohol beverages at that

s. 97.28 (2).

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establishment are limited to preparing individual servings of alcohol beverages that 1 are sold on the premises in accordance with the terms of the establishment's license  $\mathbf{2}$ or permit under ch. 125. 3 4. A dairy plant if the food processing activities at that plant are authorized by 4 a license issued under s. 97.20. 5 6 5. A meat or poultry establishment if the food processing activities at that establishment are authorized by a license issued under s. 97.42 or are authorized 7 under 21 USC 451 to 472 or 21 USC 601 to 695. 8 6. An egg products plant if the food processing activities at that establishment 9 are inspected by the federal department of agriculture under 21 USC 1031 to 1056. 10 7. A dairy farm and milking operation licensed under s. 97.22 that produces 11 milk for shipment to a dairy plant licensed under s. 97.20 or under the equivalent 12 13 laws of another state. 8. A place used by a beekeeper solely for extracting honey from the comb or 14 producing and selling raw honey or raw bee products. 15 9. A place used solely for washing or packaging fresh or otherwise unprocessed 16 fruits or vegetables. 17 10. A place used by a nonprofit organization solely for receiving and salvaging 18 distressed food pursuant to the organization's purposes if the organization is 19 described in section 501 (c) (3) of the Internal Revenue Code and is exempt from 20 federal income tax under section 501 (a) of the Internal Revenue Code. 2111. A place on a farm used by an egg producer solely for handling, cleaning, or 22 packaging whole eggs, including nest-run eggs, that are produced as allowed under 23

12. A place used solely for producing and packaging maple syrup or
concentrated maple sap for sale directly to consumers or to a food processing plant
licensed under this section if those sales do not exceed \$5,000 in any 12-month
period.
13. Any other place exempted by the department by rule.
SECTION 31. 97.29 (1) (h) 2. of the statutes, as created by 2015 Wisconsin Act
(this act), is amended to read:
97.29 (1) (h) 2. A restaurant or other establishment where meals are prepared
or processed for retail sale directly to consumers or through vending machines if the
food processing activities at that establishment are authorized by a permit license
issued under s. <u>254.64</u> <u>97.605</u> .
SECTION 32. 126.01 (17) of the statutes is amended to read:
126.01 (17) "Milk" has the meaning given in s. 97.22 (1) (e) 97.01 (10) (a).
SECTION 33. 234.90 (1) (cp) of the statutes is amended to read:
234.90 (1) (cp) "Milk" has the meaning given in s. 97.22 (1) (e) 97.01 (10) (a).
SECTION 34. 1983 Wisconsin Act 536 is repealed.
SECTION 35. Effective dates. This act takes effect on the day after publication,
except as follows:
(1) The treatment of sections 97.29 (1) (h) (by Section 29) and 97.29 (1) (h) 2.
(by Section 31) of the statutes takes effect on July 1, 2016, or the day after
publication, whichever is later

(END)