

State of Arizona
House of Representatives
Fifty-fourth Legislature
First Regular Session
2019

CHAPTER 44
HOUSE BILL 2178

AN ACT

AMENDING SECTION 3-607, ARIZONA REVISED STATUTES; RELATING TO MILK
PROCESSING.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 3-607, Arizona Revised Statutes, is amended to
3 read:

4 3-607. Annual licenses; inspections; revocation; fees;
5 exceptions

6 A. ~~No~~ A person shall NOT operate a milk distributing plant or a
7 manufacturing milk processing plant, engage in the business of
8 producer-distributor or producer-manufacturer, or engage in the business
9 of selling at wholesale milk or dairy products, or both, without a
10 license. This section does not require:

11 1. An Arizona dairy farm producing raw milk for sale to be
12 processed to secure a license to operate.

13 2. A retailer or wholesaler to secure a license from the division
14 to convert a pasteurized mix into frozen dessert.

15 3. A FOOD ESTABLISHMENT REGULATED BY THE DEPARTMENT OF HEALTH
16 SERVICES TO SECURE A LICENSE FROM THE DIVISION TO MANUFACTURE FROZEN
17 DESSERTS USING PASTEURIZED MILK OR PASTEURIZED MILK-BASED PRODUCTS IF THE
18 FROZEN DESSERT IS MANUFACTURED AND SOLD AT THE SAME FOOD ESTABLISHMENT FOR
19 CONSUMPTION ON THE PREMISES AND THE FOOD ESTABLISHMENT HAS SUBMITTED A
20 PLAN FOR APPROVAL TO THE REGULATORY AUTHORITY UNDER TITLE 36 DEMONSTRATING
21 THAT THE MANUFACTURING PROCESS COMPLIES WITH THE RULES ADOPTED PURSUANT TO
22 SECTION 36-136, SUBSECTION I, INCLUDING PASTEURIZATION AS DEFINED IN
23 RULE. THE DIVISION OR THE REGULATORY AUTHORITY UNDER TITLE 36 MAY REQUIRE
24 A FOOD ESTABLISHMENT THAT MANUFACTURES FROZEN DESSERTS USING PASTEURIZED
25 MILK OR PASTEURIZED MILK-BASED PRODUCTS TO PROVIDE SAMPLES OF THE FROZEN
26 DESSERT TO VERIFY THAT THE FROZEN DESSERT IS PASTEURIZED.

27 B. An application for a license shall be in writing in ~~such~~ THE
28 form ~~as~~ the associate director prescribes and shall be accompanied by the
29 required filing fee. ~~Upon~~ ON receipt of an application, the associate
30 director or an authorized representative shall examine the premises in
31 which the applicant proposes to do business, and if it appears that the
32 applicant has complied with all provisions of law, the license shall be
33 issued.

34 C. After issuance of the first annual license, a license may be
35 issued ~~upon~~ ON inspection of the premises and payment not later than
36 February 1 of each year of the required fee. The inspection shall be made
37 by the associate director or an authorized representative to determine
38 whether the premises are maintained in compliance with law. A written
39 report of the inspection shall be filed in the division office. An annual
40 license is valid for the period beginning January 1 and ending December 31
41 of each year, and a license THAT IS not renewed on or before February 1 of
42 each year ~~shall be~~ IS void.

43 D. An application for a license to produce grade A milk for human
44 consumption shall be made in the manner prescribed by subsections A and B
45 OF THIS SECTION. The license shall be valid until revoked for failure to

1 comply with the provisions of this article relating to the production of
2 milk. The associate director may suspend a license pending correction of
3 deficiencies that violate this article. If the identified deficiencies
4 are not corrected within a reasonable time after the licensee is notified,
5 the associate director may proceed to revoke the license. Notice of a
6 pending revocation shall be in writing, stating the cause, and setting a
7 time during which the licensee may correct the cause for revocation. If
8 the cause for revocation is not corrected within the time specified, the
9 associate director, after a hearing and three days' notice of intention,
10 may revoke the license. The director shall review the associate
11 director's action on request of any person adversely affected by the
12 action. A person holding a permit issued by a governmental agency
13 operating outside of this state whose requirements are substantially the
14 same as the requirements of this state shall be deemed to have a license
15 meeting the requirements of this article, provided the facilities have
16 first been inspected and approved also by a resident Arizona inspector, if
17 in the opinion of the associate director such an inspection should be
18 made. Any expense incurred for such AN inspection shall be at the expense
19 of the licensee.

20 E. Fees shall be paid as follows:

21 1. For a license or renewal of a license to operate a milk
22 distributing plant or business, ~~fifty dollars~~ \$50.

23 2. For a license or renewal of a license to operate a manufacturing
24 milk processing plant, ~~fifty dollars~~ \$50.

25 3. For a license or renewal of a license to engage in the business
26 of producer-distributor or producer-manufacturer, ~~twenty-five dollars~~ \$25.

27 4. For a license or renewal of a license to engage in the business
28 of selling at wholesale milk or dairy products, or both, ~~twenty-five~~
29 ~~dollars~~ \$25.

30 F. The associate director or dairy inspectors are authorized to
31 inspect premises affected by this article and located ~~without the~~ OUTSIDE
32 OF THIS state, and they shall receive subsistence and travel expenses in
33 the amount provided for state officers, which shall be paid to the
34 inspector by the owner of the premises ~~so~~ inspected.

35 G. ~~The provisions of~~ This section ~~shall~~ DOES not apply to ~~the~~ A
36 producer of raw milk.

APPROVED BY THE GOVERNOR APRIL 1, 2019.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 1, 2019.