



ARIZONA STATE SENATE
Fifty-Fourth Legislature, First Regular Session

FACT SHEET FOR H.B. 2178

milk manufacturing license; exemption

Purpose

Allows a food establishment to manufacture or distribute frozen desserts and milk-based products for on-site consumption without a milk processing license, under certain conditions.

Background

The Department of Health Services (DHS) administers Arizona's food safety program and regulates food establishments in conjunction with county health departments ([Title 36, Chapter 8](#)).

Current statute requires a person engaged in the business of selling wholesale milk or dairy products to obtain a license from the Arizona Department of Agriculture (AZDA) to operate a milk distributing plant or a manufacturing milk processing plant, except for an Arizona dairy farm producing raw milk for sale to be processed or a retailer or wholesaler that converts a pasteurized mix into a frozen dessert ([A.R.S. § 3-607](#)). A licensed facility using pasteurization equipment must meet the 3-A Standards set by the U.S. Department of Agriculture for sanitary construction, installation, testing and operation of the equipment ([A.A.C. R3-2-807](#)).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Exempts a DHS-regulated food establishment from the requirement to obtain a milk processing license from the AZDA to manufacture frozen desserts using pasteurized milk or pasteurized milk-based products if:
 - a) the frozen dessert is manufactured and sold at the same food establishment for on-site consumption; and
 - b) the food establishment has submitted a plan for approval demonstrating that the manufacturing process complies with the DHS rules.
2. Allows the AZDA Animal Services Division or DHS to require a food establishment that manufactures frozen desserts using pasteurized milk or pasteurized milk-based products to provide samples of the frozen dessert to verify that the frozen dessert is pasteurized.
3. Becomes effective on the general effective date.

House Action

LAG	2/14/19	DPA	7-0-0-0
3 rd Read	3/4/19		59-0-1

Prepared by Senate Research
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 KN/LD/gs