AN ACT to create and enact a new subsection to section 4-30-01 and two new sections to chapter 4-30 of the North Dakota Century Code, relating to shared animal ownership agreements; to amend and reenact subsection 21 of section 4-30-01 and sections 4-30-36.2, 4-30-36.3, and 4-30-36.4 of the North Dakota Century Code, relating to dairy products regulations; and to provide for a legislative management study.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 21 of section 4-30-01 of the North Dakota Century Code is amended and reenacted as follows:

21. "Pasteurized Milk Ordinance" means the 20092011 revision of the Grade "A" Pasteurized Ordinance issued by the United States food and drug administration and by the United States department of agriculture's public health service.

SECTION 2. A new subsection to section 4-30-01 of the North Dakota Century Code is created and enacted as follows:

"Shared animal ownership agreement" means any contractual arrangement under which an individual:

a. Acquires an ownership interest in a milk-producing animal;

b. Agrees to pay another for, reimburse another for, or otherwise accept financial responsibility for the care and boarding of the milk-producing animal at the dairy farm; and

c. Is entitled to receive a proportionate share of the animal's raw milk production as a condition of the contractual arrangement.

SECTION 3. AMENDMENT. Section 4-30-36.2 of the North Dakota Century Code is amended and reenacted as follows:

4-30-36.2. State milk sanitation rating and sampling surveillance officer - Duties - Guidelines.

The state milk sanitation rating and sampling surveillance officer is responsible for the rating and certification of milk and dairy products. The rating and certification of milk and dairy products must be in accordance with the procedures outlined in the public health service/food and drug administration publication entitled "Methods of Making Sanitation Ratings of Milk Shippers - 20092011 Revision, Edition" and the sampling of milk and dairy products must be in accordance with the guidelines in the Standard Methods.

SECTION 4. AMENDMENT. Section 4-30-36.3 of the North Dakota Century Code is amended and reenacted as follows:

4-30-36.3. Milk laboratory evaluations officer - Duties - Guidelines.

The milk laboratory evaluations officer is responsible for the certification and evaluation of milk and dairy products laboratories within the state. Evaluations and certification of milk laboratories must be made in accordance with the Standard Methods and the procedures outlined in the public health
service/food and drug administration publication entitled "Evaluation of Milk Laboratories - 2009-2011 Edition".

**SECTION 5. AMENDMENT.** Section 4-30-36.4 of the North Dakota Century Code is amended and reenacted as follows:

**4-30-36.4. Grade A pasteurized milk ordinance.**

Dairy producers, processors, and manufacturers shall comply with the Pasteurized Milk Ordinance and follow the standards set by the "Procedures Governing the Cooperative State-Public Health Service Food and Drug Administration Program of the National Conference on Interstate Milk Shipments, 2009-2011 Revision".

**SECTION 6.** A new section to chapter 4-30 of the North Dakota Century Code is created and enacted as follows:

**Shared animal ownership agreement - Raw milk.**

It is not a violation of this chapter to transfer or obtain raw milk under a shared animal ownership agreement. However, a person may not resell raw milk or raw milk products obtained under a shared animal ownership agreement.

**SECTION 7.** A new section to chapter 4-30 of the North Dakota Century Code is created and enacted as follows:

**Commissioner - Rulemaking authority - Limitation.**

Notwithstanding chapter 28-32, the commissioner may not adopt any rule that restricts, limits, or imposes additional requirements on any individual transferring or obtaining raw milk in accordance with the terms of a shared animal ownership agreement.

**SECTION 8. LEGISLATIVE MANAGEMENT STUDY - RAW MILK.** During the 2013-14 interim, the legislative management shall consider studying the availability of raw or unpasteurized milk, for human consumption, in this state. The study should examine the nature and extent of governmental oversight with respect to the safety of the milk; the health of the animals used to produce the milk; and the conditions under which the product is produced, transferred, or obtained. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fourth legislative assembly.
This certifies that the within bill originated in the Senate of the Sixty-third Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2072.

Senate Vote: Yeas 42 Nays 4 Absent 1
House Vote: Yeas 81 Nays 11 Absent 2

Secretary of the Senate

Received by the Governor at ________M. on _____________________________________, 2013.
Approved at ________ M. on __________________________________________________, 2013.

Governor

Filed in this office this __________ day of _______________________________________, 2013,
at _______ o’clock ________M.

Secretary of State