CHAPTER 584 - DAIRY PRODUCTS AND SUBSTITUTES

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GENERAL PROVISIONS

NRS 584.001 Definitions. As used in this chapter, unless the context otherwise requires, the words and terms defined in NRS 584.005 to 584.009, inclusive, have the meanings ascribed to them in those sections.

(Added to NRS by 2001, 2424; A 2003, 174, 366)

NRS 584.005 “Commission” defined. “Commission” means the State Dairy Commission created pursuant to NRS 584.031.
NRS 584.006 “Dairy foods manufacturing plant” defined. “Dairy foods manufacturing plant” means:
1. Any place, structure or building where milk or other dairy products are received or handled for manufacturing or prepared for distribution, or both;
2. When used with regard to the production, transportation, grading or use of milk, any plant that handles or purchases milk for manufacturing purposes; and
3. When used with regard to licensing, permitting or other regulatory requirements, only those plants that manufacture dairy products, including ice cream, butter, natural cheese, processed cheese, dry milk products, dry whey, evaporated milk products, condensed milk products and such other products for human consumption as may otherwise be designated.

NRS 584.007 “Milk plant” defined. “Milk plant” means any place, structure or building where a distributor receives fluid milk or fluid cream and weighs or tests or standardizes or pasteurizes or homogenizes or separates or bottles or packages such fluid milk or fluid cream. The term does not include a place or structure or building used for the purpose of receiving, weighing or testing fluid milk or fluid cream which is to be diverted or delivered to the milk plant of the distributor receiving fluid milk or fluid cream, which milk plant is licensed and bonded under the provisions of NRS 584.595 to 584.645, inclusive.

NRS 584.009 “Single-service plant” defined. “Single-service plant” means a place, structure or building where a person engages in the business of manufacturing a single-service container or closure for use by a milk plant for the packaging of finished Grade A milk or milk products.

STATE DAIRY COMMISSION

NRS 584.031 Creation; number of members. The State Dairy Commission, consisting of three members, is hereby created within the Department of Business and Industry.

NRS 584.033 Members: Appointment; qualifications; Chair; connection with dairy industry prohibited; removal.
1. The Governor shall appoint the members of the Commission, who must have the following qualifications:
   (a) One member must be a public accountant or certified public accountant who has been issued a permit or a certificate pursuant to the laws of this State;
   (b) One member must be an agricultural economist; and
   (c) One member must be experienced in banking or finance.
2. The Governor shall designate one of the members as Chair.
3. A member of the Commission shall not have any connection with any segment of the dairy industry.
4. The Governor may remove a member of the Commission for malfeasance in office or neglect of duty.

NRS 584.037 Governor may remove member for absence from two consecutive meetings. Absence from two consecutive meetings of the Commission constitutes good and sufficient cause for removal of a member by the Governor.

NRS 584.039 Meetings; hearings; quorum; employment of attorney.
1. The members of the Commission shall meet at least once each month and may meet at the call of the Chair or at the request of a majority of the members of the Commission.
2. The Commission shall conduct all hearings authorized pursuant to the provisions of this chapter.
3. A majority of the members constitutes a quorum and a majority vote of the Commission is required on all action taken by the Commission.
4. The Commission may retain an attorney to assist the Commission in the administration of its duties.

NRS 584.041 Compensation of members and employees; expenditure of money by Commission.
1. Each member of the Commission is entitled to receive a salary of not more than $80 per day, as fixed by the Commission, while engaged in the business of the Commission.
2. While engaged in the business of the Commission, each member and employee of the Commission is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.
3. The Commission may expend in accordance with law all money made available for its use.

NRS 584.043 Executive Director; other employees.
1. The Commission shall appoint an Executive Director, who shall serve ex officio as its Secretary.
2. The Executive Director may appoint such assistants, deputies, agents, experts and other employees as are necessary for the administration of the provisions of this chapter, prescribe their duties and fix their salaries.
3. The Executive Director is in the unclassified service of the State. All assistants, deputies, agents, experts and other employees are in the classified service.
4. The Executive Director may be removed by the Commission.
NRS 584.047 Authority to enter into contracts to assist in carrying out duties.
1. The Commission may enter into contracts with any person to assist it in carrying out the duties of the Commission by performing any duty imposed on the Commission pursuant to this chapter.
2. As used in this section, "person" includes a government, a governmental agency and a political subdivision of a government.
(Added to NRS by 2001, 2424; A 2003, 174)

NRS 584.049 Instrumentality of state. The Commission is hereby declared to be the instrumentality of this state for the purpose of administering and enforcing the provisions of this chapter and to execute the legislative intent expressed in this chapter, and is hereby vested with the administrative authority described in this chapter.

NRS 584.051 Seal. The Commission shall adopt a seal for its own use which shall have imprinted thereon the words “State Dairy Commission, State of Nevada.” The Secretary of the Commission shall have the care and custody of the seal.

NRS 584.053 Dairy Commission Fund: Creation; deposits; expenditures; interest and income to be credited to Fund.
1. There is hereby created in the State Treasury a special revenue fund designated as the Dairy Commission Fund. Except as otherwise required in NRS 584.670, all money received by the Commission pursuant to the provisions of this chapter must be paid into the Fund and must be expended for the administration and enforcement of the provisions of this chapter or for any other purpose authorized by the Legislature.
2. The interest and income earned on the money in the Dairy Commission Fund, after deducting any applicable charges, must be credited to the Fund.

NRS 584.057 Dairy Commission Fund: Commission to keep separate record of credits and disbursements. The Commission shall keep a separate record of the classes and sources of income credited to the Dairy Commission Fund and of the disbursements therefrom.

NRS 584.059 Report submitted to Governor: Frequency; contents; availability for public inspection.
1. The Commission shall, within 30 days before each general session of the Legislature, submit to the Governor a full and true report of the transactions pursuant to this chapter during the preceding biennium, including a complete statement of receipts and expenditures during that period, together with its legislative recommendations.
2. This report is a public record and must be made available for public inspection within a reasonable time after it is submitted to the Governor.

NRS 584.061 Collection and dissemination of statistical and other data. In addition to the compilation of information pertaining to fluid milk and fluid cream from the reports required by NRS 584.325 to 584.670, inclusive, the Commission shall collect, assemble, compile and distribute statistical data relative to fluid milk, fluid cream, other milk and milk products, and such other information as may relate to the dairy industry and the provisions of this chapter. For the purposes of this section, the Commission may require such information as it deems necessary from distributors, producers, cooperative associations of producers, retailers and others who are engaged in the production, sale, distribution, handling or transportation of fluid milk, fluid cream or other dairy products.

NRS 584.063 Records. A full and accurate record of business or acts performed or of testimony taken by the Commission in pursuance of the provisions of this chapter must be kept and placed on file in the Office of the Commission.

NRS 584.067 Regulations: Adoption. The Commission may adopt and enforce regulations to carry out the provisions of this chapter.
1. The Commission shall adopt regulations establishing procedures for:
(a) Its administration and government;
(b) The formation and adoption of stabilization and marketing plans;
(c) The conduct of its public hearings;
(d) The manner in which information relating to costs required of producers, distributors and retailers is determined and presented to the Commission; and
(e) Classifying fluid milk products into separate classes.
(Added to NRS by 1977, 1637; A 1987, 154; 2001, 2424; 2003, 366)

NRS 584.069 Regulations: Review by State Board of Health in certain circumstances. Before the Commission may adopt a regulation pursuant to NRS 584.099 to 584.285, inclusive, the Commission shall submit the regulation to the State Board of Health for review and comment. The Board shall complete its review and return the regulation to the Commission not later than 30 days after its receipt thereof unless the Commission agrees to a longer time.
(Added to NRS by 2001, 2424)

NRS 584.071 Regulations: Publication; distribution. A copy of every regulation adopted by the Commission must be published immediately after adoption and issued in pamphlet form for distribution to local health officers and, upon application therefor, to licensed or other dairies, creameries and other persons interested in them.
(Added to NRS by 1961, 112; A 1985, 307; 2001, 2425)—(Substituted in revision for NRS 584.023)
NRS 584.072 Annual fees.
1. The Commission shall charge and collect the following annual fees:
   (a) For a dairy that produces:
      (1) One thousand gallons or less per day...................................................... $75
      (2) At least 1,001 but not more than 3,000 gallons per day.......................... 100
      (3) More than 3,000 gallons per day.......................................................... 150
   (b) For a milk plant that produces:
      (1) Less than 2,000 gallons per day............................................................ 150
      (2) At least 2,000 but not more than 10,000 gallons per day...................... 300
      (3) More than 10,000 gallons per day.......................................................... 500
   (c) For a dairy foods manufacturing plant that is:
      (1) Less than 1,000 square feet..................................................................... 150
      (2) At least 1,000 but not more than 3,000 square feet.............................. 180
      (3) At least 3,001 but not more than 5,000 square feet............................. 230
      (4) More than 5,000 square feet................................................................. 280
   (d) For a single-service plant........................................................................ 15
   (e) For a hauler of milk................................................................................. 20
   (f) For a milk tank truck................................................................................. 65

2. The Commission shall charge the following fees for the review of plans for dairies, dairy foods manufacturing plants and milk plants:
   (a) For a plan for a new facility, $200 plus an amount equal to the fee for an annual permit for a facility of that kind.
   (b) For a plan to remodel a facility which has a permit, $50 plus an amount equal to one-half of the fee for an annual permit to operate the facility after the remodeling.

(Amended to NRS by 2003, 366)

NRS 584.073 State Health Officer to consult with Commission upon request. The State Health Officer shall, if requested, consult with the Commission on any matter concerning the public health and welfare of the people of this state that arises pursuant to this chapter.

(Amended to NRS by 2001, 2424)

NRS 584.077 Licensing of distributors and registration of producers. The Commission may issue licenses to distributors and require the registration of producers.


NRS 584.079 Power of Commission to refuse to grant, revoke or suspend license or permit.
1. The Commission may refuse to grant any license or permit provided in this chapter and may revoke or suspend any such license or permit as the case may require when it is satisfied that an applicant, a licensee or a permit holder has violated any provision of this chapter, but no order may be made refusing, revoking or suspending any license or permit except after hearing upon at least 10 days' notice to the applicant, licensee or permit holder, as appropriate.

2. The decision may include an order refusing, revoking or suspending the license or permit applied for or held by the respondent, or fixing such other conditional and probationary orders as may be proper for the enforcement of this chapter.

3. After any decision, including any conditional or probationary orders, should the respondent fail, refuse or neglect to comply with any such orders, the Commission may suspend or revoke the license or permit in accordance with the procedure provided in this section.

4. Previous violation by any applicant or by any person connected with the applicant of any provision of this chapter is ground for denial, revocation or suspension of a license or permit.


NRS 584.081 Investigations; records of producers and distributors.
1. The Commission may investigate, upon reasonable notice, any and all transactions between producers and distributors or among distributors or between distributors and retail stores or between distributors and consumers or between retail stores and consumers. The Commission or its authorized agents may enter at all reasonable hours all places where milk is stored, bottled or manufactured, or where milk or milk products are bought, sold or handled, or where the books, papers, records or documents relating to such transactions are kept, and may inspect and copy any such books, papers, records or documents.

2. Each producer and distributor shall maintain adequate records concerning any and all transactions in fluid milk and fluid cream.

[38:387:1955]—(NRS A 1959, 895)—(Substituted in revision for NRS 584.505)

NRS 584.083 Hearings: Powers; oaths; subpoenas; witnesses.
1. For the purposes of this chapter, the Commission may hold hearings, administer oaths, certify to official acts, take depositions, issue subpoenas, summon witnesses and examine the books and records of any producer, distributor or retailer. Such an examination may be made at any reasonable time or place by the Commission or any agent of the Commission.

2. The district court for the county in which any investigation is being conducted by the Commission may compel the attendance of witnesses, the giving of testimony and the production of books and papers as required by any subpoena issued by the Commission.

3. In case of the refusal of any witness to attend or testify or produce any papers required by such subpoena, the Commission may report to the district court for the county in which the investigation is pending by petition, setting forth:
   (a) That due notice has been given of the time and place of attendance of the witness or the production of the books and papers;
   (b) That the witness has been subpoenaed in the manner prescribed in this chapter; and
   (c) That the witness has failed and refused to attend or produce the papers required by subpoena before the Commission in the investigation named in the subpoena, or has refused to answer questions propounded to him or her in the course of such investigation,
Ê and asking an order of the court compelling the witness to attend and testify or produce the books or papers before the Commission.

4. The court, upon petition of the Commission, shall enter an order directing the witness to appear before the court at a time and place to be fixed by the court in such order, the time to be not more than 10 days from the date of the order, and then and there show cause why he or she has not attended or testified or produced the books or papers before the Commission. A certified copy of the order must be served upon the witness. If it appears to the court that the subpoena was regularly issued by the Commission, the court shall thereupon enter an order that the witness appear before the Commission at the time and place fixed in the order and testify or produce the required books or papers, and upon failure to obey the order, the witness must be dealt with as for contempt of court.


1. Written notice of any hearing held by the Commission must be mailed to the Bureau of Consumer Protection in the Office of the Attorney General.
2. The Bureau may file with the Commission any statement concerning the proposed action and may appear at the hearing to give evidence concerning the proposed action.
(Added to NRS by 1977, 1637; A 1993, 1775; 1997, 2015)—(Substituted in revision for NRS 584.472)

NRS 584.089 Enforcement of chapter and provisions of certain stabilization and marketing plans. The Commission shall enforce the provisions of this chapter and any stabilization and marketing plan initiated pursuant to the provisions of NRS 584.325 to 584.670, inclusive.

NRS 584.091 Assistance in enforcement of chapter by constables, police officers and sheriffs. Constables, police officers and sheriffs may, upon request, render assistance to the Commission, any member of the Commission or any authorized representative of the Commission, in the enforcement of the provisions of this chapter.
(Added to NRS by 1959, 901; A 2001, 2436)—(Substituted in revision for NRS 584.543)

NRS 584.093 Injunction against violation of law or order; joinder of defendants.
1. The Commission may bring an action to enjoin the violation or threatened violation of any provisions of this chapter or of any order made pursuant to this chapter in the district court in the county in which such violation occurs or is about to occur.
2. There may be enjoined in one proceeding any number of defendants alleged to be violating the same provisions or orders, although their properties, interests, residence or place of business may be in several counties and the violations separate and distinct.

FROZEN DESSERTS

NRS 584.099 Definitions. As used in NRS 584.099 to 584.107, inclusive:
1. “Frozen dessert” means any clean frozen or partially frozen combination of two or more of the following: Milk or milk products, eggs or egg products, sugars, water, fruit or fruit juices, candy, nut meats, or other harmless and wholesome food products, flavors, color or harmless stabilizer, and includes ice cream, frozen custard, ice milk, milk sherbet, ices and other similar products.
2. “Mix” means the unfrozen combination of all ingredients of a frozen dessert with or without fruits, fruit juices, candy, nut meats, flavor or harmless color.
(Added to NRS by 1961, 112)—(Substituted in revision for NRS 584.013)

NRS 584.101 Requirements for sale of frozen dessert as ice cream or ice milk.
1. As used in this section:
   (a) “Candy” includes candies, cakes, cookies, glazed fruits, prepared cereals and similar products.
   (b) “Chocolate ice cream” means ice cream flavored with chocolate or cocoa.
   (c) “Fruit ice cream” means ice cream containing not less than 3 percent by weight of clean, mature, sound fruit or its equivalent in other forms.
   (d) “Nut or candy ice cream” means ice cream containing not less than 1 percent by weight of sound, nonrancid nut meats or candy.
2. No frozen dessert may be labeled or sold in this state as ice cream unless it:
   (a) Weighs at least 4.5 pounds per gallon;
   (b) Contains at least 6 percent of milk solids not fat; and
   (c) Except as provided in subsection 3, contains at least 10 percent of milk fat and 20 percent of total milk solids.
3. Chocolate ice cream, fruit ice cream and nut or candy ice cream must contain at least 8 percent of milk fat and 16 percent of total milk solids.
4. Frozen desserts may be produced and sold which contain less than the amounts of milk fat required by subsections 2 and 3 for their respective categories of ice cream, but must be labeled:
   (a) “Ice milk” if they contain at least 2 percent of milk fat and 11 percent of milk solids;
   (b) “Low-fat frozen dairy desserts” if they contain at least 0.5 percent but less than 2 percent milk fat; or
   (c) By a name which does not imply a dairy dessert, if they contain less than such amounts.
(Added to NRS by 1967, 1267; A 1983, 452)—(Substituted in revision for NRS 584.014)

NRS 584.103 Regulations of Commission: Adoption; scope. Except as otherwise provided by law, the Commission shall adopt, and may amend and repeal, reasonable regulations governing:
1. The production, manufacturing, mixing, preparing, processing, pasteurizing, freezing, packaging, transportation, handling,
sampling, examination, labeling and sale of all mix and frozen desserts sold for ultimate consumption within the State of Nevada.

2. The inspection of all establishments engaged in the production, processing and distribution of mix and frozen desserts.

3. The issuing and revocation of permits to frozen desserts plants.

4. The grading and regrading of frozen desserts plants.

5. The displaying of grade placards.

6. The fixing of penalties for a violation of the regulations.

(Added to NRS by 1961, 112; A 1967, 1267; 2001, 2425)—(Substituted in revision for NRS 584.017)

NRS 584.107 Penalty. Any person who violates any provision of the regulations adopted pursuant to NRS 584.103, or refuses or neglects to obey any lawful order of the Commission, is guilty of a misdemeanor.

(Added to NRS by 1961, 112; A 1967, 618; 2001, 2425)—(Substituted in revision for NRS 584.027)

BUTTER

NRS 584.110 Classification. For the purposes of NRS 584.110 to 584.160, inclusive, butter shall be classified as “wholesome” or “impure.”

[Part 1:151:1917; 1919 RL p. 2973; NCL § 2286]

NRS 584.115 “Impure butter” defined. For the purposes of NRS 584.110 to 584.160, inclusive, “impure butter” is defined to be all butter other than that which is wholesome as defined in NRS 584.125.

[Part 1:151:1917; 1919 RL p. 2973; NCL § 2286]

NRS 584.125 “Wholesome butter” defined. For the purposes of NRS 584.110 to 584.160, inclusive, “wholesome butter” is defined to be butter made from cream and milk wherein the entire procedure from dairy to creamery, or other place of manufacture of such product or products, is conducted under sanitary conditions, and wherein the milk or cream has either been produced by cows all of which have been duly certified by some reputable veterinarian as free from tuberculosis, or, if not so certified, wherein such milk or cream has been pasteurized as prescribed by the Commission pursuant to NRS 584.135.


NRS 584.130 Inspections and determinations by Commission. The inspection of butter under the provisions of NRS 584.110 to 584.160, inclusive, and the determination of the same as wholesome or impure, are hereby made duties of the Commission. The Commission is hereby given all necessary authority and power for such inspection and determination and may employ such inspectors or agents therefor as may be necessary within any revenues generated or appropriation provided for such purposes.


NRS 584.135 Regulations. The Commission shall make such regulations, within the meaning and purposes of NRS 584.110 to 584.160, inclusive, as may be necessary in their administration, and which may include the sanitary production, care and handling of milk and cream used in the making of butter.


NRS 584.140 List of makers of wholesome or impure butter. The Commission shall supply local dealers in butter with a list of persons, firms and creameries commonly supplying butter for local consumption classified as makers of wholesome or impure butter, and shall, from time to time thereafter, supply such dealers with additions to or alterations in such classifications.


NRS 584.145 Pasteurizing plants to be equipped with self-registering devices; availability of records. Pasteurizing plants must be equipped with a self-registering device for recording the time and temperature of pasteurizing. Such a record must be kept for at least 6 months and must be available for inspection by any health officer or person charged with the enforcement of NRS 584.110 to 584.160, inclusive.


NRS 584.150 Sale or exchange of impure butter unlawful; imported butter; confiscation and destruction of impure butter; penalties.

1. It is unlawful for any person, firm or corporation to sell or exchange, or offer or expose for sale or exchange, for human consumption, any impure butter.

2. Imported butter from states having similar laws, if made by creameries, dairies or farms recognized by the authorities of such states as manufacturing wholesome butter, and imported pasteurized butter from states not having similar laws but the makers of which have satisfied the Commission that such butter conforms to the requirements of NRS 584.110 to 584.160, inclusive, shall be deemed wholesome if offered for sale or exchange in this state. All other imported butter shall be deemed impure.

3. All impure butter offered for sale or exchange, for human consumption, is subject to confiscation by the police authorities and may be destroyed.

4. Any person, firm or corporation violating the provisions of this section is guilty, for the first offense, of a misdemeanor, and for any subsequent offense, of a gross misdemeanor.


NRS 584.155 Duties of district attorneys. On complaint by the Commission of the violation of NRS 584.150 by any person, firm or corporation, the district attorney of the county in which the violation is alleged to have occurred shall institute criminal proceedings against the person complained of and shall prosecute the same in the proper courts.


NRS 584.160 Applicability of provisions. The provisions of NRS 584.110 to 584.160, inclusive, shall not apply where the
butter is retailed by the maker in quantities not exceeding 250 pounds per month.

[Part 5:151:1917; 1919 RL p. 2974; NCL § 2290]

**OLEOMARGARINE; MARGARINE**

**NRS 584.165  Duty of manufacturer to label; penalty.** Every person who shall manufacture for sale any article or substance in semblance of butter that is not the legitimate product of the dairy, and not made exclusively of milk or cream, but into which vegetable products or the oil or fat of animals, not produced from milk, enters as a component part, or into which melted butter, or any oil thereof, has been introduced, to take the place of cream, unless the package containing such article or substance shall be labeled or branded with the word “oleomargarine” or “margarine,” as provided in NRS 584.170, is guilty of a misdemeanor.

[1911 C&P § 261; RL § 6526; NCL § 10209]—(NRS A 1967, 1073)

**NRS 584.170  Sale of unlabeled oleomargarine or margarine unlawful; penalty.**

1. Every person who shall sell, or offer or expose for sale, or possess with intent to sell, any of the article or substance mentioned in NRS 584.165, shall distinctly mark, brand or label every package containing such article or substance, whether at wholesale or retail, with the word “oleomargarine” or “margarine.”

2. Every person who shall sell, or offer for sale, such article or substance not so branded, marked or labeled is guilty of a misdemeanor.

[1911 C&P § 262; RL § 6527; NCL § 10210]—(NRS A 1967, 1074)

**NRS 584.175  Size of print on labels and brands.** The branding or marking required in NRS 584.165 and 584.170, if on rolls or prints, shall be in letters not less than one-fourth inch square, and if on tubs or other packages, the letters shall not be less than one-half inch square.

[1911 C&P § 263; RL § 6528; NCL § 10211]

**SUBSTITUTE DAIRY PRODUCTS**

**NRS 584.176  “Substitute dairy product” defined.** As used in NRS 584.177, “substitute dairy product” means any substance, mixture or compound intended for human consumption as a food product other than milk or dairy products which are intended to resemble milk or dairy products, but contain fat or oil other than milk fat.

(Added to NRS by 1967, 1249; A 1979, 1307; 1981, 681; 1985, 307)

**NRS 584.177  Restrictions on labels and marks on containers containing substitute dairy products.**

1. No bottle, can, package or other container which contains a substitute dairy product may be labeled or marked with a brand name or trademark which would lead a reasonable person to believe that the contents of such bottle, can, package or container contain a dairy product.

2. No substitute dairy product which has a dairy product or dairy products as an ingredient may list such ingredient on the label in letters larger than those for any other ingredient.

(Added to NRS by 1967, 1249)

**NRS 584.179  Penalty.** Any person who violates NRS 584.177 is guilty of a misdemeanor.

(Added to NRS by 1967, 1249; A 1981, 681)

**MANUFACTURED DAIRY PRODUCTS**

**NRS 584.1792  Dairy foods manufacturing plant required to obtain permit to receive for sale, produce, sell, offer for sale or store manufactured dairy product; transfer of permit prohibited.** A dairy foods manufacturing plant shall not receive for sale, produce, sell, offer for sale or have in storage any manufactured dairy product if the plant does not possess a permit from the Commission. Such a permit is not transferable.

(Added to NRS by 2003, 366)

**MILK AND CREAM**

**Permit for Sale**

**NRS 584.180  Sale or offer for sale of fresh fluid milk or cream without permit prohibited; exception.**

1. A person, firm, association or corporation shall not sell or offer to sell fresh fluid milk or fresh fluid cream in the State of Nevada without obtaining a permit issued by the Commission.

2. No such permit is required from any person, firm, association or corporation who sells solely to a permittee or purchases solely from a permittee.


**NRS 584.185  Application.** The application for the permit required by NRS 584.180 must:

1. Be submitted in writing on a form prescribed by the Commission.

2. Include the name and address of the applicant, and, if a partnership, the names and addresses of all partners, and, if a corporation, association or other organization, the names and addresses of the president, vice president, secretary and managing officers.

3. Specify the name and location of the premises or business for which the license is sought.

4. Contain such other information as may be reasonably required by the Commission.


**NRS 584.190  Inspection of dairy farms, milk plants and facilities of applicant.** If it appears to the satisfaction of the
Commission that the applicant has complied with all regulations governing the sanitation and grading of milk and milk products, the Commission shall cause the dairy farms, milk plants and facilities of the applicant to be inspected.


NRS 584.195 Issuance of permit; retention and availability of records concerning permits.
1. If, after the application and inspection, it appears to the satisfaction of the Commission that the applicant has fully complied with all regulations governing the sanitation and grading of milk and milk products, the Commission shall issue a permit to the applicant.
2. The Commission shall keep a record of all applications for permits and permits issued by it, which must be a public record.


NRS 584.200 Inspection of dairy farms, milk plants or facilities outside of State: Applicant or permittee to pay expenses; deposit and use of expenses; failure to pay expenses constitutes ground for denial, suspension or revocation of permit.
1. Whenever any inspection of the dairy farms, milk plants or facilities of an applicant or a permittee necessitates departing beyond the territorial limits of the State of Nevada, the applicant or permittee on whose behalf the inspection is to be made shall pay the per diem expense allowance and travel expenses of the inspector or inspectors for the amount of their travel beyond the territorial limits of the State of Nevada in an amount equivalent to that paid other state officers performing similar duties.
2. Before an inspection is made outside the State of Nevada, the Commission shall collect from the applicant or permittee an amount of money equal to the expenses to be incurred for the inspection. The money must be deposited with the State Treasurer for credit to the appropriate account in the Dairy Commission Fund and may be used only to pay for claims filed in accordance with this section.
3. Failure of an applicant or a permittee to pay the amount demanded by the Commission pursuant to the provisions of subsection 2 is a ground for the denial, suspension or revocation of a permit. Money paid by any applicant or permittee pursuant to the provisions of subsection 2 must not be refunded.


NRS 584.205 Commission to direct periodic inspections of facilities of permittees; sale of imported milk and milk products without inspection; authority of Commission to conduct inspections upon reasonable belief of violation of regulations.
1. In addition to the initial inspection of new applicants, the Commission shall, except as otherwise provided in subsection 2, direct a periodic inspection, not less than annually, of all facilities belonging to permittees to ascertain whether the services, facilities and equipment continue to comply with the regulations referred to in NRS 584.195.
2. Except as otherwise provided in NRS 584.208 and the regulations adopted pursuant to that section, milk and milk products, including certified raw milk and products made from it, imported from outside the State of Nevada may be sold in this state without inspection by the Commission if the requirements of paragraph (c) and the requirements of paragraph (a) or (b) are met:
   (a) In the case of certified raw milk and products made from it, they have been produced under standards adopted by the American Association of Medical Milk Commissions and under the statutory provisions of the State of California applicable to such products.
   (b) The milk and milk products have been produced, pasteurized, processed, transported and inspected under statutes or regulations substantially equivalent to the Nevada milk and milk products statutes and regulations.
   (c) The milk and milk products have been awarded an acceptable milk sanitation, compliance and enforcement rating by a state milk sanitation rating officer certified by the United States Public Health Service.
3. Whenever the Commission has reasonable grounds to believe that a seller of milk or milk products, including certified raw milk and products made from it, is violating any of the regulations adopted by the Commission or any county milk commission relating to the sanitation and grading of milk and milk products, including certified raw milk and products made from it, or that the seller’s facilities or products fail to meet the regulations, or that the seller’s operation is in any other manner not in the best interests of the people of this state, the Commission may conduct a reasonable inspection, and if any violation or other condition inimical to the best interests of the people of this state is found, to take corrective action pursuant to NRS 584.180 to 584.210, inclusive.


NRS 584.207 Certified raw milk: Definition; county milk commission.
1. Certified raw milk is unpasteurized, marketed milk which conforms to the regulations and standards adopted by the county milk commission for the production and distribution of certified raw milk and certified raw milk products in the county in which they are produced.
2. In each county in which certified raw milk or certified raw milk products are produced for public consumption, there must be a county milk commission to regulate the production and distribution of those products. The board of county commissioners shall appoint to the commission three members for terms of 4 years, all of whom are eligible for reappointment. The members must all be residents of the county and have the following respective qualifications:
   (a) One member must be a physician licensed in this State and a member of the medical society of the state;
   (b) One member must be a veterinarian licensed in this State and a member of the county or regional veterinarian association; and
   (c) One member must be a representative of the public at large.
3. A county milk commission shall:
   (a) Elect one of its members as chair and adopt appropriate rules to govern:
      (1) The time and place of its meetings;
      (2) Its rules of procedure; and
      (3) Its recordkeeping and other internal operations.
   (b) Adopt written regulations, which must be approved by the State Dairy Commission, governing the production, distribution and sale in the county of certified raw milk and products made from it, to protect the public health and safety and the integrity of the product. The regulations so adopted must conform as nearly as practicable to, but may be more stringent than, the standards adopted by the American Association of Medical Milk Commissions.
   (c) Certify raw milk and the products thereof for any applicant producing raw milk within the county, whose product and...
methods of production, distribution and sale comply with the regulations and standards adopted by the county milk commission.

4. A county milk commission may:
   (a) Establish and collect such fees and charges as appear reasonably necessary to defray the costs and expenses incurred by it in the performance of its duties under this section, and expend any money so collected as is necessary for such performance.
   (b) Conduct such tests, inspections and analyses as are necessary to enable it to perform its duties under this section and employ such personnel and equipment as it deems necessary therefor.

5. Each applicant for certification must, as a condition for entertaining his or her application and as a condition for any certification granted, submit for testing by the county milk commission such samples as the county milk commission requests, and allow inspections by the county milk commission or its agents at any reasonable times, of any or all of the facilities, equipment, herds or other property employed in the applicant’s dairy operations, including, without limitation, all of the applicant’s books and records relating thereto.

(Added to NRS by 1979, 445; A 2001, 2428)

NRS 584.208 Certified raw milk: Conditions governing sale; handling; regulations.

1. Certified raw milk and products made from it may be sold if the milk has been:
   (a) Cooled to 45 degrees Fahrenheit or less immediately after being drawn from the cow or goat and maintained at or below that temperature until it is delivered to the consumer, at which time it may not contain more than 10 coliform bacteria per milliliter or more than 10,000 bacteria per milliliter; and
   (b) Certified by the county milk commission of the county in which it was produced.

2. No person may come in contact with or be near raw milk before it is sold to the consumer unless the person maintains scrupulous cleanliness and is not afflicted with any communicable disease or in a condition to disseminate any disease which can be transmitted by milk. No person may handle milk to be sold as raw unless the person has a physical examination before any employment requiring the person to do so and every 3 months thereafter while continuing in the employment.

3. The State Dairy Commission shall adopt regulations governing:
   (a) Inspections to determine the health of cows and goats which produce milk for sale as raw milk.
   (b) Inspections of dairy farms which produce milk for sale as raw milk and establishing minimum standards of cleanliness and sanitation for the farms.
   (c) Examinations of all persons who come in contact with raw milk before it is sold to a consumer.
   (d) Other matters connected with the production and sale of raw milk which the Commission deems necessary to protect the public health.

(Assigned to NRS by 1979, 446; A 2001, 2429)

NRS 584.210 Denial, suspension or revocation of permit: Notice and opportunity for hearing under certain circumstances; investigative and subpoena powers of Commission; records; appeal; entitlement of applicant or accused to submit subsequent application; regulations.

1. Whenever the Commission has reasonable grounds to believe that any applicant or permittee under NRS 584.180 to 584.210, inclusive, is violating any of the provisions of those sections, or any of the rules, regulations or specifications adopted by the Commission relative to the sanitation and grading of milk and milk products, or whenever the results of tests indicate that the facilities, milk or milk products do not meet those regulations or are not reliable or are questionable, or when the Commission determines that the operation in any other manner is inimical and not for the best interests of the health, safety or welfare of the people of this state, the Commission may, after providing notice and opportunity for a hearing pursuant to the provisions of subsection 2, refuse to grant a permit or suspend or revoke any or all permits previously issued.

2. Except as otherwise provided in this subsection, if the Commission intends to refuse to grant a permit or to suspend or revoke a permit pursuant to the provisions of subsection 1, the Commission shall provide to the applicant or permittee, by certified mail, written notice of the intended action within the period established pursuant to regulations adopted by the Commission. The notice must specify the reasons, the legal authority and the jurisdiction of the Commission for taking the intended action. Upon receipt of the notice, the applicant or permittee may request a hearing, and, if so requested, the Commission shall conduct a hearing pursuant to regulations adopted by the Commission. If an applicant or permittee does not request a hearing after being notified pursuant to the provisions of this subsection, any decision of the Commission made pursuant to this section is final and not subject to judicial review. Such notice and hearing is not required and a permit may be summarily disapproved, revoked or suspended by the Commission if the Commission finds that, based upon the particular circumstances of the case, it is in the best interests of the health, safety or welfare of the people of this state to so proceed.

3. The Commission may conduct the investigations, summon and compel the attendance of witnesses, require the production of any records or documents, and provide for the taking of depositions under the Nevada Rules of Civil Procedure in connection with a hearing conducted pursuant to the provisions of this section.

4. The findings of the Commission and the judgment or order must be reduced to writing and filed in the permanent public records of the Commission. The findings must state the reasons why the application for a permit was disapproved or the permit was suspended or revoked. Copies must be furnished to the applicant or permittee who may, if he or she requested and was given a hearing or if the application or permit was summarily disapproved, revoked or suspended pursuant to the provisions of subsection 2, file an appeal pursuant to regulations adopted by the Commission. Upon the filing of the appeal, the Chair of the Commission or the Chair’s designee shall appoint a person who did not participate in the decision of the Commission to conduct a hearing in accordance with those regulations. The applicant or permittee is entitled to judicial review of the decision of the person so appointed in the manner provided by chapter 233B of NRS. Upon the filing for appeal or review, the enforcement of the Commission’s order must be stayed pending final disposition of the matter. If the order is judicially affirmed, it becomes final and the stay of enforcement is automatically vacated.

5. In any case where the Commission refuses to issue a permit, or suspends or revokes a permit, the applicant or accused is entitled to submit another application for the consideration of the Commission.

6. The Commission shall adopt such regulations as are necessary to carry out the provisions of this section.

NRS 584.215 Testing of milk or cream on basis of amount of butterfat to be done by licensed tester using Babcock test; alternate methods of testing; licensing of tester.
1. Except as otherwise provided in subsection 2, all testing of milk or cream purchased on the basis of the amount of butterfat contained therein must be done by a licensed tester, who shall supervise and is responsible for the operation of the Babcock test of milk or cream.
2. Methods of testing such milk, other than the Babcock test, may be used if approved by the Commission. If such approval is given, equipment suitable for the performance of the Babcock test must be provided and maintained.
3. A license may be issued to a tester by the Commission. The Commission shall examine the qualifications of the applicant for a license, and every applicant must satisfy the Commission of his or her qualifications and comply with the provisions in NRS 584.215 to 584.285, inclusive, before a license may be issued.
4. If a method of testing other than the Babcock test is used, the tester must be licensed to perform that method of testing and the Babcock test.

NRS 584.216 Payment of child support: Statement by applicant for milk tester’s license; grounds for denial of license; duty of Commission. [Effective until the date of the repeal of 42 U.S.C. § 666, the federal law requiring each state to establish procedures for withholding, suspending and restricting the professional, occupational and recreational licenses for child support arrearages and for noncompliance with certain processes relating to paternity or child support proceedings.]
1. An applicant for the issuance or renewal of a milk tester’s license shall submit to the Commission the statement prescribed by the Division of Welfare and Supportive Services of the Department of Health and Human Services pursuant to NRS 425.520. The statement must be completed and signed by the applicant.
2. The Commission shall include the statement required pursuant to subsection 1 in:
(a) The application or any other forms that must be submitted for the issuance or renewal of the license; or
(b) A separate form prescribed by the Commission.
3. A milk tester’s license may not be issued or renewed by the Commission if the applicant:
(a) Fails to submit the statement required pursuant to subsection 1; or
(b) Indicates on the statement submitted pursuant to subsection 1 that he or she is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order.
4. If an applicant indicates on the statement submitted pursuant to subsection 1 that he or she is subject to a court order for the support of a child and is not in compliance with the order or a plan approved by the district attorney or other public agency enforcing the order for the repayment of the amount owed pursuant to the order, the Commission shall advise the applicant to contact the district attorney or other public agency enforcing the order to determine the actions that the applicant may take to satisfy the arrearage.

NRS 584.217 Suspension of milk tester’s license for failure to pay child support or comply with certain subpoenas or warrants; reinstatement of license. [Effective until the date of the repeal of 42 U.S.C. § 666, the federal law requiring each state to establish procedures for withholding, suspending and restricting the professional, occupational and recreational licenses for child support arrearages and for noncompliance with certain processes relating to paternity or child support proceedings.]
1. If the Commission receives a copy of a court order issued pursuant to NRS 425.540 that provides for the suspension of all professional, occupational and recreational licenses, certificates and permits issued to a person who is the holder of a milk tester’s license, the Commission shall deem the license issued to that person to be suspended at the end of the 30th day after the date on which the court order was issued unless the Commission receives a letter issued to the holder of the license by the district attorney or other public agency pursuant to NRS 425.580 stating that the holder of the license has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.
2. The Commission shall reinstate a milk tester’s license that has been suspended by a district court pursuant to NRS 425.540 if the Commission receives a letter issued by the district attorney or other public agency pursuant to NRS 425.550 to the person whose license was suspended stating that the person whose license was suspended has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.

NRS 584.218 Application for milk tester's license to include social security number of applicant. [Effective until the date of the repeal of 42 U.S.C. § 666, the federal law requiring each state to establish procedures for withholding, suspending and restricting the professional, occupational and recreational licenses for child support arrearages and for noncompliance with certain processes relating to paternity or child support proceedings.]
An application for the issuance of a milk tester’s license must include the social security number of the applicant.

NRS 584.220 License required for receipt or purchase of milk or cream on basis of butterfat content; requirements for issuance.
1. Every creamery, shipping station, milk factory, cheese factory, ice cream factory, condensery, or any person, firm or corporation receiving or purchasing milk or cream on the basis of butterfat contained therein is required to hold a license so to do.
2. The license must be issued to the creamery, shipping station, milk factory, condensery, ice cream factory, cheese factory, or person, firm or corporation by the Commission upon complying with all sanitary laws, rules and regulations of the State of Nevada, and upon complying with the provisions of NRS 584.215 to 584.285, inclusive, and upon payment of a license fee as provided in NRS 584.225.

NRS 584.225 Licenses: Fee for milk tester's license; expiration; exemption.
1. The fee for issuing and renewing a milk tester’s license is $10 for a full year or fraction thereof.
2. All licenses required under NRS 584.215 to 584.285, inclusive, expire at the end of each calendar year.

3. The provisions of this section do not apply to natural persons, hotels, restaurants or boardinghouses buying milk or cream for private use.

NRS 584.230 Revocation of licenses. A license may be revoked by the Commission if, after due notice, the licensee fails or has failed to comply with the laws, rules and regulations under which the license was granted.

NRS 584.235 Regulations: Adoption; printing and distribution. The Commission shall make uniform regulations for the proper enforcement of NRS 584.215 to 584.285, inclusive. The regulations must be printed and distributed by the Commission upon application therefor to licensed or other dairies, creameries and other persons interested in them. A license may be revoked by the Commission if, after due notice, the licensee fails or has failed to comply with the laws, rules and regulations under which the license was granted.

NRS 584.240 Licensed tester to record tests in permanent book of record; inspection of record. 1. A licensed tester shall, in addition to the records required to be kept by NRS 584.215 to 584.285, inclusive, record all tests made by the tester in a permanent book of record, a form for which must be supplied at cost or approved by the Commission, and tests must be indelibly recorded in the record book in such a manner as to identify the patron whose milk or cream has been tested, and also in such a manner as to prevent erasures or changes being made in these tests.

2. The record must be at all times during business hours kept open for inspection by the Commission or its agents, or by any officer of the city and county board of health, or by any peace officer of the city, county or state, or by any patron who may be delivering milk or cream to the plant or place where such tests are made.

NRS 584.245 Duty of licensed tester to retain testable samples of milk and cream. A licensed tester also shall retain in testable condition a sample of all milk or cream tested for a period of not less than 72 hours after such tests of milk or cream have been made. The tester shall be responsible for the safekeeping of such samples of milk or cream and shall retain the same in his or her custody for such period of time.

NRS 584.250 Testing of cream sold on basis of richness or percentage of milk fat. All cream sold in the State of Nevada on the basis of the richness or the percentage of milk fat contained therein must be tested by the Babcock test or any other testing equipment or procedures approved by the Commission.

NRS 584.255 Commission to inspect periodically apparatus used to determine percentage of fat in milk or cream. The Commission shall, from time to time, inspect and examine as to their accuracy, or their adaptability to give accurate results, all glassware, measures, scales, weights and other apparatus used in creameries and factories of dairy products, where milk and cream are purchased, to determine the amount of percentage of fat in milk or cream.

NRS 584.260 Specifications of state's standard measure. The state's standard measure, or pipette, shall have a capacity of 17.6 cubic centimeters, and the standard test tubes or bottles for milk shall have a capacity of 1 cubic centimeter of mercury at a temperature of 65° F. between “zero” and “five” on the graduated scale on the neck thereof; the scale to have a length of not less than 6.5 millimeters for each percent, or 6.5 centimeters between “zero” and “ten” on the graduated scale on the neck thereof; the scale to be graduated to at least 140° F.

NRS 584.265 Analyses of milk and cream samples by representative or appointee of Commission. The Commission’s duly authorized representative or appointee shall make analyses of all samples of milk or cream deemed necessary for the enforcement of NRS 584.215 to 584.285, inclusive.

NRS 584.270 Commission to investigate and test milk upon complaint of licensed milk producer. The Commission, on complaint of any licensed milk producer, showing good cause therefor, that the tests made by any licensed tester are incorrect or inaccurate, shall investigate and test milk from the producer, at the source, until the Commission is satisfied as to the correctness or incorrectness of the complaint.

NRS 584.275 Unlawful acts concerning official test; cream to be weighed into bottle. 1. It is unlawful for any person for himself or herself or as the agent, servant, employee or officer of any person, firm or corporation receiving or purchasing milk or cream on the basis of the amount of butterfat contained therein to:

(a) Underread, overread or otherwise fraudulently manipulate the official test used for determining the percent of butterfat in milk or cream;
(b) Falsify the records thereof; or
(c) Use any other test or deviate from an accepted procedure unless it is approved by the Commission.

2. In all tests for cream, the cream must be weighed into the bottle used for testing.

NRS 584.280 Fraudulent manipulation of weight, measure or test unlawful.
1. It shall be unlawful for any hauler of milk or cream, other than a common carrier, or any person, firm or corporation receiving or purchasing milk or cream by weight or test or both, or by measure or test or both, fraudulently to manipulate the weight, measure or test of milk or cream, or to take unfair samples thereof, or fraudulently to manipulate such samples.

2. Such hauler or other agent shall weigh or measure the milk or cream of each patron accurately and correctly and shall report such weights and measurements accurately and correctly to the creamery or factory. The hauler or other agent shall thoroughly mix the milk or cream of each patron, by pouring or stirring until such milk or cream is uniform and homogenous in richness, before the sample is taken from such milk or cream.

3. When the weighing or sampling is done at the creamery, shipping station or factory, the same rule shall apply.

1:167:1921; NCL § 2275

NRS 584.285 Penalty. Any person violating any provision of NRS 584.215 to 584.285, inclusive, shall be guilty of a misdemeanor.

[10:167:1921; NCL § 2284]—(NRS A 1967, 619)

STABILIZATION AND MARKETING OF FLUID MILK AND FLUID CREAM

General Provisions

NRS 584.325 Definitions. As used in NRS 584.325 to 584.670, inclusive, unless the context otherwise requires, the words and terms defined in NRS 584.335 to 584.385, inclusive, have the meanings ascribed to them in those sections.


NRS 584.335 “Consumer” defined. “Consumer” means any person who purchases fluid milk, fluid cream or dairy products for consumption.

[30:387:1955]

NRS 584.340 “Dairy products” defined. “Dairy products” includes any product manufactured from milk or any derivative or product of milk.

[23:387:1955]

NRS 584.345 “Distributor” defined.

1. “Distributor” means any person, whether or not the person is a producer or an association of producers, who purchases or handles fluid milk, fluid cream or any other dairy product for sale, including brokers, agents, copartnerships, cooperative corporations, and incorporated and unincorporated associations.

2. The definition of “distributor” does not include any of the following:
   (a) Any retail store that is not engaged in processing and packaging fluid milk or fluid cream or does not purchase, transport into the state, or otherwise receive for resale, fluid milk, fluid cream or any other dairy product from sources outside this state.
   (b) Any establishment, where fluid milk or fluid cream is sold only for consumption on the premises, that is not engaged in processing and packaging fluid milk or fluid cream.
   (c) Any person owned or controlled by one or more retail stores or owned or controlled by one or more establishments where fluid milk or fluid cream is sold for consumption on the premises, which person is not actively and directly engaged in the processing and packaging of fluid milk or fluid cream.
   (d) Any producer who delivers fluid milk or fluid cream only to a distributor.


NRS 584.350 “Fluid cream” defined. “Fluid cream” means cream as defined in NRS 584.325 to 584.670, inclusive, and any combination of cream and milk, or any fluid product of milk or cream sold under any trade name whatsoever, which is not packaged in hermetically sealed containers and which contains more than 11.6 percent milk fat and conforms to the health and sanitary regulations of the place where sold or disposed of for human consumption.


NRS 584.355 “Fluid milk” defined. “Fluid milk” means any and all whole or concentrated milk that is produced in conformity with applicable health regulations for market milk of the place where such milk is consumed.


NRS 584.357 “Fresh dairy products” defined. “Fresh dairy products” includes, but is not limited to, buttermilk, skim milk, chocolate drink, ice cream, ice milk mix, sherbet, sour cream, sour cream dressing and cottage cheese, without regard to the class of fluid milk or fluid cream which is used to make those products.

(Added to NRS by 1987, 154)

NRS 584.360 “Marketing area” defined. “Marketing area" is any area within this state declared to be such in the manner prescribed in NRS 584.325 to 584.670, inclusive.

[28:387:1955]

NRS 584.370 “Producer” defined.

1. “Producer” means any person who produces fluid milk from five or more cows or goats in conformity with the applicable health regulations of the place in which it is sold.

2. “Producer” includes any association of producers.


NRS 584.375 “Producer-distributor” defined.

1. “Producer-distributor" means any person who is both a producer and a distributor of fluid milk and fluid cream.
2. For the purposes of NRS 584.325 to 584.670, inclusive, a producer-distributor shall be deemed to be a producer in any transaction involving the delivery of fluid milk or fluid cream produced by the producer-distributor to a distributor and shall be deemed to be a distributor in any transaction involving the delivery of fluid milk or fluid cream to a person who is not a distributor as defined in NRS 584.345.

[26:387:1955]

NRS 584.380 “Retail store” defined. “Retail store” means any person owning or operating a retail grocery store, restaurant, confectionery or other similar business, where fluid milk, fluid cream or any fresh dairy product is sold to the general public.


NRS 584.385 “Stabilization and marketing plan” defined. “Stabilization and marketing plan” means any plan formulated and made effective by the Commission within the legislative standards provided by NRS 584.325 to 584.670, inclusive.

[29:387:1955]

NRS 584.390 Business affected with public interest; purpose of provisions. The production and distribution of fluid milk and of fluid cream is hereby declared to be a business affected with a public interest. The provisions of NRS 584.325 to 584.670, inclusive, are enacted in the exercise of police powers of this state for the purpose of protecting the health and welfare of the people of this state.


NRS 584.395 Statements of fact and policy. The Legislature declares that:
1. Fluid milk and fluid cream are necessary articles of food for human consumption.
2. The production and maintenance of an adequate supply of healthful milk of proper chemical and physical content, free from contamination, is vital to the public health and welfare.
3. The production, transportation, processing, storage, distribution or sale of fluid milk and fluid cream in the State of Nevada is an industry affecting the public health and welfare.
4. It is the policy of this state to promote, foster and encourage intelligent production and orderly marketing of commodities necessary to its citizens, including milk, and to eliminate speculation, waste, improper marketing, unfair and destructive trade practices and improper accounting for milk purchased from producers.


NRS 584.400 Necessity for marketing areas; administrative authority of Commission. It is recognized by the Legislature that conditions within the milk industry of this state are such that it is necessary to establish marketing areas wherein different regulations are necessary, and for that purpose the Commission shall have the administrative authority, with such additional duties as are herein prescribed, after investigation and public hearing, to prescribe such marketing areas and modify the same when advisable or necessary.

[14:387:1955]

NRS 584.405 Legislative determination. The foregoing statements in NRS 584.390, 584.395 and 584.400, of facts, policy and application of NRS 584.325 to 584.670, inclusive, are hereby declared a matter of legislative determination.

[15:387:1955]

NRS 584.410 Purposes. The purposes of NRS 584.325 to 584.670, inclusive, are:
1. To provide money for the administration and enforcement of the provisions of this chapter by assessments to be paid by producers of fluid milk or fluid cream, or both, and from licenses issued to distributors in the manner prescribed herein.
2. To authorize and enable the Commission to prescribe marketing areas and to fix prices at which fluid milk or fluid cream, or both, may be sold by producers, distributors and retailers, which areas and prices are necessary due to varying factors of costs of production, health regulations, transportation and other factors in the marketing areas of this state, but the price of fluid milk or fluid cream within any marketing area must be uniform for all purchasers of fluid milk or fluid cream of similar grade or quality under like terms and conditions.
3. To authorize and enable the Commission to formulate stabilization and marketing plans subject to the limitations prescribed in NRS 584.325 to 584.670, inclusive, with respect to the contents of the stabilization and marketing plans and to declare the plans in effect for any marketing area.
4. To enable the dairy industry with the aid of the State to correct existing evils, develop and maintain satisfactory marketing conditions, and bring about a reasonable amount of stability and prosperity in the production and marketing of fluid milk and fluid cream.


NRS 584.415 Construction.
1. It is the intent of the Legislature that the powers conferred in NRS 584.325 to 584.670, inclusive, shall be liberally construed.
2. Nothing in NRS 584.325 to 584.670, inclusive, shall be construed as permitting or authorizing the development of conditions of monopoly in the production or distribution of fluid milk or fluid cream.
3. The terms and conditions under which producers, distributors and retailers may sell, purchase and distribute fluid milk or fluid cream shall be established by the commission for the purpose of insuring an adequate and continuous supply of pure, fresh, wholesome fluid milk and fluid cream to consumers at fair and reasonable prices in the several localities and markets of the State and under the varying conditions of production and distribution.


NRS 584.419 Applicability to retail stores. NRS 584.325 to 584.670, inclusive, apply to retail stores in the following particulars only:
1. The examination by the Commission of the purchase records of retail stores from distributors.
2. The unfair practices prohibited in NRS 584.581, 584.582 and 584.583, and the penalties provided in NRS 584.670.
3. The provisions of any stabilization and marketing plan which includes retail stores.
4. The provisions for discounts to elderly consumers.


### Formation and Adoption of Stabilization and Marketing Plan

**NRS 584.547 Authority to formulate plan.** The Commission may formulate any stabilization and marketing plan as prescribed in NRS 584.325 to 584.670, inclusive, and declare the same effective after public hearing and reasonable notice by mail or otherwise to all producers and distributors of record with the Commission affected by such plan.

[40:387:1955]—(Substituted in revision for NRS 584.515)

**NRS 584.550 Designation of marketing areas; additional areas; modification or consolidation of areas.**

1. The Commission shall designate marketing areas in which it deems necessary or advisable to effectuate the purposes of NRS 584.325 to 584.670, inclusive, and wherein it finds the conditions affecting the production, distribution and sale of fluid milk, fluid cream or both are reasonably uniform.
2. The Commission shall have the power to establish additional areas or to modify areas theretofore established when it deems the establishment or modification of such areas necessary or advisable to effectuate the purposes of NRS 584.325 to 584.670, inclusive.
3. When the Commission finds, after a public hearing in and for each particular marketing area under consideration for consolidation, that conditions of production and distribution are reasonably uniform in two or more such marketing areas wherein stabilization and marketing plans are in effect, it may consolidate the area, provided that at the hearings more than 35 percent of the producers present who supply the areas proposed to be consolidated do not object to such consolidation.

[50:387:1955]

**NRS 584.555 Hearing to determine whether producers desire fluid milk plan.** The Commission shall, prior to the formulation of a stabilization and marketing plan for fluid milk for any marketing area, conduct a public hearing in the area for the purpose of determining whether or not producers whose major interest in the fluid milk business is in the production of fluid milk for the marketing area, and who represent not less than 65 percent of the total number of producers whose major interest in the fluid milk business is in the production of fluid milk for the marketing area, and who produce not less than 65 percent of the total volume of the fluid milk produced for the marketing area by all such producers, desire that a stabilization and marketing plan for fluid milk be formulated for the area; but if a petition is presented to the Commission by the producers whose major interest in the fluid milk business is in the production of fluid milk for the marketing area, and who represent not less than 65 percent of the total number of producers whose major interest in the fluid milk business is in the production of fluid milk for the marketing area, and who produce not less than 65 percent of the total volume of the fluid milk produced for the marketing area by all such producers, it shall not be necessary that such hearing be held.

[51:387:1955]

**NRS 584.560 Hearing to determine whether producers desire fluid cream plan.** The Commission shall, prior to the formulation of a stabilization and marketing plan for fluid cream for any marketing area, conduct a public hearing in the area for the purpose of determining whether or not producers whose major interest in the fluid cream business is in the production of fluid milk for fluid cream for the marketing area, and who represent not less than 65 percent of the total number of producers whose major interest in the fluid cream business is in the production of fluid milk for fluid cream for the marketing area, and who produce not less than 65 percent of the total volume of fluid milk for fluid cream produced for the marketing area by all such producers, desire that a stabilization and marketing plan for fluid cream be formulated for the area. If a petition is presented to the Commission by producers whose major interest in the fluid cream business is in the production of fluid milk for fluid cream for the marketing area, and who represent not less than 65 percent of the total number of producers whose major interest in the fluid cream business is in the production of fluid milk for fluid cream for the marketing area, and who produce not less than 65 percent of the total volume of fluid milk for fluid cream produced for the marketing area by all such producers, it shall not be necessary that such hearing be held.

[52:387:1955]

**NRS 584.565 Formulation of plan: Notice; hearing; order declaring plan in effect.**

1. If the Commission finds that a stabilization and marketing plan is necessary to accomplish the purposes of NRS 584.325 to 584.670, inclusive, it shall formulate a stabilization and marketing plan for fluid milk or fluid cream, or both, for such area and issue a notice of public hearing upon the plan formulated to all producers and distributors of record with the Commission who may be subject to the provisions of the plan.
2. The notice of hearing may be effected by mail or by publication for 5 successive days in a newspaper of general circulation in the area designated and must specify the time and the place of the hearing, which must not be held before 10 days from the mailing or from the final publication of the notice, but if no daily newspaper of general circulation is published in the area designated, publication of notice for 2 successive weeks in a weekly newspaper of general circulation in the area will be considered proper publication of notice.
3. At the hearing, which must be held in the area to which the plan applies, interested persons shall be heard and records kept of the hearing for determination by the Commission whether the plan proposed will accomplish the purposes of NRS 584.325 to 584.670, inclusive.
4. If, after public hearing, the Commission determines that the proposed plan will tend to accomplish the purposes of NRS 584.325 to 584.670, inclusive, within the standards herein prescribed, it shall issue an order to all producers and distributors of record with the Commission and subject to the provisions of the plan, declaring the plan in effect within 30 days from the date of the hearing.

[53:387:1955]—(NRS A 1979, 1308)

**NRS 584.566 Amendment or termination of plan: Procedure.**

1. In addition to procedures provided for in subsections 3 and 4, the Commission may amend or terminate any stabilization and
marketing plan, after notice and public hearing as prescribed in NRS 584.550 to 584.565, inclusive, if it finds that the plan is no longer in conformity with the standards prescribed in, or will not tend to effectuate the purposes of, NRS 584.325 to 584.670, inclusive.

2. The hearing may be held upon the motion of the Commission and must be held if a proper petition is filed. The Commission shall hold the hearing in the marketing area to which the plan applies.

3. If producers wish to abandon an existing stabilization and marketing plan and establish a Federal Milk Marketing Order or other similar type of milk marketing order, the Commission may continue a marketing and stabilization plan in effect for any given area, insofar as wholesale and retail provisions are concerned, whenever it appears that 55 percent of the distributors in any given area, whose major interest in the fluid milk and fluid cream business consists of at least 55 percent of the fluid milk and fluid cream distributed within the area by volume, desire that the wholesale and retail provisions, including price regulations, be continued.

4. Areas which are nonproducing may terminate a stabilization and marketing plan which affects wholesale and retail prices if 55 percent of the licensed distributors delivering 55 percent of the products to that area wish to terminate the plan after notice and public hearing as prescribed in NRS 584.550 to 584.565, inclusive.

NRS 584.567 Amendment or termination of plan: Petition; hearing.

1. An amendment or termination of a stabilization and marketing plan may be initiated by filing a petition with the Commission. The petition, filed in four copies, must include:
   (a) The name and address of every person joining in the petition. If the petition is a cooperative association of producers, a partnership or corporation, the names of the authorized representative or representatives thereof shall be listed.
   (b) A concise statement of the specific relief requested.
   (c) A specific statement of the reasons why such relief is needed.
   (d) A statement of the substantiating evidence.

2. The petition must be signed by the petitioners, and an affidavit must accompany each petition stating that the facts therein are true and correct to the best of the petitioners’ knowledge, information and belief.

3. There must be attached as an exhibit to the original copy only of each petition filed substantiating evidence in support of the petition. Additional information must be supplied to the Commission upon request.

4. Any person may, before the hearing, examine a copy of the petition and accompanying statements, but not the exhibits attached thereto, and file an answer, protest or any other statement concerning the petition.

5. At the hearing, the burden of proof is on the petitioners to show by clear and satisfactory evidence that the amendment or termination of a plan is necessary.

6. After the petitioners have presented their evidence, the Commission staff shall, and any other person may, present evidence in support of or in protest of the proposed action.

(Added to NRS by 1975, 1496; A 1977, 1640; 1979, 1308)—(Substituted in revision for NRS 584.522)

NRS 584.568 Minimum prices; discounts.

1. Each stabilization and marketing plan may contain provisions fixing the price at which fluid milk and fluid cream is sold by producers, distributors and retailers and must contain provisions regulating all discounts allowed by producers, distributors and retailers, except those discounts offered by retailers to elderly consumers.

2. If the Commission establishes minimum prices to be paid by distributors to producers, the Commission shall consider, but is not limited to considering, the following factors:
   (a) Cost of production.
   (b) Reasonable return upon capital investment.
   (c) Producer transportation costs.
   (d) Cost of compliance with health regulations.
   (e) Current and prospective supplies of fluid milk and fluid cream in relation to current and prospective demands for such fluid milk and fluid cream.

3. If the Commission establishes minimum prices to be paid by retailers to wholesalers and by consumers to retailers, the Commission shall consider, but is not limited to considering, the following factors:
   (a) The quantities of fluid milk or fluid cream, or both, distributed in the marketing area covered by the stabilization and marketing plan.
   (b) The quantities of fluid milk or fluid cream, or both, normally required by consumers in such marketing area.
   (c) The cost of fluid milk and fluid cream to distributors and retail stores, which is the price paid by distributors to producers and the price paid by wholesale customers to distributors, as established pursuant to NRS 584.325 to 584.670, inclusive.
   (d) The reasonable cost of handling fluid milk and fluid cream incurred by distributors and retail stores, respectively, including all costs of hauling, processing, selling and delivering by the several methods used in such marketing area in hauling, processing, selling and delivering, as such costs are determined by impartial audits of the books and records, or surveys, or both, of all or such portion of the distributors and retail stores, respectively, of each type or class in such marketing area as are reasonably determined by the Commission to be sufficiently representative to indicate the costs of all distributors and retail stores, respectively, in the marketing area.

(Added to NRS by 1959, 899; A 1977, 1641; 1979, 1309; 1983, 258)

NRS 584.569 Discount on dairy products sold to elderly consumers.

1. A retailer may sell dairy products at a discount to an elderly consumer. The discount must not be given to any consumer who is less than 62 years of age.

2. The discount must not reduce the price of the dairy product below the minimum retail price, if any, established by the Commission.

3. A retailer who offers the discount shall post a sign at the retailer’s retail store indicating the:
   (a) Age of the consumers who may receive the discount;
   (b) Type of identification needed to obtain the discount, if such identification is required by the retailer; and
   (c) Amount of the discount.

(Added to NRS by 1983, 258)
NRS 584.575 Report to producer. Each stabilization and marketing plan may contain provisions whereby distributors shall report to each producer from whom fluid milk is secured, the volume of fluid milk received from such producer in pounds of milk, the milk fat test of the milk, and both the number of pounds of fluid milk and the number of milk fat pounds paid for in the several classes and the prices paid for the various classes for each month. [55:387:1955]—(NRS A 1979, 1310)

NRS 584.578 Cooperation with other authorities; enforcement of plans. The Commission may confer, enter into agreements, or otherwise arrange with the constituted authorities of this state, other states or agencies of the United States with respect to plans relating to the stabilization and distribution of fluid milk and fluid cream within this state or as between this state and other states or the United States, and may exercise its powers hereunder to effectuate and enforce such plans. [48:387:1955]—(Substituted in revision for NRS 584.540)

NRS 584.580 Purchase of milk from noncomplying producers; limitation on production. No distributor subject to the provisions of any stabilization and marketing plan shall purchase milk from producers who cannot comply with the provisions of NRS 584.325 to 584.670, inclusive, in such plan. No such plan shall involve a limitation upon the production of fluid milk or fluid cream. [56:387:1955]

Unfair Trade Practices and Investigation of Marketing and Pricing Practices

NRS 584.581 Certain practices of distributors prohibited whether stabilization and marketing plan in effect or not. 1. No distributor may engage in any of the practices set forth in paragraphs (a) to (d), inclusive, of subsection 2, whether or not a stabilization and marketing plan is in effect in the area in which the distributor carries on his or her business.

2. Each stabilization and marketing plan must contain provisions for prohibiting distributors and retail stores from engaging in the unfair practices set forth in this subsection:
   (a) The payment, allowance or acceptance of secret rebates, secret refunds or unearned discounts by any person, whether in the form of money or otherwise.
   (b) The giving of any milk, cream, dairy products, substitute dairy products as defined in NRS 584.176, services or articles of any kind, except to bona fide charities, for the purpose of securing or retaining the fluid milk or fluid cream business of any customer.
   (c) The extension to certain customers of special prices or services not made available to all customers who purchase fluid milk, fluid cream, dairy products, or substitute dairy products as defined in NRS 584.176, of like quantity under like terms and conditions.
   (d) The purchase of any fluid milk in excess of 200 gallons monthly from any producer or association of producers unless a written contract has been entered into with the producer or association of producers stating the amount of fluid milk to be purchased for any period, the quantity of milk to be paid for as class 1 in pounds of milk, pounds of milk fat or gallons of milk, and the price to be paid for all milk received. The contract must also state the date and method of payment for the fluid milk, which must be that payment must be made for approximately one-half of the milk delivered in any calendar month not later than the 1st day of the next following month and the remainder not later than the 15th day of the month, the charges for transportation if hauled by the distributor, and may contain other provisions which are not in conflict with NRS 584.325 to 584.670, inclusive. The contract must also provide that the producer is not obligated to deliver in any calendar month fluid milk which is to be paid for at the lowest class price for milk usage established by the Commission for that area. A signed copy of the contract must be filed by the distributor with the Commission within 5 days from the date of its execution. Ê The provisions of this subsection relating to dates of payment do not apply to contracts for the purchase of fluid milk from nonprofit cooperative associations of producers. [54:387:1955]—(NRS A 1957, 264; 1959, 896; 1975, 1494; 1977, 1642; 1979, 1310; 1983, 259)—(Substituted in revision for NRS 584.570)

NRS 584.582 Unlawful manipulation of prices. It is unlawful for any distributor or retailer to manipulate the prices of fluid milk, fluid cream, butter or any fresh dairy product for the purpose of injuring, harassing or destroying competition.
(Added to NRS by 1975, 1497; A 1987, 155)

NRS 584.583 Sale of milk, cream, butter or fresh dairy products below cost. 1. No distributor or retailer may sell fluid milk, fluid cream, butter or any fresh dairy product below cost.

2. In determining the cost for a distributor who processes or manufactures fluid milk, fluid cream, butter or any fresh dairy product, the following factors, in addition to any other factor acceptable to the Commission, must be considered:
   (a) Cost of raw products based on actual cost or on current and prospective supplies of fluid milk and fluid cream in relation to current and prospective demands for fluid milk and fluid cream.
   (b) Cost of production.
   (c) Reasonable return on capital investment.
   (d) Producer’s costs for transportation.
   (e) Cost of compliance with health regulations.
   (f) Overhead.

3. In determining the cost for a peddler-distributor or retailer, the following factors, in addition to any other factor acceptable to the Commission, must be considered:
   (a) Purchase price of the product.
   (b) Overhead for handling.
   (c) Reasonable return on capital investment.

4. For the purposes of subsections 2 and 3:
   (a) Reasonable return on capital investment must be calculated per unit of production by dividing the product of:
(1) The net capital investment; and
(2) The reasonable rate of return on capital investment.

ê by the total sales per unit of production. “Net capital investment” includes land, buildings, equipment and any other capital asset used as a rate base. A reasonable rate of return on capital investment shall be deemed to be the rate fixed for 6-month United States treasury bills at the auction in the first week of the month of January or July immediately preceding the date that the reasonable return on capital investment is calculated.

(b) Costs for overhead must be determined according to generally accepted principles of accounting and allocated proportionately to each unit of production. Costs for overhead include salaries for executives and officers of the company, all other costs of labor, including indirect costs, rent, depreciation, costs for maintenance, costs incurred in delivering the product, fees for licenses, taxes and insurance, cost of materials, costs for repairs, the cost of electricity and other public utilities, and all other costs that relate to the sale and distribution of the product. Any expense incurred in the marketing of a finished or manufactured dairy product which cannot be attributed directly to a particular product must be apportioned to the product on a basis consistent with generally accepted principles of accounting relating to costs.

5. Each distributor who processes or manufactures fluid milk, fluid cream, butter or any fresh dairy product and each peddler-distributor shall file with the Commission a statement of costs, listing separately, and as applicable, the items set forth in subsection 2 or 3 and any other applicable factors relating to cost. The statements must be kept current as prescribed by regulations adopted by the Commission. All statements must be kept confidential by the Commission except as otherwise provided in NRS 239.0115 and except when used in judicial or administrative proceedings pursuant to NRS 584.325 to 584.670, inclusive.

6. Each distributor who processes or manufactures fluid milk, fluid cream, butter or any fresh dairy product and each peddler-distributor shall file with the Commission lists of wholesale prices and of minimum retail, distributor and dock prices. No distributor may sell at wholesale prices other than, or at retail, distributor or dock prices less than, those contained in the appropriate list, except in the case of bids to departments or agencies of federal, state and local governments. In no case may the distributor sell or offer to sell below cost.

(Added to NRS by 1959, 900; A 1975, 1495; 1979, 1311; 1983, 1239; 1987, 155; 2007, 2119)

NRS 584.5835 Restrictions on sale of substitute dairy products by distributor.
1. A distributor shall not sell a substitute dairy product, as defined in NRS 584.176, below the distributor’s cost.
2. A distributor who sells or distributes a substitute dairy product shall file with the Commission a statement of the cost of the substitute dairy product. The statement must be supplemented periodically as required by regulations adopted by the Commission. The Commission shall keep all statements confidential except as otherwise provided in NRS 239.0115 and except when used in a judicial proceeding or an administrative proceeding relating to the provisions of this chapter.

(Added to NRS by 1981, 680; A 2001, 2436; 2007, 2120)

NRS 584.584 Distributor may meet competitive prices in sale of butter, fresh dairy products, fluid milk or fluid cream; information to be filed with Commission.
1. The provisions of NRS 584.583 do not authorize the development of conditions of monopoly in production or distribution of fluid milk, fluid cream, butter, fresh dairy products or products made from fluid milk, and a distributor who meets in good faith a lawful competitive price is not subject to any penalty provided in NRS 584.325 to 584.670, inclusive, if the distributor files with the Commission information detailing the circumstances surrounding the lawful competitive price within 5 days after each occurrence. The information must include the name and address of the distributor and the customer involved, the competitive price, the effective date of the price or condition, and the name and address of the competing distributor.
2. If that information is accompanied by a written statement, signed by the customer before a notary public or two competent witnesses, that the competitive price has been offered or made available to the customer, the statement is prima facie evidence that a distributor is meeting the competitive price or condition in good faith.

(Added to NRS by 1959, 901; A 1977, 1642; 1987, 156)

NRS 584.585 Duty of Commission to prescribe unfair trade practices and investigate marketing and pricing practices. Pursuant to the declaration and statement of facts, policy and purposes set forth in NRS 584.325 to 584.670, inclusive, the Commission is hereby vested with the additional administrative duty and authority to prescribe unfair trade practices and investigate marketing and pricing practices within marketing areas for later legislative recommendation.

[57:387:1955]

NRS 584.590 Investigation of prices in marketing area: Notice; hearing; record.
1. In investigating prices in any marketing area, the Commission may first make an investigation in the marketing area to establish facts necessary to permit it to carry out the intent of NRS 584.585 and this section within the standards prescribed in this section. In making the investigation, the Commission may, upon notice, examine the books and records of distributors and the purchase of dairy products by retail stores in the marketing area and may hold one or more public hearings, take testimony and may subpoena witnesses. Any public hearing must be held in the marketing area. All testimony received at public hearings must be under oath.

2. Notice of any hearing held by the Commission pursuant to NRS 584.585 and this section must be given by the Commission to every distributor and retail store in the marketing area whose name appears upon the records of the Commission or who files a request for the same with the Commission, by mail or by publication. The notice of hearing may be effected by mail, or by publication for 5 successive days in a newspaper of general circulation in the area designated, and must specify the time and place of the hearing, which must not be held before 10 days from the mailing or from the final publication of the notice; but if no daily newspaper of general circulation is published in the area designated, publication of notice for 2 successive weeks in a weekly newspaper of general circulation in the area will be considered proper publication of notice.

3. A record of any hearings held by the Commission pursuant to NRS 584.585 and this section must be made and filed in the office of the Commission and must be kept available at all times for inspection by any interested person.


Licensing of Distributors
NRS 584.595 License required to distribute dairy products; procedure for application; renewal; amendment; notification of Commission required if certain civil or criminal actions are brought against licensee or member of senior management of licensee.

1. No distributor may deal in fluid milk, fluid cream or any other dairy product without first having obtained a license from the Commission.

2. The license required by this section is in addition to any license otherwise required by law.

3. Application for a license must be made on forms prescribed by the Commission, accompanied by a fee of $25 and must state the name and address of the applicant and such details as to the nature of the applicant’s business as the Commission may require. The applicant must satisfy the Commission:

   (a) Of the applicant’s good faith, character and responsibility in seeking to carry on the business stated in the application. The applicant shall furnish the Commission with information regarding that action.

   (b) That the applicant has complied with the provisions of this chapter and the regulations adopted by the Commission.

4. Licenses must be issued for a 12-month period from the first day of each year or for the remainder of the calendar year from the date of issuance. A license issued pursuant to this section is not transferable.

5. Application for an amendment to an existing license must be accompanied by a fee of $25 and made upon forms prescribed by the Commission.

6. Application for an amendment to an existing license must be accompanied by a fee of $25 and made upon forms prescribed by the Commission.

7. If a civil or criminal action is brought by any governmental agency against a licensee, or any member of the senior management of the licensee, where the character or reputation for honesty, competence or integrity of the applicant or any member of the senior management of the applicant was brought into question, regardless of whether the action resulted in a reprimand, fine, penalty or conviction.

8. If a civil or criminal action is brought into question, regardless of whether the action resulted in a reprimand, fine, penalty or conviction.

NRS 584.600 Bond: Amount; form and conditions; proceedings for enforcement.

1. Every distributor, before purchasing any fluid milk or fluid cream from a producer, must execute and deliver to the Commission a surety bond in the minimum sum of $1,000 executed by the applicant as principal and by a surety company qualified and authorized to do business in this state as surety.

2. The bond shall be upon a form approved by the Commission and shall be conditioned upon the payment in the manner required by NRS 584.325 to 584.670, inclusive, of all amounts due to producers for fluid milk and fluid cream purchased by such licensee or applicant. The bond shall be to the State in favor of every producer of fluid milk and fluid cream.

3. In case of failure by a distributor to pay any producer or producers for fluid milk or fluid cream in the manner required by NRS 584.325 to 584.670, inclusive, the Commission shall proceed forthwith to ascertain the names and addresses of all producer-creditors of such distributor, together with the amounts due and owing to them and each of them by such distributor, and shall request all such producer-creditors to file a verified statement of their respective claims with the Commission. Thereupon, the Commission shall bring an action on the bond on behalf of the producer-creditors.

4. Upon any action being commenced upon the bond, the Commission may require the filing of a new bond and immediately upon a recovery in any action upon such bond, such distributor shall file a new bond, and upon failure to file the same within 10 days in either case, such failure shall constitute grounds for the revocation or suspension of the license of such distributor.

5. In the event that recovery upon the bond is not sufficient to pay all of the claims as finally determined and adjudged by the court, any such amount recovered shall be divided pro rata among the producer-creditors.

NRS 584.605 Amount of bond. The amount of the bond required by NRS 584.600 shall be based upon the highest daily average of fluid milk purchased by the distributor in any calendar month during the license year, measured in gallons as follows:

<table>
<thead>
<tr>
<th>Gallons</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Less than 100</td>
<td>$1,000</td>
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<td>100 but less than 200</td>
<td>2,000</td>
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<td>500 but less than 1,000</td>
<td>6,000</td>
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<tr>
<td>1,000 but less than 2,000</td>
<td>8,000</td>
</tr>
<tr>
<td>2,000 but less than 3,000</td>
<td>10,000</td>
</tr>
<tr>
<td>3,000 but less than 4,000</td>
<td>15,000</td>
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<tr>
<td>4,000 but less than 5,000</td>
<td>20,000</td>
</tr>
<tr>
<td>5,000 or more</td>
<td>25,000</td>
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NRS 584.610 Increase of purchases. In the event that any distributor so increases the distributor’s purchases of fluid milk during the license year that such purchases exceed the amount for which the distributor is bonded, the distributor shall within a reasonable time post an additional bond or bonds as may be required to comply with the provisions of NRS 584.595 to 584.645, inclusive.

NRS 584.615 Applicability of provisions requiring licenses and bonds.

1. The licenses and bonds provided for in NRS 584.595 to 584.645, inclusive, shall be required for each distributor, and for the
purposes of [NRS 584.595 to 584.645, inclusive], each subsidiary milk plant or branch milk plant, whether under one ownership or not, shall be considered as an individual distributor.

2. No bond shall be required of a cooperative association of producers.

[NRS 584.625 Failure to execute and deliver bond or post additional bond. Failure of any distributor who purchases fluid milk or fluid cream from producers to execute and deliver the bond as herein provided and required shall constitute a violation of NRS 584.325 to 584.670, inclusive. Failure of any such distributor to post such additional bond or bonds as may be required to comply with the provisions of NRS 584.325 to 584.670, inclusive, shall likewise constitute a violation of NRS 584.325 to 584.670, inclusive.

[NRS 584.640 Distributor purchasing from producer-distributor: When bond not required; notice to Commission; record of purchases; reports.

1. No bond is required of any distributor who purchases fluid milk, fluid cream or any fresh dairy product from a distributor who processes fluid milk, fluid cream or any fresh dairy product, if:
   (a) The buyer at the time of obtaining possession or control of each delivery pays for the delivered product in full in lawful money; and
   (b) The fluid milk, fluid cream or fresh dairy product is purchased in packages ready for human consumption and not in bulk.

2. Any distributor, before purchasing fluid milk, fluid cream or any fresh dairy product on the terms stated in subsection 1, shall notify the Commission of the intention to make the purchases, stating from whom and the anticipated average daily quantity of the purchases. The distributor shall also:
   (a) Keep a record of the purchases, showing the date and the amount of each purchase and the name of the seller; and
   (b) Make such other and further reports to the Commission as it may from time to time require.

[NRS 584.643 Emergency cases: Shortening time for hearing; service of notice; place of hearing.

1. Whenever the Commission is satisfied, either by investigation or after hearing, that a distributor is unable to pay for fluid milk or fluid cream purchased from producers and is further satisfied that to permit the distributor to continue to purchase and receive fluid milk or fluid cream from producers would be likely to cause serious and irreparable loss to producer-creditors and other producers, then the Commission within its discretion may thereupon and forthwith shorten the time for hearing and thereupon may issue an order to show cause why the license of the distributor should not be forthwith suspended or revoked; but the time of notice of the hearing shall in no event be less than 5 days.

2. At such hearing the distributor proceeded against shall be ordered to show cause why the distributor’s license should not be suspended or revoked or continued under such conditions and provisions, if any, as the Commission may consider just and proper and for the protection of the best interests of the producer-creditors and producers from whom the distributor has been and is receiving fluid milk or fluid cream.

3. Following such hearing, the decision of the Commission shall become effective at its discretion.

4. The hearing, in the case of such emergency, may be called upon written notice, the notice to be served personally or by mail on the distributor involved, and may be held at the nearest office of the Commission or at such place as may be most convenient in the discretion of the Commission for the attendance of all parties involved.

[NRS 584.645 Inapplicability to retail stores. The provisions of NRS 584.595 to 584.645, inclusive, with respect to licenses shall not apply to retail stores as such stores are defined in NRS 584.380.

[NRS 584.647 Assessments on fluid milk and fluid cream. The Commission shall assess each distributor of fluid milk or fluid cream a sum not exceeding one-quarter cent per pound on all fluid milk or fluid cream distributed by the distributor.

[NRS 584.648 Assessments on butter and fresh dairy products.

1. The Commission shall assess each distributor of butter a sum not exceeding 2 cents per pound on all butter distributed by the distributor.

2. The Commission shall assess all distributors of fresh dairy products a sum not exceeding 4 cents per gallon on all ice cream, sherbet or ice cream or ice milk mixes, and a sum not exceeding 2 cents per pound on all cottage cheese and yogurt distributed by the distributors.

[NRS 584.649 Commission may lower rate of assessment; date on which assessment is due; penalty for delinquent payment.

1. The Commission may lower the rate of any assessment required to be paid under NRS 584.647 or 584.648, whenever it finds that the cost of administering the provisions of this chapter can be defrayed from revenues derived from the lower rates.

2. A distributor shall pay the amount of the assessment to the Commission on or before the 20th of the month following the month during which the fluid milk, fluid cream, butter or fresh dairy product was distributed. If the payment is sent by mail, it is subject to the provisions of NRS 238.100. If the assessment for the month is less than $3, the distributor may delay payment for 3 months or until the cumulative assessments are $3 or more, whichever occurs first.

3. If payments of assessments are not made as provided in subsection 2, the Commission shall charge, as a penalty for the late payment, the amount of $10 or 10 percent of the total amount due but remaining unpaid, whichever is greater.
Reports

NRS 584.650  Records of distributors and cooperative organizations of producers. Every distributor who purchases fluid milk or fluid cream from a producer and every producer cooperative organization which handles milk for its members or other producers shall make and keep for 3 years a correct record showing in detail the following information for each producer with reference to the handling, sale or storage of the fluid milk or fluid cream:
1. The name and address of the producer.
2. The date the fluid milk or fluid cream was received.
3. The amount of fluid milk or fluid cream received.
4. The official butterfat test of the fluid milk or fluid cream.
5. The usage of the fluid milk or fluid cream.
6. Evidence of payment for the fluid milk or fluid cream purchased or handled.

NRS 584.655  Confidentiality of records and reports. Any record or report made to the Commission pursuant to the provisions of NRS 584.650 shall be confidential and shall not be divulged except as otherwise provided in NRS 239.0115 and except when necessary for the proper determination of any court proceedings or hearing before the Commission.

Penalties

NRS 584.670  Criminal and civil penalties; grounds for refusal, suspension or revocation of license.
1. The violation of any provision of NRS 584.325 to 584.670, inclusive, or of any stabilization and marketing plan, including any price requirements of such a plan, or of any of the unfair practice provisions set forth in those sections, is a misdemeanor, and also is ground for revocation or suspension of a license in the manner set forth in NRS 584.325 to 584.670, inclusive.
2. Every distributor shall pay for fluid milk or fluid cream delivered to the distributor at the time and in the manner specified in the contract with the producer. Failure to make such a payment is ground for refusal, suspension or revocation of a license in the manner set forth in NRS 584.325 to 584.670, inclusive.
3. In addition to any other penalty provided by NRS 584.325 to 584.670, inclusive, the Commission may impose a penalty of not more than $1,000 for each violation, to be recovered by the Commission in a civil action in a court of competent jurisdiction. All sums recovered under this subsection must be deposited with the State Treasurer for credit to the State General Fund.


[70:387:1955]—(NRS A 1975, 1496; 1979, 1314)
