

Rekow, Chair  
Boggess  
Kuhn

NSB 688  
Agriculture

By  
(HF) 2617

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
AGRICULTURE BILL BY  
CHAIRPERSON KLEMME)

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to the regulation of milk and milk products, by  
2 providing for permits, fees, and penalties, making penalties  
3 applicable, and providing an effective date.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 192.111, subsection 1, Code 2001, is  
2 amended to read as follows:

3 1. The department shall issue and renew permits under this  
4 subsection as provided by rules adopted by the department. A  
5 permit, unless earlier revoked, is valid until the second July  
6 1 following the issuance or renewal. The department shall  
7 establish and assess the fees for the issuance and renewal of  
8 permits annually as provided in this subsection. A permit fee  
9 for the renewal period shall be due on the date that the  
10 permit expires. Except as otherwise provided in this section,  
11 all of the following shall apply:

12 a. The following persons must receive a permit ~~or~~-license  
13 from and pay an accompanying permit fee to the department and  
14 pay-the-following-fees:

15 (1) A milk plant ~~which-is-not~~ other than a receiving  
16 station which must obtain a milk plant permit and pay a permit  
17 fee not greater than one two thousand dollars per-year.

18 (2) A transfer station which must obtain a transfer  
19 station permit and pay a permit fee not greater than two four  
20 hundred dollars per-year.

21 (3) A receiving station ~~which-is-not~~ other than a milk  
22 plant which must obtain a receiving station permit and pay a  
23 permit fee of not greater than two four hundred dollars per  
24 year.

25 (4) A milk hauler which must obtain a ~~license~~ milk hauler  
26 permit and pay a ~~license~~ permit fee not greater than ten  
27 twenty dollars per-year.

28 (5) A milk grader which must obtain a ~~license~~ a milk  
29 grader permit and pay a license fee of not greater than ten  
30 twenty dollars per-year.

31 b. Each A bulk milk tanker ~~shall-be-licensed-by~~ must  
32 operate pursuant to a bulk milk tanker permit obtained from  
33 the department, and The person obtaining the permit must pay a  
34 license permit fee not greater than twenty-five fifty dollars  
35 per-year. However, a license fee shall not be required for a

1 vehicle-used-for-the-collection-of-milk-for-manufacturing  
2 dairy-products-which-has-paid-a-license-fee-for-the-same  
3 period-pursuant-to-section-194-19:

4 The-secretary-shall-establish-the-fees-provided-in-this  
5 subsection-annually.--The-fees-shall-be-paid-on-July-1-of-each  
6 year:

7 Sec. 2. Section 192.111, subsection 3, paragraph a, Code  
8 2001, is amended to read as follows:

9 a. Fees collected under this section ~~and-sections-192-133,~~  
10 ~~194-147-194-197~~ and section 194.20 shall be deposited in the  
11 general fund of the state. All moneys deposited under this  
12 section are appropriated to the department for the costs of  
13 inspection, sampling, analysis, and other expenses necessary  
14 for the administration of this chapter and chapter 194, and  
15 shall be subject to the requirements of section 8.60.

16 Sec. 3. Section 192.112, unnumbered paragraph 1, Code  
17 2001, is amended to read as follows:

18 The department shall adopt rules pursuant to chapter 17A  
19 which provide ~~for-licensing-milk-haulers, milk graders, and~~  
20 ~~bulk-milk-tankers-as-provided-in-section-192-111.--The~~  
21 ~~department-shall-establish~~ standards of-operation for milk  
22 haulers, milk graders, and bulk milk tankers. The standards  
23 shall include, but need not be limited to, all of the  
24 following:

25 Sec. 4. Section 192.113, subsection 1, Code 2001, is  
26 amended to read as follows:

27 1. a. A person shall not act as a milk hauler unless the  
28 ~~person is-licensed-as-a-milk-hauler~~ holds a milk hauler permit  
29 required pursuant to section 192.111. A person shall not  
30 solicit another person to act as a milk hauler or procure or  
31 obtain the services of a person to act as a milk hauler unless  
32 the person solicited or from whom the services are procured or  
33 ~~obtained-is-licensed-as-a-milk-hauler-pursuant-to-section~~  
34 ~~192-111~~ holds a milk hauler permit.

35 b. A person shall not act as a milk grader unless the

1 ~~person is-licensed-as-a-milk-grader~~ holds a milk grader permit  
2 required pursuant to section 192.111. A person shall not  
3 solicit another person to act as a milk grader or procure or  
4 obtain the services of a person to act as a milk grader,  
5 unless the person solicited or from whom the services are  
6 procured ~~or-obtained-is-licensed-as-a-milk-grader-pursuant-to~~  
7 ~~section-192-111~~ holds a milk grader permit.

8 c. A person shall not operate a bulk milk tanker unless  
9 the bulk milk tanker ~~is-licensed~~ operates pursuant to a bulk  
10 milk tanker permit required pursuant to section 192.111. A  
11 person shall not solicit another person to operate a bulk milk  
12 tanker or procure ~~or-obtain~~ the services of a person to  
13 operate a bulk milk tanker, unless the bulk milk tanker ~~is~~  
14 ~~licensed-pursuant-to-section-192-111~~ operates pursuant to a  
15 bulk milk tanker permit.

16 Sec. 5. Section 194.3, Code 2001, is amended to read as  
17 follows:

18 194.3 DEFINITIONS.

19 For the purpose of this chapter:

20 1. "Bulk milk tanker" means the same as defined in section  
21 192.101.

22 2. "Milk grader" means the same as defined in section  
23 192.101.

24 3. "Milk hauler" means the same as defined in section  
25 192.101.

26 ~~1-~~ 4. "Milk processing plant" means an establishment to  
27 which receiving milk of from diverse producers is-delivered  
28 where-said-products-are-manufactured, if the milk is  
29 manufactured into butter, cheese, dry milk or other dairy  
30 products for commercial purposes.

31 ~~2-~~ 5. "Milk used for manufacturing purposes" means milk or  
32 milk products manufactured into butter, cheese, ungraded dry  
33 milk, or other dairy products except milk and milk products as  
34 defined in the Grade "A" Pasteurized Milk Ordinance provided  
35 in section 192.102.

1 3- 6. "Organoleptic examination or grading of milk" means  
2 examination by the senses of sight, smell, and taste.

3 4. --"Person"--includes--individuals,--partnerships,  
4 corporations,--and--associations--

5 Sec. 6. NEW SECTION. 194.3A PERMIT REQUIREMENTS.

6 1. The department shall issue and renew permits under this  
7 chapter as provided by rules adopted by the department. The  
8 following persons must receive a permit from and pay a permit  
9 fee to the department:

- 10 a. A milk hauler which must obtain a milk hauler permit.
- 11 b. A milk grader which must obtain a milk grader permit.
- 12 c. A bulk milk tanker which must operate pursuant to a  
13 bulk milk tanker permit.

14 2. The department shall provide for the issuance and  
15 renewal of permits under this section as provided by rules  
16 adopted by the department, in the same manner as provided in  
17 section 192.111. The amount of the permit fee shall be the  
18 same as provided in section 192.111. A person shall not be  
19 required to obtain a milk hauler permit, milk grader permit,  
20 or bulk milk tanker permit under this section, if the person  
21 has obtained the same permit under section 192.111.

22 3. The department may suspend or revoke a permit issued or  
23 renewed under this section in the same manner that the  
24 department may suspend or revoke a permit issued or renewed  
25 under section 192.111.

26 4. A person who does any of the following is in violation  
27 of this section:

28 a. (1) Acts as a milk hauler or milk grader, unless the  
29 person holds a milk hauler permit or milk grader permit as  
30 required in this section.

31 (2) Solicits another person to act as a milk hauler or  
32 milk grader or procures the services of a person to act as a  
33 milk hauler or milk grader, unless the person solicited or  
34 from whom the services are procured holds a milk hauler permit  
35 or milk grader permit as required in this section.

1 b. (1) Operates a bulk milk tanker, unless the bulk milk  
2 tanker operates pursuant to a bulk milk tanker permit as  
3 required in this section.

4 (2) Solicits another person to operate a bulk milk tanker  
5 or procures the services of a person to operate a bulk milk  
6 tanker, unless the bulk milk tanker operates pursuant to a  
7 bulk milk tanker permit as required in this section.

8 Sec. 7. Section 194.18, Code 2001, is amended to read as  
9 follows:

10 194.18 COLORING UNLAWFUL MILK.

11 A person who holds a milk hauler permit or a milk grader  
12 licensed permit pursuant to section ~~192.112~~ 192.111 may mix a  
13 harmless coloring matter in unlawful milk as provided in  
14 section 194.9 to prevent the unlawful milk from being  
15 processed and used in any form for human consumption.

16 Sec. 8. Section 194.25, Code 2001, is amended to read as  
17 follows:

18 194.25 PENALTY VIOLATIONS AND PENALTIES.

19 1. Any Except as provided in subsection 2, a person who,  
20 in person or by an agent or employee, willfully violates any  
21 requirement of this chapter shall be guilty of a simple  
22 misdemeanor.

23 2. A person in violation of section 194.3A is subject to  
24 the same civil penalty as applied to that person as provided  
25 in section 192.113.

26 Sec. 9. Section 321E.29A, Code 2001, is amended to read as  
27 follows:

28 321E.29A RAW MILK TRANSPORTERS.

29 The department or a local authority may issue annual  
30 permits authorizing a raw milk transporter to transport by  
31 motor truck raw milk to or from a milk plant, receiving  
32 station, or transfer station as provided in chapter 192. The  
33 combined gross weight or gross weight on any axle or groups of  
34 axles of the motor truck shall not exceed the limits  
35 established under section 321.463. The issuing authority may

1 specify weight limits or routes for each raw milk transporter  
2 or establish weight limits or routes under section 321E.8.

3 Sec. 10. Sections 192.131 through 192.137, section  
4 192.142, sections 194.12 through 194.16, and section 194.19,  
5 Code 2001, are repealed.

6 Sec. 11. STAGGERED FEE SYSTEM -- IMPLEMENTATION.

7 1. Except as provided in subsection 2, the department of  
8 agriculture and land stewardship shall treat licenses that  
9 would otherwise require renewal under section 192.111 or  
10 sections 194.12 through 194.14, Code 2001, as permits  
11 requiring renewal as provided in section 192.111, as amended  
12 by this Act, and section 194.3A, as enacted in this Act.

13 2. Notwithstanding section 192.111, as amended by this  
14 Act, and section 194.3A, as enacted in this Act, the  
15 department shall provide that fifty percent of the permits  
16 issued or renewed in 2003 under these sections shall expire on  
17 July 1, 2003, and the remainder shall expire on July 1, 2004.  
18 Persons obtaining permits that expire on July 1, 2003, shall  
19 pay a permit fee of one-half of the amount otherwise required  
20 under those sections.

21 Sec. 12. EFFECTIVE DATE -- APPLICABILITY. This Act, being  
22 deemed of immediate importance, takes effect upon enactment.  
23 The provisions of this Act become applicable on and after July  
24 1, 2002. However, the department may adopt rules in  
25 preparation for the Act's applicability on and after the Act's  
26 effective date.

27 EXPLANATION

28 This bill amends a number of provisions relating to the  
29 regulation of milk and milk products, including providing for  
30 fees. These provisions are provided in Code chapter 192  
31 referred to as the "Iowa grade 'A' milk inspection law" and  
32 Code chapter 194 regulating grades of milk other than grade  
33 "A" milk.

34 The bill amends Code section 192.111 and related sections  
35 referring to annual licenses issued by the department to milk

1 plants, transfer stations, receiving stations, milk haulers,  
2 milk graders, and bulk milk tankers. The Code section also  
3 authorizes the department to collect license fees. The bill  
4 changes the name "license" to "permit", provides that the  
5 permits are valid for two years, and doubles the current fees.

6 The bill creates a new Code section which requires the  
7 department to issue and renew permits under that chapter for  
8 milk haulers, milk graders, and operators of bulk milk  
9 tankers. The bill's section requires the issuance and renewal  
10 of the permits in the same manner as those issued under Code  
11 section 192.111. It provides that a person is not required to  
12 obtain a permit under Code chapter 194 if the person has  
13 obtained the same permit under Code chapter 192.

14 The bill repeals a number of sections in both Code chapters  
15 192 and 194. These include provisions in Code sections  
16 192.131 through 192.137 which provide regulations testing for  
17 milk fat, including examination requirements, licensing and  
18 fees, milk and cream testing procedures, tests conducted by  
19 unlicensed persons, and the use of evidence in legal actions.

20 Sections repealed in Code chapter 194 include Code sections  
21 194.12 through 194.16 providing for a milk hauler's license  
22 and a milk grader's license, the duty of graders, and the  
23 revocation or suspension of licenses. The bill also repeals  
24 Code section 194.19 providing for the licensure of vehicles  
25 used for the collection of milk.

26 Code section 192.113 provides that a person who violates  
27 the chapter's permitting provisions is subject to a civil  
28 penalty of at least \$100 but not more than \$1,000 for each  
29 violation. The bill amends Code section 194.25 and provides  
30 that a person who acts as a milk hauler or milk grader or  
31 operates a bulk milk tanker without holding a valid permit in  
32 violation of new Code section 194.3A is subject to the same  
33 civil penalties.

34 The bill takes effect upon enactment, although its  
35 provisions become applicable on and after July 1, 2002. The

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1 department is authorized to adopt rules in preparation of the  
2 bill's applicability on and after its effective date.

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APR 3 2002  
WAYS & MEANS CALENDAR

HOUSE FILE 2617  
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HSB 688)

(SUCCESSOR TO HF 2524)

Passed House, <sup>(P.1206)</sup> Date 4-8-02  
Vote: Ayes 89 Nays 0

Passed Senate, <sup>(P.1143)</sup> Date 4-12-02  
Vote: Ayes 36 Nays 9

Approved 5/2/02

*(P.1495)*

*re amends 4/12/02  
note 93-0*

**A BILL FOR**

1 An Act relating to the regulation of milk and milk products, by  
2 providing for permits, fees, and penalties, making penalties  
3 applicable, and providing an effective date.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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**HOUSE FILE 2617**

**H-8530**

1 Amend House File 2617 as follows:

2 1. By striking page 5, line 26, through page 6,  
3 line 2.

4 2. By renumbering, redesignating, and correcting  
5 internal references as necessary.

By REKOW of Allamakee

**H-8530** FILED APRIL 4, 2002

*Adopted 4-8-02 (P.1206)*

HF 2617

1 Section 1. Section 192.111, subsection 1, Code 2001, is  
2 amended to read as follows:

3 1. The department shall issue and renew permits under this  
4 subsection as provided by rules adopted by the department. A  
5 permit, unless earlier revoked, is valid until the second July  
6 1 following the issuance or renewal. The department shall  
7 establish and assess the fees for the issuance and renewal of  
8 permits annually as provided in this subsection. A permit fee  
9 for the renewal period shall be due on the date that the  
10 permit expires. Except as otherwise provided in this section,  
11 all of the following shall apply:

12 a. The following persons must receive a permit ~~or license~~  
13 from and pay an accompanying permit fee to the department and  
14 pay-the-following-fees:

15 (1) A milk plant ~~which-is-not~~ other than a receiving  
16 station which must obtain a milk plant permit and pay a permit  
17 fee not greater than ~~one two~~ two thousand dollars ~~per-year~~.

18 (2) A transfer station which must obtain a transfer  
19 station permit and pay a permit fee not greater than ~~two four~~  
20 hundred dollars ~~per-year~~.

21 (3) A receiving station ~~which-is-not~~ other than a milk  
22 plant which must obtain a receiving station permit and pay a  
23 permit fee of not greater than ~~two four~~ four hundred dollars ~~per~~  
24 year.

25 (4) A milk hauler which must obtain a ~~license~~ milk hauler  
26 permit and pay a ~~license~~ permit fee not greater than ~~ten~~  
27 twenty dollars ~~per-year~~.

28 (5) A milk grader which must obtain a ~~license~~ a milk  
29 grader permit and pay a license fee of not greater than ~~ten~~  
30 twenty dollars ~~per-year~~.

31 b. Each A bulk milk tanker ~~shall-be-licensed-by~~ must  
32 operate pursuant to a bulk milk tanker permit obtained from  
33 the department. and The person obtaining the permit must pay a  
34 license ~~permit~~ fee not greater than ~~twenty-five~~ fifty dollars  
35 ~~per-year. However, a license fee shall not be required for a~~

1 ~~vehicle-used-for-the-collection-of-milk-for-manufacturing~~  
2 ~~dairy-products-which-has-paid-a-license-fee-for-the-same~~  
3 ~~period-pursuant-to-section-194.19.~~

4 ~~The-secretary-shall-establish-the-fees-provided-in-this~~  
5 ~~subsection-annually.--The-fees-shall-be-paid-on-July-1-of-each~~  
6 ~~year.~~

7 Sec. 2. Section 192.111, subsection 3, paragraph a, Code  
8 2001, is amended to read as follows:

9 a. Fees collected under this section ~~and-sections-192.133,~~  
10 ~~194.14, 194.19,~~ and section 194.20 shall be deposited in the  
11 general fund of the state. All moneys deposited under this  
12 section are appropriated to the department for the costs of  
13 inspection, sampling, analysis, and other expenses necessary  
14 for the administration of this chapter and chapter 194, and  
15 shall be subject to the requirements of section 8.60.

16 Sec. 3. Section 192.112, unnumbered paragraph 1, Code  
17 2001, is amended to read as follows:

18 The department shall adopt rules pursuant to chapter 17A  
19 which provide ~~for-licensing-milk-haulers, milk-graders, and~~  
20 ~~bulk-milk-tankers-as-provided-in-section-192.111.--The~~  
21 ~~department-shall-establish~~ standards of operation for milk  
22 haulers, milk graders, and bulk milk tankers. The standards  
23 shall include, but need not be limited to, all of the  
24 following:

25 Sec. 4. Section 192.113, subsection 1, Code 2001, is  
26 amended to read as follows:

27 1. a. A person shall not act as a milk hauler unless the  
28 person ~~is-licensed-as-a-milk-hauler~~ holds a milk hauler permit  
29 required pursuant to section 192.111. A person shall not  
30 solicit another person to act as a milk hauler or procure or  
31 obtain the services of a person to act as a milk hauler unless  
32 the person solicited or from whom the services are procured or  
33 ~~obtained-is-licensed-as-a-milk-hauler-pursuant-to-section~~  
34 ~~192.111~~ holds a milk hauler permit.

35 b. A person shall not act as a milk grader unless the

1 ~~person is-licensed-as-a-milk-grader~~ holds a milk grader permit  
2 required pursuant to section 192.111. A person shall not  
3 solicit another person to act as a milk grader or procure or  
4 obtain the services of a person to act as a milk grader,  
5 unless the person solicited or from whom the services are  
6 procured ~~or-obtained-is-licensed-as-a-milk-grader-pursuant-to~~  
7 ~~section-192.111~~ holds a milk grader permit.

8 c. A person shall not operate a bulk milk tanker unless  
9 the bulk milk tanker ~~is-licensed~~ operates pursuant to a bulk  
10 milk tanker permit required pursuant to section 192.111. A  
11 person shall not solicit another person to operate a bulk milk  
12 tanker or procure ~~or-obtain~~ the services of a person to  
13 operate a bulk milk tanker, unless the bulk milk tanker is  
14 ~~licensed-pursuant-to-section-192.111~~ operates pursuant to a  
15 bulk milk tanker permit.

16 Sec. 5. Section 194.3, Code 2001, is amended to read as  
17 follows:

18 194.3 DEFINITIONS.

19 For the purpose of this chapter:

20 1. "Bulk milk tanker" means the same as defined in section  
21 192.101A.

22 2. "Milk grader" means the same as defined in section  
23 192.101A.

24 3. "Milk hauler" means the same as defined in section  
25 192.101A.

26 ~~4.~~ 4. "Milk processing plant" means an establishment to  
27 which receiving milk of from diverse producers is-delivered  
28 where-said-products-are-manufactured, if the milk is  
29 manufactured into butter, cheese, dry milk or other dairy  
30 products for commercial purposes.

31 ~~2-~~ 5. "Milk used for manufacturing purposes" means milk or  
32 milk products manufactured into butter, cheese, ungraded dry  
33 milk, or other dairy products except milk and milk products as  
34 defined in the Grade "A" Pasteurized Milk Ordinance provided  
35 in section 192.102.

1     3- 6. "Organoleptic examination or grading of milk" means  
2 examination by the senses of sight, smell, and taste.

3     ~~4. --"Person"--includes--individuals,--partnerships,~~  
4 ~~corporations,--and--associations.~~

5     Sec. 6. NEW SECTION. 194.3A PERMIT REQUIREMENTS.

6     1. The department shall issue and renew permits under this  
7 chapter as provided by rules adopted by the department. The  
8 following persons must receive a permit from and pay a permit  
9 fee to the department:

10    a. A milk hauler which must obtain a milk hauler permit.

11    b. A milk grader which must obtain a milk grader permit.

12    c. A bulk milk tanker which must operate pursuant to a  
13 bulk milk tanker permit.

14    2. The department shall provide for the issuance and  
15 renewal of permits under this section as provided by rules  
16 adopted by the department, in the same manner as provided in  
17 section 192.111. The amount of the permit fee shall be the  
18 same as provided in section 192.111. A person shall not be  
19 required to obtain a milk hauler permit, milk grader permit,  
20 or bulk milk tanker permit under this section, if the person  
21 has obtained the same permit under section 192.111.

22    3. The department may suspend or revoke a permit issued or  
23 renewed under this section in the same manner that the  
24 department may suspend or revoke a permit issued or renewed  
25 under section 192.111.

26    4. A person who does any of the following is in violation  
27 of this section:

28    a. (1) Acts as a milk hauler or milk grader, unless the  
29 person holds a milk hauler permit or milk grader permit as  
30 required in this section.

31    (2) Solicits another person to act as a milk hauler or  
32 milk grader or procures the services of a person to act as a  
33 milk hauler or milk grader, unless the person solicited or  
34 from whom the services are procured holds a milk hauler permit  
35 or milk grader permit as required in this section.

1 b. (1) Operates a bulk milk tanker, unless the bulk milk  
2 tanker operates pursuant to a bulk milk tanker permit as  
3 required in this section.

4 (2) Solicits another person to operate a bulk milk tanker  
5 or procures the services of a person to operate a bulk milk  
6 tanker, unless the bulk milk tanker operates pursuant to a  
7 bulk milk tanker permit as required in this section.

8 Sec. 7. Section 194.18, Code 2001, is amended to read as  
9 follows:

10 194.18 COLORING UNLAWFUL MILK.

11 A person who holds a milk hauler permit or a milk grader  
12 licensed permit pursuant to section ~~192.112~~ 192.111 may mix a  
13 harmless coloring matter in unlawful milk as provided in  
14 section 194.9 to prevent the unlawful milk from being  
15 processed and used in any form for human consumption.

16 Sec. 8. Section 194.25, Code 2001, is amended to read as  
17 follows:

18 194.25 PENALTY VIOLATIONS AND PENALTIES.

19 1. Any Except as provided in subsection 2, a person who,  
20 in person or by an agent or employee, willfully violates any  
21 requirement of this chapter shall be guilty of a simple  
22 misdemeanor.

23 2. A person in violation of section 194.3A is subject to  
24 the same civil penalty as applied to that person as provided  
25 in section 192.113.

26 Sec. 9. Section 321E.29A, Code 2001, is amended to read as  
27 follows:

28 321E.29A RAW MILK TRANSPORTERS.

29 The department or a local authority may issue annual  
30 permits authorizing a raw milk transporter to transport by  
31 motor truck raw milk to or from a milk plant, receiving  
32 station, or transfer station as provided in chapter 192. The  
33 combined gross weight or gross weight on any axle or groups of  
34 axles of the motor truck shall not exceed the limits  
35 established under section 321.463. The issuing authority may

1 specify weight limits or routes for each raw milk transporter  
2 or establish weight limits or routes under section 321E.8.

3 Sec. 10. Sections 192.131 through 192.137, section  
4 192.142, sections 194.12 through 194.16, and section 194.19,  
5 Code 2001, are repealed.

6 Sec. 11. STAGGERED FEE SYSTEM -- IMPLEMENTATION.

7 1. Except as provided in subsection 2, the department of  
8 agriculture and land stewardship shall treat licenses that  
9 would otherwise require renewal under section 192.111 or  
10 sections 194.12 through 194.14, Code 2001, as permits  
11 requiring renewal as provided in section 192.111, as amended  
12 by this Act, and section 194.3A, as enacted in this Act.

13 2. Notwithstanding section 192.111, as amended by this  
14 Act, and section 194.3A, as enacted in this Act, the  
15 department shall provide that fifty percent of the permits  
16 issued or renewed in 2003 under these sections shall expire on  
17 July 1, 2003, and the remainder shall expire on July 1, 2004.  
18 Persons obtaining permits that expire on July 1, 2003, shall  
19 pay a permit fee of one-half of the amount otherwise required  
20 under those sections.

21 3. Notwithstanding section 192.111, as amended by this  
22 Act, and section 194.3A, as enacted in this Act, requiring  
23 that the department adopt rules to establish fees for permits  
24 as provided in those sections, for the fiscal year beginning  
25 July 1, 2002, and ending June 30, 2003, the following shall  
26 apply:

27 a. For fifty percent of the permits issued or renewed  
28 under chapters 192 and 194, that expire on July 1, 2003, the  
29 amount of the fee for a permit shall be the same as required  
30 for a comparable license or permit that applied under those  
31 chapters on June 30, 2002.

32 b. For fifty percent of the permits issued or renewed  
33 under chapters 192 and 194, that expire on July 1, 2004, the  
34 amount of the fee for a permit shall be double the amount  
35 otherwise required for a comparable license or permit that

1 applied under these chapters on June 30, 2002.

2 Sec. 12. EFFECTIVE DATE -- APPLICABILITY. This Act, being  
3 deemed of immediate importance, takes effect upon enactment.  
4 The provisions of this Act become applicable on and after July  
5 1, 2002. However, the department may adopt rules in  
6 preparation for the Act's applicability on and after the Act's  
7 effective date.

8 EXPLANATION

9 This bill amends a number of provisions relating to the  
10 regulation of milk and milk products, including providing for  
11 fees. These provisions are provided in Code chapter 192  
12 referred to as the "Iowa grade 'A' milk inspection law" and  
13 Code chapter 194 regulating grades of milk other than grade  
14 "A" milk.

15 The bill amends Code section 192.111 and related sections  
16 referring to annual licenses issued by the department to milk  
17 plants, transfer stations, receiving stations, milk haulers,  
18 milk graders, and bulk milk tankers. The Code section also  
19 authorizes the department to collect license fees. The bill  
20 changes the name "license" to "permit", provides that the  
21 permits are valid for two years, and doubles the current fees.  
22 The bill provides for staggered implementation of the revised  
23 fee system.

24 The bill creates a new Code section which requires the  
25 department to issue and renew permits under that chapter for  
26 milk haulers, milk graders, and operators of bulk milk  
27 tankers. The bill's section requires the issuance and renewal  
28 of the permits in the same manner as those issued under Code  
29 section 192.111. It provides that a person is not required to  
30 obtain a permit under Code chapter 194 if the person has  
31 obtained the same permit under Code chapter 192.

32 The bill repeals a number of sections in both Code chapters  
33 192 and 194. These include provisions in Code sections  
34 192.131 through 192.137 which provide regulations testing for  
35 milk fat, including examination requirements, licensing and

1 fees, milk and cream testing procedures, tests conducted by  
2 unlicensed persons, and the use of evidence in legal actions.

3 Sections repealed in Code chapter 194 include Code sections  
4 194.12 through 194.16 providing for a milk hauler's license  
5 and a milk grader's license, the duty of graders, and the  
6 revocation or suspension of licenses. The bill also repeals  
7 Code section 194.19 providing for the licensure of vehicles  
8 used for the collection of milk.

9 Code section 192.113 provides that a person who violates  
10 the chapter's permitting provisions is subject to a civil  
11 penalty of at least \$100 but not more than \$1,000 for each  
12 violation. The bill amends Code section 194.25 and provides  
13 that a person who acts as a milk hauler or milk grader or  
14 operates a bulk milk tanker without holding a valid permit in  
15 violation of new Code section 194.3A is subject to the same  
16 civil penalties.

17 The bill takes effect upon enactment, although its  
18 provisions become applicable on and after July 1, 2002. The  
19 department is authorized to adopt rules in preparation of the  
20 bill's applicability on and after its effective date.

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HOUSE FILE 2617  
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HSB 688)

(SUCCESSOR TO HF 2524)

(As Amended and Passed by the House April 8, 2002)

Passed House, Date <sup>(P. 1495)</sup> 4/12/02 Passed Senate, Date <sup>(P. 1143)</sup> 4-12-02  
Vote: Ayes 93 Nays 0 Vote: Ayes 36 Nays 9  
Approved 5/2/02

A BILL FOR

1 An Act relating to the regulation of milk and milk products, by  
2 providing for permits, fees, and penalties, making penalties  
3 applicable, and providing an effective date.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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Deleted Language \*

1 Section 1. Section 192.111, subsection 1, Code 2001, is  
2 amended to read as follows:

3 1. The department shall issue and renew permits under this  
4 subsection as provided by rules adopted by the department. A  
5 permit, unless earlier revoked, is valid until the second July  
6 1 following the issuance or renewal. The department shall  
7 establish and assess the fees for the issuance and renewal of  
8 permits annually as provided in this subsection. A permit fee  
9 for the renewal period shall be due on the date that the  
10 permit expires. Except as otherwise provided in this section,  
11 all of the following shall apply:

12 a. The following persons must receive a permit ~~or license~~  
13 from and pay an accompanying permit fee to the department and  
14 pay-the-following-fees:

15 (1) A milk plant ~~which-is-not~~ other than a receiving  
16 station which must obtain a milk plant permit and pay a permit  
17 fee not greater than one two thousand dollars per-year.

18 (2) A transfer station which must obtain a transfer  
19 station permit and pay a permit fee not greater than two four  
20 hundred dollars per-year.

21 (3) A receiving station ~~which-is-not~~ other than a milk  
22 plant which must obtain a receiving station permit and pay a  
23 permit fee of not greater than two four hundred dollars per  
24 year.

25 (4) A milk hauler which must obtain a ~~license~~ milk hauler  
26 permit and pay a ~~license~~ permit fee not greater than ten  
27 twenty dollars per-year.

28 (5) A milk grader which must obtain a ~~license~~ a milk  
29 grader permit and pay a license fee of not greater than ten  
30 twenty dollars per-year.

31 b. Each A bulk milk tanker ~~shall-be-licensed-by~~ must  
32 operate pursuant to a bulk milk tanker permit obtained from  
33 the department, and The person obtaining the permit must pay a  
34 license permit fee not greater than twenty-five fifty dollars  
35 per-year. However,-a-license-fee-shall-not-be-required-for-a

1 vehicle-used-for-the-collection-of-milk-for-manufacturing  
2 dairy-products-which-has-paid-a-license-fee-for-the-same  
3 period-pursuant-to-section-194.19.

4 The-secretary-shall-establish-the-fees-provided-in-this  
5 subsection-annually.--The-fees-shall-be-paid-on-July-1-of-each  
6 year.

7 Sec. 2. Section 192.111, subsection 3, paragraph a, Code  
8 2001, is amended to read as follows:

9 a. Fees collected under this section ~~and sections 192.133,~~  
10 ~~194.147-194.197~~ and section 194.20 shall be deposited in the  
11 general fund of the state. All moneys deposited under this  
12 section are appropriated to the department for the costs of  
13 inspection, sampling, analysis, and other expenses necessary  
14 for the administration of this chapter and chapter 194, and  
15 shall be subject to the requirements of section 8.60.

16 Sec. 3. Section 192.112, unnumbered paragraph 1, Code  
17 2001, is amended to read as follows:

18 The department shall adopt rules pursuant to chapter 17A  
19 which provide ~~for licensing milk haulers, milk graders, and~~  
20 ~~bulk milk tankers as provided in section 192.111.--The~~  
21 ~~department shall establish~~ standards of operation for milk  
22 haulers, milk graders, and bulk milk tankers. The standards  
23 shall include, but need not be limited to, all of the  
24 following:

25 Sec. 4. Section 192.113, subsection 1, Code 2001, is  
26 amended to read as follows:

27 1. a. A person shall not act as a milk hauler unless the  
28 ~~person is licensed as a milk hauler~~ holds a milk hauler permit  
29 required pursuant to section 192.111. A person shall not  
30 solicit another person to act as a milk hauler or procure ~~or~~  
31 ~~obtain~~ the services of a person to act as a milk hauler unless  
32 the person solicited or from whom the services are procured ~~or~~  
33 ~~obtained is licensed as a milk hauler pursuant to section~~  
34 ~~192.111~~ holds a milk hauler permit.

35 b. A person shall not act as a milk grader unless the

1 ~~person is-licensed-as-a-milk-grader~~ holds a milk grader permit  
2 required pursuant to section 192.111. A person shall not  
3 solicit another person to act as a milk grader or procure ~~or~~  
4 ~~obtain~~ the services of a person to act as a milk grader,  
5 unless the person solicited or from whom the services are  
6 procured ~~or-obtained-is-licensed-as-a-milk-grader-pursuant-to~~  
7 ~~section-192-111~~ holds a milk grader permit.

8 c. A person shall not operate a bulk milk tanker unless  
9 the bulk milk tanker ~~is-licensed~~ operates pursuant to a bulk  
10 milk tanker permit required pursuant to section 192.111. A  
11 person shall not solicit another person to operate a bulk milk  
12 tanker or procure ~~or-obtain~~ the services of a person to  
13 operate a bulk milk tanker, unless the bulk milk tanker ~~is~~  
14 ~~licensed-pursuant-to-section-192-111~~ operates pursuant to a  
15 bulk milk tanker permit.

16 Sec. 5. Section 194.3, Code 2001, is amended to read as  
17 follows:

18 194.3 DEFINITIONS.

19 For the purpose of this chapter:

20 1. "Bulk milk tanker" means the same as defined in section  
21 192.101A.

22 2. "Milk grader" means the same as defined in section  
23 192.101A.

24 3. "Milk hauler" means the same as defined in section  
25 192.101A.

26 ~~1-~~ 4. "Milk processing plant" means an establishment to  
27 which receiving milk of from diverse producers is-delivered  
28 where-said-products-are-manufactured, if the milk is  
29 manufactured into butter, cheese, dry milk or other dairy  
30 products for commercial purposes.

31 2- 5. "Milk used for manufacturing purposes" means milk or  
32 milk products manufactured into butter, cheese, ungraded dry  
33 milk, or other dairy products except milk and milk products as  
34 defined in the Grade "A" Pasteurized Milk Ordinance provided  
35 in section 192.102.

1 3- 6. "Organoleptic examination or grading of milk" means  
2 examination by the senses of sight, smell, and taste.

3 ~~4--"Person"--includes--individuals,--partnerships,~~  
4 ~~corporations,--and--associations.~~

5 Sec. 6. NEW SECTION. 194.3A PERMIT REQUIREMENTS.

6 1. The department shall issue and renew permits under this  
7 chapter as provided by rules adopted by the department. The  
8 following persons must receive a permit from and pay a permit  
9 fee to the department:

- 10 a. A milk hauler which must obtain a milk hauler permit.
- 11 b. A milk grader which must obtain a milk grader permit.
- 12 c. A bulk milk tanker which must operate pursuant to a  
13 bulk milk tanker permit.

14 2. The department shall provide for the issuance and  
15 renewal of permits under this section as provided by rules  
16 adopted by the department, in the same manner as provided in  
17 section 192.111. The amount of the permit fee shall be the  
18 same as provided in section 192.111. A person shall not be  
19 required to obtain a milk hauler permit, milk grader permit,  
20 or bulk milk tanker permit under this section, if the person  
21 has obtained the same permit under section 192.111.

22 3. The department may suspend or revoke a permit issued or  
23 renewed under this section in the same manner that the  
24 department may suspend or revoke a permit issued or renewed  
25 under section 192.111.

26 4. A person who does any of the following is in violation  
27 of this section:

28 a. (1) Acts as a milk hauler or milk grader, unless the  
29 person holds a milk hauler permit or milk grader permit as  
30 required in this section.

31 (2) Solicits another person to act as a milk hauler or  
32 milk grader or procures the services of a person to act as a  
33 milk hauler or milk grader, unless the person solicited or  
34 from whom the services are procured holds a milk hauler permit  
35 or milk grader permit as required in this section.

1 b. (1) Operates a bulk milk tanker, unless the bulk milk  
2 tanker operates pursuant to a bulk milk tanker permit as  
3 required in this section.

4 (2) Solicits another person to operate a bulk milk tanker  
5 or procures the services of a person to operate a bulk milk  
6 tanker, unless the bulk milk tanker operates pursuant to a  
7 bulk milk tanker permit as required in this section.

8 Sec. 7. Section 194.18, Code 2001, is amended to read as  
9 follows:

10 194.18 COLORING UNLAWFUL MILK.

11 A person who holds a milk hauler permit or a milk grader  
12 licensed permit pursuant to section ~~192.112~~ 192.111 may mix a  
13 harmless coloring matter in unlawful milk as provided in  
14 section 194.9 to prevent the unlawful milk from being  
15 processed and used in any form for human consumption.

16 Sec. 8. Section 194.25, Code 2001, is amended to read as  
17 follows:

18 194.25 PENALTY VIOLATIONS AND PENALTIES.

19 1. Any Except as provided in subsection 2, a person who,  
20 in person or by an agent or employee, willfully violates any  
21 requirement of this chapter shall be guilty of a simple  
22 misdemeanor.

23 2. A person in violation of section 194.3A is subject to  
24 the same civil penalty as applied to that person as provided  
25 in section 192.113.

\*26 Sec. 9. Sections 192.131 through 192.137, section 192.142,  
27 sections 194.12 through 194.16, and section 194.19, Code 2001,  
28 are repealed.

29 Sec. 10. STAGGERED FEE SYSTEM -- IMPLEMENTATION.

30 1. Except as provided in subsection 2, the department of  
31 agriculture and land stewardship shall treat licenses that  
32 would otherwise require renewal under section 192.111 or  
33 sections 194.12 through 194.14, Code 2001, as permits  
34 requiring renewal as provided in section 192.111, as amended  
35 by this Act, and section 194.3A, as enacted in this Act.

1        2. Notwithstanding section 192.111, as amended by this  
2 Act, and section 194.3A, as enacted in this Act, the  
3 department shall provide that fifty percent of the permits  
4 issued or renewed in 2003 under these sections shall expire on  
5 July 1, 2003, and the remainder shall expire on July 1, 2004.  
6 Persons obtaining permits that expire on July 1, 2003, shall  
7 pay a permit fee of one-half of the amount otherwise required  
8 under those sections.

9        3. Notwithstanding section 192.111, as amended by this  
10 Act, and section 194.3A, as enacted in this Act, requiring  
11 that the department adopt rules to establish fees for permits  
12 as provided in those sections, for the fiscal year beginning  
13 July 1, 2002, and ending June 30, 2003, the following shall  
14 apply:

15        a. For fifty percent of the permits issued or renewed  
16 under chapters 192 and 194, that expire on July 1, 2003, the  
17 amount of the fee for a permit shall be the same as required  
18 for a comparable license or permit that applied under those  
19 chapters on June 30, 2002.

20        b. For fifty percent of the permits issued or renewed  
21 under chapters 192 and 194, that expire on July 1, 2004, the  
22 amount of the fee for a permit shall be double the amount  
23 otherwise required for a comparable license or permit that  
24 applied under these chapters on June 30, 2002.

25        Sec. 11. EFFECTIVE DATE -- APPLICABILITY. This Act, being  
26 deemed of immediate importance, takes effect upon enactment.  
27 The provisions of this Act become applicable on and after July  
28 1, 2002. However, the department may adopt rules in  
29 preparation for the Act's applicability on and after the Act's  
30 effective date.

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## HOUSE FILE 2617

S-5491

1 Amend House File 2617, as amended, passed, and  
2 reprinted by the House, as follows:

3 1. Page 2, by inserting after line 6, the  
4 following:

5 "c. The following fees, which shall be in addition  
6 to any fee required to accompany a permit as required  
7 in this section, shall be assessed:

8 (1) A reinspection fee that shall be paid by a  
9 person holding a permit under this subsection for  
10 which reinspection is required as a condition of  
11 retaining the permit. The amount of the reinspection  
12 fee shall not be more than forty dollars for each such  
13 reinspection.

14 (2) A resealing fee that shall be paid by a person  
15 holding a milk plant permit, for resealing a milk  
16 plant's pasteurizer. The amount of the resealing fee  
17 shall not be more than one hundred dollars for each  
18 such resealing.

19 d. A person who renews a permit and submits any  
20 accompanying renewal fee under this subsection more  
21 than thirty days after the date that the renewal  
22 period expires shall pay a late fee. The amount of  
23 the late fee shall be equal to ten percent of the  
24 permit renewal fee. However, in no instance shall the  
25 late fee be less than twenty-five dollars."

26 2. Page 3, by striking lines 20 and 21, and  
27 inserting the following:

28 "1. "Bulk milk tanker" means all of the following:

29 a. A bulk milk tanker as defined in section  
30 192.101A.

31 b. A vehicle that transports milk stored in milk  
32 cans."

By KITTY REHBERG

S-5491 FILED APRIL 11, 2002

*adopted*  
*4-12-02*  
*(p. 1142)*

## HOUSE FILE 2617

H-8695

1 Amend House File 2617, as amended, passed, and  
2 reprinted by the House, as follows:

3 1. Page 2, by inserting after line 6, the  
4 following:

5 "c. The following fees, which shall be in addition  
6 to any fee required to accompany a permit as required  
7 in this section, shall be assessed:

8 (1) A reinspection fee that shall be paid by a  
9 person holding a permit under this subsection for  
10 which reinspection is required as a condition of  
11 retaining the permit. The amount of the reinspection  
12 fee shall not be more than forty dollars for each such  
13 reinspection.

14 (2) A resealing fee that shall be paid by a person  
15 holding a milk plant permit, for resealing a milk  
16 plant's pasteurizer. The amount of the resealing fee  
17 shall not be more than one hundred dollars for each  
18 such resealing.

19 d. A person who renews a permit and submits any  
20 accompanying renewal fee under this subsection more  
21 than thirty days after the date that the renewal  
22 period expires shall pay a late fee. The amount of  
23 the late fee shall be equal to ten percent of the  
24 permit renewal fee. However, in no instance shall the  
25 late fee be less than twenty-five dollars."

26 2. Page 3, by striking lines 20 and 21, and  
27 inserting the following:

28 "1. "Bulk milk tanker" means all of the following:

29 a. A bulk milk tanker as defined in section  
30 192.101A.

31 b. A vehicle that transports milk stored in milk  
32 cans."

RECEIVED FROM THE SENATE

H-8695 FILED APRIL 12, 2002

*House Concurred**4/12/02**(p. 1494)*

HOUSE FILE 2617

AN ACT

RELATING TO THE REGULATION OF MILK AND MILK PRODUCTS, BY  
PROVIDING FOR PERMITS, FEES, AND PENALTIES, MAKING  
PENALTIES APPLICABLE, AND PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 192.111, subsection 1, Code 2001, is amended to read as follows:

1. The department shall issue and renew permits under this subsection as provided by rules adopted by the department. A permit, unless earlier revoked, is valid until the second July 1 following the issuance or renewal. The department shall establish and assess the fees for the issuance and renewal of permits annually as provided in this subsection. A permit fee for the renewal period shall be due on the date that the permit expires. Except as otherwise provided in this section, all of the following shall apply:

a. The following persons must receive a permit ~~or license~~ from and pay an accompanying permit fee to the department and ~~pay the following fees:~~

(1) A milk plant ~~which is not other than~~ a receiving station which must obtain a milk plant permit and pay a permit fee not greater than one two thousand dollars per year.

(2) A transfer station which must obtain a transfer station permit and pay a permit fee not greater than two four hundred dollars per year.

(3) A receiving station ~~which is not other than~~ a milk plant which must obtain a receiving station permit and pay a permit fee of not greater than two four hundred dollars per year.

(4) A milk hauler which must obtain a license milk hauler permit and pay a license permit fee not greater than ten twenty dollars per year.

(5) A milk grader which must obtain a license a milk grader permit and pay a license fee of not greater than ten twenty dollars per year.

b. Each A bulk milk tanker ~~shall be licensed by~~ must operate pursuant to a bulk milk tanker permit obtained from the department, and The person obtaining the permit must pay a license permit fee not greater than twenty-five fifty dollars per year. ~~However, a license fee shall not be required for a vehicle used for the collection of milk for manufacturing dairy products which has paid a license fee for the same period pursuant to section 194.19.~~

~~The secretary shall establish the fees provided in this subsection annually. The fees shall be paid on July 1 of each year.~~

c. The following fees, which shall be in addition to any fee required to accompany a permit as required in this section, shall be assessed:

(1) A reinspection fee that shall be paid by a person holding a permit under this subsection for which reinspection

is required as a condition of retaining the permit. The amount of the reinspection fee shall not be more than forty dollars for each such reinspection.

(2) A resealing fee that shall be paid by a person holding a milk plant permit, for resealing a milk plant's pasteurizer. The amount of the resealing fee shall not be more than one hundred dollars for each such resealing.

d. A person who renews a permit and submits any accompanying renewal fee under this subsection more than thirty days after the date that the renewal period expires shall pay a late fee. The amount of the late fee shall be equal to ten percent of the permit renewal fee. However, in no instance shall the late fee be less than twenty-five dollars.

Sec. 2. Section 192.111, subsection 3, paragraph a, Code 2001, is amended to read as follows:

a. Fees collected under this section ~~and sections 192.133, 194.14, 194.19, and section 194.20~~ shall be deposited in the general fund of the state. All moneys deposited under this section are appropriated to the department for the costs of inspection, sampling, analysis, and other expenses necessary for the administration of this chapter and chapter 194, and shall be subject to the requirements of section 8.60.

Sec. 3. Section 192.112, unnumbered paragraph 1, Code 2001, is amended to read as follows:

The department shall adopt rules pursuant to chapter 17A which provide ~~for licensing milk haulers, milk graders, and bulk milk tankers as provided in section 192.111.~~ The department shall establish standards of operation for milk haulers, milk graders, and bulk milk tankers. The standards shall include, but need not be limited to, all of the following:

Sec. 4. Section 192.113, subsection 1, Code 2001, is amended to read as follows:

1. a. A person shall not act as a milk hauler unless the person ~~is licensed as a milk hauler~~ holds a milk hauler permit required pursuant to section 192.111. A person shall not solicit another person to act as a milk hauler or procure or obtain the services of a person to act as a milk hauler unless the person solicited or from whom the services are procured or obtained ~~is licensed as a milk hauler pursuant to section 192.111~~ holds a milk hauler permit.

b. A person shall not act as a milk grader unless the person ~~is licensed as a milk grader~~ holds a milk grader permit required pursuant to section 192.111. A person shall not solicit another person to act as a milk grader or procure or obtain the services of a person to act as a milk grader, unless the person solicited or from whom the services are procured ~~or obtained is licensed as a milk grader pursuant to section 192.111~~ holds a milk grader permit.

c. A person shall not operate a bulk milk tanker unless the bulk milk tanker ~~is licensed~~ operates pursuant to a bulk milk tanker permit required pursuant to section 192.111. A person shall not solicit another person to operate a bulk milk tanker or procure or obtain the services of a person to operate a bulk milk tanker, unless the bulk milk tanker ~~is licensed pursuant to section 192.111~~ operates pursuant to a bulk milk tanker permit.

Sec. 5. Section 194.3, Code 2001, is amended to read as follows:

#### 194.3 DEFINITIONS.

For the purpose of this chapter:

1. "Bulk milk tanker" means all of the following:

a. A bulk milk tanker as defined in section 192.101A.

b. A vehicle that transports milk stored in milk cans.

2. "Milk grader" means the same as defined in section 192.101A.

3. "Milk hauler" means the same as defined in section 192.101A.

1- 4. "Milk processing plant" means an establishment to which receiving milk of from diverse producers is delivered where said-products-are-manufactured, if the milk is manufactured into butter, cheese, dry milk or other dairy products for commercial purposes.

2- 5. "Milk used for manufacturing purposes" means milk or milk products manufactured into butter, cheese, ungraded dry milk, or other dairy products except milk and milk products as defined in the Grade "A" Pasteurized Milk Ordinance provided in section 192.102.

3- 6. "Organoleptic examination or grading of milk" means examination by the senses of sight, smell, and taste.

4- ~~"Person" includes individuals, partnerships, corporations, and associations.~~

Sec. 6. NEW SECTION. 194.3A PERMIT REQUIREMENTS.

1. The department shall issue and renew permits under this chapter as provided by rules adopted by the department. The following persons must receive a permit from and pay a permit fee to the department:

- a. A milk hauler which must obtain a milk hauler permit.
- b. A milk grader which must obtain a milk grader permit.
- c. A bulk milk tanker which must operate pursuant to a bulk milk tanker permit.

2. The department shall provide for the issuance and renewal of permits under this section as provided by rules adopted by the department, in the same manner as provided in section 192.111. The amount of the permit fee shall be the same as provided in section 192.111. A person shall not be required to obtain a milk hauler permit, milk grader permit, or bulk milk tanker permit under this section, if the person has obtained the same permit under section 192.111.

3. The department may suspend or revoke a permit issued or renewed under this section in the same manner that the department may suspend or revoke a permit issued or renewed under section 192.111.

4. A person who does any of the following is in violation of this section:

a. (1) Acts as a milk hauler or milk grader, unless the person holds a milk hauler permit or milk grader permit as required in this section.

(2) Solicits another person to act as a milk hauler or milk grader or procures the services of a person to act as a milk hauler or milk grader, unless the person solicited or from whom the services are procured holds a milk hauler permit or milk grader permit as required in this section.

b. (1) Operates a bulk milk tanker, unless the bulk milk tanker operates pursuant to a bulk milk tanker permit as required in this section.

(2) Solicits another person to operate a bulk milk tanker or procures the services of a person to operate a bulk milk tanker, unless the bulk milk tanker operates pursuant to a bulk milk tanker permit as required in this section.

Sec. 7. Section 194.18, Code 2001, is amended to read as follows:

194.18 COLORING UNLAWFUL MILK.

A person who holds a milk hauler permit or a milk grader licensed permit pursuant to section ~~192.112~~ 192.111 may mix a harmless coloring matter in unlawful milk as provided in section 194.9 to prevent the unlawful milk from being processed and used in any form for human consumption.

Sec. 8. Section 194.25, Code 2001, is amended to read as follows:

194.25 PENALTY VIOLATIONS AND PENALTIES.

1. Any Except as provided in subsection 2, a person who, in person or by an agent or employee, willfully violates any requirement of this chapter shall be guilty of a simple misdemeanor.

2. A person in violation of section 194.3A is subject to the same civil penalty as applied to that person as provided in section 192.113.

Sec. 9. Sections 192.131 through 192.137, section 192.142, sections 194.12 through 194.16, and section 194.19, Code 2001, are repealed.

Sec. 10. STAGGERED FEE SYSTEM -- IMPLEMENTATION.

1. Except as provided in subsection 2, the department of agriculture and land stewardship shall treat licenses that would otherwise require renewal under section 192.111 or sections 194.12 through 194.14, Code 2001, as permits requiring renewal as provided in section 192.111, as amended by this Act, and section 194.3A, as enacted in this Act.

2. Notwithstanding section 192.111, as amended by this Act, and section 194.3A, as enacted in this Act, the department shall provide that fifty percent of the permits issued or renewed in 2003 under these sections shall expire on July 1, 2003, and the remainder shall expire on July 1, 2004. Persons obtaining permits that expire on July 1, 2003, shall pay a permit fee of one-half of the amount otherwise required under those sections.

3. Notwithstanding section 192.111, as amended by this Act, and section 194.3A, as enacted in this Act, requiring that the department adopt rules to establish fees for permits as provided in those sections, for the fiscal year beginning July 1, 2002, and ending June 30, 2003, the following shall apply:

a. For fifty percent of the permits issued or renewed under chapters 192 and 194, that expire on July 1, 2003, the amount of the fee for a permit shall be the same as required for a comparable license or permit that applied under those chapters on June 30, 2002.

b. For fifty percent of the permits issued or renewed under chapters 192 and 194, that expire on July 1, 2004, the amount of the fee for a permit shall be double the amount otherwise required for a comparable license or permit that applied under these chapters on June 30, 2002.

Sec. 11. EFFECTIVE DATE -- APPLICABILITY. This Act, being deemed of immediate importance, takes effect upon enactment. The provisions of this Act become applicable on and after July 1, 2002. However, the department may adopt rules in preparation for the Act's applicability on and after the Act's effective date.

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BRENT SIEGRIST  
Speaker of the House

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MARY E. KRAMER  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2617, Seventy-ninth General Assembly.

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MARGARET THOMSON  
Chief Clerk of the House

Approved 5/2, 2002

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THOMAS J. VILSACK  
Governor