



State of Wisconsin
2015 - 2016 LEGISLATURE

LRB-2821/1
MCP:klm

2015 ASSEMBLY BILL 697

January 13, 2016 – Introduced by Representatives MURPHY, CRAIG, KREMER, TITTL, EDMING, DANOU, MASON, KNODL, KLEEFISCH, BRANDTJEN, BERCEAU, MACCO, KOOYENGA, SKOWRONSKI and HUTTON, cosponsored by Senators STROEBEL, VUKMIR and TIFFANY. Referred to Committee on Agriculture.

AUTHORS SUBJECT TO CHANGE

1 **AN ACT** *to renumber* 97.24 (3); *to renumber and amend* 97.22 (8); *to amend*
2 97.20 (2) (e) 1., 97.22 (2) (a), 97.24 (2) (a) and 97.24 (2) (b); and *to create* 97.22
3 (2) (d), 97.22 (8) (bm), 97.24 (2m), 97.24 (3) (b) and 97.29 (1) (g) 1m. of the
4 statutes; **relating to:** the sale of unpasteurized milk and unpasteurized milk
5 products and an exemption from requirements for certain dairy farms.

Analysis by the Legislative Reference Bureau

This bill allows a dairy farmer to sell unpasteurized (raw) milk and raw milk products such as butter and cheese directly to consumers on the farm where the milk and milk products are produced. Current law generally prohibits the sale of raw milk and raw milk products.

This bill also exempts certain dairy farmers from licensing requirements under current law. Current law requires a dairy farmer to have a milk producer license from the Department of Agriculture, Trade and Consumer Protection (DATCP) and requires a facility that processes or manufactures dairy products such as butter or cheese to have a dairy plant license from DATCP. Current law also requires a facility engaging in food processing to have a food processing license from DATCP, but provides an exception for dairy plants that have a dairy plant license. Under the bill, a dairy farmer does not need to have a milk producer license if the only milk sold by the dairy farmer is raw milk that is sold to consumers on the farm where the milk is produced. The bill also exempts dairy farmers from needing a dairy plant or food processing license if the only milk products that the dairy farmer processes or

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manufactures are raw milk products for sale to consumers on the farm where the milk is produced.

In addition, this bill exempts certain dairy farmers from the grade A permitting requirements under current law. Current law prohibits the sale to consumers of milk or fluid milk products that are not grade A milk or fluid milk products. A dairy farmer or dairy plant operator selling grade A milk or grade A fluid milk products must have a grade A permit. The standards for producing grade A milk and milk products are more stringent than for non-grade A milk and milk products. Under the bill, a dairy farmer may sell non-grade A raw milk or raw milk products directly to consumers on the farm where the milk and milk products are produced.

Finally, this bill creates exemptions to DATCP rules relating to the operation of dairy farms and dairy plants and the testing and quality of milk and milk products. Under the bill, these DATCP rules do not apply to raw milk or raw milk products sold directly to consumers on the farm or to the operation of a dairy farm or dairy plant that does not sell or distribute milk or milk products other than raw milk or raw milk products.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 97.20 (2) (e) 1. of the statutes is amended to read:

2 97.20 (2) (e) 1. A farm manufacturing or processing dairy products solely for
3 consumption by the owner or operator of the farm, ~~or~~ members of the household, or
4 nonpaying guests or employees, or sale as authorized under s. 97.24 (2m).

5 **SECTION 2.** 97.22 (2) (a) of the statutes is amended to read:

6 97.22 (2) (a) *License required.* ~~No Except as provided in par. (d), no~~ person may
7 operate a dairy farm as a milk producer without a valid license issued by the
8 department for that dairy farm. A license expires on April 30 annually and is not
9 transferable between persons or dairy farms. ~~Every Except as provided in par. (d),~~
10 every milk producer shall comply with standards applicable to the production of milk
11 and fluid milk products under this chapter and rules promulgated under this
12 chapter.

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1 **SECTION 3.** 97.22 (2) (d) of the statutes is created to read:

2 97.22 (2) (d) *Exemptions.* A milk producer license under this section is not
3 required for a milk producer that does not sell or distribute milk or milk products
4 other than unpasteurized milk or unpasteurized milk products as authorized under
5 s. 97.24 (2m). The standards applicable to the production of milk and fluid milk
6 products under this chapter and rules promulgated under this chapter do not apply
7 to unpasteurized milk or unpasteurized milk products that are sold or distributed
8 as authorized under s. 97.24 (2m), or to the operation of a dairy farm by a milk
9 producer that does not sell or distribute milk or milk products other than
10 unpasteurized milk or unpasteurized milk products as authorized under s. 97.24
11 (2m).

12 **SECTION 4.** 97.22 (8) of the statutes is renumbered 97.22 (8) (am), and 97.22 (8)
13 (am) (intro.), as renumbered, is amended to read:

14 97.22 (8) (am) (intro.) The department may promulgate rules to establish the
15 fees required under sub. (2) (b) or (4) (a) or to govern the operation of dairy farms by
16 milk producers, subject to par. (bm). The rules may include standards for any of the
17 following:

18 **SECTION 5.** 97.22 (8) (bm) of the statutes is created to read:

19 97.22 (8) (bm) The rules promulgated under par. (am) do not apply to
20 unpasteurized milk or unpasteurized milk products that are sold or distributed as
21 authorized under s. 97.24 (2m) or to the operation of a dairy farm by a milk producer
22 that does not sell or distribute milk or milk products other than unpasteurized milk
23 or unpasteurized milk products as authorized under s. 97.24 (2m).

24 **SECTION 6.** 97.24 (2) (a) of the statutes is amended to read:

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1 97.24 (2) (a) No person may sell or distribute any milk, other than
2 unpasteurized milk as authorized under s. 97.24 (2m), unless that milk is produced,
3 processed and distributed in compliance with standards established by the
4 department by rule under this chapter.

5 **SECTION 7.** 97.24 (2) (b) of the statutes is amended to read:

6 97.24 (2) (b) No person may sell or distribute any milk or fluid milk products,
7 other than unpasteurized milk or unpasteurized milk products as authorized under
8 s. 97.24 (2m), which are not grade A milk or grade A milk products to consumers, or
9 to any restaurant, institution or retailer for consumption or resale to consumers.
10 Grade A milk and grade A milk products shall be effectively pasteurized, and shall
11 be produced, processed and distributed in compliance with standards established by
12 the department by rule under this chapter.

13 **SECTION 8.** 97.24 (2m) of the statutes is created to read:

14 97.24 (2m) SALE OF UNPASTEURIZED MILK AND UNPASTEURIZED MILK PRODUCTS. (a)
15 In this subsection, “milk products” means cultured buttermilk, kefir, yogurt, whey,
16 ice cream, butter, and cheese.

17 (b) A milk producer may sell unpasteurized milk and unpasteurized milk
18 products directly to a consumer on the milk producer’s dairy farm where the milk and
19 milk products are produced.

20 **SECTION 9.** 97.24 (3) of the statutes is renumbered 97.24 (3) (a).

21 **SECTION 10.** 97.24 (3) (b) of the statutes is created to read:

22 97.24 (3) (b) The rules promulgated under par. (a) do not apply to
23 unpasteurized milk or unpasteurized milk products that are sold or distributed as
24 authorized under s. 97.24 (2m) or to the operation of a dairy farm by a milk producer

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1 that does not sell or distribute milk or milk products other than unpasteurized milk
2 or unpasteurized milk products as authorized under s. 97.24 (2m).

3 **SECTION 11.** 97.29 (1) (g) 1m. of the statutes is created to read:

4 97.29 (1) (g) 1m. Activities at a dairy farm that is not required to have a dairy
5 plant license under s. 97.20 (2) (e) 1.

6 (END)