3359

## 2011-2012 Regular Sessions

## IN SENATE

## February 17, 2011

Introduced by Sen. DUANE -- read twice and ordered printed, and when printed to be committed to the Committee on Agriculture

AN ACT to amend the agriculture and markets law, in relation to the use of an official state of New York quality trademark for milk and milk products

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Section 254 of the agriculture and markets law is amended by adding a new subdivision (e) to read as follows:

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- (E) THE COMMISSIONER SHALL, BEFORE DECEMBER THIRTY-FIRST, TWO THOUSAND ELEVEN, APPLY TO THE UNITED STATES PATENT AND TRADEMARK OFFICE FOR REGISTRATION FOR A CERTIFICATION TRADEMARK OR TRADEMARKS CONSISTING OF A SEAL OF THE STATE, THE WORDS "NEW YORK" AND ANY OTHER APPROPRIATE IDENTIFYING WORDS. ANY CERTIFICATION TRADEMARK OBTAINED MAY ONLY BE USED ON MILK AND MILK PRODUCTS WITHIN THE STATE WHICH ARE IN COMPLIANCE WITH THE PROVISIONS OF SECTION TWO HUNDRED FIFTY-SEVEN-B OF THIS ARTICLE.
- 10 S 2. The agriculture and markets law is amended by adding a new 11 section 257-b to read as follows:
- 12 S 257-B. USE OF THE OFFICIAL STATE OF NEW YORK QUALITY TRADEMARK FOR 13 MILK AND MILK PRODUCTS.
- 14 1. FOR THE PURPOSE OF THIS SECTION, AND UNLESS THE CONTEXT OTHERWISE 15 INDICATES, THE FOLLOWING WORDS SHALL HAVE THE FOLLOWING MEANINGS:
- A. "APPLICANT" MEANS A PERSON WHO OWNS OR OPERATES A MILK PLANT, WHO HAS APPLIED FOR AN INITIAL LICENSE TO USE THE STATE OF NEW YORK QUALITY TRADEMARK FOR MILK OR MILK PRODUCTS AND A LICENSED USER SEEKING TO RENEW A LICENSE.
- 20 B. "LICENSED USER" MEANS AN OWNER OR OPERATOR OF A MILK PLANT WHO HAS 21 APPLIED FOR AND BEEN ISSUED A LICENSE GRANTING PERMISSION TO USE THE 22 OFFICIAL QUALITY TRADEMARK ON PACKAGES OR ADVERTISEMENT IN COMPLIANCE 23 WITH THIS SECTION.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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C. "MILK PLANT" MEANS ANY PLACE, PREMISES OR ESTABLISHMENT WHERE MILK OR MILK PRODUCTS ARE COLLECTED, HANDLED, PROCESSED, STORED, PASTEURIZED, ASEPTICALLY PROCESSED, BOTTLED OR OTHERWISE PREPARED FOR DISTRIBUTION.

- D. "PRODUCED WITHIN THE STATE" MEANS EIGHTY PERCENT OF THE MILK IN ANY PACKAGE MUST HAVE ACTUALLY BEEN PRODUCED WITHIN THE STATE OF NEW YORK. FOR ANY GIVEN PACKAGE, THE PERCENTAGE OF MILK PRODUCED WITHIN THE STATE WILL BE DEEMED TO BE THAT PERCENTAGE OF THE LICENSED USER'S MILK USED FOR PROCESSING WHICH WAS ACTUALLY PRODUCED WITHIN NEW YORK DURING THE CALENDAR MONTH.
- E. "RECOMBINANT BOVINE SOMATOTROPIN" OR RBST MEANS THE SYNTHETIC VERSION OF THE NATURALLY-OCCURRING HORMONE, BOVINE SOMATOTROPIN OR RBST, PRODUCED THROUGH RECOMBINANT DNA TECHNOLOGY.
- F. "STATE OF NEW YORK QUALITY TRADEMARK" MEANS THE OFFICIAL QUALITY TRADEMARK ADOPTED PURSUANT TO SECTION TWO HUNDRED FIFTY-FOUR OF THIS ARTICLE.
- 2. THE GRADE "A" PASTEURIZED MILK ORDINANCE, 1993 REVISION, AS PROMUL-GATED BY THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES AND, ALTERNATIVELY, THE STANDARDS SET FORTH IN THIS ARTICLE GOVERNING MILK AND MILK PRODUCTS ARE HEREBY ADOPTED AS THE OFFICIAL STANDARDS FOR NEW YORK GRADE A MILK.
- 3. A. THE DEPARTMENT SHALL ADOPT RULES PERMITTING THE USE OF THE CERTIFICATION TRADEMARK PROVIDED FOR IN THIS SECTION ON MILK OR MILK PRODUCTS. THE INITIAL RULES SHALL INCLUDE LIMITATIONS RELATING TO THE USE OF MILK FROM COWS THAT HAVE BEEN TREATED WITH RECOMBINANT BOVINE SOMATOTROPIN, REFERRED TO IN THIS SECTION AS "RBST." THE RULES SHALL INCLUDE A REQUIREMENT THAT THE DEPARTMENT RECEIVE WRITTEN CONSENT FROM PRODUCERS TO DRAW BLOOD FROM THEIR MILKING HERD, EXAMINE HISTORICAL MILK PRODUCTION RECORDS, INSPECT MEDICINE STORAGE PLACES AND PERFORM OTHER INSPECTIONS REASONABLY NECESSARY TO VERIFY COMPLIANCE WITH THE TRADEMARK CRITERIA.
- B. IF THE CRITERIA FOR USE OF THE CERTIFICATION TRADEMARK INCLUDE ABSENCE OF THE USE OF RBST, A MILK PRODUCER IN THIS STATE WHO SELLS MILK TO A MILK PLANT THAT USES THE TRADEMARK MUST NOTIFY THAT MILK PLANT BEFORE USING RBST WITHIN THE MILKING HERD OF THE PRODUCER'S DAIRY FARM. NOTIFICATION TO THE MILK PLANT MUST BE MADE AT LEAST FORTY-FIVE DAYS BEFORE USING RBST. NOTIFICATION MUST BE MADE BY CERTIFIED MAIL AND SENT TO THE MILK PLANT'S EMPLOYEE RESPONSIBLE FOR MILK PROCUREMENT AT THE PLANT LOCATION WHERE THE MILK IS PROCESSED. FOR PURPOSES OF THIS SECTION, "POSSESSION OF RBST" MEANS USE.
- C. IF A MILK PRODUCER FAILS TO GIVE THE MILK PLANT THE NOTICE REQUIRED IN PARAGRAPH B OF THIS SUBDIVISION, THE MILK PLANT IS NOT REQUIRED TO COMPLY WITH ANY APPLICABLE NOTICE REQUIREMENTS BEFORE REFUSING TO CONTINUE TO PURCHASE MILK UNDER ANY CONTRACT WITH THAT MILK PRODUCER.
- 4. AN APPLICANT MUST MEET THE CRITERIA OUTLINED IN THIS SUBDIVISION IN ORDER TO OBTAIN A STATE OF NEW YORK QUALITY TRADEMARK LICENSE FOR MILK OR MILK PRODUCTS:
- A. AN APPLICANT MUST OBTAIN AN ORIGINAL AFFIDAVIT EXECUTED WITHIN THE PRECEDING SIX MONTHS FROM EACH MILK PRODUCER AND OTHER MILK PLANTS FROM WHOM THE APPLICANT REGULARLY PURCHASES OR INTENDS TO PURCHASE MILK OR MILK PRODUCTS. ALL AFFIDAVITS MUST BE IN COMPLIANCE WITH THE REQUIREMENTS OF SUBDIVISION SEVEN OF THIS SECTION.
- B. AN APPLICANT MUST PROVIDE THE DEPARTMENT WITH AN AFFIDAVIT SETTING FORTH THE CURRENT LIST OF MILK PRODUCERS AND OTHER MILK PLANTS FROM WHOM THE APPLICANT REGULARLY PURCHASES OR INTENDS TO PURCHASE MILK STATING THAT THE MILK PRODUCERS AND MILK PLANTS HAVE FURNISHED AFFIDAVITS IN COMPLIANCE WITH SUBDIVISION SEVEN OF THIS SECTION. AN APPLICANT WHO OWNS

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OR OPERATES A DAIRY FARM WHERE SALES OF MILK PRODUCED ON THE FARM ARE MADE DIRECTLY TO CONSUMERS SHALL ALSO PROVIDE THE DEPARTMENT WITH AN AFFIDAVIT IN THE FORM PRESCRIBED FOR PRODUCERS BY SUBDIVISION SEVEN OF THIS SECTION. THE AFFIDAVIT OF AN APPLICANT SHALL ALSO CONTAIN A STATE-MENT THAT THE APPLICANT BELIEVES THAT THE MILK THE APPLICANT HAS OR WILL PURCHASE OR PRODUCE IS FROM COWS NOT TREATED WITH RBST.

- C. AN APPLICANT WHO HAS PREVIOUSLY HELD A LICENSE OR IS A LICENSED USER WHO IS APPLYING FOR A RENEWAL OF AN EXISTING LICENSE MUST HAVE SUBSTANTIALLY COMPLIED WITH THE REQUIREMENTS OF THIS SECTION WHILE EXERCISING THE PRIVILEGES OF THE LICENSE.
- D. AN APPLICANT MUST OBTAIN WRITTEN CONSENT FROM EACH MILK PRODUCER FROM WHOM THE APPLICANT REGULARLY PURCHASES OR INTENDS TO PURCHASE MILK OR MILK PRODUCTS ALLOWING THE DEPARTMENT TO DRAW BLOOD FROM THE MILKING HERD, EXAMINE MILK PRODUCTION RECORDS, INSPECT MEDICINE STORAGE PLACES, AND REVIEW SUCH BUSINESS RECORDS AS ARE REASONABLY NECESSARY TO VERIFY COMPLIANCE WITH THIS SECTION.
- 5. A. LICENSED USERS MUST OBTAIN NEW AFFIDAVITS FROM MILK PRODUCERS AND MILK PLANTS FROM WHOM MILK IS PURCHASED ON AN ANNUAL BASIS.
- B. LICENSED USERS SHALL FILE SUPPLEMENTAL AFFIDAVITS WITH THE DEPARTMENT SHOWING THE ADDITION OF ANY MILK PRODUCERS OR MILK PLANTS NOT MENTIONED IN THE AFFIDAVIT FURNISHED UNDER PARAGRAPH B OF SUBDIVISION FOUR OF THIS SECTION, AND SHALL OBTAIN THE APPLICABLE AFFIDAVITS AND CONSENTS UNDER SUBDIVISION SEVEN OF THIS SECTION AS SOON AS PRACTICABLE FOLLOWING THE FORMATION OF ANY CONTRACT OR ARRANGEMENT FOR MILK PURCHASES WITH ANY NEW MILK PRODUCER OR MILK PLANT.
- C. ALL AFFIDAVITS REQUIRED TO BE OBTAINED FROM MILK PRODUCERS AND MILK PLANTS MUST BE IN COMPLIANCE WITH SUBDIVISION SEVEN OF THIS SECTION AND BE MAINTAINED ON FILE AND MADE AVAILABLE FOR INSPECTION BY THE DEPARTMENT AT ALL REASONABLE TIMES.
- D. A LICENSED USER MUST OBTAIN WRITTEN CONSENT FROM EACH MILK PRODUCER FROM WHOM THE LICENSED USER PURCHASES OR INTENDS TO PURCHASE MILK, OR MILK PRODUCTS ALLOWING THE DEPARTMENT TO DRAW BLOOD FROM THE MILKING HERD, EXAMINE MILK PRODUCTION RECORDS, INSPECT MEDICINE STORAGE PLACES, AND REVIEW SUCH BUSINESS RECORDS AS ARE REASONABLY NECESSARY TO VERIFY COMPLIANCE WITH THIS RULE. LICENSED USERS MUST RETAIN AND MAKE THE WRITTEN CONSENTS AVAILABLE TO THE DEPARTMENT AT ALL REASONABLE TIMES.
- E. IN DISPLAYING OR ADVERTISING THE STATE OF NEW YORK QUALITY TRADE-MARK AND MAKING ANY STATEMENTS, CLAIMS OR EXPLANATIONS WITH REGARD TO THE ABSENCE OF RBST, LICENSED USERS MUST FOLLOW ANY AND ALL LABELING REGULATIONS OR OTHER ENFORCEABLE GUIDELINES AS PRESCRIBED FROM TIME TO TIME BY THE UNITED STATES FOOD AND DRUG ADMINISTRATION. ANY VIOLATION OF THIS SECTION MAY RESULT IN SANCTIONS AND SUSPENSION OR REVOCATION OF SAID LICENSE.
- F. LICENSED USERS MUST DEMONSTRATE COMPLIANCE AT ALL TIMES WITH ALL APPLICABLE FEDERAL OR STATE LAWS AND REGULATIONS AND MILK MUST MEET THE STANDARDS ESTABLISHED BY THIS CHAPTER FOR NEW YORK GRADE A MILK.
- G. LICENSED USERS MAY AFFIX THE TRADEMARK ONLY TO PACKAGES CONTAINING MILK PRODUCED WITHIN THE STATE.
- 6. THE COMMISSIONER, OR A DULY AUTHORIZED AGENT OF THE COMMISSIONER, MAY PERFORM INSPECTIONS AS AUTHORIZED BY THE WRITTEN CONSENTS WHICH MUST BE OBTAINED UNDER THESE RULES.
  - 7. LICENSED USERS SHALL FILE AFFIDAVITS REQUIRED IN SUBDIVISIONS FOUR AND FIVE OF THIS SECTION ON FORMS AS PRESCRIBED AND FURNISHED BY THE COMMISSIONER.
- 55 A. IN THE CASE OF AFFIDAVITS SUPPLIED BY MILK PRODUCERS TO LICENSED 56 USERS, THE AFFIDAVITS SHALL CONTAIN, AT A MINIMUM, THE FULL NAME AND

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ADDRESS OF THE MILK PRODUCER AND A SWORN STATEMENT STATING THAT THE MILK PRODUCER HAS NOT USED RECOMBINANT BOVINE SOMATOTROPIN (RBST) IN THE PREVIOUS SIXTY DAYS, DOES NOT POSSESS, AND DOES NOT INTEND TO USE RBST DURING THE UPCOMING YEAR. THE AFFIDAVIT OF A MILK PRODUCER SHALL ALSO CONTAIN THE CONSENT REQUIRED BY PARAGRAPH B OF SUBDIVISION FIVE OF THIS SECTION AND A STATEMENT ACKNOWLEDGING THAT:

- (I) A MILK PRODUCER IN THIS STATE WHO SELLS MILK TO A MILK PLANT WHO USES THE TRADEMARK MUST NOTIFY THAT MILK PLANT BEFORE USING RBST WITHIN THE MILKING HERD OF THE PRODUCER'S DAIRY FARM;
- (II) NOTIFICATION TO THE DEALER MUST BE MADE AT LEAST FORTY-FIVE DAYS BEFORE USING RBST; AND
- (III) NOTIFICATION MUST BE MADE BY CERTIFIED MAIL AND SENT TO THE MILK PLANT'S EMPLOYEE RESPONSIBLE FOR MILK PROCUREMENT AT THE PLANT LOCATION WHERE THE MILK IS PROCESSED.
- B. IN THE CASE OF AFFIDAVITS SUPPLIED BY OWNERS OR OPERATORS OF MILK PLANTS TO LICENSED USERS, THE AFFIDAVITS SHALL CONTAIN, AT A MINIMUM, THE FULL NAME AND ADDRESS OF THE MILK PLANT AND A SWORN STATEMENT STATING THAT THE MILK PLANT POSSESSES, AND WILL MAKE AVAILABLE TO THE DEPARTMENT, AFFIDAVITS AND CONSENTS IN COMPLIANCE WITH THIS SUBDIVISION FROM ALL PRODUCERS WHOSE MILK OR MILK PRODUCTS ARE SUPPLIED BY THE MILK PLANT TO THE LICENSED USER.
- 22 8. THE COMMISSIONER MAY SUSPEND OR REVOKE LICENSES ISSUED UNDER THIS 23 ARTICLE FOR VIOLATION OF ANY PROVISIONS OF THIS SECTION. THE FAILURE TO 24 COMPLY WITH THE REQUIREMENTS OF THIS SECTION SHALL BE SUFFICIENT CAUSE 25 FOR THE SUSPENSION OR REVOCATION OF THE LICENSE.
- 9. RECORDS AND AFFIDAVITS REQUIRED TO BE MAINTAINED BY LICENSED USERS MAY BE DISCARDED AFTER THREE YEARS.
- 28 S 3. This act shall take effect on the one hundred eightieth day after 29 it shall have become a law.