JAN 1 8 2019

### A BILL FOR AN ACT

RELATING TO DAIRY PRODUCERS.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. The legislature finds that consumers' food
- 2 preferences have shifted toward locally-produced food in recent
- 3 years. Additionally, many small farms have the capability and
- 4 desire to offer unpasteurized dairy products to consumers that
- 5 seek locally-produced dairy products. However, certain
- 6 regulations limit or prohibit access to unpasteurized dairy
- 7 products.
- 8 The legislature further finds that at least thirty-five
- 9 states permit some form of sale or distribution of unpasteurized
- 10 cow, sheep, or goat milk for human consumption, twelve of which
- 11 permit the sale of unpasteurized milk in retail stores.
- 12 The legislature additionally finds that one way to meet the
- 13 demand for unpasteurized dairy products is through herdshare
- 14 programs through which customers who have purchased an ownership
- 15 interest in dairy animals or a herd of dairy animals can obtain
- 16 those products. The legislature also finds that herdshare
- 17 programs do not distribute unpasteurized milk to the general



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1	public and that people who want to obtain unpasteurized milk		
2	through a private contractual arrangement such as a herdshare		
3	agreement should be able to do so.		
4	The purpose of this Act is to increase access to dairy		
5	products by permitting the establishment of herdshare programs		
6	SECTION 2. Chapter 157, Hawaii Revised Statutes, is		
7	amended by adding a new section to be appropriately designated		
8	and to read as follows:		
9	"§157- Herdshare agreements. (a) Notwithstanding any		
10	law to the contrary, the acquisition of unpasteurized milk or		
11	unpasteurized milk products by a consumer pursuant to a		
12	herdshare agreement shall not be prohibited.		
13	(b) Under a herdshare agreement, a consumer shall:		
14	(1) Acquire either an ownership interest or ownership		
15	rights in a dairy animal;		
16	(2) Agree to pay or reimburse the producer or producer's		
17	designee for the care and boarding of a dairy animal		
18	proportional to the consumer's ownership interest or		

right in that animal;

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1	<u>(3)</u>	Be entitled to receive a proportional share of the
2		unpasteurized milk production of a dairy animal as
3		provided in the herdshare agreement; and
4	(4)	Sign a waiver of understanding that unpasteurized milk
5		and unpasteurized milk products are not pasteurized.
6	<u>(c)</u>	No consumer shall sell or resell unpasteurized milk or
7	unpasteur	ized milk products obtained through a herdshare
8	agreement	<u>•</u>
9	(d)	No producer of unpasteurized milk shall publish any
10	statement	that implies approval or endorsement by the department
11	of health	<u>·</u>
12	(e)	As used in this section:
13	<u>"Dai</u>	ry animal" includes but is not limited to cows, goats,
14	and sheep	<u>.</u>
15	"Unp	asteurized milk" means milk from a dairy animal that
16	has:	
17	(1)	Not been heated; or
18	(2)	Been heated to a temperature or for a time that is
19		less than what is required for pasteurization under
20		the definition of "pasteurized milk" in section 157-1.

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- "Unpasteurized milk products" means cream, butter, yogurt,
- 2 or any other product made from unpasteurized milk."
- 3 SECTION 3. This Act does not affect rights and duties that
- 4 matured, penalties that were incurred, and proceedings that were
- 5 begun before its effective date.
- 6 SECTION 4. New statutory material is underscored.
- 7 SECTION 5. This Act shall take effect upon its approval.

INTRODUCED BY:

### S.B. NO. 451

#### Report Title:

Dairy Products; Unpasteurized Milk; Herdshare Agreements

### Description:

Allows consumers to obtain unpasteurized milk by entering into herdshare agreements with producers.

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