

5/6, Pass 5/12

HOUSE FILE 1490

Place On Calendar

By COMMITTEE ON AGRICULTURE

Passed House, Date 5-3-76 (p. 2371) Passed Senate, Date 5-19-76 (p. 2079)

Vote: Ayes 61 Nays 11 Vote: Ayes 40 Nays 2

Approved June 28, 1976

Motion to reconsider (2079) withdrawn 5/20 (2133)

A BILL FOR

1 An Act relating to the licensing and regulating of the
2 sale of eggs and providing a penalty.

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

- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35

Section 1. DEFINITIONS. Unless the context otherwise requires:

1. "Retailer" means a person who sells eggs directly to consumers except a producer who sells eggs under the provisions of section four (4) of this Act.
2. "Egg handler" means a person who buys or sells eggs, or uses eggs in the preparation of human food. "Egg handler" does not include a retailer, a consumer, an institution, or a producer who sells eggs as provided in section four (4) of this Act.
3. "Nest run eggs" means eggs which have not been denatured, candled, graded, processed or labeled.
4. "Producer" means a person who owns layer type chickens.
5. "Establishment" means any place in which eggs are offered or sold as human food for consumption by its patrons, customers, residents, inmates or patients or as an ingredient in food offered or sold in a form ready for immediate consumption.
6. "Candling" means the careful examination of each shell egg and the elimination of those eggs determined unfit for human consumption.
7. "Grading" means classifying each shell egg by weight and grading in accordance with egg grading standards approved by the United States government as of July 1, 1976.
8. "Secretary", "department", and "package" have the meanings ascribed to them in section one hundred eighty-nine point one (189.1) of the Code.

Sec. 2. ENFORCEMENT. The secretary shall enforce the provisions of this Act, and may make rules pursuant to chapter seventeen A (17A) of the Code and consistent with regulations of the United States government as they exist on July 1, 1976.

Sec. 3. EGG HANDLER'S LICENSE AND FEE. Every egg handler shall obtain an annual license from the department. The fee for the license shall be determined on the basis of the total number of eggs purchased and handled during the preceding

- 1 month of April in each calendar year as follows:
- 2 1. Less than one hundred
 - 3 twenty-five cases..... \$12.50
 - 4 2. One hundred twenty-five
 - 5 cases or more but less than
 - 6 two hundred fifty cases..... \$25.00
 - 7 3. Two hundred fifty cases
 - 8 or more but less than one thou-
 - 9 sand cases..... \$37.50
 - 10 4. One thousand cases or
 - 11 more..... \$50.00

12 The license shall expire one year after its date of is-
 13 sue. For the purpose of determining fees, a case shall be
 14 thirty dozen eggs. All fees collected shall be remitted to
 15 the treasurer of state for deposit in the general fund of
 16 the state.

17 If an egg handler is not operating during the month of
 18 April, the department shall estimate the volume of eggs pur-
 19 chased or handled, or both, and may revise the fee based on
 20 three months of operation.

21 Sec. 4. PRODUCERS AND HATCHERIES EXEMPT. Producers who
 22 sell eggs produced exclusively by their own flocks directly
 23 to handlers, or to consumers, shall not be required to obtain
 24 a candler's and grader's license.

25 A hatchery shall obtain an egg handler's license pursuant
 26 to section three (3) of this Act if it purchases eggs which
 27 are not used for hatching purposes.

28 Sec. 5. CANDLING AND GRADING LICENSE. A person who candles
 29 and grades eggs shall obtain a candler and grader license
 30 from the department. The license fee shall be three dollars
 31 per year for such person. Before a license is issued, each
 32 person who is engaged in candling and grading shall demonstrate
 33 to the satisfaction of the department capability to perform
 34 candling and grading.

35 With the approval of the secretary, persons candling and

1 grading eggs may be appointed for a period of not more than
2 fourteen days pending licensing by the department, if during
3 this period the employer of the temporary candler and grader
4 will be responsible for his or her work while acting in the
5 capacity of candler or grader.

6 Sec. 6. CANDLING AND GRADING ROOM. An egg handler's
7 license shall be obtained from the department for each location
8 at which eggs will be candled and graded. Before a license
9 is issued for each location candling eggs, the department
10 shall make a careful survey of the premises and determine
11 that the premises contain proper facilities for candling and
12 grading.

13 Sec. 7. CANDLING AND GRADING PRIOR TO SALE. All eggs
14 offered for sale by an egg handler to a retailer, an
15 establishment or a consumer, shall be candled and graded.

16 Sec. 8. QUALITY. All eggs offered for sale to an es-
17 tablishment must be no lower than United States department
18 of agriculture consumer grade "B".

19 Sec. 9. EGGS UNFIT AS HUMAN FOOD. Eggs determined to
20 be unfit for human food under title twenty-one (21), section
21 one thousand thirty-one (1031) of the United States Code as
22 amended to July 1, 1976 shall not be bought or sold or offered
23 for purchase or sale by any person unless the eggs are
24 denatured so that they cannot be used for human food.

25 Sec. 10. LABELING. Sections one hundred eighty-nine point
26 nine (189.9) through one hundred eighty-nine point twelve
27 (189.12) of the Code shall apply to the labeling of packaged
28 eggs which have been candled and graded if not inconsistent
29 with the provisions of this Act. All cases of loose packed
30 eggs sold in this state shall identify the egg handler's name
31 or license number or United States department of agriculture
32 plant number, and, the grade of the eggs contained in the
33 case. Each carton containing eggs for retail sale in Iowa
34 which have been candled and graded shall be marked with the
35 grade and size of the eggs contained, the date they were

1 packed, and the name and address of the distributor or packer.

2 Sec. 11. STORAGE. The provisions of section one hundred
3 eighty-nine point twenty-eight (189.28) of the Code shall
4 not apply to eggs.

5 Sec. 12. TRANSPORTATION. Vehicles used to transport eggs
6 from the point of production to an egg handler or between
7 handlers shall be kept in sanitary condition and shall be
8 enclosed. However, this section shall not apply to producers
9 transporting their own eggs to a handler.

10 Sec. 13. RECORDS. Handlers shall keep a record for three
11 years of each of their purchases and sales of eggs, including
12 the date of the transaction, the names of the parties, the
13 grade, or nest run, and the quantity of eggs being purchased
14 or sold.

15 Sec. 14. PENALTY. Any person found guilty of any viola-
16 tion of this Act shall upon conviction for the first offense,
17 be fined twenty-five dollars; for the second offense, one
18 hundred dollars; and for the third and subsequent offenses,
19 two hundred dollars. In addition to such fines, if the
20 offender is a handler or a retailer, the court for the third
21 offense shall suspend his or her license for thirty days;
22 and for the fourth and any subsequent offense, such license
23 shall be revoked for a period of one year.

24 Sec. 15. Chapter one hundred ninety-six (196), Code 1975,
25 is repealed.

26 EXPLANATION

27 This bill provides licensing requirements for egg handlers
28 and for persons who candle and grade eggs. The department
29 of agriculture is charged with administering the Act. Fees
30 are provided for the licensing requirements. Minimum standards
31 in regard to eggs? which may be served by public institutions
32 or commercial establishments are provided. Penalties for
33 violation of the Act are provided.

34
35

LSB 4145
db/rh/31

HOUSE FILE 1490

AN ACT
RELATING TO THE LICENSING AND REGULATING OF THE SALE OF EGGS
AND PROVIDING A PENALTY.

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

Section 1. DEFINITIONS. Unless the context otherwise requires:

1. "Retailer" means a person who sells eggs directly to consumers except a producer who sells eggs under the provisions of section four (4) of this Act.
2. "Egg handler" means a person who buys or sells eggs, or uses eggs in the preparation of human food. "Egg handler" does not include a retailer, a consumer, an institution, or a producer who sells eggs as provided in section four (4) of this Act.
3. "Nest run eggs" means eggs which have not been denatured, candled, graded, processed or labeled.
4. "Producer" means a person who owns layer type chickens.
5. "Establishment" means any place in which eggs are offered or sold as human food for consumption by its patrons, customers, residents, inmates or patients or as an ingredient in food offered or sold in a form ready for immediate consumption.
6. "Candling" means the careful examination of each shell egg and the elimination of those eggs determined unfit for human consumption.
7. "Grading" means classifying each shell egg by weight and grading in accordance with egg grading standards approved by the United States government as of July 1, 1976.
8. "Secretary", "department", and "package" have the meanings ascribed to them in section one hundred eighty-nine

point one (189.1) of the Code.

Sec. 2. ENFORCEMENT. The secretary shall enforce the provisions of this Act, and may make rules pursuant to chapter seventeen A (17A) of the Code and consistent with regulations of the United States government as they exist on July 1, 1976.

Sec. 3. EGG HANDLER'S LICENSE AND FEE. Every egg handler shall obtain an annual license from the department. The fee for the license shall be determined on the basis of the total number of eggs purchased and handled during the preceding month of April in each calendar year as follows:

1. Less than one hundred
twenty-five cases..... \$12.50
2. One hundred twenty-five
cases or more but less than
two hundred fifty cases..... \$25.00
3. Two hundred fifty cases
or more but less than one thou-
sand cases..... \$37.50
4. One thousand cases or
more..... \$50.00

The license shall expire one year after its date of issue. For the purpose of determining fees, a case shall be thirty dozen eggs. All fees collected shall be remitted to the treasurer of state for deposit in the general fund of the state.

If an egg handler is not operating during the month of April, the department shall estimate the volume of eggs purchased or handled, or both, and may revise the fee based on three months of operation.

Sec. 4. PRODUCERS AND HATCHERIES EXEMPT. Producers who sell eggs produced exclusively by their own flocks directly to handlers, or to consumers, shall not be required to obtain a candler's and grader's license.

A hatchery shall obtain an egg handler's license pursuant

to section three (3) of this Act if it purchases eggs which are not used for hatching purposes.

Sec. 5. CANDLING AND GRADING LICENSE. A person who candles and grades eggs shall obtain a candler and grader license from the department. The license fee shall be three dollars per year for such person. Before a license is issued, each person who is engaged in candling and grading shall demonstrate to the satisfaction of the department capability to perform candling and grading.

With the approval of the secretary, persons candling and grading eggs may be appointed for a period of not more than fourteen days pending licensing by the department, if during this period the employer of the temporary candler and grader will be responsible for his or her work while acting in the capacity of candler or grader.

Sec. 6. CANDLING AND GRADING ROOM. An egg handler's license shall be obtained from the department for each location at which eggs will be candled and graded. Before a license is issued for each location candling eggs, the department shall make a careful survey of the premises and determine that the premises contain proper facilities for candling and grading.

Sec. 7. CANDLING AND GRADING PRIOR TO SALE. All eggs offered for sale by an egg handler to a retailer, an establishment or a consumer, shall be candled and graded.

Sec. 8. QUALITY. All eggs offered for sale to an establishment must be no lower than United States department of agriculture consumer grade "B".

Sec. 9. EGGS UNFIT AS HUMAN FOOD. Eggs determined to be unfit for human food under title twenty-one (21), section one thousand thirty-one (1031) of the United States Code as amended to July 1, 1976 shall not be bought or sold or offered for purchase or sale by any person unless the eggs are denatured so that they cannot be used for human food.

Sec. 10. LABELING. Sections one hundred eighty-nine point nine (189.9) through one hundred eighty-nine point twelve (189.12) of the Code shall apply to the labeling of packaged eggs which have been candled and graded if not inconsistent with the provisions of this Act. All cases of loose packed eggs sold in this state shall identify the egg handler's name or license number or United States department of agriculture plant number, and, the grade of the eggs contained in the case. Each carton containing eggs for retail sale in Iowa which have been candled and graded shall be marked with the grade and size of the eggs contained, the date they were packed, and the name and address of the distributor or packer.

Sec. 11. STORAGE. The provisions of section one hundred eighty-nine point twenty-eight (189.28) of the Code shall not apply to eggs.

Sec. 12. TRANSPORTATION. Vehicles used to transport eggs from the point of production to an egg handler or between handlers shall be kept in sanitary condition and shall be enclosed. However, this section shall not apply to producers transporting their own eggs to a handler.

Sec. 13. RECORDS. Handlers shall keep a record for three years of each of their purchases and sales of eggs, including the date of the transaction, the names of the parties, the grade, or nest run, and the quantity of eggs being purchased or sold.

Sec. 14. PENALTY. Any person found guilty of any violation of this Act shall upon conviction for the first offense, be fined twenty-five dollars; for the second offense, one hundred dollars; and for the third and subsequent offenses, two hundred dollars. In addition to such fines, if the offender is a handler or a retailer, the court for the third offense shall suspend his or her license for thirty days; and for the fourth and any subsequent offense, such license shall be revoked for a period of one year.

Sec. 15. Chapter one hundred ninety-six (196), Code 1975,
is repealed.

DALE M. COCHRAN
Speaker of the House

ARTHUR A. NEU
President of the Senate

I hereby certify that this bill originated in the House and
is known as House File 1490, Sixty-sixth General Assembly.

DAVID L. WRAY
Chief Clerk of the House

Approved June 28, 1976

ROBERT D. RAY
Governor