

House Study Bill 623 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
AGRICULTURE BILL BY
CHAIRPERSON HEIN)

A BILL FOR

- 1 An Act regulating the sale of eggs by grocery stores
- 2 participating in federal programs, and providing for
- 3 penalties.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 135.16A Vendors participating in
2 federal programs — egg sales.

3 1. As used in this section, unless the context otherwise
4 requires:

5 a. "*Conventional eggs*" means eggs others than specialty
6 eggs.

7 b. "*Eggs*" means shell eggs that are graded as "AA", "A", or
8 "B" pursuant to 7 C.F.R. pt. 56, subpt. A, and that are sold at
9 retail in commercial markets.

10 c. "*Federal food program*" means any of the following:

11 (1) The supplemental nutrition assistance program as
12 provided in 7 U.S.C. §2011, et seq.

13 (2) The special supplemental food program for women,
14 infants, and children as provided in 42 U.S.C. §1786, et seq.

15 d. "*Grocery store*" means a food establishment as defined
16 in section 137F.1 licensed by the department of inspections
17 and appeals pursuant to section 137F.4, to sell food or food
18 products to customers intended for preparation or consumption
19 off premises.

20 e. "*Specialty eggs*" means eggs produced by domesticated
21 chickens, and sold at retail in commercial markets if the
22 chickens producing such eggs are advertised as being housed in
23 any of the following environments:

24 (1) Cage-free.

25 (2) Free-range.

26 (3) Enriched colony cage.

27 2. a. The department of agriculture and land stewardship
28 shall assist the Iowa department of public health in
29 establishing rules necessary to implement, administer, and
30 enforce this section.

31 b. If necessary to implement, administer, and enforce this
32 section, the Iowa department of public health, in cooperation
33 with the department of agriculture and land stewardship, shall
34 submit a request to the United States department of agriculture
35 for a waiver or other exception from regulations as deemed

1 feasible by the Iowa department of public health. The Iowa
2 department of public health shall regularly report the status
3 of such request to the legislative services agency.

4 3. A grocery store that is a vendor participating in a
5 federal food program and offering specialty eggs for retail
6 sale shall maintain a regular inventory of conventional eggs
7 for retail sale. The inventory of conventional eggs shall be
8 sufficient to meet the grocery store's regular customer demand
9 for such eggs.

10 4. This section does not require a grocery store to do any
11 of the following:

12 a. Stock or sell specialty eggs.

13 b. Stock or sell eggs, if the grocery store elects not to
14 stock or sell conventional eggs for retail sale as part of its
15 normal business.

16 c. Comply with the provisions of this section, if the
17 grocery store's inventory of eggs for retail sale was limited
18 to specialty eggs prior to January 1, 2018.

19 5. a. A violation of subsection 3 by a grocery store
20 shall not be construed to disqualify a grocery store from
21 participating in a federal food program unless otherwise
22 authorized by the United States department of agriculture.

23 b. A grocery store that fails to maintain a regular
24 inventory of conventional eggs for retail sale as required in
25 subsection 3, shall be subject to a civil penalty of not more
26 than one hundred dollars. Each day that a violation exists
27 constitutes a separate offense.

28 EXPLANATION

29 The inclusion of this explanation does not constitute agreement with
30 the explanation's substance by the members of the general assembly.

31 GENERAL. This bill applies to a grocery store that
32 participates as a vendor in federal health and nutrition
33 programs providing food assistance to low-income persons.
34 Under the bill's provisions, if a grocery store carries an
35 inventory of specialty eggs for retail sale it must also carry

1 an inventory of conventional eggs (shell eggs that are not
2 considered specialty eggs) for sale. Under the bill, specialty
3 eggs are described as having been produced by chickens
4 advertised as having been housed in a cage-free, free-range, or
5 enriched colony cage environment.

6 DEPARTMENTAL RESPONSIBILITIES. The referenced federal
7 programs are limited to the supplemental nutrition assistance
8 program (SNAP), informally known as the food stamp program;
9 and the special supplemental food program for women, infants,
10 and children (WIC). The two programs are administered by the
11 United States department of agriculture (USDA) in conjunction
12 with the Iowa department of public health (department).
13 Generally, standards for the commercial production and
14 marketing of eggs (by egg-laying hens) are established by
15 several federal agencies including the USDA (21 U.S.C. §1031
16 et seq.). The bill requires the department to implement,
17 administer, and enforce its provisions, including by: (1)
18 adopting rules in consultation with the department of
19 agriculture and land stewardship, and (2) applying for a waiver
20 from the USDA if needed.

21 EXCEPTIONS. The bill's provisions do not require a grocery
22 store to: (1) stock eggs if it does not stock specialty eggs
23 for sale or (2) stock conventionally produced eggs for sale if
24 it had not stocked such eggs for sale prior to January 1, 2018.

25 PENALTIES. A grocery store violating the bill's provisions
26 is not disqualified from participating in either federal
27 program, unless otherwise authorized by the USDA. The grocery
28 store is subject to a civil penalty of not more than \$100 for
29 each day of a violation.