CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE SENATE BILL 6388

Chapter 98, Laws of 2014

63rd Legislature 2014 Regular Session

FOOD REGULATION--DIRECT SELLER LICENSES

EFFECTIVE DATE: 06/12/14

Passed by the Senate March 11, 2014 CERTIFICATE YEAS 48 NAYS 1 I, Hunter G. Goodman, Secretary of the Senate of the State of BRAD OWEN Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 6388** as President of the Senate passed by the Senate and the House Passed by the House March 7, 2014 of Representatives on the dates YEAS 94 NAYS 2 hereon set forth. FRANK CHOPP HUNTER G. GOODMAN Speaker of the House of Representatives Secretary Approved March 27, 2014, 10:57 a.m. FILED March 27, 2014

> Secretary of State State of Washington

JAY INSLEE

Governor of the State of Washington

ENGROSSED SUBSTITUTE SENATE BILL 6388

AS AMENDED BY THE HOUSE

Passed Legislature - 2014 Regular Session

State of Washington 63rd Legislature 2014 Regular Session

By Senate Ways & Means (originally sponsored by Senator Padden)
READ FIRST TIME 02/11/14.

- 1 AN ACT Relating to pass-through food distributors; amending RCW
- 2 69.07.120; adding a new section to chapter 69.04 RCW; and creating a
- 3 new section.

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4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

directly to consumers without any interim storage.

5 NEW SECTION. Sec. 1. The legislature finds that the availability of affordable, fresh, and nourishing foods is essential for individuals 6 7 to maintain a healthy lifestyle. The legislature also finds that new 8 methods of purchasing and delivering fresh, nourishing foods are emerging and lowering the costs of these foods. The legislature 9 10 further finds that some of the new business models for purchasing and delivering fresh, nourishing foods are being inappropriately classified 11 as food service establishments. Therefore, it is the intent of the 12 13 legislature to establish a direct seller license for businesses that 14 sell and collect payment only through a web site for prepackaged foods obtained from a food processor either licensed or inspected, or both, 15 by a state or federal regulatory agency and that deliver the food 16

- NEW SECTION. **Sec. 2.** A new section is added to chapter 69.04 RCW to read as follows:
 - (1) The department shall issue a license to operate as a direct seller to any entity that:
 - (a) Submits a completed application on forms approved by the department;
 - (b) Provides the department with a list of all leased, rented, or owned vehicles, other than vehicles that are rented for less than forty-five days, used by the applicant's business to deliver food;
 - (c) Maintains all records of vehicles that are rented for less than forty-five days for at least twelve months following the termination of the rental period;
 - (d) Maintains food temperature logs or uses a device to monitor the temperature of the packages in real time for all food while in transport; and
 - (e) Submits all appropriate fees to the department.
 - (2) The department shall develop, by rule, an annual license and renewal fee to defray the costs of administering the licensing and inspection program created by this section. All moneys received by the department under the provisions of this section must be paid into the food processing inspection account created in RCW 69.07.120 and must be used solely to carry out the provisions of this section.
 - (3)(a) A licensed direct seller is required to protect food from contamination while in transport. Food must be transported under conditions that protect food against physical, chemical, and microbial contamination, as well as against deterioration of the food and its container.
 - (b) Compliance with this subsection (3) requires, but is not limited to, the separation of raw materials in such a fashion that they avoid cross-contamination of other food products, particularly ready-to-eat food. An example of this principle includes ensuring that, during the transport of raw fish and seafood, meat, poultry, or other food which inherently contains pathogenic and spoilage microorganisms, soil, or other foreign material, the raw materials may not come into direct contact with other food in the same container or in any other cross-contaminating circumstance.
- 37 (4) In the event of a food recall or when required by the 38 department, a federal, state, or local health authority in response to

- a food borne illness outbreak, a licensed direct seller shall use its client listserv to notify customers of the recall and any other relevant information.
 - (5) In the implementation of this section, the department shall:
- 5 (a) Conduct inspections of vehicles, food handling areas, 6 refrigeration equipment, and product packaging used by a licensed 7 direct seller;

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- 8 (b) Conduct audits of temperature logs and other food handling 9 records as appropriate;
- 10 (c) Investigate any complaints against a licensed direct seller for the failure to maintain food safety; and
- 12 (d) Adopt rules, in consultation with the department of health and 13 local health jurisdictions, necessary to administer and enforce the 14 program consistent with federal regulations.
 - (6) Direct sellers that have a license from the department under this section are exempt from the permitting requirements of food service rules adopted by the state board of health and any local health jurisdiction.
 - (7) The director may deny, suspend, or revoke any license provided under this section if the director determines that an applicant or licensee has committed any of the following:
 - (a) Refused, neglected, or failed to comply with the provisions of this section, the rules and regulations adopted under this section, or any order of the director;
 - (b) Refused, neglected, or failed to keep and maintain records required by this chapter, or refused the department access to such records;
 - (c) Refused the department access to any portion or area of vehicles, food handling areas, or any other areas or facilities housing equipment or product packaging used by the direct retailer in the course of performing business responsibilities; or
 - (d) Failed to submit an application for a license meeting the requirements of this section or failed to pay the appropriate annual license or renewal fee.
- 35 (8) The definitions in this subsection apply throughout this 36 section unless the context clearly requires otherwise:
 - (a) "Department" means the department of agriculture.

- 1 (b) "Direct seller" means an entity that receives prepackaged food 2 from a food processor that is either licensed or inspected, or both, by 3 a state or federal regulatory agency or the department and that 4 delivers the food directly to consumers who only placed and paid for an 5 order on the entity's web site, as long as:
 - (i) The food is delivered by the entity without opening the packaging and without dividing it into smaller packages;
 - (ii) There is no interim storage by the entity; and
- 9 (iii) The food is delivered by means of vehicles that are equipped 10 with either refrigeration or freezer units, or both, and that meet the 11 requirements of rules authorized by this chapter.
- 12 **Sec. 3.** RCW 69.07.120 and 2011 c 281 s 12 are each amended to read 13 as follows:
 - All moneys received by the department under the provisions of this chapter, section 2 of this act, and chapter 69.22 RCW shall be paid into the food processing inspection account hereby created within the agricultural local fund established in RCW 43.23.230 and shall be used solely to carry out the provisions of this chapter, section 2 of this act, and chapters 69.22 and 69.04 RCW.

Passed by the Senate March 11, 2014. Passed by the House March 7, 2014. Approved by the Governor March 27, 2014. Filed in Office of Secretary of State March 27, 2014.

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