

# HOUSE BILL REPORT

## SHB 2049

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### As Amended by the Senate

**Title:** An act relating to commercial egg layer operations.

**Brief Description:** Concerning commercial egg layer operations.

**Sponsors:** House Committee on Rural Development, Agriculture, & Natural Resources (originally sponsored by Representative Blake).

#### **Brief History:**

##### **Committee Activity:**

Rural Development, Agriculture, & Natural Resources: 2/20/19, 2/22/19 [DPS].

##### **Floor Activity:**

Passed House: 3/8/19, 90-6.

Senate Amended.

Passed Senate: 3/29/19, 40-6.

#### **Brief Summary of Substitute Bill**

- Changes the third party operational standards with which those applying for new or renewed egg handlers licenses must prove compliance.

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### HOUSE COMMITTEE ON RURAL DEVELOPMENT, AGRICULTURE, & NATURAL RESOURCES

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 10 members: Representatives Blake, Chair; Shewmake, Vice Chair; Dent, Assistant Ranking Minority Member; Chapman, Fitzgibbon, Lekanoff, Pettigrew, Ramos, Springer and Walsh.

**Minority Report:** Do not pass. Signed by 4 members: Representatives Dye, Kretz, Orcutt and Schmick.

**Staff:** Rebecca Lewis (786-7339).

#### **Background:**

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

## Egg Handler and Egg Dealer Licenses.

The Washington State Department of Agriculture (WSDA) administers the Wholesome Eggs and Egg Products Act (Act). The stated purpose of this act is to promote uniformity of state legislation and regulation with the federal Egg Products Inspection Act. The Act contains provisions for licensing, inspection, sanitation, pasteurization, and labeling.

Under the Act, before a person may lawfully act as an egg handler or egg dealer, the person must obtain a license from the WSDA. Egg handlers and egg dealers are people who produce, or contract for the production of, eggs or egg products for the purpose of sales.

## Third Party Egg Production Certification.

Multiple private, third party groups offer marketing certifications regarding agricultural practices and animal husbandry. Two of these groups are the United Egg Producers (UEP) and the American Humane Association (AHA).

The UEP is, according to its website, a cooperative made up of egg farmers from across the country. The UEP runs a certification program available to egg producers. Egg producers satisfying the husbandry guidelines established by the UEP may attach the "UEP-certified" label on their product.

The AHA is a private, nonprofit organization that also offers third party certification of farm-raised products, including eggs. In 2011 the AHA published their updated standards for enriched colony housing. Egg production operations must be conducted consistent with these standards to achieve certification from the AHA and to be licensed to market their products as AHA-certified. According to those guidelines, certification requires a producer to apply the applicable facility plan design and site approval standards. This includes providing the AHA with information about the farm, including the number of birds on the farm and details about the bird's physical environment. Certified farms must report annually to the AHA and are subject to inspection by a third party auditor.

Under state law, entities providing eggs or egg products for intrastate commerce that apply for either an egg handler or egg dealer license before January 1, 2026, must provide proof that their eggs are produced by egg laying operations that meet the 2010 version of the UEP's Animal Husbandry Guidelines for U.S. Egg Laying Flocks.

Any new facilities built between January 1, 2012, and December 31, 2016, were required to be approved under or convertible to the AHA Facility System Plan for Enriched Colony Housing in effect on January 1, 2011. Facilities that were built during this five-year period must be operated in compliance with the UEP and AHA standards; provide no less than 116.3 square inches of space per hen; and provide access to areas for nesting, scratching, and perching.

Beginning in 2026 all applicants for a new or renewed egg handlers or egg dealers license must provide proof to the WSDA that the eggs or egg products are produced by a commercial egg layer operation that:

- is approved under the 2011 version of the AHA facility plan and audit protocol for enriched colony housing; and
- provides at least 116.3 square inches of space to each hen and allows each hen access to areas for nesting, perching, and scratching.

The WSDA may require, in rule, compliance with any updated version of the UEP or AHA standards, or require compliance with equivalent or more stringent standards.

The WSDA may deny, suspend, revoke, or issue a license or conditional license if a licensee has violated any provisions of the Act, provides false or misleading statements, or concealed or withheld any facts regarding a violation of the Act.

These requirements apply to operations that have more than 3,000 laying chickens, and do not apply to commercial egg layer operations that produce eggs or egg products from fowl other than domestic chickens.

### **Summary of Substitute Bill:**

Beginning January 1, 2024, applicants for new or renewed egg handlers or egg dealers licenses must prove that all eggs and egg products they provide in intrastate commerce are produced in facilities that meet the housing standards required in the 2017 edition of the United Egg Producers' Animal Husbandry Guidelines for United States Egg Laying Flocks: Guidelines for Cage-Free Housing (2017 UEP Guidelines). Equivalent or more stringent standards may still be met. Exemptions from adhering to the 2017 UEP Guidelines are provided, including during medical research, veterinary treatment, and certain exhibitions. Also, beginning in 2024 commercial egg layer operations that are required to meet the 2017 UEP Guidelines, or equivalent guidelines, must ensure that all hens in their operation are provided with no less than the minimum amount of floor space required by the 2017 UEP Guidelines. Additionally, no person may buy or sell eggs or egg products in intrastate commerce that were not produced in compliance with the 2017 UEP Guidelines.

The WSDA must deny, suspend, or revoke a license or conditional license if a licensee has violated any provisions of the Act, provides false or misleading statements, or concealed or withheld any facts regarding a violation of the Act.

### **EFFECT OF SENATE AMENDMENT(S):**

The Senate amendment clarifies the definition of "adulterated" as it relates to the Food Safety and Security Act and corrects a cross reference.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

### **Staff Summary of Public Testimony:**

(In support) This is an issue that has been around for a while, and there appears to be an agreed-upon approach. Cage-free egg production facilities are the future. Many companies have already made commitments to carrying eggs and egg products produced under cage-free guidelines. There is a small amendment requested to make sure the standards cover egg products sold by retailers. Noncommercial farms under 3,000 birds are already exempted from the standards. The enriched colony housing standards were enacted in 2011 to avoid an initiative. There was an idea that enriched colony housing was the future; however that has changed. The industry would rather allow consumer choice. Although it is a burden, many in the industry are comfortable shifting to cage-free housing. No one has built a conventional cage in Washington since 2010. The United Egg Producers' standards are well recognized by customers.

(Opposed) None.

**Persons Testifying:** Representative Blake, prime sponsor; Dan Paul, The Humane Society of the United States; and Brian Bookey, Cherry Lane Family Farms.

**Persons Signed In To Testify But Not Testifying:** None.