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By Representative Blake

ADOPTED AS AMENDED 04/11/2011

1 Strike everything after the enacting clause and insert the 2 following:

- 3 "Sec. 1. RCW 69.25.020 and 1995 c 374 s 25 are each amended to 4 read as follows:
- When used in this chapter the following terms shall have the indicated meanings, unless the context otherwise requires:
 - (1) "Department" means the department of agriculture of the state of Washington.
 - (2) "Director" means the director of the department or his duly authorized representative.
 - (3) "Person" means any natural person, firm, partnership, exchange, association, trustee, receiver, corporation, and any member, officer, or employee thereof, or assignee for the benefit of creditors.
- 14 (4) "Adulterated" applies to any egg or egg product under one or 15 more of the following circumstances:
 - (a) If it bears or contains any poisonous or deleterious substance which may render it injurious to health; but in case the substance is not an added substance, such article shall not be considered adulterated under this clause if the quantity of such substance in or on such article does not ordinarily render it injurious to health;
 - (b) If it bears or contains any added poisonous or added deleterious substance (other than one which is: (i) A pesticide chemical in or on a raw agricultural commodity; (ii) a food additive; or (iii) a color additive) which may, in the judgment of the director, make such article unfit for human food;
 - (c) If it is, in whole or in part, a raw agricultural commodity and such commodity bears or contains a pesticide chemical which is unsafe within the meaning of RCW 69.04.392, as enacted or hereafter amended;
 - (d) If it bears or contains any food additive which is unsafe within the meaning of RCW 69.04.394, as enacted or hereafter amended;

(e) If it bears or contains any color additive which is unsafe within the meaning of RCW 69.04.396((, as enacted or hereafter amended: PROVIDED, That)); however, an article which is not otherwise deemed adulterated under subsection (4)(c), (d), or (e) of this section shall nevertheless be deemed adulterated if use of the pesticide chemical, food additive, or color additive, in or on such article, is prohibited by regulations of the director in official plants;

- (f) If it consists in whole or in part of any filthy, putrid, or decomposed substance, or if it is otherwise unfit for human food;
- (g) If it consists in whole or in part of any damaged egg or eggs to the extent that the egg meat or white is leaking, or it has been contacted by egg meat or white leaking from other eggs;
- (h) If it has been prepared, packaged, or held under insanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered injurious to health;
- (i) If it is an egg which has been subjected to incubation or the product of any egg which has been subjected to incubation;
- (j) If its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health;
- (k) If it has been intentionally subjected to radiation, unless the use of the radiation was in conformity with a regulation or exemption in effect pursuant to RCW 69.04.394; or
- (1) If any valuable constituent has been in whole or in part omitted or abstracted therefrom; or if any substance has been substituted, wholly or in part therefor; or if damage or inferiority has been concealed in any manner; or if any substance has been added thereto or mixed or packed therewith so as to increase its bulk or weight, or reduce its quality or strength, or make it appear better or of greater value than it is.
- (5) "Capable of use as human food" shall apply to any egg or egg product unless it is denatured, or otherwise identified, as required by regulations prescribed by the director, to deter its use as human food.
- (6) "Intrastate commerce" means any eggs or egg products in intrastate commerce, whether such eggs or egg products are intended for sale, held for sale, offered for sale, sold, stored, transported, or handled in this state in any manner and prepared for eventual distribution in this state, whether at wholesale or retail.

1 (7) "Container" or "package" includes any box, can, tin, plastic, or other receptacle, wrapper, or cover.

- (8) "Immediate container" means any consumer package, or any other container in which egg products, not consumer-packaged, are packed.
- (9) "Shipping container" means any container used in packaging a product packed in an immediate container.
- (10) "Egg handler" or "dealer" means any person who produces, contracts for or obtains possession or control of any eggs or egg products for the purpose of sale to another dealer or retailer, or for processing and sale to a dealer, retailer or consumer((: PROVIDED, That)). For the purpose of this chapter, "sell" or "sale" includes the following: Offer for sale, expose for sale, have in possession for sale, exchange, barter, trade, or as an inducement for the sale of another product.
- (11)(a) "Egg product" means any dried, frozen, or liquid eggs, with or without added ingredients, excepting products which contain eggs only in a relatively small proportion, or historically have not been, in the judgment of the director, considered by consumers as products of the egg food industry, and which may be exempted by the director under such conditions as ((he)) the director may prescribe to assure that the egg ingredients are not adulterated and ((such products)) are not represented as egg products.
- (b) The following products are not included in the definition of "egg product" if they are prepared from eggs or egg products that have been either inspected by the United States department of agriculture or by the department under a cooperative agreement with the United States department of agriculture: Freeze-dried products, imitation egg products, egg substitutes, dietary foods, dried no-bake custard mixes, egg nog mixes, acidic dressings, noodles, milk and egg dip, cake mixes, French toast, balut and other similar ethnic delicacies, and sandwiches containing eggs or egg products.
- (12) "Egg" means the shell egg of the domesticated chicken, turkey, duck, goose, or guinea, or any other specie of fowl.
- 34 (13) "Check" means an egg that has a broken shell or crack in the 35 shell but has its shell membranes intact and contents not leaking.
- 36 (14) "Clean and sound shell egg" means any egg whose shell is free 37 of adhering dirt or foreign material and is not cracked or broken.

1 (15) "Dirty egg" means an egg that has a shell that is unbroken and 2 has adhering dirt or foreign material.

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- (16) "Incubator reject" means an egg that has been subjected to incubation and has been removed from incubation during the hatching operations as infertile or otherwise unhatchable.
- (17) "Inedible" means eggs of the following descriptions: Black rots, yellow rots, white rots, mixed rots (addled eggs), sour eggs, eggs with green whites, eggs with stuck yolks, moldy eggs, musty eggs, eggs showing blood rings, and eggs containing embryo chicks (at or beyond the blood ring stage).
- (18) "Leaker" means an egg that has a crack or break in the shell and shell membranes to the extent that the egg contents are exposed or are exuding or free to exude through the shell.
- (19) "Loss" means an egg that is unfit for human food because it is smashed or broken so that its contents are leaking; or overheated, frozen, or contaminated; or an incubator reject; or because it contains a bloody white, large meat spots, a large quantity of blood, or other foreign material.
- 19 (20) "Restricted egg" means any check, dirty egg, incubator reject, 20 inedible, leaker, or loss.
 - (21) "Inspection" means the application of such inspection methods and techniques as are deemed necessary by the director to carry out the provisions of this chapter.
 - (22) "Inspector" means any employee or official of the department authorized to inspect eggs or egg products under the authority of this chapter.
 - (23) "Misbranded" shall apply to egg products which are not labeled and packaged in accordance with the requirements prescribed by regulations of the director under RCW 69.25.100.
 - (24) "Official certificate" means any certificate prescribed by regulations of the director for issuance by an inspector or other person performing official functions under this chapter.
 - (25) "Official device" means any device prescribed or authorized by the director for use in applying any official mark.
- 35 (26) "Official inspection legend" means any symbol prescribed by 36 regulations of the director showing that egg products were inspected in 37 accordance with this chapter.

1 (27) "Official mark" means the official inspection legend or any 2 other symbol prescribed by regulations of the director to identify the 3 status of any article under this chapter.

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- (28) "Official plant" means any plant which is licensed under the provisions of this chapter, at which inspection of the processing of egg products is maintained by the United States department of agriculture or by the state under cooperative agreements with the United States department of agriculture or by the state.
- 9 (29) "Official standards" means the standards of quality, grades, 10 and weight classes for eggs, adopted under the provisions of this 11 chapter.
- 12 (30) "Pasteurize" means the subjecting of each particle of egg 13 products to heat or other treatments to destroy harmful, viable micro-14 organisms by such processes as may be prescribed by regulations of the 15 director.
- 16 (31) "Pesticide chemical", "food additive", "color additive", and
 17 "raw agricultural commodity" shall have the same meaning for purposes
 18 of this chapter as prescribed in chapter 69.04 RCW.
- 19 (32) "Plant" means any place of business where egg products are 20 processed.
- 21 (33) "Processing" means manufacturing egg products, including 22 breaking eggs or filtering, mixing, blending, pasteurizing, 23 stabilizing, cooling, freezing, drying, or packaging egg products.
- 24 (34) "Retailer" means any person in intrastate commerce who sells 25 eggs to a consumer.
- 26 (35) "At retail" means any transaction in intrastate commerce 27 between a retailer and a consumer.
 - (36) "Consumer" means any person who purchases eggs for his or her own family use or consumption; or any restaurant, hotel, boarding house, bakery, or other institution or concern which purchases eggs for serving to guests or patrons thereof, or for its own use in cooking or baking.
- 33 (37) "Candling" means the examination of the interior of eggs by 34 the use of transmitted light used in a partially dark room or place.
- 35 (38) "Master license system" means the mechanism established by 36 chapter 19.02 RCW by which master licenses, endorsed for individual 37 state-issued licenses, are issued and renewed utilizing a master

- 1 application and a master license expiration date common to each 2 renewable license endorsement.
- 3 (39) "Ambient temperature" means the atmospheric temperature surrounding or encircling shell eggs.
- **Sec. 2.** RCW 69.25.050 and 1995 c 374 s 26 are each amended to read 6 as follows:

- (1)(a) No person shall act as an egg handler or dealer without first obtaining an annual license and permanent dealer's number from the department((; such license shall expire on the master license expiration date)).
- (b) Application for an egg dealer license or egg dealer branch license((, shall)) must be made through the master license system as provided under chapter 19.02 RCW and expires on the master license expiration date. The annual egg dealer license fee ((shall be)) is thirty dollars and the annual egg dealer branch license fee ((shall be)) is fifteen dollars. A copy of the master license ((shall)) must be posted at each location where ((such)) the licensee operates. ((Such)) The application ((shall)) must include the full name of the applicant for the license ((and)), the location of each facility ((he)) the applicant intends to operate, and, if applicable, documentation of compliance with section 3 or 4 of this act.
 - (2) If ((such)) an applicant is an individual, receiver, trustee, firm, partnership, association or corporation, the full name of each member of the firm or partnership or the names of the officers of the association or corporation shall be given on the application. ((Such)) The application ((shall)) must further state the principal business address of the applicant in the state and elsewhere and the name of a person domiciled in this state authorized to receive and accept service of summons of legal notices of all kinds for the applicant and any other necessary information prescribed by the director.
- (3) The applicant must be issued a license or renewal under this section upon the approval of the application and compliance with the provisions of this chapter, including the applicable ((regulations)) rules adopted ((hereunder)) by the department((, the applicant shall be issued a license or renewal thereof)).
- ((Such)) <u>(4) The</u> license and permanent egg handler or dealer's number ((Shall be)) <u>is</u> nontransferable.

NEW SECTION. Sec. 3. A new section is added to chapter 69.25 RCW to read as follows:

- (1) All new and renewal applications submitted under RCW 69.25.050 before January 1, 2026, must include proof that all eggs and egg products provided in intrastate commerce by the applicant are produced by commercial egg layer operations:
- (a) With a current certification under the 2010 version of the united egg producers animal husbandry guidelines for United States egg laying flocks for conventional cage systems or cage-free systems or a subsequent version of the guidelines recognized by the department in rule; or
- (b) Operated in strict compliance with any standards, adopted by the department in rule, that are equivalent to or more stringent than the standards identified in (a) of this subsection.
- (2) All new and renewal applications submitted under RCW 69.25.050 before January 1, 2017, must, in addition to complying with subsection (1) of this section, include proof that all eggs and egg products provided in intrastate commerce by the applicant are produced by commercial egg layer operations whose housing facilities, if built between January 1, 2012, and December 31, 2016, are either:
- (a) Approved under, or convertible to, the American humane association facility system plan for enriched colony housing in effect on January 1, 2011, or a subsequent version of the plan recognized by the department in rule; or
- (b) Operated in strict compliance with any standards, adopted by the department in rule, that are equivalent to or more stringent than the standards identified in (a) of this subsection.
- (3) All new and renewal applications submitted under RCW 69.25.050 between January 1, 2017, and December 31, 2025, must, in addition to complying with subsection (1) of this section, include proof that all eggs and egg products provided in intrastate commerce by the applicant are produced by commercial egg layer operations whose housing facilities, if built on or after January 1, 2012, are either:
- 34 (a) Approved under the American humane association facility system 35 plan and audit protocol for enriched colony housing in effect on 36 January 1, 2011, or a subsequent version of the plan recognized by the 37 department in rule; or

1 (b) Operated in strict compliance with any standards, adopted by 2 the department in rule, that are equivalent to or more stringent than 3 the standards identified in (a) of this subsection.

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- (4) All new and renewal applications submitted under RCW 69.25.050 on or after January 1, 2026, must include proof that all eggs and egg products provided in intrastate commerce by the applicant are produced by commercial egg layer operations that are either:
- (a) Approved under the American humane association facility system plan and audit protocol for enriched colony housing in effect on January 1, 2011, or a subsequent version of the plan recognized by the department in rule; or
- 12 (b) Operated in strict compliance with any standards, adopted by 13 the department in rule, that are equivalent to or more stringent than 14 the standards identified in (a) of this subsection.
- 15 (5) The following are exempt from the requirements of subsections 16 (2) and (3) of this section:
 - (a) Applicants with fewer than three thousand laying chickens; and
- 18 (b) Commercial egg layer operations when producing eggs or egg 19 products from turkeys, ducks, geese, guineas, or other species of fowl 20 other than domestic chickens.
- NEW SECTION. Sec. 4. A new section is added to chapter 69.25 RCW to read as follows:
 - Any egg handler or dealer involved with the in-state production of eggs or egg products only intended for sale outside of the state of Washington must ensure that the associated commercial egg layer operation is in compliance with the applicable standards as provided in section 3 of this act.
- 28 **Sec. 5.** RCW 69.25.250 and 1995 c 374 s 29 are each amended to read 29 as follows:
- 30 <u>(1)(a)</u> There is hereby levied an assessment not to exceed three 31 mills per dozen eggs entering intrastate commerce, as prescribed by 32 rules ((and regulations)) issued by the director. ((Such)) The 33 assessment ((shall be)) is applicable to all eggs entering intrastate 34 commerce, except as provided in RCW 69.25.170 and 69.25.290((... Such 35 assessment shall)), and must be paid to the director on a monthly basis

- on or before the tenth day following the month ((such)) the eggs enter intrastate commerce.
 - (b) The director may require reports by egg handlers or dealers along with the payment of the assessment fee. ((Such)) The reports may include any and all pertinent information necessary to carry out the purposes of this chapter.
 - (c) The director may, by ((regulations)) rule, require egg container manufacturers to report on a monthly basis all egg containers sold to any egg handler or dealer and bearing such egg handler or dealer's permanent number.
- 11 (2) Egg products in intrastate commerce are exempt from the 12 assessment in subsection (1) of this section.
- 13 <u>NEW SECTION.</u> **Sec. 6.** This act takes effect August 1, 2012.
- NEW SECTION. Sec. 7. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected."
- 18 Correct the title.

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EFFECT: Creates statutory exemptions from the definition of "egg products"; clarifies that standards equivalent to the third-party standards recognized in the bill satisfy the bill's requirements if recognized by the director of the Department of Agriculture; requires any hen housing facilities built between 2012 and 2017 to be convertible to the American Humane Association's 2011 standards (or equivalents); requires, after 2016, all hen housing facilities built after 2012 to operated consistent with the American Humane Association's 2011 standards (or equivalents); requires all hen housing facilities to be operated consistent with the American Humane Association's 2011 standards (or equivalents) after 2025; applies the same hen housing standards to eggs intended to be exported from Washington as those that apply to eggs intended for intrastate commerce; delays the effect of the bill until January 1, 2012; adds a severability clause; and modernizes language.

--- END ---