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SUBSTITUTE HOUSE BILL 2049

State of Washington 66th Legislature 2019 Regular Session

By House Rural Development, Agriculture, & Natural Resources (originally sponsored by Representative Blake)

READ FIRST TIME 02/22/19.

- 1 AN ACT Relating to commercial egg layer operations; amending RCW
- 2 69.25.010, 69.25.065, 69.25.070, 69.25.103, 69.25.107, and 69.25.110;
- 3 reenacting and amending RCW 69.25.020; and creating new sections.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. The legislature finds that the purpose of this act is to improve the regulation of egg production and sales in order to protect the health and welfare of consumers, promote food safety, advance animal welfare, and protect against the negative fiscal effects on the state associated with the lack of effective regulation of egg production and sales.
- 11 **Sec. 2.** RCW 69.25.010 and 1975 1st ex.s. c 201 s 2 are each 12 amended to read as follows:
 - Eggs and egg products are an important source of the state's total supply of food, and are used in food in various forms. They are consumed throughout the state and the major portion thereof moves in intrastate commerce. It is essential, in the public interest, that the health and welfare of consumers be protected by the adoption of measures prescribed herein for assuring that eggs and egg products distributed to them and used in products consumed by them are wholesome, otherwise not adulterated, and properly labeled and

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1 packaged. Lack of effective regulation for the handling disposition of unwholesome, otherwise adulterated, or improperly 2 3 labeled or packaged egg products and certain qualities of eggs is injurious to the public welfare and destroys markets for wholesome, 4 unadulterated, and properly labeled and packaged eggs and egg 5 6 products and results in sundry losses to producers and processors, as 7 well as injury to consumers. Unwholesome, otherwise adulterated, or improperly labeled or packaged products can be sold at lower prices 8 and compete unfairly with the wholesome, unadulterated, and properly 9 labeled and packaged products, to the detriment of consumers and the 10 11 public generally. It is also essential to protect the health and welfare of consumers, promote food safety, advance animal welfare, 12 and protect against the negative fiscal effects on the state 13 associated with the lack of effective regulation of egg production 14 and sales. It is hereby found that all egg products and the qualities 15 16 of eggs which are regulated under this chapter are either in 17 intrastate commerce, or substantially affect such commerce, and that 18 regulation by the director, as contemplated by this chapter, is 19 appropriate to protect the health and welfare of consumers.

Sec. 3. RCW 69.25.020 and 2013 c 144 s 44 are each reenacted and amended to read as follows:

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The definitions in this section apply throughout this chapter unless the context clearly otherwise requires.

- (1) "Adulterated" applies to any egg or egg product under one or more of the following circumstances:
- (a) If it bears or contains any poisonous or deleterious substance that may render it injurious to health; but in case the substance is not an added substance, such article is not 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)) regulated under chapter 15.130 RCW;

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(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)) regulated under chapter 15.130 RCW;

- (e) If it bears or contains any color additive ((which is unsafe within the meaning of RCW 69.04.396)) regulated under chapter 15.130 RCW; however, an article which is not otherwise deemed adulterated under (c), (d), or (e) of this subsection are nevertheless 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 (($\frac{\text{pursuant}}{15.130 \text{ RCW}}$; 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.
- (2) "Ambient temperature" means the atmospheric temperature surrounding or encircling shell eggs.
- 37 (3) "At retail" means any transaction in intrastate commerce 38 between a retailer and a consumer.
- 39 (4) "Business licensing system" means the mechanism established 40 by chapter 19.02 RCW by which business licenses, endorsed for

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individual state-issued licenses, are issued and renewed utilizing a business license application and a business license expiration date common to each renewable license endorsement.

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- (5) "Candling" means the examination of the interior of eggs by the use of transmitted light used in a partially dark room or place.
- (6) "Capable of use as human food" applies 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.
- 10 (7) "Check" means an egg that has a broken shell or crack in the shell but has its shell membranes intact and contents not leaking.
 - (8) "Clean and sound shell egg" means any egg whose shell is free of adhering dirt or foreign material and is not cracked or broken.
 - (9) "Consumer" means any person who purchases eggs or egg products for his or her own family use or consumption; or any restaurant, hotel, boarding house, bakery, or other institution or concern which purchases eggs or egg products for serving to guests or patrons thereof, or for its own use in cooking or baking.
- 19 (10) "Container" or "package" includes any box, can, tin, 20 plastic, or other receptacle, wrapper, or cover.
- 21 (11) "Department" means the department of agriculture of the 22 state of Washington.
- 23 (12) "Director" means the director of the department or his duly authorized representative.
 - (13) "Dirty egg" means an egg that has a shell that is unbroken and has adhering dirt or foreign material.
 - (14) "Egg" means the shell egg of the domesticated chicken, turkey, duck, goose, or guinea, or any other specie of fowl.
 - (15) "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. 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.
- 37 (16)(a) "Egg product" means any dried, frozen, or liquid eggs, 38 with or without added ingredients, excepting products which contain 39 eggs only in a relatively small proportion, or historically have not 40 been, in the judgment of the director, considered by consumers as

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products of the egg food industry, and which may be exempted by the director under such conditions as the director may prescribe to assure that the egg ingredients are not adulterated and 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, eggnog 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.
- (17) "Immediate container" means any consumer package, or any other container in which egg products, not consumer-packaged, are packed.
 - (18) "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.
 - (19) "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).
 - (20) "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.
 - (21) "Inspector" means any employee or official of the department authorized to inspect eggs or egg products under the authority of this chapter.
 - (22) "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.
 - (23) "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.
- 39 (24) "Loss" means an egg that is unfit for human food because it 40 is smashed or broken so that its contents are leaking; or overheated,

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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.

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- (25) "Misbranded" applies to egg products that are not labeled and packaged in accordance with the requirements prescribed by regulations of the director under RCW 69.25.100.
 - (26) "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.
- 10 (27) "Official device" means any device prescribed or authorized 11 by the director for use in applying any official mark.
 - (28) "Official inspection legend" means any symbol prescribed by regulations of the director showing that egg products were inspected in accordance with this chapter.
 - (29) "Official mark" means the official inspection legend or any other symbol prescribed by regulations of the director to identify the status of any article under this chapter.
 - (30) "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.
- 23 (31) "Official standards" means the standards of quality, grades, 24 and weight classes for eggs, adopted under the provisions of this 25 chapter.
 - (32) "Pasteurize" means the subjecting of each particle of egg products to heat or other treatments to destroy harmful, viable microorganisms by such processes as may be prescribed by regulations of the director.
- 30 (33) "Person" means any natural person, firm, partnership, 31 exchange, association, trustee, receiver, corporation, and any 32 member, officer, or employee thereof, or assignee for the benefit of 33 creditors.
 - (34) "Pesticide chemical," "food additive," "color additive," and "raw agricultural commodity" have the same meaning for purposes of this chapter as prescribed in chapter 69.04 RCW.
- 37 (35) "Plant" means any place of business where egg products are processed.

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1 (36) "Processing" means manufacturing egg products, including 2 breaking eggs or filtering, mixing, blending, pasteurizing, 3 stabilizing, cooling, freezing, drying, or packaging egg products.

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- (37) "Restricted egg" means any check, dirty egg, incubator reject, inedible, leaker, or loss.
- (38) "Retailer" means any person in intrastate commerce who sells eggs or egg products to a consumer.
- 8 (39) "Shipping container" means any container used in packaging a 9 product packed in an immediate container.
- 10 <u>(40) "Cage-free housing system" means an indoor or outdoor</u> 11 <u>controlled environment for egg-laying hens within which:</u>
 - (a) Hens are free to roam unrestricted except by external walls;
- 13 <u>(b) Hens are provided enrichments that allow them to exhibit</u>
 14 <u>natural behaviors including, at a minimum, scratch areas, perches,</u>
 15 nest boxes, and dust bathing areas; and
- 16 <u>(c) Farm employees can provide care while standing somewhere</u>
 17 <u>within the hens' usable floor space.</u>
- 18 <u>(41) "Egg-laying hen" means any female domesticated chicken,</u>
 19 <u>turkey, duck, goose, or guinea fowl kept for the purpose of egg</u>
 20 <u>production.</u>
 - (42) "Usable floor space" means the total square footage of floor space provided to each egg-laying hen, calculated by dividing the total square footage of floor space in an enclosure by the number of hens in that enclosure. "Usable floor space" includes ground space and elevated level or nearly level platforms to accommodate egg flow upon which hens can roost, but does not include perches or ramps.
- 27 **Sec. 4.** RCW 69.25.065 and 2011 c 306 s 3 are each amended to 28 read as follows:
- 29 (1) All new and renewal applications submitted under RCW 30 69.25.050 before January 1, ((2026)) 2024, must include proof that 31 all eggs and egg products provided in intrastate commerce by the 32 applicant are produced by commercial egg layer operations:
- 33 (a) With a current certification under the 2010 version of the 34 united egg producers animal husbandry guidelines for United States 35 egg laying flocks for conventional cage systems or cage-free housing 36 systems or a subsequent version of the guidelines recognized by the 37 department in rule; or

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(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 and, in addition, are convertible to the standards identified in RCW 69.25.107; 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)) 2023, 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:
- (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 and, in addition, are operated to the standards identified in RCW 69.25.107; 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.
- (4) All new and renewal applications submitted under RCW 69.25.050 on or after January 1, ((2026)) 2024, 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:
- 38 (a) ((Approved under the American humane association facility 39 system plan and audit protocol for enriched colony housing in effect 40 on January 1, 2011)) Housing egg-laying hens with at a minimum the

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- 1 amount of usable floor space per hen required by the 2017 edition of
- 2 the united egg producers' Animal Husbandry Guidelines for United
- 3 States Egg-Laying Flocks: Guidelines for Cage-Free Housing, or a
- 4 subsequent version of the plan recognized by the department in rule
- 5 as providing equal or more usable floor space per egg-laying hen and,
- 6 in addition, are operated to the standards identified in RCW
- 7 69.25.107; or
- 8 (b) Operated in strict compliance with any standards, adopted by
- 9 the department in rule, that are equivalent to or more stringent than
- 10 the standards identified in (a) of this subsection.
- 11 (5) The following are exempt from the requirements of subsections
- 12 (2) and (3) of this section:
- 13 (a) Applicants with fewer than three thousand laying chickens;
- 14 and
- 15 (b) Commercial egg layer operations when producing eggs or egg
- 16 products from turkeys, ducks, geese, guineas, or other species of
- 17 fowl other than domestic chickens.
- 18 **Sec. 5.** RCW 69.25.070 and 1975 1st ex.s. c 201 s 8 are each
- 19 amended to read as follows:
- The department ((may)) shall deny, suspend, or revoke ((may))
- 21 issue)) a license or a conditional license if it determines that an
- 22 applicant or licensee has committed any of the following acts:
- 23 (1) That the applicant or licensee is violating or has violated
- 24 any of the provisions of this chapter or rules and regulations
- 25 adopted thereunder.
- 26 (2) That the application contains any materially false or
- 27 misleading statement or involves any misrepresentation by any
- 28 officer, agent, or employee of the applicant.
- 29 (3) That the applicant or licensee has concealed or withheld any
- 30 facts regarding any violation of this chapter by any officer, agent,
- 31 or employee of the applicant or licensee.
- 32 **Sec. 6.** RCW 69.25.103 and 2011 c 306 s 4 are each amended to
- 33 read as follows:
- Any egg handler or dealer involved with the in-state production
- 35 of eggs or egg products only intended for sale outside of the state
- 36 of Washington must ensure that the associated commercial egg layer
- 37 operation is in compliance with the applicable standards as provided
- 38 in RCW 69.25.065 <u>and 69.25.107</u>.

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- 1 **Sec. 7.** RCW 69.25.107 and 2011 c 306 s 5 are each amended to read as follows: 2
 - (1) All commercial egg layer operations required under RCW 69.25.065 to meet the American humane association facility system plan, or an equivalent to the plan, must also ensure that all hens in the operation are provided with:
 - (a) No less than one hundred sixteen and three-tenths square inches of space per hen; and
 - (b) Access to areas for nesting, scratching, and perching.
- 10 (2) All commercial egg layer operations required under RCW 69.25.065 to house egg-laying hens with at a minimum the amount of 11 12 usable floor space per hen required by the 2017 edition of the united egg producers' Animal Husbandry Guidelines for United States Egg-13 Laying Flocks: Guidelines for Cage-Free Housing, or a subsequent 14 15 version of the plan recognized by the department in rule as providing equal or more useable floor space per egg-laying hen, must ensure 16 17 that the hens are housed in a cage-free housing system.
 - (3) Subsection (2) of this section does not apply:
 - (a) During medical research;

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- (b) During examination, testing, individual treatment, or 20 21 operation for veterinary purposes;
- (c) During transportation, or depopulation operations for periods 22 23 of no more than seven days in any eighteen-month period;
- 24 (d) During rodeo exhibitions, state or county fair exhibitions, 25 4-H programs, and similar exhibitions;
- (e) During the slaughter of an egg-laying hen in accordance with 27 applicable laws and regulations; or
 - (f) During temporary periods for animal husbandry purposes of no more than six hours in any twenty-four-hour period, and no more than twenty-four hours in any thirty-day period.
 - (4) The requirements of this section apply for any commercial egg layer operation on the same dates that RCW 69.25.065 requires compliance with the American humane association facility system plan or an equivalent to the plan, or requires housing egg-laying hens with at a minimum the amount of usable floor space per hen required by the united egg producers' Animal Husbandry Guidelines for United States Egg-Laying Flocks: Guidelines for Cage-Free Housing or an equivalent to the guidelines.

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- **Sec. 8.** RCW 69.25.110 and 2012 c 117 s 348 are each amended to read as follows:
 - (1) No person shall buy, sell, or transport, or offer to buy or sell, or offer or receive for transportation, in any business in intrastate commerce any restricted eggs, capable of use as human food, except as authorized by regulations of the director under such conditions as he or she may prescribe to assure that only eggs fit for human food are used for such purpose.
 - (2) No egg handler shall possess with intent to use, or use, any restricted eggs in the preparation of human food for intrastate commerce except that such eggs may be so possessed and used when authorized by regulations of the director under such conditions as he or she may prescribe to assure that only eggs fit for human food are used for such purpose.
 - (3) No person shall process any egg products for intrastate commerce at any plant except in compliance with the requirements of this chapter.
 - (4) No person shall buy, sell, or transport, or offer to buy or sell, or offer or receive for transportation, in intrastate commerce any egg or egg product that was not produced in compliance with the standards required by RCW 69.25.065 and 69.25.107. This prohibition shall not apply to any sale undertaken at an official plant at which mandatory inspection is maintained under the federal egg products inspection act, 21 U.S.C. Sec. 1031 et seq. For the purposes of this subsection, a sale is deemed to occur at the location where the buyer takes physical possession of an item.
 - (5) No person shall buy, sell, or transport, or offer to buy or sell, or offer or receive for transportation, in intrastate commerce any egg products required to be inspected under this chapter unless they have been so inspected and are labeled and packaged in accordance with the requirements of RCW 69.25.100.
 - ((+5))) (6) No operator of any official plant shall allow any egg products to be moved from such plant if they are adulterated or misbranded and capable of use as human food.

$((\frac{6}{1}))$ No person shall:

(a) Manufacture, cast, print, lithograph, or otherwise make any device containing any official mark or simulation thereof, or any label bearing any such mark or simulation, or any form of official certificate or simulation thereof, except as authorized by the director;

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(b) Forge or alter any official device, mark, or certificate;

- 2 (c) Without authorization from the director, use any official device, mark, or certificate, or simulation thereof, or detach, deface, or destroy any official device or mark; or use any labeling or container ordered to be withheld from use under RCW 69.25.100 after final judicial affirmance of such order or expiration of the time for appeal if no appeal is taken under said section;
- 8 (d) Contrary to the regulations prescribed by the director, fail 9 to use, or to detach, deface, or destroy any official device, mark, 10 or certificate;
 - (e) Knowingly possess, without promptly notifying the director or his or her representative, any official device or any counterfeit, simulated, forged, or improperly altered official certificate or any device or label, or any eggs or egg products bearing any counterfeit, simulated, forged, or improperly altered official mark;
 - (f) Knowingly make any false statement in any shipper's certificate or other nonofficial or official certificate provided for in the regulations prescribed by the director;
 - (g) Knowingly represent that any article has been inspected or exempted, under this chapter when in fact it has not been so inspected or exempted; and
 - (h) Refuse access, at any reasonable time, to any representative of the director, to any plant or other place of business subject to inspection under any provisions of this chapter.
 - (((7))) <u>(8)</u> No person, while an official or employee of the state or local governmental agency, or thereafter, shall use to his or her own advantage, or reveal other than to the authorized representatives of the United States government or the state in their official capacity, or as ordered by a court in a judicial proceeding, any information acquired under the authority of this chapter concerning any matter which the originator or relator of such information claims to be entitled to protection as a trade secret.
- NEW SECTION. Sec. 9. The provisions of this act are in addition to, and not in lieu of, any other laws protecting animal welfare. This act shall not be construed to limit any other state laws or regulations protecting the welfare of animals or to prevent a local

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- 1 governing body from adopting and enforcing its own animal welfare
- 2 laws and regulations.

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