
OLR Bill Analysis

SB 326 (File 146, as amended by Senate “A,” “B” and “C”)*

AN ACT CONCERNING CONSUMER PROTECTION.

SUMMARY:

This bill updates Connecticut’s statutes regulating eggs. It requires chicken eggs to be labeled, stored, handled, and graded in accordance with federal law. By law, a violator is subject to a fine of up to \$50 for the first offense and up to \$200 for each subsequent offense. Also, by law, egg producers who sell eggs directly to consumers (e.g., from the farm or at a farmers’ market) are exempt from Connecticut’s egg statutes (CGS § 22-47).

For regulatory purposes, the bill splits egg facilities into two entities, egg-grading plant and egg distributor. It grants regulatory authority over (1) egg-grading plants to the Department of Agriculture (DoAg) and (2) egg distributors to the Department of Consumer Protection (DCP). It establishes annual registration fees for both egg-grading plants and egg distributors. Registrations are nontransferable and may be refused, suspended, or revoked for cause.

The bill also requires the DoAG commissioner, by December 31, 2013, to prescribe the conditions that constitute humane treatment of animals by animal importers. The conditions must include the appropriate shelter, availability of food and water, and standard of care animal importers must provide for imported animals.

By law, animal importers, those who bring dogs or cats into Connecticut for sale, adoption, or transfer, must register with the DoAG commissioner and comply with requirements he prescribes for the health, safety, and humane treatment of imported animals. People acting as animal importers without being properly registered are subject to a fine of up to \$500.

*Senate Amendment "A" replaces the underlying file, which required the DCP commissioner to adopt regulations to protect consumers from unfair business practices, with provisions updating Connecticut's statutes regulating eggs.

*Senate Amendment "B" makes minor and technical corrections to the amended bill, including setting registration fees for egg-grading plants and egg distributors of specified sizes.

*Senate Amendment "C" adds the provision on animal importers.

EFFECTIVE DATE: Upon passage

§ 1 — EGG LABELING, STORAGE, AND HANDLING

Labeling

Current law requires all shell eggs sold or offered for sale for human consumption to be labeled with grade and size. The bill requires eggs to be labeled in accordance with federal law, and distinguishes between chicken eggs and eggs from other birds (e.g., turkey, ducks, quail, or guinea fowl).

The bill requires sellers of chicken eggs to label the eggs in accordance with the federal Food, Drug and Cosmetic and Egg Products Inspection acts. These acts require eggs to be labeled with safe handling instructions, nutrition information, and pasteurization information, if applicable.

The bill requires sellers of other birds' eggs to label the eggs in accordance with the federal Food, Drug and Cosmetic and Nutrition and Labeling and Education acts. These acts require eggs to be labeled with safe handling instructions and nutrition information, as well as the name of the species.

Storage and Handling

The bill requires (1) retail establishments to handle and store all eggs in accordance with the federal Food, Drug and Cosmetic Act and (2) egg-grading plants and egg distributors to handle, store, and transport all eggs in accordance with the federal Egg Products

Inspection Act. These acts generally require eggs to be kept at or below 45 degrees Fahrenheit.

The bill specifies that all eggs must be held, stored, and transported at no more than 45 degrees, but for functional reasons, eggs may be tempered for processing for up to 36 hours at room temperature.

§ 2 — GRADING CHICKEN EGGS

The bill requires chicken eggs to meet at least one of the consumer grades the U.S. Department of Agriculture (USDA) has established under the Egg Products Inspection Act. USDA allows edible eggs to be graded as AA, A, or B. The grades indicate the quality of the egg. (Current state law allows for eggs to be graded as AA, A, B, or C.)

As under existing law, nonconforming eggs must be sold as undergrade eggs, checks, cracks, or dirties. Although the bill does not define these terms, USDA defines a (1) “dirty” as an egg with an unbroken shell with adhering dirt or foreign material or stains and (2) “check” as an egg with a broken or cracked shell but with the shell membrane intact so that its contents do not leak.

The bill, as under existing law, requires grading determinations to be made through a process called candling, which involves eggs being examined under certain lighting to determine their condition.

§ 4 — CONNECTICUT EGGS

The bill shifts from DCP to DoAg the duty to register egg packers who use the word “Connecticut” in their grading system. The eggs must continue to be produced on Connecticut farms.

§ 3 — WEIGHT AND SIZE REQUIREMENTS OF CHICKEN EGGS

Current law requires the net weight and size requirements for eggs developed by the DoAg commissioner, in consultation with the DCP commissioner, to apply to all eggs sold or offered for sale. The bill instead requires the USDA’s net weight and size requirements to apply to all chicken eggs sold or offered for sale in Connecticut. It does not specify weight and size requirements for eggs from other birds.

§ 5 — SALE OF NONCONFORMING EGGS PROHIBITED; EXCEPTION

The bill prohibits advertising, falsely labeling, selling, or offering for sale any eggs that do not conform to the state’s egg laws. Current law prohibits such activity for eggs that do not meet the standards for quality and size established by the DoAg and DCP commissioners.

Current law prohibits the sale of inedible eggs. The bill additionally prohibits the sale of adulterated eggs, as that term is defined in federal law. The federal Egg Products Inspection Act defines an “adulterated egg” as an egg that is generally injurious to health or unfit for human consumption.

Current law also prohibits the sale of incubated eggs, with one exception. Incubated eggs may be sold as commercial feed or for other commercial purposes, other than human consumption, if they are broken and denatured at the same location at which incubated and in a manner the DCP commissioner approves. The bill instead requires the DoAg commissioner, or his designee, to grant approval.

§ 6 — REGULATORY AUTHORITY

Current law requires the DCP commissioner to enforce the egg statutes and allows him to adopt regulations. The bill splits the enforcement responsibilities between the DCP and DoAg commissioners.

Specifically, the DCP commissioner, or his designee, must enforce the provisions relative to retail and wholesale distributors. The DoAg commissioner, or his designee, must enforce the provisions relative to egg distributors and egg-grading plants. They determine the frequency of the inspections.

The commissioners may issue any notices of violation or orders needed to ensure compliance. They may also, in consultation with each other, adopt implementing regulations.

§ 7 — REGISTRATION OF EGG-GRADING PLANTS AND EGG DISTRIBUTORS

Egg-grading Plants

The bill, as under existing law, requires egg-grading plants in Connecticut to register with the DoAg commissioner. Under current law, registration grants a permit to receive eggs for processing. No one can receive eggs for processing without a permit. Registrations must be renewed annually in October.

The bill defines “egg-grading plant” as a person or entity who grades, washes, or packs eggs in Connecticut. It requires each location where eggs are graded, washed, or packed to be registered separately. It prohibits anyone from receiving, distributing, processing, or offering for sale eggs without a registration.

The bill establishes fees for registering an egg-grading plant and renewing a registration (see below).

Egg Distributors

The bill requires egg distributors in Connecticut to register with the DCP commissioner on forms he prescribes. Registrations must be renewed annually in October. The bill defines an “egg-distributor” as a person or entity who receives packed eggs and distributes them in the original packaging to institutional, wholesale, or retail establishments. It prohibits anyone from receiving, distributing, processing, or offering for sale eggs without a registration.

The bill establishes fees for registering an egg distributor and renewing a registration (see below).

Registration Fees

The bill establishes a graduated fee structure for egg-grading plant and egg distributor registration and renewals. The registration and annual renewal fees are:

1. \$20 for firms processing or handling 6,000 or fewer dozen eggs per year,
2. \$100 for firms processing or handling between 6,000 and 30,000 dozen eggs per year,

3. \$300 for firms processing or handling between 30,000 and 150,000 dozen eggs per year, and
4. \$400 for firms processing or handling 150,000 or more dozen eggs per year.

List of Egg Sources

Current law requires registered egg-grading plants to keep on file a list of all producers from whom they receive eggs. The bill instead requires all registered egg-grading plants and egg distributors to keep on file a list of the sources from which eggs are received and a list of accounts to which eggs are sold. The lists are subject to review by the DoAg and DCP commissioner, or their designees, as applicable, upon request.

Registrations can be Refused, Suspended, or Revoked for Cause

The commissioners may refuse to issue, suspend, or revoke a registration for cause. In doing so, they must consider the applicant's or registrant's history of compliance with any written orders or notices for violating the egg statutes or any laws or regulations on food storage, handling, sanitation, or safety; egg room sanitation; or egg disinfection, holding, packing, storage, or cooling requirements.

Registrations are Nontransferable

The bill specifies that egg-grading plant or egg distributor registrations are nontransferable.

Appeal; Administrative Hearing

The bill allows a person aggrieved by an order of either the DoAg or DCP commissioner, or their designee, to appeal the order and request an administrative hearing. The appeal must be in writing and received by the applicable commissioner within 10 days after the applicant received the order. An administrative hearing must be held within 45 days after the request.

An appeal must be limited to whether the conditions or violations cited in the order existed. The applicable commissioner or his

designated hearing officer must issue a final decision based upon all the evidence introduced, applying all pertinent laws and regulations. A final order may be appealed to the Hartford Superior Court.

COMMITTEE ACTION

General Law Committee

Joint Favorable

Yea 18 Nay 0 (03/12/2013)

Environment Committee

Joint Favorable

Yea 26 Nay 1 (05/14/2013)