

CHAPTER 215**(HB 442)**

AN ACT relating to eggs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 260.550 is amended to read as follows:

- (1) No person shall buy, sell, trade, traffic, or process eggs in Kentucky without a license issued pursuant to the egg marketing law, with the following exceptions:
 - (a) Hatcheries purchasing eggs to be used exclusively for hatching purposes;
 - (b) Hotels, restaurants, and other eating places where all eggs purchased are served in the establishment;
 - (c) Bakeries, confectioneries, and ice cream manufacturers who use eggs in a manufactured product;
 - (d) Consumers buying eggs for their own consumption; or
 - (e) Producers who sell only directly to consumers and do not exceed a sales limit of sixty (60) dozen eggs per calendar week.
- (2) Any person engaged in the act of selling shell eggs or egg products under any of the following circumstances shall have all shell eggs and egg products placed under a stop order:
 - (a) Selling or otherwise marketing shell eggs or egg products without a license;
 - (b) ***Selling or otherwise marketing shell eggs or egg products without first submitting an emergency recall plan to the department;***
 - (c) Failing to remit or pay fines owed to the department; or
 - (d)~~(e)~~ Failing to properly label shell eggs or egg products.
- (3) Any person natural or otherwise engaged in the act of selling shell eggs or egg products that has been cited by an inspector or agent of the department for a cause listed in KRS 260.640(8)(a) or (b) shall be placed under a withdraw from sale order until such time as the department or an authorized agent of the department rescinds the order.

Section 2. KRS 260.610 is amended to read as follows:

- (1) All eggs bought or sold by or to retailers, consumers, and institutional users by licensees shall be identified according to grade and size, using USDA standards and weight classes for consumer grades.
- (2) Eggs to be offered for sale for human consumption shall be handled to maintain and preserve the quality and grade in which they are to be offered for sale, including but not limited to, storage, transportation, temperature, and sanitation.
- (3) No person shall sell, offer or expose for sale, or have in his possession for sale, for human consumption, eggs that are inedible, including eggs that are unfit for human food in whole or in part, addled or moldy, containing black rot, white rot, or blood ring, adherent yolks, or bloody whites, incubated beyond the blood ring stage, or consisting to any extent of filthy decomposed substance.
- (4) ***No later than June 30 of each year, all packing plants and distributors shall submit an emergency recall plan to the department. The plan shall address policies and procedures that will be followed in the event of a recall of eggs or egg products pursuant to an inedible product designation, as described in subsection (3) of this section.***

Section 3. KRS 260.990 is amended to read as follows:

- (1) Any person who knowingly violates any of the provisions of KRS 260.040 to 260.120 shall, for the first offense, be fined not less than ten dollars (\$10), nor more than twenty-five dollars (\$25), for the second offense, he shall be fined not less than twenty-five dollars (\$25), nor more than fifty dollars (\$50), and for the third and each subsequent offense, he shall be fined not less than fifty dollars (\$50), nor more than two hundred dollars (\$200). Whenever a violation is with respect to a lot or shipment consisting of fifty (50) or more closed packages, there may be imposed in addition to the above penalties twenty-five cents (\$0.25) for

the first offense, fifty cents (\$0.50) for the second offense and one dollar (\$1) for each subsequent offense for each package in excess of fifty (50) with respect to which the violation is committed.

- (2) Any person who violates a stop order in violation of KRS 260.550(2) shall be fined one hundred dollars (\$100) for the first offense, be fined two hundred fifty dollars (\$250) for the second offense, and have his or her license revoked or suspended or, if the person has no license, be fined one thousand dollars (\$1,000) for each subsequent offense.
- (3) Any person who violates a withdraw from sale order in violation of KRS 260.550(3) shall be guilty of a Class B misdemeanor.
- (4) *Any person who violates KRS 260.600(4), involving an untimely payment of an assessment fee, shall be charged a penalty of ten percent (10%) of the original amount and shall be required to pay this penalty in addition to the original assessment fee. The original assessment fee and penalties shall be compounded by ten percent (10%) monthly until paid in full. Any assessment fee and penalties remaining unpaid for three (3) successive months shall result in a license revocation.*
- (5) *Any person who fails to comply with subsection (4) of Section 2 of this Act shall be in violation of the egg marketing law and shall be subject to license suspension or revocation. In the event of a suspension or revocation, a stop order shall be issued prohibiting the sale of the product. In the event that the original producer or plant is not required to be licensed because of having no direct distribution in the state and the product is distributed through other distribution channels, the producer or plant shall have its product placed under stop order and returned to the distributor. Further distribution in the state shall be prohibited until the department receives an emergency recall plan from the original producer or plant.*
- (6) *Any person who violates any of the shell egg labeling requirements set out in KRS 260.630 more than three (3) times within a calendar year shall have his license revoked. During the revocation period, the person whose license has been revoked shall not sell, trade, traffic, or distribute eggs within the Commonwealth. A new application for consideration of reinstatement of an egg license may be submitted to the board for approval during the usual license renewal period.*

Approved April 21, 2006.