

**CHAPTER 4****( HB 181 )**

AN ACT relating to eggs and declaring an emergency.

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

➔Section 1. KRS 260.540 is amended to read as follows:

As used in KRS 260.540 to 260.650, unless the context otherwise requires:

- (1) "Ambient temperature" means the atmospheric temperature surrounding or encircling shell eggs;
- (2) "Board" means the Egg Marketing Board;
- (3) "Candle" means to determine the interior quality of a shell egg based on the use of a candling light as defined in the USDA Handbook 75(7 CFR Part 56);
- (4) "Candled and graded" means candled and graded under state and federal standards and regulations;
- (5) "Case" means a container of thirty (30) dozen shell eggs as used in commercial practice in the United States. The term "half-case" shall mean a container of fifteen (15) dozen eggs. Case also means any other quantity packaging which is considered a wholesale pack;
- (6) "Check" means an egg that has a broken shell or a crack in the shell, but whose membranes are intact and whose contents are not leaking;
- (7) "Commissioner" means the Commissioner of Agriculture;
- (8) "Consumer" means all persons purchasing eggs for consumption and not resale;
- (9) "Department" means the Department of Agriculture;
- (10) "Dealer" means a person, organization, or cooperative engaged in the business of buying eggs from producers or other persons, either on his own account or as an agent, and selling or transferring eggs by the case or other quantity to a wholesaler, processor, retailer, specialty egg processor, or other persons or consumers;
- (11) "Dirty egg" means an egg that has a shell that is unbroken and has adhering dirt or foreign material, or prominent stains covering more than one-fourth (1/4) of the shell surface;
- (12) "Distributor" means any person who sells, offers, or otherwise exposes shell eggs or egg products to a wholesaler, retailer, or food service facility. "Distributor" also means any person or producer who distributes shell eggs or egg products to his or her own retail outlet, store, or food service facility;
- (13) "Egg product" means processed and convenience forms of eggs for home and commercial use, including hard-cooked, or specialty egg products and pasteurized liquid, pasteurized frozen, or pasteurized dried egg products;
- (14) "FDA" means the Federal Food and Drug Administration;
- (15) "Handler" means a dealer, packer, processor, wholesaler, distributor, or retailer;
- (16) "Inedible" means an egg that is unfit for human food in whole or in part, addled or moldy, containing black rot, white rot, blood ring, adherent yolks, or bloody whites, incubated beyond the blood ring stage, or consisting to any extent of filthy decomposed substance. This also includes any eggs unfit for human consumption due to causes other than those listed in this subsection;
- (17) "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;
- (18) "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 contains a bloody white, large meat spots, a large quantity of blood, or other foreign material;
- (19) "Lot" means any given quantity of two (2) or more eggs of a named grade, billed on an invoice or inspected by the department;

- (20) *"Lot consolidation" means the removal of damaged eggs from consumer labeled cartons and replacement of the damaged eggs with eggs of the same grade, size, sell by date, brand, lot, and source;*
- ~~(21)(20)~~ "Packer" means any person who grades, sizes, candles, and packs eggs for purposes of sale;
- ~~(22)(21)~~ "Person" means any individual, firm, partnership, corporation, company, association, or any other type of business entity that traffics in, handles, or sells eggs, and shall include any trustee, receiver, or similar representative;
- ~~(23)(22)~~ "Producer" means any person who exercises control over the production of eggs and disposes of eggs from the output of his or her personally owned flock;
- (24) *"Registered lot consolidator" means a person who has successfully completed a training course in lot consolidation approved by the department and who is registered with the department;*
- (25) *"Repacking" means changing the identity of a lot of shell eggs by removing them from the original container labeled by a packer and placing them into another container not labeled by the packer at the point of origin with the same grade, size, sell by date, lot number, source, and brand;*
- ~~(26)(23)~~ "Retailer" means any person selling or offering eggs for sale to consumers in this state;
- ~~(27)(24)~~ "Sell" means to offer for sale, expose for sale, have in possession for sale, exchange, barter, or trade;
- ~~(28)(25)~~ "Shell eggs" means the product of the domesticated hen and any other egg from the avian species offered for human consumption in its shell form;
- ~~(29)(26)~~ "Specialty egg processor" means a person who operates a plant for the purpose of breaking eggs for freezing or drying or commercial food manufacturing, and includes a person distributing his or her products from out-of-state. A specialty egg processor may also be known as a breaker or breaking plant;
- ~~(30)(27)~~ (a) "Specialty egg products" means egg specialties processed for the food service industry including: wet-pack and dry-pack prepeeled hard-cooked eggs, either whole, wedged, sliced, chopped, or pickled; long rolls of hard-cooked eggs; frozen omelets; egg patties; quiche; quiche mix; frozen French toast; frozen scrambled egg mix in boilable pouches; frozen fried eggs; frozen precooked scrambled eggs; freeze-dried scrambled eggs; ultra-pasteurized liquid eggs; free-flowing frozen egg pellets; and specially coated shelf-stable hard-cooked eggs.
- (b) "Specialty egg products" does not include eggs that are combined with other products in a convenience pack such as a meal, if the total package weight cannot be fairly divided between all items in the package allowing the egg product to have a separate calculated weight;
- ~~(31)(28)~~ "Stop order" means an order issued by an inspector or other authorized agent of the department removing the shell egg or egg products from sale until a release or change of order has been issued by an inspector or authorized agent of the department;
- ~~(32)(29)~~ "Ungraded and candled" means the general run of edible eggs as they come from the producer, not sized or graded, but candled;
- ~~(33)(30)~~ "USDA" means the United States Department of Agriculture;
- ~~(34)(31)~~ "Wholesaler" means a handler who is engaged in the business of buying eggs from producers or other persons on the handler's own account and selling or transferring eggs to other dealers, wholesalers, processors, or retailers, or through other distribution channels; and
- ~~(35)(32)~~ "Withdraw from sale order" means an order issued by an inspector or other authorized agent of the department, permanently removing shell eggs or egg products from sale or distribution.

➔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) A carton of eggs with any of the following existing conditions shall be removed from a retail display on a daily basis:

- (a) Cracked eggs;
  - (b) Leaking eggs;
  - (c) Frozen eggs; or
  - (d) A combination of any of the above.
- (4) A retailer shall not rework or repack eggs into full cartons. Repacking shall be done only by the original packer. A retailer may, however: ~~{-}~~
- (a) Sell an incomplete dozen size carton provided that the quantity labeling on the carton is changed to reflect the number of eggs in the carton; *or*
  - (b) ***Perform lot consolidation provided the process is performed by or under the supervision of, a registered lot consolidator. The Commissioner may promulgate administrative regulations governing the requirements for lot consolidation registration and may assess a fee of no more than twenty dollars (\$20) needed to defray the costs of the registration program.***
- (5) 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.
- (6) 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 (5) of this section. If there have been no changes in the plan from the previous year, a statement to that effect shall be submitted in lieu of a plan on an annual basis.

➔Section 3. Whereas it is of vital importance for the Commonwealth of Kentucky to protect the health and safety of its citizens, and it is to the benefit of the state and its citizens to support private enterprise, an emergency is declared to exist, and this Act takes effect upon its passage and approval by the Governor or upon its otherwise becoming a law.

**Signed by Governor March 5, 2014.**