

---

By: **Chairman, Environmental Matters Committee (Departmental -  
Agriculture)**

Introduced and read first time: February 9, 2001

Assigned to: Environmental Matters

---

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Egg Law**

3 FOR the purpose of altering the definition of the term "shell egg" to include certain  
4 treated eggs; altering certain grade, quality, and labeling requirements;  
5 establishing refrigeration requirements; authorizing the Secretary of  
6 Agriculture to impose civil penalties; and generally relating to the regulation of  
7 shell eggs under the Maryland Egg Law.

8 BY repealing and reenacting, with amendments,  
9 Article - Agriculture  
10 Section 4-301, 4-302, 4-303, 4-306, and 4-307  
11 Annotated Code of Maryland  
12 (1999 Replacement Volume and 2000 Supplement)

13 BY repealing and reenacting, without amendments,  
14 Article - Agriculture  
15 Section 4-304, 4-308, 4-309, 4-310, 4-311, 4-311.1, 4-311.2, 4-311.3, 4-311.4,  
16 4-311.5, 4-311.6, 4-311.7, and 4-312  
17 Annotated Code of Maryland  
18 (1999 Replacement Volume and 2000 Supplement)

19 BY repealing  
20 Article - Agriculture  
21 Section 4-305  
22 Annotated Code of Maryland  
23 (1999 Replacement Volume and 2000 Supplement)

24 BY adding to  
25 Article - Agriculture  
26 Section 4-305, 4-305.1, and 4-311.8  
27 Annotated Code of Maryland  
28 (1999 Replacement Volume and 2000 Supplement)

1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
2 MARYLAND, That the Laws of Maryland read as follows:

3 **Article - Agriculture**

4 4-301.

5 (a) In this subtitle the following words have the meanings indicated.

6 (b) "Consumer" means any person who purchases or otherwise acquires shell  
7 eggs for household consumption.

8 (c) "Packer" means any person who places shell eggs in the original case,  
9 carton, or container that is used to hold eggs for distribution or sale to a consumer.

10 (d) (1) "Distributor" means any person who:

11 (i) Sells, offers, or exposes for sale shell eggs;

12 (ii) Purchases shell eggs for other than household consumption; or

13 (iii) Distributes eggs to a retail outlet or food service facility owned  
14 by that person.

15 (2) "Distributor" does not include any person who purchases shell eggs  
16 either exclusively as a retailer or exclusively for use in a food service facility or  
17 exclusively both as a retailer and as a food service facility.

18 (e) "Food service facility" means any person who operates a facility where eggs  
19 are used in the preparation of food and who does not distribute eggs to a food service  
20 facility owned by that person.

21 (f) "Shell eggs" means raw OR TREATED CHICKEN eggs THAT ARE STILL IN  
22 THE SHELL AND INTENDED [produced by chickens] for human consumption.

23 (g) "Retailer" means any person who sells shell eggs to a consumer and who  
24 does not distribute eggs to a retail outlet owned by that person.

25 4-302.

26 No person may DONATE, sell, advertise, offer, or in any manner represent for  
27 sale shell eggs to any person unless the shell eggs meet standards of quality, grade,  
28 and size classification as provided in this subtitle.

29 4-303.

30 (a) The Secretary may adopt rules and regulations limiting the use of any  
31 term used when shell eggs are offered or exposed for sale, sold, or advertised except  
32 grade or size or weight classifications provided by statute.

1 (b) The term "fresh" [or the term "Maryland fresh", for shell eggs produced in  
2 the State,] may be used in addition to the applicable grade and size designation,  
3 except for shell eggs below A quality OR THOSE THAT HAVE BEEN TREATED BY A  
4 PROCESS THAT ALTERS SHELL EGGS. [The Secretary shall adopt rules and  
5 regulations setting the standards for "Maryland fresh" eggs.] Candling or any other  
6 method approved by the Secretary shall be used when making a final determination  
7 of whether shell eggs meet the standard of quality.

8 (C) TERMS APPROVED BY THE SECRETARY FOR SPECIAL GRADES OR  
9 CONDITIONS OF PRODUCTION AND PROCESSING FOR SHELL EGGS MAY BE USED IN  
10 ADDITION TO THE APPLICABLE GRADE AND SIZE DESIGNATION FOR SHELL EGGS  
11 THAT COMPLY WITH REGULATIONS ESTABLISHED BY THE SECRETARY FOR THESE  
12 SPECIAL GRADES OR CONDITIONS.

13 (D) A PERSON MAY NOT DONATE, SELL, OFFER FOR SALE, OR DELIVER ANY  
14 SHELL EGGS THAT ARE NOT LABELED ACCORDING TO REGULATIONS ADOPTED BY  
15 THE SECRETARY.

16 4-304.

17 The size or weight classification for individual shell eggs in the State shall be  
18 the same as the official United States Department of Agriculture weight classes for  
19 shell eggs for the following classifications: jumbo, extra large, large, medium, small,  
20 and pee wee. The Secretary shall adopt rules and regulations prescribing the weights  
21 permitted in this subtitle. The net weight of shell eggs does not include the weight of  
22 any container.

23 [4-305.

24 The State standards for quality of individual or grades of shell eggs shall be the  
25 same as those of the United States Department of Agriculture.]

26 4-305.

27 (A) THE SECRETARY SHALL ESTABLISH STANDARDS FOR QUALITY OF  
28 INDIVIDUAL OR GRADES OF SHELL EGGS.

29 (B) UNLESS THE SHELL EGGS MEET THE STANDARDS ESTABLISHED BY THE  
30 SECRETARY, A PERSON MAY NOT DONATE, SELL, ADVERTISE, OFFER, OR IN ANY  
31 MANNER REPRESENT FOR SALE SHELL EGGS TO ANY CONSUMER.

32 4-305.1.

33 ALL SHELL EGGS SHALL BE STORED, DISPLAYED, AND TRANSPORTED IN A  
34 REFRIGERATED AREA WHERE THE TEMPERATURE MEETS THE STANDARD  
35 ESTABLISHED BY THE SECRETARY.

1 4-306.

2 (a) The Secretary may establish for use on a voluntary basis special grades of  
3 shell eggs produced in the State that are of a standard superior to United States  
4 Department of Agriculture Grade A shell eggs. The Secretary may adopt rules and  
5 regulations:

6 (1) [prescribing] PRESCRIBING and defining quality and size standards,  
7 and establishing special tolerances for the grade of shell eggs[.];

8 (2) REQUIRING SPECIAL CONDITIONS OF PRODUCTION AND  
9 PROCESSING FOR SHELL EGGS[.];

10 (3) [requiring] REQUIRING, as a condition precedent to sale, any person  
11 who desires to pack special grades for sale to register [annually] with the Secretary  
12 and pay a reasonable [registration] fee set by the Secretary[.];

13 [(3)] (4) [devising] DEVISING and charging reasonable fees for seals or  
14 other appropriate identifying insignia to be used, as a condition precedent to sale by  
15 any person who desires to pack them for sale[.]; and

16 [(4)] (5) [adopting] ADOPTING other rules and regulations necessary to  
17 effectuate the purposes of this section.

18 (b) In addition to any other penalty provided by this article, the Secretary may  
19 revoke the registration of any person who violates any provision of this subtitle or any  
20 rule or regulation adopted pursuant to it.

21 4-307.

22 No person may sell, offer to sell, or deliver any shell eggs not properly  
23 designated in respect to quality and size standard. When shell eggs are sold or offered  
24 for sale, the designation shall be plainly and conspicuously shown on the container  
25 and in the offer to sell, and if the shell eggs are loose, by a sign placed on or near the  
26 eggs. Any shell eggs not [designated as United States Department of Agriculture  
27 Grade B shall be presumed to be United States Department of Agriculture Grade A in  
28 allowing tolerance for quality] PROPERLY LABELED SHALL BE PRESUMED TO MEET  
29 THE GRADE A STANDARD FOR THE QUALITY OF SHELL EGGS.

30 4-308.

31 No person may sell or deliver shell eggs to a distributor, retailer, or food service  
32 facility unless at the time of delivery the person furnishes an invoice delivery ticket  
33 accurately detailing the sale of the shell eggs pursuant to this section. Every invoice  
34 delivery ticket shall contain upon its face the following information:

35 (1) Delivery date;

36 (2) Name and address of the seller;

- 1 (3) Name and address of the purchaser;
- 2 (4) The registration number, if any, of the purchaser;
- 3 (5) The quantity;
- 4 (6) The grade and size of the shell eggs delivered; and
- 5 (7) The inspection fee, if applicable.

6 4-309.

7 A person may not fail or refuse to make required reports or report falsely or with  
8 intent to deceive.

9 4-310.

10 (a) During the usual business hours, the Secretary may enter any warehouse,  
11 store, building, market, or any other place, carrier, conveyance, or vehicle where or  
12 from where shell eggs are sold, offered, or exposed for sale, to enforce the provisions of  
13 this subtitle.

14 (b) If the Secretary finds shell eggs are sold, offered or exposed for sale in  
15 violation of the subtitle, he may issue a written or printed "stop-sale" order to the  
16 person violating this section. After receipt of the order, the recipient may not sell,  
17 offer, or expose for sale any shell eggs subject to the order. Any person upon whom a  
18 "stop-sale" order has been served may appeal to the Secretary.

19 4-311.

20 If the Secretary finds that any shell eggs are adulterated or unfit for human  
21 consumption, he shall segregate them and mark them in a permanent manner to  
22 permit ready identification. If no appeal is taken from a determination of  
23 condemnation, the Secretary shall destroy them in a manner prescribed by the rules  
24 and regulations. If an appeal is taken, the condemned shell eggs shall be segregated  
25 and stored pending completion of an appeal inspection. The eggs may be destroyed in  
26 accordance with this section if the appeal is sustained.

27 4-311.1.

28 A person shall register with the Secretary each business location where that  
29 person is operating as either a packer or distributor.

30 4-311.2.

31 (a) Except as otherwise provided in subsection (b) of this section, an applicant  
32 for registration shall:

33 (1) Submit to the Secretary an application on the form that the Secretary  
34 provides; and

1 (2) Pay to the Secretary the appropriate registration fee established in  
2 subsection (c) of this section.

3 (b) A packer or distributor who keeps 3,000 or fewer chickens and who sells,  
4 offers, or exposes for sale shell eggs only from those chickens shall register with the  
5 Secretary, but is exempt from paying any fee required by this subtitle.

6 (c) The following persons shall pay to the Secretary the registration fee  
7 indicated:

8 (1) Packer.....\$30; and

9 (2) Distributor ..... \$30.

10 4-311.3.

11 (a) Unless a registration for a packer or distributor of shell eggs is renewed for  
12 a 1-year term, the registration expires on January 1.

13 (b) Before a registration expires, the registration may be renewed for an  
14 additional 1-year term, if the applicant:

15 (1) Is a packer or distributor of shell eggs;

16 (2) Pays the applicable fee as provided in § 4-311.2 of this subtitle; and

17 (3) Submits to the Secretary a renewal application on a form that the  
18 Secretary provides.

19 (c) The packer or distributor shall display the registration conspicuously at  
20 each place of business.

21 (d) The packer or distributor shall notify the Secretary if the packer's or  
22 distributor's business is moved to a new location.

23 4-311.4.

24 Subject to the hearing provisions adopted by the Secretary, the Secretary may  
25 deny, suspend, or revoke the registration for a packer or distributor if:

26 (1) The packer or distributor does not meet the requirements of this title;  
27 or

28 (2) The packer or distributor violates any provision of this subtitle or any  
29 regulation adopted by the Secretary.

30 4-311.5.

31 (a) (1) There is an "Egg Law Fund".

1 (2) All fees collected under the provisions of this subtitle shall be  
2 credited to the Fund.

3 (b) The Fund shall be used to partially defray the expenses of administering  
4 this subtitle.

5 4-311.6.

6 (a) A packer or distributor who is required to pay a fee under this subtitle  
7 shall submit to the Secretary:

8 (1) A quarterly report showing the number of dozens of shell eggs sold or  
9 delivered in Maryland to any retailer, food service facility, or consumer; and

10 (2) At the time that the quarterly report is due, an inspection fee at a  
11 rate of 8 cents for each 30-dozen case of shell eggs sold or delivered in Maryland.

12 (b) (1) If the report is not filed and the required inspection fee is not paid  
13 within 30 days after the end of the quarterly period, a collection fee shall be assessed  
14 against the packer or distributor.

15 (2) The amount of the collection fee shall be the greater of:

16 (i) 10 percent of the inspection fee due and unpaid; or

17 (ii) \$100.

18 (3) The amount of collection fee due is a debt and may be the basis of a  
19 judgment in a civil action against the packer or distributor.

20 4-311.7.

21 A packer or distributor shall:

22 (1) Keep accurate records showing the number of eggs sold or delivered  
23 to any person;

24 (2) Keep required records at each place of business or at a central  
25 location within the State;

26 (3) Keep required records for 1 year; and

27 (4) Make required egg records available to the Secretary upon request.

28 4-311.8.

29 (A) INSTEAD OF, OR IN ADDITION TO, ISSUING A STOP SALE ORDER OR  
30 REVOCATION OF A REGISTRATION UNDER THIS SUBTITLE, THE SECRETARY MAY  
31 IMPOSE A CIVIL PENALTY OF NOT MORE THAN \$5,000.

1 (B) THE SECRETARY SHALL ADOPT REGULATIONS NECESSARY TO  
2 IMPLEMENT THIS SECTION.

3 (C) A PENALTY COLLECTED BY THE SECRETARY UNDER THIS SECTION SHALL  
4 BE PAID INTO THE EGG LAW FUND, AS PROVIDED BY § 4-311.5 OF THIS SUBTITLE.

5 4-312.

6 This subtitle may be cited as the Maryland Egg Law.

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
8 October 1, 2001.