

2019 HOUSE AGRICULTURE

HB 1081

2019 HOUSE STANDING COMMITTEE MINUTES

Agriculture Committee Peace Garden Room, State Capitol

HB 1081
1/4/2019
Job #30434

- Subcommittee
 Conference Committee

Committee Clerk: ReMae Kuehn

Explanation or reason for introduction of bill/resolution:

Definition and sale of eggs

Minutes:

Attachment #1

Nathan Kroh, Dairy Coordinator, North Dakota Dept. of Agriculture: (Attachment #1)

Representative Headland: If this bill passes, my neighbor will not be able to sell eggs?

Nathan Kroh: As it stands the small producers are exempt from our requirements. If they want to sell to stores they need to be licensed.

Representative McWilliams: Currently the definition of eggs is restricted to chickens?

Nathan Kroh: Yes, we are expanding the definition to include all poultry.

Chairman Dennis Johnson: If individuals want to sell to the store, who inspects or candles the eggs?

Nathan Kroh: We have two dairy inspectors that do egg inspections. We do an inspection of the egg handling facility. Eggs have to be held under 45 degrees. We inspect the facility once a year. We also test the water if it is a well. We teach the candling procedures.

Representative Schreiber-Beck: Are you only inspecting the licensed producers?

Nathan Kroh: We do not inspect if they are not licensed with us. If they are exempt, we don't even know if they are selling eggs to their neighbors.

Representative Skroch: You train more for a commercial use?

Nathan Kroh: That is correct. Only if they are selling at the grocery store.

Representative Skroch: What about a producer to a public school?

Nathan Kroh: The public school would have to have an approved source. It would be no different than with a grocery store.

Representative Kiefert: Isn't candling common practice?

Nathan Kroh: It is common practice.

Representative McWilliams: We found the Asian markets want duck eggs to be 18 days old. What is the department's view on that practice?

Nathan Kroh: That would be considered a bad egg.

Chairman Dennis Johnson: Do you get a premium for that egg?

Representative Schreiber-Beck: Why did this change come about?

Nathan Kroh: The current wording of the exemption is misleading. This is for clarification.

Representative Skroch: Wouldn't there be a procedure for those unique markets?

Nathan Kroh: We could add that, but it would need proper labeling. We could address that through administrative rule.

Opposition: None

Representative Schreiber-Beck: Moved Do Pass.

Representative Skroch: Seconded the motion.

Representative McWilliams: I would like to see a rule for a niche market.

Chairman Dennis Johnson: It can be addressed in administrative rule.

Vice Chair Trottier: What is the difference in price of a chicken egg and a duck egg?

Representative McWilliams: A dozen duck eggs can sell for up to \$12 or \$15. A dozen chicken eggs can sell up to \$3 or \$4.

A Roll Call vote was taken: Yes 14, No 0, Absent 0.

Do Pass carries.

Representative McWilliams will carry the bill.

REPORT OF STANDING COMMITTEE

HB 1081: Agriculture Committee (Rep. D. Johnson, Chairman) recommends **DO PASS**
(14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1081 was placed on the
Eleventh order on the calendar.

2019 SENATE AGRICULTURE

HB 1081

2019 SENATE STANDING COMMITTEE MINUTES

Agriculture Committee
Roosevelt Park Room, State Capitol

HB 1081
2/15/2019
32829 (11:59), 32865 (0:16)

- Subcommittee
 Conference Committee

Committee Clerk: Lynn Wolf

Explanation or reason for introduction of bill/resolution:

A bill relating to the definition and sale of eggs.

2 Attachments.

Chairman Luick: Committee will come to order. We will start this morning with HB 1081.

Nathan Kroh, Dairy Coordinator, ND Department of Agriculture: *See Att. #1.*

Senator Klein: All we are saying is that if I go out and buy eggs from Senator Hogan's place, I don't have to have them candled, but if I am buying eggs from Senator Hogan's farm at the grocery store, then we fall under the candled provisions.

Chairman Luick: Does Senator Hogan have ostrich eggs?

Senator Klein: I was more interested in her cassowary.

Nathan Kroh: Cassowary is kind of a smaller version of an ostrich, so it is kind of a – smaller than an emu, I believe.

Chairman Luick: What kinds of exotic birds do we have in this state?

Nathan Kroh: As far as exotic birds, our department does not keep track of what the birds are, but if there is an exotic bird, that would go through the board of animal health and they would have to have their licensing and inspection of those. I do know that we have some that bring in certain types of squab and – anything that is exotic would go through the board of animal health.

Chairman Luick: And it keeps changing.

Senator Larsen: Was there a number count on the eggs. If it is under 3,000 or something, or if it is – what do you have to have to get a license to be an egg dealer? Is there a number correlation or not?

Nathan Kroh: The requirement is that anybody that has more than 3,000 laying hens and would like to sell wholesale, would have to go through the USDA. Our state agency covers anything that is less than 3,000 hens. We don't have a minimum, but if you would like to sell a wholesale account, such as the grocery store, then we would do it regardless of the number birds.

Senator Luick: Other questions. Thank you. Further testimony in favor of 1081.

Dane Bryant, small town egg business owner: See Att. #2.

Senator Larsen: On the 96 cases of salmonella, was there a data sheet of what they contracted the salmonella from and was any of it egg borne?

Dane Bryant: I believe there was a number, but I did not get the number. Most of them, I believe were egg related, but I would have to look it up for you – if you would like.

Senator Larsen: We had some discussion yesterday about how the small groceries around the country are struggling. Do you do like a route where you go around to grocery stores or does a distributor come to you and pick up your eggs?

Dane Bryant: We go out every week, so we have a different route each day. We go pick up the eggs and they are inspected and everything already. Then we basically distribute them to all the family grocery stores around where I am from in South Dakota. As far as that goes, everything is inspected, looked over, candle labeled as soon as we pick them up and then we just sell them to stores.

Senator Klein: They are in different packages or different brands – do you have a brand that we would exclusively know that they were your eggs and we would want to support your eggs?

Dane Bryant: We are known as the Snow White brand – which is something that my grandpa made back in the 1970s, so as far as that goes, everybody that we sell to – as far as the grocery stores – knows exactly who we are and where our eggs come from. They expect everything to be done for them as far as candling and labeling. They know that they are getting the quality egg that they deserve.

Senator Klein: Does it say Snow White on the carton?

Dane Bryant: Yes. It says Snow White Egg on it.

Senator Hogan: Have you done any of these exotic birds?

Dane Bryant: I have no idea – quite honestly.

Senator Larsen: It doesn't really have to do with the eggs, but I work with a company that uses - they have a manure handling thing and we buy semi loads of this and then put it into the fields. Are you large of a deal where you can compost and process it at this point to move

it forward to people that deal with fertilizer in a mass amount? Currently, we get ours from Ohio.

Dane Bryant: I believe we aren't that big. We are a small town business – we don't have anything of that nature.

Chairman Luick: Any further questions? Thank you. Further testimony in favor of 1081. Any testimony in opposition to 1081? If there is on other testimony, we are going to close the hearing.

Senator Klein: I move a Do Pass on HB 1081.

Senator Larsen: Second.

Vote held open for Senator Myrdal – Job # 32865 – Aye on HB 1081.

6 Yeas; 0 Nays; 0 Absent.

Motion Carries.

Senator Larsen will carry the bill.

**2019 SENATE STANDING COMMITTEE
 ROLL CALL VOTES
 BILL/RESOLUTION NO. HB 1081**

Senate Agriculture _____ Committee

Subcommittee

Amendment LC# or Description: _____

Recommendation: Adopt Amendment
 Do Pass Do Not Pass Without Committee Recommendation
 As Amended Rerefer to Appropriations
 Place on Consent Calendar

Other Actions: Reconsider _____

Motion Made By Klein _____ Seconded By Larsen _____

| Senators | Yes | No | Senators | Yes | No |
|----------------------------|-----|----|---------------|-----|----|
| Senator Luick-Chairman | ✓ | | Senator Hogan | ✓ | |
| Senator Myrdal- Vice Chair | ✓ | | | | |
| Senator Klein | ✓ | | | | |
| Senator Larsen | ✓ | | | | |
| Senator Osland | ✓ | | | | |
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Total (Yes) 6 _____ No 0 _____

Absent 0 _____

Floor Assignment Larsen _____

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1081: Agriculture Committee (Sen. Luick, Chairman) recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1081 was placed on the Fourteenth order on the calendar.

2019 TESTIMONY

HB 1081



#1

**Testimony of Nathan Kroh
Dairy Coordinator
North Dakota Department of Agriculture
House Bill 1081
House Agriculture Committee
Peace Garden Room
January 4, 2019**

Chairman Johnson and members of the House Agriculture Committee, I am Nathan Kroh, the Dairy Coordinator for the North Dakota Department of Agriculture (NDDA), and I am representing Agriculture Commissioner Doug Goehring. I am here today in support of House Bill 1081, which would amend the definition of eggs and clarify when inspection of egg handlers would be necessary.

As Century Code Chapter 4.1-19, Eggs and Poultry, stands today, the definition of eggs is limited to that of domesticated chickens. House Bill 1081, is a very simple change to the definition of that to include eggs from any domesticated poultry, since poultry includes in its definition chickens, turkeys, ostriches, emus, rheas, cassowaries, waterfowl, and game birds, but not including doves and pigeons.

The other amendment to the Chapter 4.1-19, Eggs and Poultry, is a clarification of when registration and inspection would be required. We would like the statute to more clearly indicate that individuals who would like to sell any type of eggs to the end consumer, may do so without the need for candling, labeling, and other requirements. This proposed amendment does not impact any current inspection rule or policy, nor does it impact the services that the egg inspection program will continue to provide, as far as training, water testing and inspection for those that would like to sell eggs to grocery stores, convenience stores, or other businesses as a wholesale type transaction.

Chairman Johnson and committee members, thank you for your consideration of HB 1081. I would be happy to answer any questions you may have.

COMMISSIONER
DOUG GOEHRING



HB 1081
2-15-19
ndda@nd.gov
www.nd.gov/ndda
#1 Pg 1
Att. #1

**Testimony of Nathan Kroh
Dairy Coordinator
North Dakota Department of Agriculture
House Bill 1081
Senate Agriculture Committee
Roosevelt Park Room
February 15, 2019**

Chairman Luick and members of the Senate Agriculture Committee, I am Nathan Kroh, the Dairy Coordinator for the North Dakota Department of Agriculture (NDDA), and I am representing Agriculture Commissioner Doug Goehring. I am here today in support of House Bill 1081, which would amend the definition of eggs and clarify when inspection of egg handlers would be necessary.

As Century Code Chapter 4.1-19, Eggs and Poultry, stands today, the definition of eggs is limited to that of domesticated chickens. House Bill 1081 is a very simple change to the definition of that to include eggs from any domesticated poultry, since poultry includes in its definition chickens, turkeys, ostriches, emus, rheas, cassowaries, waterfowl, and game birds, but not including doves and pigeons.

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Chairman Luick and committee members, thank you for your consideration of HB 1081. I would be happy to answer any questions you may have.

#B 1081
2-15-19
#2 Pg 1
AA # 2

SB 1081

Testimony of Dane Bryant

February 15, 2019

Mr. Chairmen and Members of the Committee:

My name is Dane Bryant and I have been a member of a small town egg business for most of my life and am a junior at the University of Mary. I am here today to offer testimony on SB 1081, which would support that all eggs sold or offered for sale in the state of North Dakota, must be candled, labeled, and meet all other requirements as the commissioner deems necessary.

Improper candling, labeling, and not meeting the proper requirements can result in foodborne illness, such as Salmonella. According to the 2017 North Dakota Epidemiology Report, 96 cases of Salmonella were reported to the North Dakota Department of Health. Passing SB 1081 could help reduce these numbers within North Dakota and keep North Dakota citizens healthy and safe from foodborne illness.

Within our small town egg business we are required to have monthly annual inspections by a state agent as well as inspection by a federal agent each year. The corporation that we purchase our eggs from also has a federal inspector that regulates the production of eggs within the facility. During these inspections the checking of proper candling and labeling takes place. When we do not meet this requirement, this in turn creates a negative outlook on the eggs we sell as well as the safety of our business as a whole to our businesses we sell to. Because of this, this should be no different for those who sell any kind of eggs from the farm or wherever it may be. The safety of those who one sells or distributes to should be the number one priority in the

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Att. #2 Pg 2

distributors mind and with this bill it would prioritize this need. The more proper candling and labeling takes place, the less the buyer runs a risk of health related issues.

As a member of a small town egg business we are strongly committed to the health and safety of the customers we sell our eggs to and strongly encourage a “do pass” on SB 1081.

Thank you for your time this morning.