A-Engrossed Senate Bill 805

Ordered by the Senate April 25 Including Senate Amendments dated April 25

Sponsored by COMMITTEE ON ENVIRONMENT AND NATURAL RESOURCES

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the

[Creates offense of unlawfully confining egg-laying hen. Punishes by maximum fine of \$720.] [Creates offense of unlawfully selling eggs. Punishes by maximum fine of \$720.] [Sunsets certain provisions on January 1, 2019.]

Prohibits commercial farm owner or operator from confining egg-laying hen in enclosure that fails to comply with rules adopted by State Department of Agriculture. Prohibits person from selling eggs or egg products that person knows, or reasonably should know, are product of such confinement. Authorizes department to impose civil penalty not to exceed \$2,500 for violation of prohibition. Becomes operative January 1, 2012.

Authorizes department to inspect commercial farms to enforce prohibitions on and after

Requires all enclosures to meet certain standards established in American Humane Association's farm animal welfare certification program on and after January 1, 2026.

Declares emergency, effective on passage.

A BILL FOR AN ACT

- Relating to egg-laying hens; appropriating money; and declaring an emergency. 2
- Be It Enacted by the People of the State of Oregon:
- SECTION 1. As used in sections 1 to 4 of this 2011 Act:
 - (1) "Commercial farm" means the land, buildings and support facilities that are used for the commercial production of animals or animal products used for food or fiber.
 - (2) "Commercial farm owner or operator" means any person who owns or controls the operation of a commercial farm. "Commercial farm owner or operator" does not mean a contractor, consultant or nonmanagement employee.
 - (3) "Egg" means an egg, in the shell, from an egg-laying hen.
 - (4) "Egg-laying hen" means any female domesticated chicken, turkey, duck, goose or guinea fowl that is kept for the purpose of egg production.
- (5) "Egg products" has the meaning given that term in ORS 632.705, except that "egg 13 products" does not include the following products when those products are prepared from 14 inspected egg products or eggs and contain no more restricted eggs than are allowed in the 15 official standards for United States Consumer Grade B shell eggs: 16
 - (a) Freeze-dried products;
- (b) Imitation egg products; 18
- (c) Egg substitutes; 19
- (d) Dietary foods; 20
- (e) Dried no-bake custard mixes; 21
- 22 (f) Eggnog mixes;

NOTE: Matter in boldfaced type in an amended section is new; matter [italic and bracketed] is existing law to be omitted. New sections are in **boldfaced** type.

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- (g) Acidic dressings;
- 2 (h) Noodles:

- 3 (i) Milk and egg dips;
- (j) Cake mixes;
- 5 (k) French toast; and
 - (L) Sandwiches containing eggs or egg products.
 - (6) "Enclosure" means any cage, crate or other structure used to confine an egg-laying hen.

<u>SECTION 2.</u> A commercial farm owner or operator may not confine an egg-laying hen in an enclosure that fails to comply with the rules adopted by the State Department of Agriculture under section 4 of this 2011 Act.

SECTION 3. A person may not sell eggs or egg products that the person knows, or reasonably should know, are the product of an egg-laying hen that has been confined, during the production of the eggs, in an enclosure that fails to comply with the rules adopted by the State Department of Agriculture under section 4 of this 2011 Act.

SECTION 4. (1) The State Department of Agriculture shall adopt rules regulating the manner in which egg-laying hens may be confined in an enclosure for purposes of sections 1 to 4 of this 2011 Act. The rules must:

- (a) Be designed to promote humane welfare standards;
- (b) Be effective in protecting consumers from food-borne pathogens;
- (c) Require that enclosures constructed or otherwise acquired before January 1, 2012, meet standards equivalent to the requirements for certification established in the United Egg Producers' Animal Husbandry Guidelines for U.S. Egg Laying Flocks; and
- (d) Require that enclosures constructed or otherwise acquired on or after January 1, 2012, meet, or be convertible into enclosures that meet, standards equivalent to the requirements for certification of enriched colony facility systems established in the American Humane Association's farm animal welfare certification program.
- (2) The department may impose a civil penalty pursuant to ORS 183.745, not to exceed \$2,500, for violation of a provision of sections 1 to 4 of this 2011 Act.
- (3) Upon renewal of an egg handler's license described in ORS 632.715 or a commercial egg breaker's permit described in ORS 632.730, a commercial farm owner or operator that is engaged in the commercial production of eggs in this state shall provide the department with a business plan describing the manner by which the commercial farm intends to comply with the rules adopted pursuant to the amendments to this section by section 9 of this 2011 Act. Notwithstanding ORS 192.501 or 192.502, the business plan is a public record subject to full disclosure.

JULY 1, 2015

SECTION 5. Section 4 of this 2011 Act is amended to read:

Sec. 4. (1) The State Department of Agriculture shall adopt rules regulating the manner in which egg-laying hens may be confined in an enclosure for purposes of sections 1 to 4 of this 2011 Act. The rules must:

- (a) Be designed to promote humane welfare standards;
- (b) Be effective in protecting consumers from food-borne pathogens;

- (c) Require that enclosures constructed or otherwise acquired before January 1, 2012, meet standards equivalent to the requirements for certification established in the United Egg Producers' Animal Husbandry Guidelines for U.S. Egg Laying Flocks; and
- (d) Require that enclosures constructed or otherwise acquired on or after January 1, 2012, meet, or be convertible into enclosures that meet, standards equivalent to the requirements for certification of enriched colony facility systems established in the American Humane Association's farm animal welfare certification program.
- (2) The department may impose a civil penalty pursuant to ORS 183.745, not to exceed \$2,500, for violation of a provision of sections 1 to 4 of this 2011 Act.
- (3) The department shall inspect at reasonable times commercial farms engaged in the production of eggs for the purpose of enforcing the provisions of sections 1 to 4 of this 2011 Act.
- (4) The department may fix, assess and collect, or cause to be collected, from commercial farm owners or operators fees for the inspections performed by employees or agents of the department under subsection (3) of this section. The fees must have a uniform basis and must be in an amount reasonably necessary to cover the costs of the inspections and related administrative duties under sections 1 to 4 of this 2011 Act. The department shall adjust the fees under this subsection to meet any expenses necessary to carry out subsection (3) of this section and may prescribe a different fee scale for different localities. The department may prescribe a reasonable charge to be paid by commercial farm owners or operators for travel expenses and other related services if inspections under this section involve unusual cost to the department. Moneys from fees and charges collected by the department under this subsection must be deposited in the Department of Agriculture Service Fund and are continuously appropriated to the department to be used for the purpose of enforcing sections 1 to 4 of this 2011 Act.
- [(3)] (5)(a) Upon renewal of an egg handler's license described in ORS 632.715 or a commercial egg breaker's permit described in ORS 632.730, a commercial farm owner or operator that is engaged in the commercial production of eggs in this state shall provide the department with a business plan describing the manner by which the commercial farm intends to comply with the rules adopted pursuant to the amendments to this section by section 9 of this 2011 Act. Notwithstanding ORS 192.501 or 192.502, the business plan is a public record subject to full disclosure.
- (b) The department shall report annually to the Legislative Assembly on the rate at which commercial farm owners or operators that are engaged in the commercial production of eggs in this state are complying with the business plans submitted to the department under paragraph (a) of this subsection.
- SECTION 6. The amendments to section 4 of this 2011 Act by section 5 of this 2011 Act become operative on July 1, 2015.

JANUARY 1, 2017

SECTION 7. Section 4 of this 2011 Act, as amended by section 5 of this 2011 Act, is amended to read:

Sec. 4. (1) The State Department of Agriculture shall adopt rules regulating the manner in which egg-laying hens may be confined in an enclosure for purposes of sections 1 to 4 of this 2011 Act. The rules must:

- (a) Be designed to promote humane welfare standards;
 - (b) Be effective in protecting consumers from food-borne pathogens;
- (c) Require that enclosures constructed or otherwise acquired before January 1, 2012, meet standards equivalent to the requirements for certification established in the United Egg Producers' Animal Husbandry Guidelines for U.S. Egg Laying Flocks; and
- (d) Require that enclosures constructed or otherwise acquired on or after January 1, 2012, meet[, or be convertible into enclosures that meet,] standards equivalent to the requirements for certification of enriched colony facility systems established in the American Humane Association's farm animal welfare certification program. In no event may the rules authorize confining an egglaying hen in an enclosure that provides less than 116.3 square inches of individually usable floor space per hen.
- (2) The department may impose a civil penalty pursuant to ORS 183.745, not to exceed \$2,500, for violation of a provision of sections 1 to 4 of this 2011 Act.
- (3) The department shall inspect at reasonable times commercial farms engaged in the production of eggs for the purpose of enforcing the provisions of sections 1 to 4 of this 2011 Act.
- (4) The department may fix, assess and collect, or cause to be collected, from commercial farm owners or operators fees for the inspections performed by employees or agents of the department under subsection (3) of this section. The fees must have a uniform basis and must be in an amount reasonably necessary to cover the costs of the inspections and related administrative duties under sections 1 to 4 of this 2011 Act. The department shall adjust the fees under this subsection to meet any expenses necessary to carry out subsection (3) of this section and may prescribe a different fee scale for different localities. The department may prescribe a reasonable charge to be paid by commercial farm owners or operators for travel expenses and other related services if inspections under this section involve unusual cost to the department. Moneys from fees and charges collected by the department under this subsection must be deposited in the Department of Agriculture Service Fund and are continuously appropriated to the department to be used for the purpose of enforcing sections 1 to 4 of this 2011 Act.
- (5)(a) Upon renewal of an egg handler's license described in ORS 632.715 or a commercial egg breaker's permit described in ORS 632.730, a commercial farm owner or operator that is engaged in the commercial production of eggs in this state shall provide the department with a business plan describing the manner by which the commercial farm intends to comply with **the aspirational goals established by the Legislative Assembly in section 8a of this 2011 Act and** the rules adopted pursuant to the amendments to this section by section 9 of this 2011 Act. Notwithstanding ORS 192.501 or 192.502, the business plan is a public record subject to full disclosure.
- (b) The department shall report annually to the Legislative Assembly on the rate at which commercial farm owners or operators that are engaged in the commercial production of eggs in this state are complying with the business plans submitted to the department under paragraph (a) of this subsection.

<u>SECTION 8.</u> The amendments to section 4 of this 2011 Act by section 7 of this 2011 Act become operative on January 1, 2017.

CONVERSION GOALS FOR JANUARY 1, 2020

<u>SECTION 8a.</u> The Legislative Assembly finds and declares that, in order to successfully comply with the rules adopted pursuant to section 4 of this 2011 Act, as amended by section

9 of this 2011 Act, no less than 25 percent of the enclosures used to confine egg-laying hens should, no later than January 1, 2020, meet standards equivalent to the requirements for certification of enriched colony facility systems established in the American Humane Association's farm animal welfare program, as described in the rules adopted by the State Department of Agriculture under section 4 of this 2011 Act.

SECTION 8b. Section 8a of this 2011 Act becomes operative on January 1, 2017.

CONVERSION GOALS FOR JANUARY 1, 2023

 SECTION 8c. Section 8a of this 2011 Act is amended to read:

Sec. 8a. The Legislative Assembly finds and declares that, in order to successfully comply with the rules adopted pursuant to section 4 of this 2011 Act, as amended by section 9 of this 2011 Act, no less than [25] **65** percent of the enclosures used to confine egg-laying hens should, no later than January 1, [2020] **2023**, meet standards equivalent to the requirements for certification of enriched colony facility systems established in the American Humane Association's farm animal welfare program, as described in the rules adopted by the State Department of Agriculture under section 4 of this 2011 Act.

SECTION 8d. The amendments to section 8a of this 2011 Act by section 8c of this 2011 Act become operative on January 1, 2020.

JANUARY 1, 2026

SECTION 9. Section 4 of this 2011 Act, as amended by sections 5 and 7 of this 2011 Act, is amended to read:

Sec. 4. (1) The State Department of Agriculture shall adopt rules regulating the manner in which egg-laying hens may be confined in an enclosure for purposes of sections 1 to 4 of this 2011 Act. The rules must:

- (a) Be designed to promote humane welfare standards;
- (b) Be effective in protecting consumers from food-borne pathogens; and
- [(c) Require that enclosures constructed or otherwise acquired before January 1, 2012, meet standards equivalent to the requirements for certification established in the United Egg Producers' Animal Husbandry Guidelines for U.S. Egg Laying Flocks; and]
- [(d)] (c) Require that enclosures [constructed or otherwise acquired on or after January 1, 2012,] meet standards equivalent to the requirements for certification of enriched colony facility systems established in the American Humane Association's farm animal welfare certification program. In no event may the rules authorize confining an egg-laying hen in an enclosure that provides less than 116.3 square inches of individually usable floor space per hen.
- (2) The department may impose a civil penalty pursuant to ORS 183.745, not to exceed \$2,500, for violation of a provision of sections 1 to 4 of this 2011 Act.
- (3) The department shall inspect at reasonable times commercial farms engaged in the production of eggs for the purpose of enforcing the provisions of sections 1 to 4 of this 2011 Act.
- (4) The department may fix, assess and collect, or cause to be collected, from commercial farm owners or operators fees for the inspections performed by employees or agents of the department under subsection (3) of this section. The fees must have a uniform basis and must be in an amount reasonably necessary to cover the costs of the inspections and related administrative duties under

sections 1 to 4 of this 2011 Act. The department shall adjust the fees under this subsection to meet any expenses necessary to carry out subsection (3) of this section and may prescribe a different fee scale for different localities. The department may prescribe a reasonable charge to be paid by commercial farm owners or operators for travel expenses and other related services if inspections under this section involve unusual cost to the department. Moneys from fees and charges collected by the department under this subsection must be deposited in the Department of Agriculture Service Fund and are continuously appropriated to the department to be used for the purpose of enforcing sections 1 to 4 of this 2011 Act.

[(5)(a) Upon renewal of an egg handler's license described in ORS 632.715 or a commercial egg breaker's permit described in ORS 632.730, a commercial farm owner or operator that is engaged in the commercial production of eggs in this state shall provide the department with a business plan describing the manner by which the commercial farm intends to comply with the aspirational goals established by the Legislative Assembly in section 7a of this 2011 Act and the rules adopted pursuant to the amendments to this section by section 9 of this 2011 Act. Notwithstanding ORS 192.501 or 192.502, the business plan is a public record subject to full disclosure.]

[(b) The department shall report annually to the Legislative Assembly on the rate at which commercial farm owners or operators that are engaged in the commercial production of eggs in this state are complying with the business plans submitted to the department under paragraph (a) of this subsection.]

SECTION 10. The amendments to section 4 of this 2011 Act by section 9 of this 2011 Act become operative on January 1, 2026.

SECTION 10a. Section 8a of this 2011 Act is repealed on January 1, 2026.

MISCELLANEOUS PROVISIONS

SECTION 11. (1) Sections 1 to 4 of this 2011 Act become operative on January 1, 2012.

(2) The State Department of Agriculture may adopt rules or take any other action before the operative date specified in subsection (1) of this section that is necessary to enable the department to exercise, on and after the operative date specified in subsection (1) of this section, all the duties, functions and powers conferred on the department by this 2011 Act.

SECTION 12. The unit captions used in this 2011 Act are provided for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2011 Act.

EMERGENCY CLAUSE

SECTION 13. This 2011 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect on its passage.