

State of Arizona
Senate
Fifty-fourth Legislature
First Regular Session
2019

CHAPTER 147
SENATE BILL 1498

AN ACT

AMENDING SECTIONS 3-710 AND 3-717, ARIZONA REVISED STATUTES; RELATING TO
THE STATE EGG PROMOTION PROGRAM.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 3-710, Arizona Revised Statutes, is amended to
3 read:

4 3-710. Powers and duties; state preemption; egg promotion
5 program

6 A. The department may acquire and distribute to ~~persons~~ interested
7 ~~PERSONS~~ useful information relative to ~~the preparation~~ ~~PREPARING~~ for
8 market, handling, purchasing, ~~transportation~~ ~~TRANSPORTING~~, ~~storage~~ ~~STORING~~
9 and marketing ~~of~~ eggs and egg products, including ~~the demonstration of~~
10 ~~DEMONSTRATING~~ how to classify eggs and egg products in accordance with the
11 uniform standards and grades prescribed pursuant to this chapter.

12 B. The department may issue in booklet form copies of this article
13 containing complete descriptive terms as to shell, aircell, white, yolk
14 and germ, and may ~~make changes in~~ ~~CHANGE~~ definitions of terms and grades
15 as they are made and promulgated by the United States department of
16 agriculture.

17 C. On request of the United States government, and others, the
18 director may negotiate and sign cooperative agreements to ~~do~~ ~~PROVIDE~~
19 inspection and grading services and charge and receive payment for the
20 reasonable cost ~~thereof~~ ~~OF SUCH SERVICES~~. The monies received for such
21 services shall be deposited in the state egg inspection trust fund
22 ~~ESTABLISHED BY SECTION 3-717~~.

23 D. When the production of papers, books and records relating to any
24 matter under investigation is deemed advisable, the director may apply to
25 the superior court in any county for an order requiring the production of
26 the papers, books and records. If the court is satisfied that the papers,
27 books and records are pertinent to the matter under investigation, their
28 production shall be ordered.

29 E. A complaint filed with the department charging a noncompliance
30 with or violation of any provision of this article shall be in writing and
31 signed by the complainant.

32 F. The supervisor and inspectors shall enforce ~~the provisions of~~
33 this article in conformity with rules adopted by the director. The
34 refusal of an officer authorized under this article to carry out the
35 orders and directions of the director in the enforcement of this article
36 or prosecutions ~~thereunder~~ ~~UNDER THIS ARTICLE~~ is neglect of duty. The
37 director shall make and enforce such rules as ~~he~~ ~~THE DIRECTOR~~ deems
38 necessary to carry out ~~the provisions of~~ this article.

39 G. An inspector may enter and inspect any place or conveyance
40 within ~~the~~ ~~THIS~~ state over which ~~he~~ ~~THE INSPECTOR~~ has supervision where
41 eggs are produced, candled, incubated, stored, packed, delivered for
42 shipment, loaded, shipped, transported or sold, and may inspect all
43 invoices, ~~AND~~ eggs and the cases and containers ~~thereof~~ ~~OF THE EGGS~~ and
44 equipment found in the places or conveyances, and may take for inspection
45 representative samples of the invoices, eggs and cases or containers for

1 the purpose of determining whether or not any provision of this article
2 has been violated.

3 H. An inspector, while enforcing ~~the provisions of~~ this article,
4 may seize and hold as evidence an advertisement, sign, placard, invoice,
5 case or container of eggs or egg products or all or any part of any pack,
6 load, lot consignment or shipment of eggs or egg products packed, stored,
7 delivered for shipment, loaded, shipped, transported or sold in violation
8 of any provisions of this article.

9 I. The department may prescribe minimum standards for egg
10 processing plants and sanitary standards for ~~the processing of~~ shell
11 eggs. The department shall establish these standards by rule. Chemicals
12 used in egg processing plants, sanitizers used in egg processing, egg
13 soaps, egg oil and other substances used in processing shell eggs are
14 subject to the approval of the director.

15 J. The director shall adopt rules for poultry husbandry and the
16 production of eggs sold in this state. This subsection does not apply to
17 egg producers operating or controlling the operation of ~~one or more~~ AN egg
18 ~~ranches each having~~ RANCH THAT HAS fewer than twenty thousand egg-laying
19 hens producing eggs.

20 K. Consistency of poultry husbandry practices for the production of
21 eggs is a statewide matter. The regulation of poultry husbandry practices
22 related to the production of eggs is not subject to further regulation by
23 a county, city, town or other political subdivision of this state.

24 L. THE DIRECTOR MAY:

25 1. ESTABLISH AN EGG PROMOTION PROGRAM TO PROVIDE CERTIFICATION,
26 INSPECTION AND GRADING SERVICES AND MAY PRESCRIBE, BY RULE, FEES FOR THOSE
27 SERVICES. EXCEPT AS PROVIDED IN PARAGRAPH 3 OF THIS SUBSECTION, MONIES
28 COLLECTED FROM THE FEES SHALL BE DEPOSITED, PURSUANT TO SECTIONS 35-146
29 AND 35-147, IN THE STATE EGG INSPECTION TRUST FUND ESTABLISHED BY SECTION
30 3-717.

31 2. ADOPT RULES TO ADMINISTER THE EGG PROMOTION PROGRAM, INCLUDING
32 PARTICIPATION GUIDELINES, USE REQUIREMENTS FOR DEPARTMENT TRADEMARKS AND
33 CERTIFICATION MARKS AND OTHER RULES THE DIRECTOR DEEMS NECESSARY.

34 3. CONDUCT INSPECTIONS TO ENSURE COMPLIANCE WITH THE TRADEMARK AND
35 CERTIFICATION MARK RULES ADOPTED PURSUANT TO THIS SUBSECTION. THE MONIES
36 COLLECTED FROM FEES FOR AN INSPECTION CONDUCTED PURSUANT TO THIS PARAGRAPH
37 SHALL BE DEPOSITED, PURSUANT TO SECTIONS 35-146 AND 35-147, IN THE STATE
38 EGG INSPECTION TRUST FUND ESTABLISHED BY SECTION 3-717.

39 Sec. 2. Section 3-717, Arizona Revised Statutes, is amended to
40 read:

41 3-717. State egg inspection trust fund

42 A. All fees provided by this article shall be paid to the
43 department ~~that~~, WHICH shall issue a receipt for such fees. The
44 department shall deposit the full amount in a special fund known as the
45 state egg inspection trust fund. The trust fund is established for the

1 exclusive purpose of implementing, continuing and supporting the
2 agricultural ~~program~~ PROGRAMS established by this article.

3 B. The director shall administer the trust fund as trustee. The
4 state treasurer shall accept, separately account for and hold in trust any
5 monies deposited in the state treasury, which are considered to be trust
6 monies as defined in section 35-310 and which shall not be commingled with
7 any other monies in the state treasury except for investment purposes. On
8 notice from the director, the state treasurer shall invest and divest any
9 trust fund monies deposited in the state treasury pursuant to sections
10 35-313 and 35-314.03, and monies earned from investment shall be credited
11 to the trust fund.

12 C. The ~~beneficiary~~ BENEFICIARIES of the trust ~~is~~ ARE the
13 agricultural ~~program~~ PROGRAMS established by this article. The trust fund
14 shall be used exclusively for the purposes of this article on the order of
15 the director.

16 D. Monies deposited in the state egg inspection trust fund are
17 exempt from the provisions of section 35-190 relating to lapsing of
18 appropriations. Surplus monies, including any unexpended and unencumbered
19 balance at the end of the fiscal year, do not revert to the state general
20 fund.

21 Sec. 3. Exemption from rulemaking

22 For the purposes of this act, the Arizona department of agriculture
23 is exempt from the rulemaking requirements of title 41, chapter 6, Arizona
24 Revised Statutes, for one year after the effective date of this act.

APPROVED BY THE GOVERNOR APRIL 29, 2019.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 29, 2019.