E AND R AMENDMENTS TO LB 134

Introduced by Wishart, 27, Chairman Enrollment and Review

Strike the original sections and insert the following new
 sections:

3 Section 1. Section 81-2,239, Revised Statutes Cumulative Supplement,
4 2016, is amended to read:

5 81-2,239 Sections 81-2,239 to 81-2,292 and sections 3, 4, and 8 of 6 this act and the provisions of the Food Code and the Current Good 7 Manufacturing Practice In Manufacturing, Packing, or Holding Human Food 8 adopted by reference in sections 81-2,257.01 and ± 0 81-2,259, shall be 9 known and may be cited as the Nebraska Pure Food Act.

Sec. 2. Section 81-2,240, Revised Statutes Cumulative Supplement, 2016, is amended to read:

12 81-2,240 For purposes of the Nebraska Pure Food Act, unless the 13 context otherwise requires, the definitions found in sections 81-2,241 to 14 81-2,254 and sections 3 and 4 of this act shall be used. In addition, the 15 definitions found in the <u>code codes</u> and practice adopted by reference in 16 sections 81-2,257.01 and to 81-2,259 shall be used.

17 Sec. 3. Egg handler shall mean any person who engages in any 18 business in commerce which involves buying or selling any shell eggs or 19 processing any shell egg products and who is not a producer with 20 production from a flock of three thousand hens or less. Egg handler shall 21 include persons who assemble, collect, break, process, grade, package, or 22 wholesale shell eggs. The term does not include a person whose primary 23 food-related business activity is not egg handling.

24 Sec. 4. <u>Food delivery service shall mean an operation that only</u> 25 <u>meets the definition of food establishment by relinquishing possession of</u> 26 <u>food to a consumer through a delivery service including home delivery of</u> 27 grocery orders, restaurant takeout orders, or other delivery services

-1-

1 provided by a common or contract carrier.

Sec. 5. Section 81-2,262, Reissue Revised Statutes of Nebraska, is
amended to read:

81-2,262 <u>Copies Certified copies</u> of the <u>code codes</u> and practice
adopted by reference pursuant to sections 81-2,257.01 <u>and to 81-2,259</u>,
shall be filed in the offices of the Secretary of State, Clerk of the
Legislature, and department.

8 Sec. 6. Section 81-2,263, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 81-2,263 If there is an inconsistency between sections 81-2,239 to 11 81-2,292 <u>and sections 3, 4, and 8 of this act</u> and any <u>code</u> of the codes 12 adopted by reference, the requirements of the sections shall control.

Sec. 7. Section 81-2,270, Reissue Revised Statutes of Nebraska, is amended to read:

15 81-2,270 (1) No person shall operate: (a) A food establishment; (b) 16 a food processing plant; or (c) a salvage operation, without a valid 17 permit which sets forth the types of operation occurring within the 18 establishment.

(2) Application for a permit shall be made to the director on forms 19 prescribed and furnished by the department. Such application shall 20 21 include the applicant's full name and mailing address, the names and 22 addresses of any partners, members, or corporate officers, the name and 23 address of the person authorized by the applicant to receive the notices 24 and orders of the department as provided in the Nebraska Pure Food Act, whether the applicant is an individual, partnership, limited liability 25 26 company, corporation, or other legal entity, the location and type of 27 proposed establishment or operation, and the signature of the applicant. Application for a permit shall be made prior to the operation of a food 28 29 establishment, food processing plant, or salvage operation. The 30 application shall be accompanied by an initial permit fee and an initial inspection fee in the same amount as the annual inspection fee if 31

-2-

inspections are required to be done by the department. If the food
establishment, food processing plant, or salvage operation has been in
operation prior to applying for a permit or notifying the regulatory
authority, the applicant shall pay an additional fee of sixty dollars.

5 (3) Payment of the initial permit fee, the initial inspection fee, 6 and the fee for failing to apply for a permit prior to operation shall 7 not preclude payment of the annual inspection fees due on August 1 of 8 each year. Except as provided in subsections (7) through (10) of this 9 section and subsection (2) (1) of section 81-2,281, a permitholder shall 10 pay annual inspection fees on or before August 1 of each year regardless 11 of when the initial permit was obtained.

(4)(a) The director shall set the initial permit fee and the annual inspection fees on or before July 1 of each fiscal year to meet the criteria in this subsection. The director may raise or lower the fees each year, but the fees shall not exceed the maximum fees listed in subdivision (4)(b) of this section. The director shall determine the fees based on estimated annual revenue and fiscal year-end cash fund balance as follows:

(i) The estimated annual revenue shall not be greater than one
 hundred seven percent of program cash fund appropriations allocated for
 the Nebraska Pure Food Act;

(ii) The estimated fiscal year-end cash fund balance shall not be
 greater than seventeen percent of program cash fund appropriations
 allocated for the act; and

(iii) All fee increases or decreases shall be equally distributedbetween all categories.

(b) The maximum fees are:
 No Food
 Additional Preparation
 First Food Area,

-3-

ER2 LB134 MLU - 01/24/2017

ER2 LB134 MLU - 01/24/2017

1			Food	Preparation	Unit
2			Preparation	Area	0r
3			Area	Annual	Units
4	Food	Initial	Annual	Inspection	Annual
5	Handling	Permit	Inspection	Fee	Inspection
6	Activity	Fee	Fee	(per area)	Fee
7	Convenience Store	\$86.19	\$86.19	\$43.09	N/A
8	Itinerant Food Vendor	\$86.19	\$86.19	\$43.09	N/A
9	Licensed Beverage				
10	Establishment	\$86.19	\$86.19	\$43.09	N/A
11	Limited Food Service				
12	Establishment	\$86.19	\$86.19	\$43.09	N/A
13	Temporary Food				
14	Establishment	\$86.19	\$86.19	\$43.09	N/A
15	Food Delivery Service	<u>\$86.19</u>	<u>N/A</u>	<u>N/A</u>	<u>\$17.23</u>
16	Mobile Food Unit				
17	(for each unit)	\$86.19	N/A	N/A	\$43.09
18	Pushcart (for each unit)	\$86.19	N/A	N/A	\$17.23
19	Vending Machine				
20	Operations:	\$86.19			
21	One to ten units		N/A	N/A	\$17.23
22	Eleven to twenty units		N/A	N/A	\$34.46
23	Twenty-one to thirty				
24	units		N/A	N/A	\$51.69
25	Thirty-one to forty				
26	units		N/A	N/A	\$68.92
27	Over forty units		N/A	N/A	\$86.15
28	Food Processing Plant	\$86.19	\$120.64	\$43.09	N/A
29	Salvage Operation	\$86.19	\$120.64	\$43.09	N/A

ER2 LB134 MLU - 01/24/2017

1 Commissary \$86.19 \$120.64 \$43.09 N/A 2 All Other Food

3 Establishments \$86.19 \$120.64 \$43.09 N/A

4 (5) If a food establishment is engaged in more than one food 5 handling activity listed in subsection (4) of this section, the 6 inspection fee charged shall be based upon the primary activity conducted 7 within the food establishment as determined by the department and any 8 fees assessed for each additional food preparation area within the 9 primary establishment as determined by the department.

10 (6) If a person fails to pay the inspection fee for more than one 11 month after the fee is due, such person shall pay a late fee equal to 12 fifty percent of the total fee for the first month that the fee is late 13 and one hundred percent for the second month that the fee is late. The 14 purpose of the late fee is to cover the administrative costs associated 15 with collecting fees. All money collected as a late fee shall be remitted 16 to the State Treasurer for credit to the Pure Food Cash Fund.

(7) An educational institution, health care facility, nursing home,
or governmental organization operating any type of food establishment,
other than a mobile food unit or pushcart, is exempt from the
requirements in subsections (1) through (6) of this section.

(8) A food establishment which produces eggs and only stores, 21 packages, sells, delivers, or otherwise provides for human consumption 22 the eggs it produces, or only stores, packages, sells, delivers, or 23 otherwise provides for human consumption eggs produced from no more than 24 four producers at the same time, is exempt from the requirements of 25 26 subsections (1) through (6) of this section. Any food establishment with 27 a valid egg handler license and for which all fees have been paid prior to the effective date of this person whose primary food-related business 28 29 activity is determined by the department to be egg handling within the meaning of the Nebraska Graded Egg Act and who is validly licensed and 30

paying fees pursuant to such act is exempt from the permit and inspection
 fee requirements of the Nebraska Pure Food Act<u>until August 1, 2018</u>.

3 (9) A <u>food establishment or food processing plant</u> person holding a 4 permit or license and regulated under the Nebraska Milk Act <u>is</u> and an egg 5 handler licensed and regulated under the Nebraska Graded Egg Act are 6 exempt from the <u>requirements of subsections (1) through (6) of this</u> 7 section Nebraska Pure Food Act.

(10) A single event food vendor or a religious, charitable, or 8 9 fraternal organization operating type of any temporary food establishment, mobile food unit, or pushcart is exempt from the 10 requirements of subsections (1) through (6) of this section. Any such 11 organization operating any nontemporary food establishment prior to July 12 1, 1985, is exempt from the requirements of subsection (2) of this 13 14 section.

Sec. 8. Any person who packs and sells, offers for sale, barters, or otherwise provides for the human consumption of eggs shall comply with all applicable requirements set forth in rules and regulations adopted and promulgated by the department, and shall establish the source of the eggs by labeling the eggs with a packer identification number assigned by the department or the United States Department of Agriculture.

21 Sec. 9. Section 81-2,271, Reissue Revised Statutes of Nebraska, is 22 amended to read:

81-2,271 (1) The permit required by section 81-2,270 shall be posted
in a location in the food establishment, food processing plant, or
salvage operation which is conspicuous to the public. A salvage operation
shall also have a copy of the permit in each vehicle. For a food delivery
service, the location shall be a permanent address where the permitholder
may be contacted.

(2) The permit is not transferable to any other person or location.
Any permit issued lapses automatically upon a change of ownership or
location except as provided in subsection (3) of this section. The

-6-

permitholder shall notify the department in writing at least thirty days prior to any change in ownership, name, or address. The permitholder shall notify the department in writing before there is a change of the name or address of the person authorized to receive the notices and orders of the department. When an establishment is to be permanently closed, the permitholder shall return the permit to the department within one week after the closing.

(3) A mobile food unit, pushcart, or vending machine may be moved if 8 9 the permitholder is able to provide the location of such unit, pushcart, or machine to the regulatory authority upon request and the person 10 11 authorized by the permitholder to receive notices and orders of the 12 department maintains a permanent mailing address on file with the department. A food delivery service shall upon request provide the 13 14 department with information regarding the location of all conveyances it 15 <u>controls.</u>

16 (4) Every mobile food unit or pushcart operator shall have a copy of
17 their permit to operate available at the mobile food unit or pushcart
18 when in operation.

Sec. 10. Section 81-2,272.31, Reissue Revised Statutes of Nebraska,
is amended to read:

21 81-2,272.31 Except in response to a temporary interruption of a 22 water supply in the food establishment, any food establishment which is 23 not a <u>food delivery service,</u> mobile food unit, or temporary food 24 establishment shall:

(1) Have water under pressure provided to all fixtures, equipment,
and nonfood equipment that are required to use water;

27 (2) Receive water through the use of an approved water main;

28 (3) Have a permanent plumbing system; and

(4) Have at least one toilet which is permanent, convenient, andaccessible.

31 Sec. 11. Section 81-2,281, Reissue Revised Statutes of Nebraska, is

-7-

1 amended to read:

81-2,281 (1) The department shall enforce the Nebraska Pure Food Act
and any rule or regulation adopted and promulgated pursuant to such act.
The department may:

5 (a) Enter at reasonable times and in a reasonable manner, without 6 being subject to any action for trespass or damages if reasonable care is 7 exercised, any food establishment, food processing plant, or salvage operation to inspect all food, structures, vehicles, equipment, packing 8 9 materials, containers, records, and labels on such property. The department may inspect and examine all records and property relating to 10 11 compliance with the Nebraska Pure Food Act. Such records and property 12 shall be made available to the department for review at all reasonable 13 times;

(b) In a reasonable manner, hold for inspection and take samples of
 any food which may not be in compliance with the Nebraska Pure Food Act;

(c) Inspect at any time or place food that is being shipped into or
 through the state and take any enforcement action authorized under the
 Nebraska Pure Food Act; and

(d) Obtain an inspection warrant in the manner prescribed in
 sections 29-830 to 29-835 from a court of record if any person refuses to
 allow the department to inspect pursuant to this subsection.

22 (2) In addition to its authority provided in subsection (1) of this 23 section, the The department may contract with any political subdivision 24 or state agency it deems qualified to conduct any or all regulatory functions authorized pursuant to the act except those functions relating 25 26 to the issuance, suspension, or revocation of permits or any order of 27 probation. Holders of permits issued pursuant to the act who are regularly inspected by political subdivisions under contract with the 28 29 department shall be exempt from the inspection fees prescribed in section 30 81-2,270 if such holders pay license or inspection fees to the political 31 subdivision performing the inspections.

-8-

1 (3) (2) It shall be the responsibility of the regulatory authority 2 to inspect food establishments and food processing plants as often as 3 required by the act. An inspection of a salvage operation shall be 4 performed at least once every three hundred sixty-five days of operation. 5 Additional inspections shall be performed as often as is necessary for 6 the efficient and effective enforcement of the act.

7 (4) (3) All inspections conducted pursuant to the act shall be
 8 performed by persons who are provisional environmental health specialists
 9 or registered environmental health specialists as defined in section
 10 38-1305 or 38-1306.

11 (5) (4) Duly authorized personnel of the regulatory authority after 12 showing proper identification shall have access at all reasonable times to food establishments, food processing plants, or salvage operations 13 14 required by the act to obtain a permit to perform authorized regulatory 15 functions. Such functions shall include, but not be limited to, inspections, checking records maintained in the establishment or other 16 17 locations to obtain information pertaining to food and supplies purchased, received, used, sold, or distributed, 18 copying and photographing violative conditions, and examining and sampling food. When 19 samples are taken, the inspectors shall pay or offer to pay for samples 20 21 taken. The authorized personnel shall also have access to the records of 22 salvage operations pertaining to distressed salvageable and salvaged 23 merchandise purchased, received, used, sold, or distributed.

24 (6) (5) Regulatory activities performed by a political subdivision 25 or state agency under contract shall conform with the provisions of the 26 act and such activities shall have the same effect as those performed by 27 the department. Any interference with the regulatory authority's duty to 28 inspect shall be an interference with the department's duties for the 29 purposes of section 81-2,273.

30 Sec. 12. Section 81-2,288, Reissue Revised Statutes of Nebraska, is 31 amended to read:

-9-

81-2,288 (1) The department may adopt and promulgate rules and
 regulations to aid in the administration and enforcement of the Nebraska
 Pure Food Act.

4 (2) The department may adopt and promulgate rules and regulations to
5 provide for source labeling on eggs which are packaged. The department
6 may establish standards, grades, and weight classes for eggs.

7 (3) (2) The department may contract with agencies of the federal 8 government for the performance by the department of inspections and other 9 regulatory functions at food establishments, food processing plants, or 10 salvage operations within the state which are subject to federal 11 jurisdiction and may receive federal funds for work performed under such 12 contracts.

(4) (3) Except as provided in subsection (3) (2) of this section,
 the provisions of the act shall not apply to establishments or specific
 portions of establishments regularly inspected for proper sanitation by
 an agency of the federal government.

Sec. 13. <u>The State Treasurer shall transfer any money in the Graded</u>
 <u>Egg Fund to the Pure Food Cash Fund on the effective date of this act.</u>

Sec. 14. Original sections 81-2,262, 81-2,263, 81-2,270, 81-2,271,
 81-2,272.31, 81-2,281, and 81-2,288, Reissue Revised Statutes of
 Nebraska, and sections 81-2,239 and 81-2,240, Revised Statutes Cumulative
 Supplement, 2016, are repealed.

Sec. 15. The following sections are outright repealed: Sections
2-3501, 2-3502, 2-3503, 2-3504, 2-3505, 2-3506, 2-3507, 2-3508, 2-3509,
2-3510, 2-3511, 2-3512, 2-3513, 2-3514, 2-3515, 2-3516, 2-3518, 2-3519,
2-3520, 2-3521, 2-3522, 2-3523, 2-3524, and 2-3525, Reissue Revised
Statutes of Nebraska.

28 2. On page 1, line 2, strike "81-2,288, and" and insert "and
29 81-2,288,"; in line 3 strike "90-538,"; in line 9 after "inspections"
30 insert "and fees"; and line 11 strike "terminate".

-10-