LEGISLATURE OF NEBRASKA ONE HUNDRED NINTH LEGISLATURE FIRST SESSION

## **LEGISLATIVE BILL 245**

Introduced by DeKay, 40. Read first time January 14, 2025 Committee:

| 1  | A BILL FOR AN ACT relating to the Nebraska Pure Food Act; to amend   |
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| 2  | sections 81-2,239, 81-2,244.01, 81-2,245.01, 81-2,254, 81-2,257,     |
| 3  | 81-2,259, 81-2,268, 81-2,270, 81-2,271, 81-2,274, and 81-2,277,      |
| 4  | Reissue Revised Statutes of Nebraska; to redefine terms; to change   |
| 5  | provisions relating to priority items, the federal Current Good      |
| 6  | Manufacturing Practice, design and fabrication requirements, fees,   |
| 7  | establishments that are permanently closed, and service of notices   |
| 8  | and orders; to eliminate provisions relating to time/temperature     |
| 9  | control for safety food, hand washing requirements and food contact  |
| 10 | restrictions for food employees, requirements relating to date       |
| 11 | marking, sale, consumption, or discard of time/temperature control   |
| 12 | for safety food, and fingernail requirements relating to food        |
| 13 | employees; to harmonize provisions; to repeal the original sections; |
| 14 | to outright repeal sections 81-2,272.01, 81-2,272.10, 81-2,272.24,   |
| 15 | and 81-2,272.32, Reissue Revised Statutes of Nebraska; and to        |
| 16 | declare an emergency.  |

17 Be it enacted by the people of the State of Nebraska,

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Section 1. Section 81-2,239, Reissue Revised Statutes of Nebraska,
 is amended to read:

81-2,239 Sections 81-2,239 to 81-2,292 and the provisions of the
Food Code and the Current Good Manufacturing Practice In Manufacturing,
Packing, or Holding Human Food adopted by reference in sections
81-2,257.01 and 81-2,259, shall be known and may be cited as the Nebraska
Pure Food Act.

8 Sec. 2. Section 81-2,244.01, Reissue Revised Statutes of Nebraska,
9 is amended to read:

10 81-2,244.01 Food Code shall mean the 2022 2017 Recommendations of the United States Public Health Service, Food and Drug Administration, 11 except the definitions of adulterated food and food establishment, person 12 13 in charge, regulatory authority, and sections 2-102.12, 2-102.20(B), 2-103.11(I) and (M), 3-301.11(B), (C), (D), and (E), 3-501.16, 14 4-301.12(C)(5), (D), and (E), 4-603.16(C), 4-802.11(C), 8-101, 8-102, 15 8-201.11, 8-201.12, 8-202.10 through 8-304.20, 8-401.10(B)(2), 8-402.20 16 through 8-403.20, 8-403.50 through 8-404.12, and 8-405.20(B). The term 17 Food Code does not include the annexes of such federal recommendations. 18

19 Sec. 3. Section 81-2,245.01, Reissue Revised Statutes of Nebraska,
20 is amended to read:

81-2,245.01 Food establishment shall mean an operation that stores,
prepares, packages, serves, sells, vends, <del>delivers,</del> or otherwise provides
food for human consumption. The term does not include:

(1) An establishment or vending machine operation that offers only
prepackaged soft drinks, carbonated or noncarbonated; canned or bottled
fruit and vegetable juices; prepackaged ice; candy; chewing gum; potato
or corn chips; pretzels; cheese puffs and curls; crackers; popped
popcorn; nuts and edible seeds; and cookies, cakes, pies, and other
pastries, that are not time/temperature control for safety foods;

30 (2) A produce stand that only offers whole, uncut fresh fruits and31 vegetables;

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1 (3) A food processing plant;

2 (4) A salvage operation;

3 (5) A private home where food is prepared or served for personal 4 use, a small day care in the home, or a hunting lodge, guest ranch, or 5 other operation where no more than ten paying guests eat meals in the 6 home;

7 (6) A private home or other area where food that is not time/ 8 temperature control for safety food is prepared for sale or service at a 9 religious, charitable, or fraternal organization's bake sale or similar 10 function;

11 (7) A private home where a producer of food that meets the 12 requirements of section 81-2,280 is prepared for sale directly to the 13 consumer including, but not limited to, at a farmers market, fair, 14 festival, craft show, or other public event or for pick up at or delivery 15 from such private home;

16 (8) A private home or other area where food is prepared for 17 distribution at a fundraising event for a charitable purpose if the consumer is informed by a clearly visible placard at the serving location 18 19 that the food was prepared in a kitchen that is not subject to regulation and inspection by the regulatory authority. This subdivision does not 20 apply to a caterer or other establishment providing food for the event if 21 22 the caterer or establishment receives compensation for providing the 23 food;

(9) The location where food prepared by a caterer is served so long
as the caterer only minimally handles the food at the serving location;

(10) Educational institutions, health care facilities, nursing
homes, and governmental organizations which are inspected by a state
agency or a political subdivision other than the regulatory authority for
sanitation in the food preparation areas;

30 (11) A pharmacy as defined in section 71-425 if the pharmacy only
 31 sells prepackaged pharmaceutical, medicinal, or health supplement foods

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1 that are not time/temperature control for safety or foods described in 2 subdivision (1) of this section; and

3 (12) An establishment which is not a commercial food establishment
4 and which sells only commercially packaged foods that are not time/
5 temperature control for safety foods.

Sec. 4. Section 81-2,254, Reissue Revised Statutes of Nebraska, is
amended to read:

8 81-2,254 Single event food vendor shall mean a temporary food 9 establishment that operates at no more than one event per calendar year 10 for a period of no more than <u>four</u> <del>two</del> days.

Sec. 5. Section 81-2,257, Reissue Revised Statutes of Nebraska, is amended to read:

81-2,257 Priority items are designated in the Food Code and sections
 81-2,272.01, 81-2,272.10, and 81-2,272.24. Priority foundation items are
 designated in the Food Code.

Sec. 6. Section 81-2,259, Reissue Revised Statutes of Nebraska, is amended to read:

18 81-2,259 The Legislature hereby adopts by reference the <u>federal</u>
19 Current Good Manufacturing Practice <del>In Manufacturing, Packing, or Holding</del>
20 Human Food found in 21 C.F.R. parts 117.4 and 117.10 to 117.110 as they
21 part 110 as it existed on April 1, <u>2024</u> <del>2015</del>.

Sec. 7. Section 81-2,268, Reissue Revised Statutes of Nebraska, is amended to read:

81-2,268 <u>(1)</u> Food establishment, food processing plant, or salvage operation facilities and equipment in use or new facilities and equipment for which contractual obligations are incurred before September 13, 1997, and which do not meet fully all the design and fabrication requirements of the Nebraska Pure Food Act shall be acceptable if:

29 <u>(a) They meet food temperature requirements;</u>

30 (b) They they are in good repair and capable of being maintained in
 31 a sanitary condition; and

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(c) The the food-contact surfaces are of safe materials. A food
 establishment, food processing plant, or salvage operation which has a
 change of ownership or extensive remodeling after September 13, 1997,
 shall comply with all applicable facility and equipment requirements of
 the act.

Sec. 8. Section 81-2,270, Reissue Revised Statutes of Nebraska, is
amended to read:

81-2,270 (1) No person shall operate without a valid permit:

9 (a) A food establishment conducting those food handling activities10 authorized by such permit;

11 (b) A food processing plant; or

12 (c) A salvage operation.

(2) Application for a permit shall be made to the director on forms 13 prescribed and furnished by the department. Such application shall 14 include (a) the applicant's full name and mailing address and the names 15 and addresses of any partners, members, or corporate officers, (b) 16 whether the applicant is an individual, partnership, limited liability 17 company, corporation, or other legal entity, (c) the location and type of 18 proposed establishment or operation, and (d) the signature of the 19 applicant. Application for a permit shall be made prior to the operation 20 of a food establishment, food processing plant, or salvage operation. The 21 application shall be accompanied by an initial permit fee and an initial 22 23 inspection fee in the same amount as the annual inspection fee if 24 inspections are required to be done by the department. If any food establishment, food processing plant, or salvage operation is operating 25 without a valid permit, such establishment, plant, or operation shall pay 26 an additional fee of sixty dollars prior to the issuance of a valid 27 28 permit.

(3) Payment of the initial permit fee, the initial <u>annual inspection</u>
fee, and the fee for operating without a valid permit shall not preclude
payment of the annual <u>inspection</u> fees due on August 1 of each year.

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Except as provided in subsections (7) through (10) of this section and subsection (2) of section 81-2,281, a permitholder shall pay annual <del>inspection</del> fees on or before August 1 of each year regardless of when the initial permit was obtained.

5 (4)(a) The director shall set the initial permit fee and the annual 6 inspection fees on or before July 1 of each fiscal year to meet the 7 criteria in this subsection. The director may raise or lower the fees 8 each year, but the fees shall not exceed the maximum fees listed in 9 subdivision (4)(b) of this section. The director shall determine the fees 10 based on estimated annual revenue and fiscal year-end cash fund balance 11 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 distributed
between all categories to the nearest dollar.

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(b) The maximum fees are:

21 Secondary 22 or 23 Additional 24 Food Secondary Preparation Unit 25 26 Area 0r 27 Base Annual Units 28 Initial Annual **Inspection** Annual 29 Permit **Inspection Inspection** Fee Permit Type Fee Fee (per area) Fee 30

31 Limited Retail

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| 1  | Food Establishment              | <u>\$200.00</u>    | <u>\$200.00</u>     | <u>\$100.00</u>    | <u>N/A</u>         |
|----|---------------------------------|--------------------|---------------------|--------------------|--------------------|
| 2  | Food Establishment              | <del>\$86.19</del> | <del>\$86.19</del>  | <del>\$43.09</del> | <mark>N∕A</mark>   |
| 3  | <u>Itinerant Food Vendor</u>    | <u>\$200.00</u>    | <u>\$200.00</u>     | <u>\$100.00</u>    | <u>N/A</u>         |
| 4  | Itinerant Food Vendor           | <del>\$86.19</del> | <del>\$86.19</del>  | <del>\$43.09</del> | <del>N/A</del>     |
| 5  | Limited Food Service            |                    |                     |                    |                    |
| 6  | <u>Establishment</u>            | <u>\$200.00</u>    | <u>\$200.00</u>     | <u>\$100.00</u>    | <u>N/A</u>         |
| 7  | Establishment                   | <del>\$86.19</del> | <del>\$86.19</del>  | <del>\$43.09</del> | <del>N/A</del>     |
| 8  | Mobile Food Unit                |                    |                     |                    |                    |
| 9  | <u>(for each unit)</u>          | <u>\$200.00</u>    | <u>N/A</u>          | <u>N/A</u>         | <u>\$100.00</u>    |
| 10 | <del>(for each unit)</del>      | <del>\$86.19</del> | <mark>N∕A</mark>    | <mark>N∕A</mark>   | <del>\$43.09</del> |
| 11 | <u>Pushcart (for each unit)</u> | <u>\$200.00</u>    | <u>N/A</u>          | <u>N/A</u>         | <u>\$40.00</u>     |
| 12 | Pushcart (for each unit)        | <del>\$86.19</del> | <mark>N∕A</mark>    | <mark>N∕A</mark>   | <del>\$17.23</del> |
| 13 | Vending Machine                 |                    |                     |                    |                    |
| 14 | <u>Operations:</u>              | <u>\$200.00</u>    |                     |                    |                    |
| 15 | Operations:                     | <del>\$86.19</del> |                     |                    |                    |
| 16 | <u>One to ten units</u>         |                    | <u>N/A</u>          | <u>N/A</u>         | <u>\$40.00</u>     |
| 17 | <del>One to ten units</del>     |                    | <mark>N∕A</mark>    | <mark>N∕A</mark>   | <del>\$17.23</del> |
| 18 | <u>Eleven to twenty units</u>   |                    | <u>N/A</u>          | <u>N/A</u>         | <u>\$80.00</u>     |
| 19 | Eleven to twenty units          |                    | <mark>N∕A</mark>    | <mark>N∕A</mark>   | <del>\$34.46</del> |
| 20 | Twenty-one to thirty            |                    |                     |                    |                    |
| 21 | <u>units</u>                    |                    | <u>N/A</u>          | <u>N/A</u>         | <u>\$120.00</u>    |
| 22 | <del>units</del>                |                    | <mark>N∕A</mark>    | <mark>N∕A</mark>   | <del>\$51.69</del> |
| 23 | Thirty-one to forty             |                    |                     |                    |                    |
| 24 | <u>units</u>                    |                    | <u>N/A</u>          | <u>N/A</u>         | <u>\$160.00</u>    |
| 25 | <del>units</del>                |                    | <mark>N∕A</mark>    | <mark>N∕A</mark>   | <del>\$68.92</del> |
| 26 | <u>Over forty units</u>         |                    | <u>N/A</u>          | <u>N/A</u>         | <u>\$200.00</u>    |
| 27 | Over forty units                |                    | N/A                 | <mark>N∕A</mark>   | <del>\$86.15</del> |
| 28 | Food Processing Plant           | <u>\$200.00</u>    | <u>\$280.00</u>     | <u>\$100.00</u>    | <u>N/A</u>         |
| 29 | Food Processing Plant           | <del>\$86.19</del> | <del>\$120.64</del> | <del>\$43.09</del> | <mark>N∕A</mark>   |
| 30 | Salvage Operation               | <u>\$200.00</u>    | <u>\$280.00</u>     | \$100.00           | <u>N/A</u>         |

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| 1 | Salvage Operation    | <del>\$86.19</del> | <del>\$120.64</del> | <del>\$43.09</del> | <mark>N∕A</mark> |
|---|----------------------|--------------------|---------------------|--------------------|------------------|
| 2 | <u>Commissary</u>    | <u>\$200.00</u>    | <u>\$280.00</u>     | <u>\$100.00</u>    | <u>N/A</u>       |
| 3 | <u>Commissary</u>    | <del>\$86.19</del> | <del>\$120.64</del> | <del>\$43.09</del> | <mark>N∕A</mark> |
| 4 | All Other Food       |                    |                     |                    |                  |
| 5 | <u>Establishment</u> | <u>\$200.00</u>    | <u>\$280.00</u>     | <u>\$100.00</u>    | <u>N/A</u>       |
| 6 | Establishment        | <del>\$86.19</del> | <del>\$120.64</del> | <del>\$43.09</del> | N/A              |

7 (5) For a food establishment, a base annual inspection fee includes 8 one food preparation area and one food handling activity based upon the 9 primary food handling activity conducted within the food establishment as determined by the department. The annual inspection fee shall also 10 include any fees assessed for each additional food preparation area 11 within the primary establishment and any applicable secondary food 12 handling activity as determined by the department. Any mobile food 13 establishment that does not return to a commissary each day shall obtain 14 15 a separate permit and pay the <u>annual</u> base inspection fee for the mobile food establishment. 16

(6) If a person fails to pay any fee due under this section the 17 inspection fee for more than one month after the fee is due, such person 18 19 shall pay a late fee equal to fifty percent of the total fee for the first month that the fee is late and one hundred percent for the second 20 21 month that the fee is late. The purpose of the late fee is to cover the 22 administrative costs associated with collecting fees. All money collected as a late fee shall be remitted to the State Treasurer for credit to the 23 24 Pure Food Cash Fund. If the total fees due remain unpaid ninety days after the original due date, the permit shall no longer be valid. 25

26 <u>(7)(a) Any of the following entities that is</u> <del>(7) An educational</del> 27 institution, health care facility, nursing home, or governmental 28 organization operating any type of food establishment, other than a 29 mobile food unit or pushcart, is exempt from the requirements in 30 subsections (1) through (6) of this section: -

31 (i) Any educational institution;

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1 <u>(ii) Any health care facility;</u>

2 <u>(iii) Any nursing home; or</u>

3 (iv) Any governmental organization.

4 (b) If any entity described in subdivision (a) of this subsection 5 utilizes an outside food service provider, such outside food service 6 provider shall pay any applicable fee regardless of if the entity 7 described in subdivision (a) of this subsection is listed as the owner on 8 the permit.

9 (8) A food establishment which produces eggs and only stores, 10 packages, sells, delivers, or otherwise provides for human consumption 11 the eggs it produces, or only stores, packages, sells, delivers, or 12 otherwise provides for human consumption eggs produced from no more than 13 four producers at the same time, is exempt from the requirements of 14 subsections (1) through (6) of this section.

(9) A food establishment or food processing plant holding a permit under the Nebraska Milk Act is exempt from the requirements of subsections (1) through (6) of this section.

(10) A single event food vendor or a religious, charitable, or 18 19 fraternal organization operating any type of temporary food establishment, mobile food unit, or pushcart is exempt from the 20 requirements of subsections (1) through (6) of this section. Any such 21 22 organization operating any nontemporary food establishment prior to July 23 1, 1985, is exempt from the requirements of subsection (2) of this 24 section.

(11) A permitholder may sell food prepared by the permitholder at the location of another permitholder without obtaining a separate permit at such location so long as the permitholder preparing the food is not a food processing plant. Both the permitholder preparing the food and the permitholder selling the food are responsible for compliance with the Nebraska Pure Food Act.

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Sec. 9. Section 81-2,271, Reissue Revised Statutes of Nebraska, is

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1 amended to read:

81-2,271 (1) The permit required by section 81-2,270 shall be posted in a conspicuous manner at the food establishment, each location where food handling activity included under a permit is occurring, the food

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5 processing plant, or the salvage operation. For a food establishment that 6 does not have a permanent location, the permit location shall be a 7 permanent address where the permitholder may be contacted.

8 (2) The permit is not transferable to any other person or location. 9 Any permit issued lapses automatically upon a change of ownership or 10 location except as provided in subsection (3) of this section. The 11 permitholder shall notify the department in writing at least thirty days 12 prior to any change in ownership, name, or address. When an establishment 13 is to be permanently closed, the permitholder shall return the permit to 14 the department within one week after the closing.

(3) A permitholder shall provide information regarding the current
location of any food handling activity included under the permitholder's
permit to the regulatory authority upon request.

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

Sec. 10. Section 81-2,274, Reissue Revised Statutes of Nebraska, is amended to read:

81-2,274 (1) Any notice or order provided for in the Nebraska Pure 23 24 Food Act shall be personally served on the permitholder at or on the 25 person authorized by the permitholder to receive notices and orders of the department or shall be sent by certified mail, return receipt 26 27 requested, to the last-known address of the permitholder or at the 28 permitted location the person authorized to receive such notices and orders. A copy of the notice and the order shall be filed in the records 29 of the department. 30

31 (2) A notice to comply provided for in section 81-2,273 shall set

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forth the acts or omissions with which the permitholder is charged.

(3) A notice of the permitholder's right to a hearing provided for 2 in the act shall set forth the time and place of the hearing except as 3 4 provided in subsection (4) of section 81-2,273. A notice of the 5 permitholder's right to such hearing shall include notice that a permitholder's right to a hearing may be waived pursuant to subsection 6 (5) of this section. A notice of the permitholder's right to a hearing to 7 show cause why the permit should not be revoked shall include notice to 8 9 the permitholder that the permit may be revoked or suspended, that the permitholder may be subject to an order of probation, or that the permit 10 may be suspended and the permitholder subject to an order of probation, 11 if the director determines such action is more appropriate. A notice of 12 13 the permitholder's right to a hearing to show cause why the permit should 14 not be suspended shall include notice to the permitholder that the permit may be suspended or that the permitholder may also be subject to an order 15 of probation if the director determines such action is more appropriate. 16

(4) The hearings provided for in the act shall be conducted by the director at the time and place he or she designates. The director shall make a final finding based upon the complete hearing record and issue an order. If the director has suspended a permit pursuant to subsection (4) of section 81-2,273, the director shall sustain, modify, or rescind the order. All hearings shall be in accordance with the Administrative Procedure Act.

24 (5) A permitholder shall be deemed to waive the right to a hearing if such permitholder does not come to the hearing at the time and place 25 set forth in the notice described in subsection (3) of this section 26 without requesting the director at least two days before the designated 27 time to change the time and place for the hearing, except that before an 28 order of the director becomes final, the director may designate a 29 different time and place for the hearing if the permitholder shows the 30 director that the permitholder had a justifiable reason for not coming to 31

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the hearing and not timely requesting a change in the time and place for such hearing. If the permitholder waives the right to a hearing, the director shall make a final finding based upon the available information and issue an order. If the director has suspended a permit pursuant to subsection (4) of section 81-2,273, the director shall sustain, modify, or rescind the order.

7 (6) Any person aggrieved by the finding of the director shall have 8 ten days from the entry of the director's order to request a new hearing 9 if such person can show that a mistake of fact has been made which 10 affected the director's determination. Any order of the director shall 11 become final upon the expiration of ten days after its entry if no 12 request for a new hearing is made.

13 Sec. 11. Section 81-2,277, Reissue Revised Statutes of Nebraska, is 14 amended to read:

81-2,277 Food processing plants and salvage operations shall comply
 with the federal Current Good Manufacturing Practice In Manufacturing,
 Packing, or Holding Human Food adopted in section 81-2,259.

Sec. 12. Original sections 81-2,239, 81-2,244.01, 81-2,245.01,
81-2,254, 81-2,257, 81-2,259, 81-2,268, 81-2,270, 81-2,271, 81-2,274, and
81-2,277, Reissue Revised Statutes of Nebraska, are repealed.

Sec. 13. The following sections are outright repealed: Sections 81-2,272.01, 81-2,272.10, 81-2,272.24, and 81-2,272.32, Reissue Revised Statutes of Nebraska.

Sec. 14. Since an emergency exists, this act takes effect when passed and approved according to law.

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