

By: Johnson, et al.
(Wilson, Alders, Cain, Money, Cortez, et al.)

S.B. No. 1864

Substitute the following for S.B. No. 1864:

By: Kitzman

C.S.S.B. No. 1864

A BILL TO BE ENTITLED

AN ACT

relating to egg grading and the selling of ungraded eggs; requiring
an occupational license.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 132.002, Agriculture Code, is amended to
read as follows:

Sec. 132.002. SALE OF UNGRADED EGGS BY PRODUCER [~~LIMITATION~~
~~OF CHAPTER~~]. (a) Except as provided by this section, this [~~This~~]
chapter does not apply to a person selling only eggs that are
produced by the person's own flock and for which the person does not
claim a grade.

(b) A person who produces eggs as described by Subsection
(a) may sell any quantity of ungraded eggs directly to consumers in
this state and, subject to Subsections (d) and (e), up to 400 dozen
ungraded eggs per week at wholesale in this state to:

- (1) restaurants;
- (2) grocery stores with 25,000 square feet or less of
retail space;
- (3) farmer's cooperative societies incorporated under
Chapter 51; or
- (4) cooperative marketing associations incorporated
under Chapter 52.

(c) A person who sells ungraded eggs as provided by
Subsection (b) shall label the cartons of eggs with a label that:

1 (1) is legible;

2 (2) appears on the top panel of the carton; and

3 (3) contains:

4 (A) the word "ungraded";

5 (B) the producer's name;

6 (C) the producer's address;

7 (D) the date the carton was packed; and

8 (E) if the eggs are sold or offered for sale at
9 wholesale, the producer's license number as provided by Subsection
10 (d).

11 (d) A person who produces eggs as described by Subsection
12 (a) may not sell the eggs at wholesale unless the person holds a
13 license as an ungraded dealer-wholesaler issued by the department.

14 (e) A person who sells eggs as described by Subsection (d)
15 shall:

16 (1) maintain records as provided by Section [132.061](#);

17 (2) within 36 hours of collecting the eggs,
18 refrigerate the eggs;

19 (3) maintain the eggs at an ambient temperature of 45
20 degrees Fahrenheit or below during storage and distribution; and

21 (4) follow the sanitation requirements of Section
22 [132.045](#) when handling eggs sold or offered for sale at wholesale.

23 (f) A state agency or political subdivision may not prohibit
24 a person described by Section [132.021](#)(b) from purchasing,
25 reselling, or using eggs described by Subsection (c).

26 SECTION 2. As soon as practicable after the effective date
27 of this Act, the Department of Agriculture shall adopt rules to

1 implement Section 132.002, Agriculture Code, as amended by this
2 Act.

3 SECTION 3. This Act takes effect immediately if it receives
4 a vote of two-thirds of all the members elected to each house, as
5 provided by Section 39, Article III, Texas Constitution. If this
6 Act does not receive the vote necessary for immediate effect, this
7 Act takes effect September 1, 2025.