

# Wisconsin Department of Agriculture, Trade and Consumer Protection

## Initial Regulatory Flexibility Analysis

**Rule Subject:** Egg grading, handling, and labeling  
**Adm. Code Reference:** ATCP 88, 70, and 75  
**Rules Clearinghouse #:** Not assigned  
**DATCP Docket #:** 13-R-05

### *Rule Summary*

This proposed rule comprehensively revises ATCP 88, Wis. Adm. Code, to clarify the regulatory requirements applicable to egg producers and egg handlers. The proposed rule makes minor revisions to ATCP 70 and 75 and moves primary egg regulation to ATCP 88, thus limiting the need for egg business operators to consult multiple chapters of rules. The rule consolidates regulations regarding licensing egg processing and sales, and egg facilities, equipment and utensils, egg handling operations and packing and labeling requirements in ATCP 88. The rule implements 2013 Wisconsin Act 245, by eliminating the requirement for small-scale egg producers to hold a food processing plant license when selling eggs at a farmers' market, on an egg route, or at the egg producer's farm. The proposed rule removes obsolete provisions in the existing rule and incorporates explanatory text to improve rule clarity. The rule spells out federal registration requirements that must also be met by some egg producers and egg handlers.

### *Small Businesses Affected*

The rule will impact egg producers and egg handlers of all sizes. This rule is expected to have a positive impact on small-scale egg producers with flocks of not more than 150 birds as it removes the requirement to obtain and pay the license fee for a food processing plant license for selling eggs to consumers on the site where the eggs are produced, at farmers' markets, and on egg sales routes. It assists all egg-related businesses by clarifying and consolidating existing regulatory requirements specific to egg production establishments, making it easier for businesses to understand and meet critical requirements to protect the public from foodborne illness. Some licensed egg handling operations may need to upgrade facilities, e.g. sinks, walls, temperature monitoring devices, in order to meet the requirements in the rule. The rule does not increase license fees.

### *Reporting, Bookkeeping and other Procedures*

The rule does not require any additional reporting or bookkeeping procedures for small producers. The rule incorporates registration requirements for large producers, as required under federal law. The rule also requires Wisconsin egg handlers who receive eggs from producers who own 3,000 or more laying birds to maintain records showing that the producers are registered as required under federal egg safety rule with the Food

and Drug Administration (FDA). The FDA requires producers with 3,000 or more laying birds to register and meet federal requirements to reduce the risk of *Salmonella enteritidis* (SE) contamination, which presents a significant food safety hazard associated with eggs. Registration allows FDA to identify and inspect these large-scale egg producers. By requiring egg handlers to maintain documentation demonstrating compliance with FDA registration requirements, Wisconsin inspectors will be able to quickly and efficiently ensure that eggs entering the marketplace from these large-scale egg producers have implemented SE reduction practices consistent with federal law.

***Professional Skills Required***

The proposed rule does not require small businesses to acquire any new professional skills.

***Accommodation for Small Business***

The proposed rule creates a new exemption from food processing plant licensing for egg producers with not more than 150 laying birds who sell eggs at farmer’s markets, on egg-sales routes or at the location where the eggs are produced.

***Conclusion***

The provisions in this proposed rule will benefit Wisconsin’s egg production industry.

This rule will not have a significant adverse effect on “small business” and is not subject to the delayed “small business” effective date provided in s. 227.22(2)(e), Stats.

DATCP will, to the maximum extent feasible, seek voluntary compliance with this rule.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

STATE OF WISCONSIN  
DEPARTMENT OF AGRICULTURE,  
TRADE AND CONSUMER PROTECTION

By \_\_\_\_\_  
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