| 1 | HOUSE BILL NO. 1802 |
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| 2 | AMENDMENT IN THE NATURE OF A SUBSTITUTE |
| 3 | (Proposed by the House Committee on Agriculture, Chesapeake and Natural Resources |
| 4 | on) |
| 5 | (Patron Prior to SubstituteDelegate Freitas) |
| 6 | A BILL to amend and reenact § 3.2-5130 of the Code of Virginia and to amend the Code of Virginia by |
| 7 | adding sections numbered 3.2-5202.1 and 3.2-5403.1, relating to food products; milk and milk |
| 8 | products; livestock products and poultry products; exemptions for direct to consumer sales. |
| 9 | Be it enacted by the General Assembly of Virginia: |
| 10 | 1. That § 3.2-5130 of the Code of Virginia is amended and reenacted and that the Code of Virginia |
| 11 | is amended by adding sections numbered 3.2-5202.1 and 3.2-5403.1 as follows: |
| 12 | § 3.2-5130. Inspections required to operate food establishment. |
| 13 | A. It is unlawful to operate as a food manufacturer, food storage warehouse, or retail food |
| 14 | establishment until (i) such food manufacturer, food storage warehouse, or retail food establishment has |
| 15 | been inspected by the Commissioner and (ii) the Commissioner has issued a permit pursuant to subsection |
| 16 | C of § 3.2-5100 for the operation of the food manufacturer, food storage warehouse, or retail food |
| 17 | establishment. If the inspection finds no significant health hazards to the public, any food manufacturer, |
| 18 | food storage warehouse, or retail food establishment may operate until receipt of the permit. Such permit |
| 19 | shall be processed within 30 days of the inspection date. |
| 20 | B. If the Commissioner determines that conditions exist in a food manufacturer, food storage |
| 21 | warehouse, or retail food establishment that would render such entity significantly out of compliance with |
| 22 | an applicable provision of this chapter or regulation adopted pursuant to this chapter, the Commissioner |
| 23 | may, in accordance with the Administrative Process Act (§ 2.2-4000 et seq.), deny, suspend, or revoke the |
| 24 | permit of such entity. If the Commissioner determines that conditions exist in a food manufacturer, food |
| 25 | storage warehouse, or retail food establishment that present a significant and immediate public health |

- hazard, the Commissioner may suspend the permit of such entity and shall seek an expedited informal fact-finding proceeding pursuant to § 2.2-4019.
 - C. The provisions of subsections A and B shall not apply to:
 - 1. Food manufacturers operating under a grant of inspection from the Office of Meat and Poultry Services or a permit from the Office of Dairy and Foods in the Department; and Grade A fluid milk manufacturing plants and shellfish and crustacea processing plants operating under a permit from the Virginia Department of Health;
 - 2. Nonprofit organizations holding one-day food sales;
 - 3. Private homes where the resident processes and prepares candies, jams, and jellies not considered to be low-acid or acidified low-acid food products, dried fruits, dry herbs, dry seasonings, dry mixtures, coated and uncoated nuts, vinegars and flavored vinegars, popcorn, popcorn balls, cotton candy, dried pasta, dry baking mixes, roasted coffee, dried tea, cereals, trail mixes, granola, and baked goods that do not require time or temperature control after preparation if such products are: (i) sold to an individual for his own consumption and not for resale; (ii) sold at the private home or at farmers markets; (iii) not offered for sale to be used in or offered for consumption in retail food establishments; (iv) not offered for sale over the Internet or in interstate commerce; and (v) affixed with a label displaying the name, physical address, and telephone number of the person preparing the food product, the date the food product was processed, and the statement "NOT FOR RESALE PROCESSED AND PREPARED WITHOUT STATE INSPECTION" shall be placed on the principal display panel. Nothing in this subdivision shall create or diminish the authority of the Commissioner under § 3.2-5102;
 - 4. Private homes where the resident processes and prepares pickles and other acidified vegetables that have an equilibrium pH value of 4.6 or lower if such products are (i) sold to an individual for his own consumption and not for resale; (ii) sold at the private home or at farmers markets; (iii) not offered for sale to be used in or offered for consumption in retail food establishments; (iv) not offered for sale over the Internet or in interstate commerce; (v) affixed with a label displaying the name, physical address, and telephone number of the person preparing the food product, the date the food product was processed, and the statement "NOT FOR RESALE PROCESSED AND PREPARED WITHOUT STATE

- INSPECTION" shall be placed on the principal display panel; and (vi) not exceeding \$3,000 in gross sales in a calendar year. Nothing in this subdivision shall create or diminish the authority of the Commissioner under § 3.2-5102;
 - 5. Private homes where the resident processes and prepares honey produced by his own hives, if:
 (i) the resident sells less than 250 gallons of honey annually; (ii) the resident does not process and sell other food products in addition to honey, except as allowed by subdivisions 3 and 4; (iii) the product complies with the other provisions of this chapter; and (iv) the product is labeled "PROCESSED AND PREPARED WITHOUT STATE INSPECTION. WARNING: Do Not Feed Honey to Infants Under One Year Old." Nothing in this subdivision shall increase or diminish the authority of the Commissioner under § 3.2-5102; and
 - 6. Retail establishments that (i) do not prepare or serve food; (ii) sell only food or beverages that are sealed in packaging by the manufacturer and have been officially inspected in the manufacturing process; (iii) do not sell infant formulas; (iv) do not sell salvaged foods; and (v) certify to the Department that they meet the provisions of this subdivision.
 - D. Nonprofit organizations, private homes, and retail establishments that qualify for an exception under subsection C shall be exempt from the permit and inspection requirements of this chapter and the inspection fees. Nothing in this section shall prevent the Department from inspecting any nonprofit organization, private home, or retail establishment if a consumer complaint is received.
 - E. Notwithstanding any other provision of law, the permit and inspection requirements of this chapter and any inspection fees shall not apply to any food product that is otherwise permitted by state law and is sold directly to a consumer either (i) on the premises where such product was grown or produced or (ii) at a farmers market. A consumer purchasing a food product pursuant to this subsection shall sign a waiver to be provided by a seller of such food product. Such waiver shall be maintained by a seller of such food product for no less than one year from the date of the transaction, and a copy of such waiver shall be provided at the time of the transaction to a consumer purchasing such food product. Such waiver shall include the following information:
 - 1. The name, address, and telephone number of the grower or producer of such product;

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| 80 | 2. The common or usual name of such product; |
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| 81 | 3. The ingredients of such product in descending order of predominance; and |
| 82 | 4. The following statement: "This product is exempt from state licensing and inspection |
| 83 | requirements and has not been inspected by the Virginia Department of Agriculture and Consumer |
| 84 | Services. NOT FOR RESALE." |
| 85 | <u>F.</u> Any person who violates any provision of this section is guilty of a Class 1 misdemeanor. |
| 86 | § 3.2-5202.1. Exemptions for direct to consumer sales; waivers. |
| 87 | Notwithstanding any other provision of law, the permit and inspection requirements of this chapter |
| 88 | and any inspection fees shall not apply to any milk or milk product, including raw or unpasteurized milk, |
| 89 | that is sold directly to a consumer either (i) on the premises where such milk or milk product was produced |
| 90 | or (ii) at a farmers market. A consumer purchasing milk or a milk product pursuant to this section shall |
| 91 | sign a waiver to be provided by a seller of such milk or milk product. Such waiver shall be maintained by |
| 92 | a seller of such milk or milk product for no less than one year from the date of the transaction, and a copy |
| 93 | of such waiver shall be provided at the time of the transaction to a consumer purchasing such milk or milk |
| 94 | product. Such waiver shall include the following information: |
| 95 | 1. The name, address, and telephone number of the producer of such milk or milk product; |
| 96 | 2. The common or usual name of such milk or milk product; |
| 97 | 3. The ingredients of such milk or milk product in descending order of predominance; and |
| 98 | 4. The following statement: "This product is exempt from state licensing and inspection |
| 99 | requirements and has not been inspected by the Virginia Department of Agriculture and Consumer |
| 100 | Services. NOT FOR RESALE." |
| 101 | § 3.2-5403.1. Exemptions for direct to consumer sales; waivers. |
| 102 | Notwithstanding any other provision of law, the permit and inspection requirements of this chapter |
| 103 | and any inspection fees shall not apply to any livestock product or poultry product that is sold directly to |
| 104 | a consumer either (i) on the premises where such product was grown or produced or (ii) at a farmers |
| 105 | market. A consumer purchasing a livestock product or poultry product pursuant to this section shall sign |

a waiver to be provided by a seller of such product. Such waiver shall be maintained by a seller of such

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| 107 | livestock product or poultry product for no less than one year from the date of the transaction, and a copy |
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| 108 | of such waiver shall be provided at the time of the transaction to a consumer purchasing such product |
| 109 | Such waiver shall include the following information: |
| 110 | 1. The name, address, and telephone number of the grower or producer of such livestock producer |
| 111 | or poultry product; |
| 112 | 2. The common or usual name of such livestock product or poultry product; |
| 113 | 3. The ingredients of such livestock product or poultry product in descending order of |
| 114 | predominance; and |
| 115 | 4. The following statement: "This product is exempt from state licensing and inspection |
| 116 | requirements and has not been inspected by the Virginia Department of Agriculture and Consumer |
| 117 | Services. NOT FOR RESALE." |
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