

Annuities to be paid under the provisions of this section shall be payable quarterly on the first days of January, April, July and October.

Approved April 27, 1957.

CHAPTER 819—H. F. No. 848

[Coded]

An act relating to candling, grading, handling and marketing of eggs, providing for licensing thereof and penalties for violations and repealing Minnesota Statutes 1953, Sections 29.041 to 29.048, as amended.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. [29.21] **Definitions.** Subdivision 1. The word "person" when used in this act means any individual, firm, partnership, corporation, company, association, joint stock association, and shall include any officer, employee, agent, trustee, receiver, assignee, or other similar representative thereof, provided that neither a producer of eggs when selling eggs of his own production nor a hatchery which produces or purchases eggs solely for hatching shall be deemed a "person."

Subd. 2. The word "commissioner" shall mean the commissioner of agriculture, dairy and food.

Subd. 3. The word "department" means the department of agriculture, dairy and food unless otherwise indicated.

Sec. 2. [29.22] **Dealers' licenses, fees.** Subdivision 1. No person shall engage in the business of buying for resale, selling, dealing in, or trading in eggs except a retail grocer who sells eggs previously candled and graded without first obtaining a license therefor from the commissioner. Applications for such license shall be made in writing upon forms to be prepared by the commissioner. The annual license fee for such business shall be \$5 for each place or location whereat such business of the applicant is being or will be conducted. The commissioner shall, before issuing any license, determine that the applicant is a proper and qualified person to conduct such business. Every license shall expire on the last day of September next following the issuance thereof. Such licenses may be renewed for additional periods of one year upon written application therefor and payment of a \$5 fee for each place or location whereat such business is being or will be conducted.

Subd. 2. In addition to the annual dealer's license, there shall be an annual inspection fee computed on the basis of the number of cases of shell eggs handled at each place of business during the month of April of each year, providing that if said dealer or processor is not operating during the month of April, the department shall estimate the volume of shell eggs handled, and may revise the fee after three months of operation. In the event that a given lot of eggs is moved from one location of business to a second location of business and provided that the dealer's license is held by the same person at both locations, the given lot of eggs shall be counted in determining the volume of business on which the inspection fee is based at the first location of business but shall not enter into the computation of volume of business for the second location. For the purpose of determining of fees, a case shall be one of 30 dozen capacity. The schedule of fees shall be as follows:

Volume (30 dozen cases) in April	Mimumum-Maximum Fee
Under 1000	\$10-\$25
1000-2000	\$25-\$50
2001-4000	\$50-\$75
4001-6000	\$75-\$100
6001-8000	\$100-\$125
8001-10,000	\$125-\$150
Over 10,000	\$150-\$200

The commissioner shall fix the annual inspection fee within the limits set herein and may annually adjust the fee, as he deems necessary, within those limits, to more nearly meet the costs of inspection required to enforce the provisions of this act. Each person holding a dealer's license shall, under the direction of the commissioner, keep such records as may be necessary to accurately determine the volume of shell eggs on which the inspection fee is due and shall prepare annually a written report of such volume upon forms supplied by the commissioner. This report, together with the required inspection fee, shall be filed with the department on or before the last day of September of each year.

Subd. 3. The commissioner shall have general supervisory powers over the candlers and graders of eggs and may conduct, in collaboration with the Institute of Agriculture and the Extension Service of the University of Minnesota, an educational and training program to improve the efficiency and quality of the work done by such candlers.

Subd. 4. No person shall engage in the business of breaking eggs for resale without first having secured from the department a license to conduct such business to be issued

upon proper application and the payment of \$50 as a license fee. All licenses so issued shall expire on the last day of June next following the issuance thereof but may be renewed. The licensee shall at all times comply with the rules and regulations of the department in respect to the conduct of such business.

Subd. 5. All fees collected, together with all fines paid for any violation of any provision of this act or any rules promulgated thereunder, shall be deposited in the state treasury, and 85 percent of the total fees and fines so collected shall be credited to a separate account to be known as the egg law inspection fund, which is hereby created, set aside, and appropriated as a revolving fund to be used by the department to help defray the expense of inspection, supervision, and enforcement of this act and shall be in addition to and not in substitution for the sums regularly appropriated or otherwise made available for this purpose to the department.

Sec. 3. [29.23] **Candling.** The first licensed buyer shall cause all eggs to be candled and graded according to Minnesota purchase grades as established by the commissioner and shall remove all adulterated and inedible eggs before purchase. Such candling and grading shall be done before payment in full is made, but nothing in this section shall be construed to prevent a licensed buyer from advancing or making a partial payment to the producer before such candling and grading. Such candling and grading shall also be done within the state of Minnesota unless the first licensed buyer obtains special permission from the commissioner to do such candling and grading outside the state of Minnesota, in which event the commissioner shall require that such candling and grading be done under the supervision of the grading service of the United States Department of Agriculture on a continuous basis and that a grading report based on Minnesota purchase grades be issued to the producer for each lot of eggs candled and graded. The commissioner shall promulgate by regulation Minnesota purchase grades and Minnesota consumer grades and the standards on which these grades are based. The commissioner shall also by regulation provide for minimum plant and equipment requirements for candling, grading, handling and storing eggs, and shall define candling. It shall be mandatory that eggs be held at a temperature not to exceed 60 degrees Fahrenheit after being received by the first licensed dealer. Expiration date for candlers and graders license shall be September 30.

Sec. 4. [29.24] **Adulterated or inedible eggs, sale forbidden.** No person shall buy, sell, offer or expose for sale,

or have in his possession for sale, eggs for human consumption that are inedible or adulterated. Eggs that are filthy, putrid, decomposed, or otherwise unfit for food in whole or in part, shall be deemed to be adulterated. Eggs which contain black rots, white rots, mixed rots (addled eggs), sour eggs with green whites, eggs with stuck yolks, moldy eggs, musty eggs, eggs showing blood rings, eggs containing embryo chicks (at or beyond the blood ring stage), or any other eggs that are filthy, decomposed, or putrid shall be deemed to be inedible.

Sec. 5. [29.25] Dockage; overgrade or undergrade of eggs; records of sales and purchases. No person in buying or selling eggs shall take or give a greater or lesser dockage for eggs unfit for human food, as herein defined, than the actual dockage as determined by the correct candling of the eggs purchased or sold. No person in buying or selling eggs shall overgrade or undergrade eggs. All licensed persons shall keep such candling and grading records of eggs purchased or sold as may be required by the rules and regulations promulgated by the commissioner, which records shall be available at all reasonable times for inspection and examination by the commissioner, inspector or employees of the department of agriculture, dairy and food.

Sec. 6. [29.26] Eggs in possession of retailer. Persons handling eggs for retail sale only are exempt from the provisions of section 2, subdivision 1, and from the provisions of section 2, subdivision 2. However, all eggs sold or offered for sale at retail must have been candled and graded and must be clearly labeled according to Minnesota consumer grades as established by regulation under section 3. No eggs shall be sold or offered for sale as "ungraded", "unclassified", or by any other name that does not clearly designate the grade. All eggs in possession of the retailer, either in temporary storage or on display, must be held at a temperature not to exceed 60 degrees Fahrenheit.

Sec. 7. [29.27] Rules. The department is hereby vested with the power and authority to supervise, regulate, and, in accordance with Minnesota Statutes, Section 15.042 make reasonable rules and regulations relative to grading, candling, breaking, purchasing, and selling of eggs and egg products for purpose of preserving and protecting the public health. In addition hereto, it is the express purpose herein that inasmuch as the breaking of eggs for re-sale is a matter of state concern, the surroundings in which such product is handled should be maintained in a sanitary condition, and, therefore, the department may establish, in accordance with Minnesota Statutes, Section 15.042, reasonable rules and regu-

lations relative to the inspection of all establishments wherein the business of breaking eggs for re-sale is maintained, and when the sanitary conditions of any such establishments are such that the product is rendered, or is likely to be rendered, unclean, unsound, unhealthful, unwholesome, or otherwise unfit for human consumption, it shall have authority to revoke such license to break eggs for re-sale until such time as the department is satisfied that the establishment is maintained in a sanitary condition. The department shall have the right, from time to time, to adopt different rules and regulations in the same manner as herein set forth.

Sec. 8. [29.28] Violations, penalties. Any person found guilty of any violation of this act shall, upon conviction for the first offense, be guilty of a misdemeanor and shall be fined \$25; for the second offense, he shall be guilty of a misdemeanor and shall be fined \$100; and for the third and subsequent offenses he shall be guilty of a gross misdemeanor and shall be fined \$200. In addition to such fines, the court for second offense shall suspend his license for 30 days; and for the third and any subsequent offense, such person's license shall be revoked for a period of one year.

Sec. 9. Repealer. Minnesota Statutes 1953, Sections 29.041 to 29.048, as amended by Laws 1955, Chapters 46 and 820, are repealed.

Approved April 27, 1957.

CHAPTER 820—H. F. No. 1088

[Coded]

An act relating to taxation of goods in transit while stored in a commercial warehouse.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. [272.022] Original packages of merchandise stored in commercial storage warehouse exempt from taxation. Original packages of merchandise (excluding minerals and liquid petroleum products) shipped into this state by a non-resident for storage while enroute to a final destination outside the state and forthwith placed in storage in the original packages in a commercial storage warehouse, licensed and regulated by the State of Minnesota, shall while so in storage be considered in transit and not subject to taxation. Such exemption shall not apply if any portion of such ware-