



Support HB 1284

Farm-Fresh Eggs

Locally raised eggs are in high demand by restaurants and consumers, but existing regulations on “grading” create unnecessary barriers for farmers who wish to sell their eggs to chefs and grocers.

“Grading” eggs involves weighing and measuring each egg, sorting them by size, and obtaining a license from the Texas Department of Agriculture, which includes both an annual fee and fees based on quantities sold. Grading is entirely a marketing issue (size and weight) and provides no benefits from a health or food safety perspective.

The current statutory law would appear to allow farmers to sell ungraded eggs not only direct to consumers – as is common across the state – but also to chefs and grocers. Agriculture Code §132.002 states that a person selling only eggs produced by that person’s own flock, and for which the person does not claim a grade, do **not** need to be graded. Agriculture Code § 132.021 states that the licensing requirements don’t apply to restaurants serving eggs to consumers or retailers selling eggs to the ultimate consumer.

But DSHS regulations prohibit restaurants and retailers from buying ungraded eggs, effectively circumventing the statute and preventing farmers from selling their eggs to chefs or grocers unless they get a license and grade their eggs.

This requirement is a significant barrier for many small farmers, because eggs have a very small profit margin, and the additional expense and hassle cannot be justified by many farmers.

HB 1284 addresses this problem by allowing farmers to sell eggs clearly labeled as “ungraded” to restaurants and retailers who in turn sell directly to consumers. A committee substitute is being drafted that will include additional labeling requirements to ensure that the consumers know who produced the eggs.

A second problem arises for those producers who do become licensed to grade their eggs. Current law requires that businesses who grade eggs must file a **monthly** report with TDA and submit their fees. For small-scale graders, this means monthly paperwork even though the total fee may be less than the cost of the stamp. HB 1284 changes that to an annual fee for producers whose fees total less than \$360 for the entire year.

These simple provisions will help small farmers better market their eggs, and allow chefs and consumers greater choice in buying locally raised food.

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