

Sixty-fifth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1433

Introduced by

Representatives Simons, Rick C. Becker, Johnston, Kiefert, B. Koppelman, Magrum, Olson,
Schatz, Toman

Senators Kannianen, O. Larsen

1 A BILL for an Act to create and enact a new section to chapter 19-02.1 of the North Dakota
2 Century Code, relating to the direct sale of food by the producer to a consumer; to amend and
3 reenact sections 19-07-01 and 36-24-06 of the North Dakota Century Code, relating to the sale
4 and production of animal-based products.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. AMENDMENT.** Section 19-07-01 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **19-07-01. Eggs to be graded - Exemption.**

9 All eggs sold or offered for sale to an ultimate consumer in this state must be candled,
10 graded, and labeled with the correct grade designation. "Eggs" in this chapter means eggs in
11 the shell which are the product of the domesticated chicken ~~chicken~~ poultry. A producer of eggs when
12 selling only eggs of the producer's own flock production is exempt from the provisions of this
13 chapter.

14 **SECTION 2.** A new section to chapter 19-02.1 of the North Dakota Century Code is created
15 and enacted as follows:

16 **Direct producer to consumer sales of foods.**

17 1. As used in this section:

18 a. "Delivery" means the transfer of a product resulting from a transaction between a
19 producer and an informed end consumer.

20 b. "Farmers market" means a market or group of booths where farmers and other
21 producers sell products directly to consumers.

- 1 c. "Home consumption" means food consumed within a private home or food from a
2 private home consumed only by family members, employees, or nonpaying
3 guests.
- 4 d. "Informed end consumer" means an individual who is the last individual to
5 purchase a product and has been informed the product is not licensed, regulated,
6 or inspected.
- 7 e. "Producer" means any individual who harvests or produces any product that may
8 be consumed as food or drink.
- 9 f. "Transaction" means the exchange of buying and selling.
- 10 2. Notwithstanding any other provision of law, a state agency or political subdivision may
11 not require licensure, permitting, certification, inspection, packaging, or labeling that
12 pertains to the preparation, serving, use, consumption, or storage of foods or food
13 products under this section. This section does not preclude an agency from providing
14 assistance, consultation, or inspection, upon request, of a producer.
- 15 3. Transactions under this section must be directly between the producer and the
16 informed end consumer and be only for home consumption. Transactions may occur
17 at a farm, ranch, farmers market, farm stand, home-based kitchen, or any other venue
18 not otherwise prohibited by law or through delivery.
- 19 4. Transactions under this section may not:
- 20 a. Involve interstate commerce;
- 21 b. Include the sale of uninspected products made from meat, except as provided
22 under subdivision c; or
- 23 c. Include the sale of uninspected products made from poultry, unless:
- 24 (1) The producer slaughters no more than one thousand poultry raised by the
25 producer during the calendar year;
- 26 (2) The producer does not buy or sell poultry products, except products
27 produced from poultry raised by the producer; and
- 28 (3) The poultry product is not adulterated or misbranded.
- 29 5. Except for raw, unprocessed fruits and vegetables, food may not be sold or used in
30 any commercial food establishment unless the food has been labeled, licensed,
31 packaged, or inspected as required by law.

1 6. The producer shall inform the end consumer that any food product or food sold under
2 this section is not certified, labeled, licensed, packaged, regulated, or inspected.

3 7. This section does not change any requirement for brand inspection or animal health
4 inspections.

5 **SECTION 3. AMENDMENT.** Section 36-24-06 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **36-24-06. Prohibitions.**

8 Unless otherwise provided in chapter 19-02.1, a person may not:

- 9 1. Slaughter an animal or prepare an article usable as human food at any establishment
10 preparing articles solely for intrastate commerce, unless the person complies with this
11 chapter;
- 12 2. Sell, transport, offer for sale or transportation, or receive for transportation, in
13 intrastate commerce any article that is usable as human food and which is adulterated
14 or misbranded or any article that has not been inspected and passed under this
15 chapter; or
- 16 3. Alter an article that is usable as human food while the article is being transported in
17 intrastate commerce or held for sale after transportation, if the alteration is intended to
18 cause or has the effect of causing the article to be adulterated or misbranded.