# First Regular Session Seventy-second General Assembly STATE OF COLORADO

## **INTRODUCED**

LLS NO. 19-0527.02 Jery Payne x2157

**HOUSE BILL 19-1114** 

#### **HOUSE SPONSORSHIP**

Catlin and Valdez D.,

SENATE SPONSORSHIP

(None),

### **House Committees** Rural Affairs & Agriculture

#### **Senate Committees**

	A BILL FOR AN ACT
101	CONCERNING THE IMPLEMENTATION UNDER STATE LAW BY THE
102	COMMISSIONER OF AGRICULTURE OF FEDERAL PRODUCE SAFETY
103	STANDARDS FOR FARMS.

### **Bill Summary**

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <a href="http://leg.colorado.gov">http://leg.colorado.gov</a>.)

The bill establishes a state law to implement federal regulations covering produce safety on farms. To implement this, the bill:

Authorizes the commissioner of agriculture (commissioner) to enter into a cooperative agreement with the United States food and drug administration and seek, accept, and

- expend federal funds;
- ! Provides for the commissioner to cease implementing the law if the commissioner does not receive adequate federal funding;
- ! Requires farms that are covered by federal law, selling more than approximately \$25,000 of produce annually on average over a 3-year period, to register with the commissioner;
- ! Requires the commissioner to promulgate rules adopting 21 CFR 112, concerning produce safety, and gives the commissioner rule-making authority to administer the bill;
- ! Authorizes the commissioner to enter farms and farm facilities during regular business hours to implement or enforce the bill;
- ! Authorizes the commissioner to inspect records during regular business hours to implement or enforce the bill;
- ! Authorizes the commissioner to issue cease-and-desist orders;
- ! Authorizes the commissioner to impose administrative penalties;
- ! If requested, requires the commissioner to hold a hearing to issue a cease-and-desist order or impose an administrative penalty, and this process is subject to judicial review;
- ! Authorizes the commissioner to enforce cease-and-desist orders and administrative penalties in court; and
- ! Repeals these provisions in 2034, but requires a sunset review before the repeal.
- 1 Be it enacted by the General Assembly of the State of Colorado:
- 2 **SECTION 1.** In Colorado Revised Statutes, 35-1-104, amend
- 3 (1)(b) as follows:
- 4 **35-1-104. Functions, powers, and duties.** (1) The department
- 5 has and shall exercise the following functions, powers, and duties:
- 6 (b) To perform all regulatory and inspection services relating to
- 7 agriculture, except agricultural education and research and those
- 8 regulatory functions relating primarily to the control of milk or milk
- 9 products or to public health or assigned by law to other state agencies;
- SECTION 2. In Colorado Revised Statutes, add article 77 to title

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1	35 as follows:
2	ARTICLE 77
3	Produce Safety
4	<b>35-77-101.</b> Legislative declaration. This article 77 is adopted
5	BY THE GENERAL ASSEMBLY WITH THE INTENTION THAT THE
6	COMMISSIONER WILL IMPLEMENT AND ENFORCE 21 CFR 112, CONCERNING
7	PRODUCE SAFETY, UNDER A COOPERATIVE AGREEMENT WITH THE FDA,
8	AND IN LIEU OF FEDERAL ENFORCEMENT BY THE $FDA. \ THE \ commissioner$
9	MAY SEEK TO ENTER INTO A COOPERATIVE AGREEMENT WITH THE FDA
10	WHEREBY THE COMMISSIONER WILL ASSUME ENFORCEMENT AUTHORITY
11	AND RECEIVE FUNDING FROM THE FDA. THE FIRST AGREEMENT SHOULD
12	EXTEND FOR FIVE YEARS. IF THE AGREEMENT IS NOT RENEWED FOR A
13	SECOND OR SUBSEQUENT PERIOD, THE COMMISSIONER WILL CEASE
14	IMPLEMENTING AND ENFORCING THIS ARTICLE 77.
15	<b>35-77-102. Definitions.</b> AS USED IN THIS ARTICLE 77, UNLESS THE
16	CONTEXT OTHERWISE REQUIRES:
17	(1) "COMMISSIONER" MEANS THE COMMISSIONER OF
18	AGRICULTURE.
19	(2) "COVERED ACTIVITY" HAS THE SAME MEANING AS SET FORTH
20	IN 21 CFR 112.3.
21	(3) "COVERED PRODUCE" HAS THE SAME MEANING AS SET FORTH
22	IN 21 CFR 112.3.
23	(4) "Farm" has the same meaning as set forth in 21 CFR
24	112.3.
25	(5) "FDA" MEANS THE UNITED STATES FOOD AND DRUG
26	ADMINISTRATION.
27	(6) "PRODUCE" HAS THE SAME MEANING AS SET FORTH IN 21 CFR

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1	112.3.
2	35-77-103. Cooperative agreement - federal funding -
3	applicability - rules. (1) THE COMMISSIONER MAY SEEK, ACCEPT, AND
4	EXPEND FEDERAL MONEY FOR THE PURPOSES OF THIS ARTICLE 77. THE
5	COMMISSIONER MAY ENTER INTO A COOPERATIVE AGREEMENT WITH THE
6	FDA TO IMPLEMENT 21 CFR 112 UNDER STATE LAW AND TO SEEK
7	FEDERAL MONEY.
8	(2) IF THE COMMISSIONER DOES NOT RECEIVE ADEQUATE MONEY
9	UNDER SUBSECTION (1) OF THIS SECTION TO IMPLEMENT THIS ARTICLE 77,
10	THE COMMISSIONER NEED NOT IMPLEMENT THIS ARTICLE 77 OR MAY CEASE
11	IMPLEMENTING THIS ARTICLE 77. IF THE COMMISSIONER DOES NOT
12	IMPLEMENT THIS ARTICLE 77 OR CEASES IMPLEMENTING THIS ARTICLE 77,
13	THE COMMISSIONER SHALL PROMULGATE A RULE PROVIDING PUBLIC
14	NOTICE THAT THIS ARTICLE 77 IS NOT BEING IMPLEMENTED AND THAT A
15	FARM NEED NOT REGISTER UNDER THIS ARTICLE 77.
16	35-77-104. Registration required - rules. (1) EXCEPT AS
17	PROVIDED IN SECTION 35-77-103, A FARM, INCLUDING A FARM THAT IS
18	INCORPORATED INTO ANOTHER BUSINESS, SHALL REGISTER WITH THE
19	COMMISSIONER IF THE FARM CONDUCTS COVERED ACTIVITY AND THE
20	COVERED PRODUCE SOLD DURING THE PREVIOUS THREE YEARS BY THE
21	FARM HAS AN AVERAGE ANNUAL MONETARY VALUE OF MORE THAN
22	TWENTY-FIVE THOUSAND DOLLARS, AS ADJUSTED FOR INFLATION BY THE
23	FDA UNDER 21 CFR 112, USING 2011 AS THE BASELINE YEAR FOR
24	CALCULATING THE ADJUSTMENT. THE AMOUNT THAT TRIGGERS
25	DECISTRATION IS CALCULATED ON A POLLING BASIS

TRIGGERS REGISTRATION, THE COMMISSIONER SHALL PROMULGATE A RULE

(2) EACH TIME THE FDA CHANGES THE AMOUNT OF SALES THAT

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1	SETTING FORTH THE NEW AMOUNT OF SALES THAT TRIGGERS
2	REGISTRATION.
3	35-77-105. Produce safety - rules. The commissioner shall
4	PROMULGATE RULES ADOPTING 21 CFR 112 FOR PRODUCE SAFETY
5	STANDARDS FOR FARMS.
6	<b>35-77-106.</b> Commissioner duties and authority - rules. (1) THE
7	COMMISSIONER MAY:
8	(a) Adopt any rule reasonably necessary to implement
9	THIS ARTICLE 77; AND
10	(b) Administer and enforce this article 77 and any rules
11	ADOPTED UNDER THIS ARTICLE 77.
12	(2) THE COMMISSIONER SHALL CONDUCT HEARINGS REQUIRED BY
13	THIS ARTICLE 77 AND, AT THE COMMISSIONER'S DISCRETION, USE
14	ADMINISTRATIVE LAW JUDGES TO CONDUCT THE HEARINGS.
15	35-77-107. Investigation - access to records and facilities.
16	(1) THE COMMISSIONER MAY CLOSE TO PUBLIC INSPECTION
17	INVESTIGATIONS, COMPLAINTS OF RECORD, AND FARM RECORDS; EXCEPT
18	THAT:
19	(a) The Person in Interest, as defined in Section 24-72-202,
20	MAY ACCESS THESE RECORDS; OR
21	(b) THE RECORDS MAY BE ACCESSED IN ACCORDANCE WITH A
22	COURT ORDER.
23	(2) (a) During regular business hours, a farm shall give
24	THE COMMISSIONER ACCESS TO REAL PROPERTY USED FOR, ANY BUILDING
25	USED FOR, OR ANY FACILITY USED FOR ACTIVITIES REGULATED UNDER THIS
26	ARTICLE 77 IF THE ACCESS IS FOR THE PURPOSE OF IMPLEMENTING OR
2.7	ENFORCING THIS ARTICLE 77 OR ANY RULE ADOPTED UNDER THIS ARTICLE

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1	11.
2	(b) DURING REGULAR BUSINESS HOURS, A FARM SHALL GIVE THE
3	COMMISSIONER ACCESS TO ALL RECORDS REQUIRED TO BE KEPT BY RULE
4	OF THE COMMISSIONER AND SHALL ALLOW THE COMMISSIONER TO MAKE
5	COPIES OF THE RECORDS IF THE ACCESS OR COPYING IS FOR THE PURPOSE
6	OF IMPLEMENTING OR ENFORCING THIS ARTICLE 77 OR ANY RULE ADOPTED
7	UNDER THIS ARTICLE 77.
8	(3) THE COMMISSIONER MAY MAKE ANY INVESTIGATION
9	NECESSARY TO ENSURE COMPLIANCE WITH THIS ARTICLE 77.
10	35-77-108. Cease-and-desist orders. (1) (a) THE COMMISSIONER
11	MAY ISSUE AN ORDER TO CEASE AND DESIST FROM VIOLATING THIS
12	ARTICLE 77 IF THE COMMISSIONER DETERMINES, BASED UPON CREDIBLE
13	EVIDENCE, THAT:
14	(I) A PERSON IS VIOLATING THIS ARTICLE 77 OR A RULE ADOPTED
15	UNDER THIS ARTICLE 77, AND THE VIOLATION IS A THREAT TO THE HEALTH
16	AND SAFETY OF THE PUBLIC; OR
17	(II) A PERSON IS VIOLATING SECTION 35-77-104.
18	(b) To issue a cease-and-desist order, the commissioner
19	MUST SET FORTH IN THE ORDER THE STATUTES OR RULES ALLEGED TO
20	HAVE BEEN VIOLATED, THE FACTS ALLEGED TO CONSTITUTE THE
21	VIOLATION, AND A REQUIREMENT THAT THE ALLEGED VIOLATIONS CEASE
22	AND DESIST.
23	(c) TO PROTEST A CEASE-AND-DESIST ORDER, A PERSON MUST
24	REQUEST WITHIN THIRTY DAYS AFTER THE DATE OF THE ORDER A HEARING
25	ON THE QUESTION OF WHETHER THE PERSON HAS VIOLATED THIS ARTICLE
26	77 OR A RULE ADOPTED UNDER THIS ARTICLE 77. IF SO REQUESTED, THE
27	COMMISSIONER SHALL HOLD A HEARING.

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1	(2) A PERSON AGGRIEVED BY A CEASE-AND-DESIST ORDER THAT
2	HAS BECOME FINAL MAY SEEK JUDICIAL REVIEW OF THE ORDER.
3	(3) (a) If a person fails to comply with a cease-and-desist
4	ORDER WITHIN TWENTY-FOUR HOURS AFTER BEING SERVED WITH THE
5	ORDER, THE COMMISSIONER MAY BRING A SUIT FOR A TEMPORARY
6	RESTRAINING ORDER AND INJUNCTIVE RELIEF TO PREVENT ANY FURTHER
7	VIOLATION OF THIS ARTICLE 77 OR A RULE ADOPTED UNDER THIS ARTICLE
8	77.
9	(b) If the subject of a cease-and-desist order requests
10	THAT THE CEASE-AND-DESIST ORDER BE STAYED PENDING AN APPROVAL
11	OF THE ORDER, A COURT SHALL NOT STAY THE CEASE-AND-DESIST ORDER
12	UNTIL AFTER A HEARING HAS BEEN HELD AT WHICH BOTH PARTIES HAVE
13	HAD AN OPPORTUNITY TO APPEAR.
14	(c) A COURT SHALL GIVE PREFERENCE TO MATTERS BROUGHT
15	BEFORE THE COURT UNDER THIS SECTION OVER OTHER MATTERS ON THE
16	CALENDAR OF THE COURT.
17	35-77-109. Administrative penalties. (1) (a) A FARM THAT
18	VIOLATES THIS ARTICLE 77 OR A RULE ADOPTED UNDER THIS ARTICLE 77
19	IS SUBJECT TO AN ADMINISTRATIVE PENALTY, AS DETERMINED BY THE
20	COMMISSIONER.
21	(b) TO IMPOSE AN ADMINISTRATIVE PENALTY, THE COMMISSIONER
22	MUST CONSIDER THE SEVERITY OF THE VIOLATION, THE AMOUNT OF HARM
23	CAUSED BY THE VIOLATION, THE PRESENCE OR ABSENCE OF A PATTERN OF
24	SIMILAR VIOLATIONS BY THE FARM, AND THE EFFECT OF THE PROPOSED
25	PENALTY ON THE ABILITY OF THE FARM TO CONTINUE TO CONDUCT
26	BUSINESS.
27	(c) THE COMMISSIONED SHALL NOT IMPOSE AN ADMINISTRATIVE

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1	PENALTY THAT EXCEEDS TWO THOUSAND FIVE HUNDRED DOLLARS PER
2	VIOLATION.
3	(2) TO IMPOSE AN ADMINISTRATIVE PENALTY, THE COMMISSIONER
4	MUST HOLD A HEARING.
5	(3) IF A FARM FAILS TO PAY ANY PORTION OF AN ADMINISTRATIVE
6	PENALTY IMPOSED IN ACCORDANCE WITH THIS SECTION, THE
7	COMMISSIONER MAY RETAIN THE ATTORNEY GENERAL UNDER SECTION
8	35-27-116 TO BRING SUIT TO RECOVER THE PENALTY. IN ANY ACTION
9	BROUGHT UNDER THIS SECTION, THE COMMISSIONER MAY, IF SUCCESSFUL,
10	RECOVER COSTS AND REASONABLE ATTORNEY FEES.
11	<b>35-77-110.</b> Repeal of article. (1) This article 77 is repealed,
12	EFFECTIVE SEPTEMBER 1, 2034. BEFORE THE REPEAL, THIS ARTICLE 77 IS
13	SCHEDULED FOR REVIEW IN ACCORDANCE WITH SECTION 24-34-104.
14	(2) This article 77 will be repealed if the commissioner
15	PROMULGATES A RULE PROVIDING PUBLIC NOTICE THAT THIS ARTICLE 77
16	IS NOT BEING IMPLEMENTED. THE COMMISSIONER SHALL NOTIFY THE
17	REVISOR OF STATUTES IN WRITING OF THE DATE WHEN THE CONDITION
18	SPECIFIED IN THIS SUBSECTION (2) HAS OCCURRED BY E-MAILING THE
19	NOTICE TO REVISOROFSTATUTES.GA@STATE.CO.US. THIS ARTICLE 77 IS
20	REPEALED EFFECTIVE UPON THE DATE IDENTIFIED IN THE NOTICE OR, IF THE
21	NOTICE DOES NOT SPECIFY THAT DATE, UPON THE DATE OF THE NOTICE TO
22	THE REVISOR OF STATUTES.
23	SECTION 3. In Colorado Revised Statutes, 24-34-104, add (35)
24	as follows:
25	24-34-104. General assembly review of regulatory agencies
26	and functions for repeal, continuation, or reestablishment - legislative
27	declaration - repeal. (35) (a) The FOLLOWING AGENCIES, FUNCTIONS, OR

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1	BOTH, ARE SCHEDULED FOR REPEAL ON SEPTEMBER 1, 2034:
2	(I) THE REGULATION OF PRODUCE SAFETY ON FARMS BY THE
3	COMMISSIONER OF AGRICULTURE IN ACCORDANCE WITH ARTICLE 77 OF
4	TITLE 35.
5	(b) This subsection (35) is repealed, effective September 1,
6	2036.
7	SECTION 4. Act subject to petition - effective date -
8	applicability. (1) This act takes effect at 12:01 a.m. on the day following
9	the expiration of the ninety-day period after final adjournment of the
10	general assembly (August 2, 2019, if adjournment sine die is on May 3,
11	2019); except that, if a referendum petition is filed pursuant to section 1
12	(3) of article V of the state constitution against this act or an item, section,
13	or part of this act within such period, then the act, item, section, or part
14	will not take effect unless approved by the people at the general election
15	to be held in November 2020 and, in such case, will take effect on the
16	date of the official declaration of the vote thereon by the governor.
17	(2) This act applies to acts committed on or after the applicable
18	effective date of this act.

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