

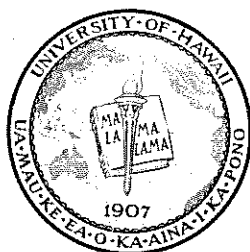
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LEGISLATIVE REFERENCE BUREAU  
TERRITORY OF HAWAII

UNIVERSITY OF HAWAII  
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# HAWAII EGG MARKING LAW

Report No. 1 - 1947



Legislative Reference Bureau  
University of Hawaii

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HAWAII EGG MARKING LAW

Section 1308 of the Revised Laws of Hawaii 1945 requires all eggs imported from mainland United States or foreign countries to be marked with "U.S." or the name of the country of origin prior to being removed from the dock. This report attempts to assemble and collate data pertinent to this legislation as a background for the consideration of the egg marking law by the members of the Senate Holdover Committee.

Summary of Conclusions

The egg marking requirement developed at a time when other egg standard laws existed in the Territory but were not observed. As regulation of egg standards becomes effectively enforced, the protection to the consumer afforded by the mark of origin should correspondingly decrease. At present the marking of eggs serves as an aid to those persons who complain of taste differences between Island eggs and mainland eggs of the same grade; it also prevents the fraudulent substitution of mainland eggs for Island eggs, thus reaping the benefit of the large price differential between the two.

Probably the major importance of this legislation is its part in the keeping before the consumer at all times the psychological classifications of "local" and "mainland" eggs, which acts as a protective stimulant to local egg production, and may partially explain the great price differential between local eggs and mainland produced eggs.

The extra cost incurred in marking eggs is nominal when considered in relation to this price differential. More basic is the effect that egg marking may have on the low egg consumption in the Territory. Probably, elimination of the marking requirement alone would not materially increase egg consumption. To the extent the mainland producer is discouraged in shipping his product to the Islands, this legislation serves as a trade barrier.

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HAWAII EGG MARKING LAW

--Report No. 1. 1947--

(Request No. 272)

STATE OF HAWAII

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Legislative Reference Bureau.  
University of Hawaii.

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Act 70 of the Session Laws of 1931 declares in its title that it is designed to promote the development of the Hawaii egg industry, to prohibit the sale of eggs unfit for human food, to protect the consuming public in the matter of quality and weight, and to encourage greater consumption of eggs by regulating and standardizing the grading, classification, and labeling of eggs. This act provides both for the establishing of egg grading standards and for giving notice of the place of production of the eggs being sold. Thus is well illustrated the inter-relation of egg grading and furnishing information of the source of production. Although for purposes of clarity the history of egg grading and egg marking in the Territory will here be treated separately, they may be considered as correlative measures acting in consort to accomplish the purposes declared in the title of the 1931 enactment.

1. History of Territorial Egg Marking Law.

Section 5 of Act 70 of 1931 (see page 16) required all persons selling eggs to consumers, other than the producers of the eggs, to notify the purchaser of the grade or quality of the eggs, the size or weight, and the place of production. Notification was to be accomplished by "suitable sign or label." Violation was declared to be a misdemeanor, and the territorial board of health was empowered to enforce the law.

In 1935, the marking requirement was added. By the amendment made by Act 164 (Series A-27) of 1935 (see page 18) "Imported" was marked on each egg imported from the mainland or a foreign country prior to removal from the dock. Letters were to be of not less than 12 point type. Eggs preserved with an outer covering of ashes and salt were exempted. The "suitable sign or label" requirement was not eliminated, and still is enforced, so that both by notice and egg stamp the consumer is to be advised of the source of the eggs he buys.

The year 1939 witnessed two changes in the egg marking law. Act 175 (Series A-23) of 1939 (see page 19) resulted in the name of the country of origin being marked on each egg, with "U.S." specified for eggs imported from the mainland. It was believed more convenient to be able to stamp "U.S." on the top of the egg than to spell out "United States" over a greater shell surface. Act 92 (Series A-22) of the same year (see page 18) transferred enforcement from the territorial board of health to the board of commissioners of agriculture and forestry. Quarantine officers of the latter board assumed the duty of inspecting incoming eggs to check that they were marked before they entered Island trade channels.

The advent of the war soon prompted the temporary elimination of the egg marking requirement. Hawaii Defense Rule No. 19, dated January 20, 1942, (see page 20) suspended its operation. For four years until rescinded by Hawaii Defense Rule No. 147 effective January 1, 1946, imported eggs entered the Territory unmarked.

The most recent chapter in the official history of the territorial egg marking law occurred in the spring of 1947. On April 28, 1947, the California Legislature adopted Assembly Concurrent Resolution No. 64 (see page 21) memorializing the Territory to eliminate the egg marking requirement. The California Concurrent Resolution was referred to the Senate Committee on Agriculture, Forestry and Conservation, but as it was received on the last day of the legislative session, the committee recommended that it be referred to the Senate Holdover Committee (see Stand. Com. Rep. No. 431 on page 22).

## 2. History of Territorial Egg Grading Law.

Laws prohibiting the sale of adulterated foods have been on the territorial statute books from the Territory's inception. Although eggs were not expressly mentioned, the language employed was broad enough to include spoiled,

tainted or decomposed eggs. In addition, from 1906 the introduction of adulterated foods into the Territory and the sale of adulterated foods in the Territory was a misdemeanor under United States law (former 21 USC 2, 8). It was not until 1931 that a territorial law was enacted establishing grade standards for eggs.

Section 4 of Act 70 of 1931 (see page 16) made it the duty of the territorial board of health to establish specific grades or standards of quality and size or weight to govern the sale of eggs for human consumption. The board of health's powers were prescribed by the limitation that its grades could not allow the sale of eggs of poorer quality than permitted by the United States grading standards. These federal standards are optional and not mandatory. As previously stated (page 3), notice was required to be given to the purchaser of the grade or quality of the eggs and their size or weight.

The board of health proceeded to establish egg standards, but lack of funds hampered their enforcement. Mere statutory liability to criminal charge and punishment without the stabilizing influence which flows from repeated inspections, or the threat thereof, is conducive to frequent violations of this type of law.

In 1939, power to establish egg standards and to enforce the egg standard provisions of the law was transferred to the board of commissioners of agriculture and forestry (Act 92 of 1939; Series A-22; see page 18). Until 1946 no standards were adopted, and the only protection afforded the consumer was the criminal punishment of a retailer selling bad eggs as defined by the act. On March 5, 1946, the Acting Governor of Hawaii approved the regulations of the board of agriculture and forestry adopting the U.S. consumer grades (see pp.23-5 for summary). With funds made available for inspection service, for the first time in the Territory there was active enforcement of egg standards on the retail level.

### 3. Effects of Territorial Egg Marking Law

From the historical summary of egg grading and egg marking in the Territory, it is apparent that both served as correlative means of protecting the Island consumer. To the extent that there were no grading requirements, or they were not observed, partial protection was supplied by the mark of origin stamped on imported eggs which put the purchaser on notice that they might have deteriorated due to the long water haul and elapse of time. Particularly would this be true during the May - December period where before the war the bulk of coast eggs graded extra (A) on the coast but often deteriorated a grade during transit.<sup>1</sup> It is asserted that due to modern methods of transportation and storage, this deterioration need no longer occur.

It should be pointed out that there is no quality or combination of qualities of Island eggs which at all times and under all conditions makes them superior to mainland eggs. Island eggs less than a week old, for example, are not necessarily good eggs. It has been experimentally demonstrated that eggs held three days at 99° show about the same amount of deterioration as eggs held eight days at 77° or eggs held one hundred days at 37°. The effects of Honolulu temperatures on egg quality may be easily grasped from the diagram on the following page.

As eggs have porous shells, they tend to absorb pungent odors of goods with which they are stored. Mainland eggs, with a longer haul and ordinarily greater time lag between hen and consumer, have a potentially greater exposure risk. Particularly to the extent such eggs have been warehoused under less than optimum conditions, their taste may not compare favorably with that of Island eggs. This factor of taste appears to be most important to the housewives questioned on their egg-buying habits.

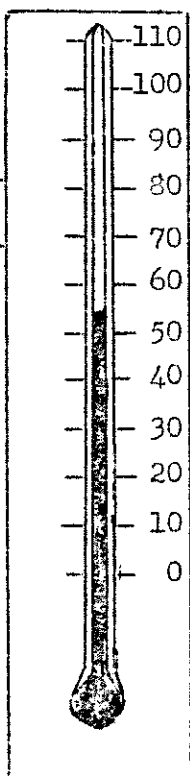
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<sup>1</sup>"Egg Markets and Prices for Hawaiian Poultrymen" by Ralph Elliott; Agricultural Extension Circular #214 (January, 1947); p.9.

AVERAGE  
TEMPERATURE  
City of Honolulu,

Average High 82°

Average Low 68°



EFFECTS OF TEMPERATURE  
ON EGG QUALITY

Incubation Temperature  
 Danger Range  
 Eggs deteriorate rapidly  
 in quality between 70°  
 and 100°  
 Fertile Eggs Germinate at 69°  
 Suitable temperature for  
 Keeping Eggs at Farm.  
 Home or Store  
 Favorable Cold Storage 29°  
 to 30°  
 Eggs freeze at 23°

Source: "Suggestions for the Retailer on Compliance with Hawaii's Egg Law and the New Rules and Regulations Promulgated under its Authority" by Alan Thistle, p.2.

Present practice is for mainland eggs to be graded prior to shipment.<sup>3</sup>

As the enforcement of egg standards in the Territory is at the retail level, frequent inspections by an adequate, well-trained group, should do much to eliminate deteriorated or seriously tainted eggs from the market. Likewise, to the limited extent eggs are cold stored in the Territory, inspection of places where eggs are cold stored and the placing of "stop sale notices" on eggs violating the cold storage act (Chapter 41 of the Revised Laws of Hawaii 1945, Secs. 2232-2239) or the egg grading act should also aid in the assuring of better quality of eggs offered the consumer. But with all this inspection, unless mainland eggs moved quickly from retail shelves like Island eggs and are

<sup>2</sup>"Suggestions for the Retailer on Compliance with Hawaii's Egg Law and the New Rules and Regulations Promulgated Under its Authority" by Alan Thistle, Division of Marketing of the Board of Commissioners of Agriculture and Forestry; p. 2.

<sup>3</sup>At least one importer is re-grading in the Territory and will shortly affix a seal of certification guaranteeing egg quality.

shipped and stored under controlled conditions, it is difficult to see how inspection will overcome the mathematical odds of mainland eggs having a stronger taste due to age, absorption of odor, or both. Thus, the informing of the buying public of the source of the eggs continues to furnish a service not provided by egg grading and inspection. This does not mean that continuation of egg marking is necessarily indicated---suitable notice and active enforcement may supply the same service.

The marking of the place of production on eggs is generally accomplished by use of a stamp which strikes a dozen eggs at a time. The Poultry Producers of Central California remove the eggs from the case to a traveling belt where they are stamped by a worker holding a special one-dozen stamp. The Washington Co-operative Farmers Association combines marking with the operation of processing and estimates the cost of stamping at about one cent a dozen. This figure approximates the estimates of cost received from the Director of the Agricultural Department of the California State Chamber of Commerce and from the division of marketing of the territorial board of agriculture and forestry. At present only one importer marks eggs in the Territory, and he estimates the extra cost of stamping incurred to be the same.

Far more important to the flow of eggs to the Territory is the necessity of the mainland producer in advance allocating part of his product for Island use. Diversion from other markets at the last moment is not possible when provision has to be made for stamping; likewise, eggs already marked cannot readily be sold as shell eggs in mainland channels not familiar with the "U.S." stamped on the eggs. To the extent their sale would be possible, it would be at a competitive disadvantage due to the extra cost already incurred for marking.<sup>4</sup> Finally, there is the nuisance value inherent in the marking

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<sup>4</sup>The U.S. Dept. of Agriculture advises that eggs with a smeared mark would be classed as "light dirty" and thus down-graded on the mainland. There is a specific exemption in the territorial board of agriculture and forestry rules to exempt marked eggs from the "light dirty" class which exemption is not duplicated on the mainland.

requirement. All of these factors contribute to discourage the flow of mainland eggs to the Islands. In fact, the threat of absolute stoppage during the war years is reputed to have motivated the suspension of marking from 1942 to 1946.

Former procedure was to mark all eggs on the mainland. The territorial law does not specifically require this. It merely states that it is unlawful to remove imported eggs from the dock or landing if they are unmarked, and the consignee must have first received a certificate of the board of agriculture and forestry stating the eggs in the shipment in which the eggs arrived are correctly marked. However, facilities are unavailable for egg marking at territorial docks and landings and for all practical purposes until recently, the effect of the territorial law was to make marking prior to shipment mandatory.

Recently, the board of agriculture and forestry established a procedure for removal of eggs from the Honolulu docks, under the immediate supervision of an employee of the board, for marking in the wholesaler's warehouse (see page 26). The entire marking operation is conducted under inspection, and a charge is made to the wholesaler availing himself of the service. It is still too early to evaluate what effect this new practice will have.

#### 4. Territorial Egg Production and Importation; Price Differentials

Table 1 shows the annual steamer unloads of shell eggs at Honolulu by origin. Relatively little unload of mainland eggs occurred at any other port. Beginning with 1942 all unloads shown were theoretically for the civilian market, although there were necessary exchanges between the armed forces and civilian dealers. The war years were abnormal, as was the year 1946 because strikes interrupted deliveries of both mainland eggs and of poultry feed for Island flocks.

Table 1.--Origin of Steamer Unloads of Eggs at Honolulu

| Year     | Total Steamer Unloads | Mainland     | Outer Islands | Foreign Countries |
|----------|-----------------------|--------------|---------------|-------------------|
|          | <u>dozen</u>          | <u>dozen</u> | <u>dozen</u>  | <u>dozen</u>      |
| 1939 ... | 2,843,460             | 2,365,710    | 440,400       | 37,350            |
| 1940 ... | 3,054,412             | 2,478,552    | 563,350       | 12,510            |
| 1941 ... | 4,781,712             | 4,149,870    | 631,842       | --                |
| 1942 ... | 3,971,775             | 3,971,775    | --            | --                |
| 1943 ... | 3,789,875             | 3,789,875    | --            | --                |
| 1944 ... | 4,468,000             | 4,468,000    | --            | --                |
| 1945 ... | 5,210,565             | 5,210,565    | --            | --                |
| 1946*... | 3,559,302             | 3,382,710    | 176,592       | --                |

\* Not including 5,000 cases released as surplus by military agencies.

Source: "Egg Markets and Prices for Hawaiian Poultrymen"; p.1.

The 1940 census showed Oahu egg production for 1939 at 1,092,614 dozen, approximately 53% of total territorial production.<sup>5</sup> In 1945 Oahu commercial flock production was about 65% of total territorial commercial production and in 1946 decreased to 59%.<sup>6</sup>

Oahu production plus other island unloads was approximately 40% of the total supplies for Honolulu, including rural Oahu in 1939.<sup>5</sup> In 1945 there were no recorded outer Island unloads in Oahu, and Oahu commercial flock production comprised 30% of total commercial egg supplies available for Oahu; in 1946, Oahu commercial flock production, even plus outer Island unloads in Honolulu, accounted for the same 30% of the total commercial egg supplies available for Oahu.<sup>6</sup>

<sup>5</sup>"Egg Markets and Prices for Hawaiian Poultrymen" by Ralph Elliott; Agricultural Extension Circular #214 (January, 1947); p.2.

<sup>6</sup>Territorial Commercial flock egg production:

|            | <u>1946</u>    | <u>1945</u>    |
|------------|----------------|----------------|
| Oahu:      | 1,407,000 doz. | 2,308,000 doz. |
| Territory: | 2,366,000 doz. | 3,547,000 doz. |

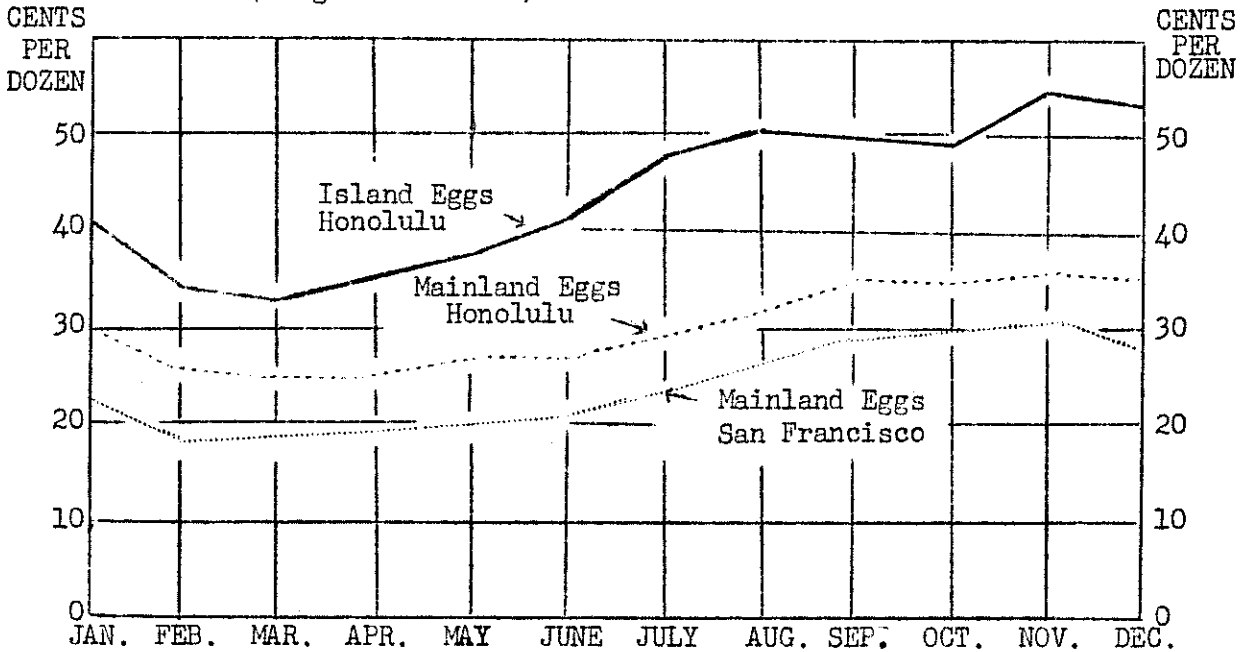
Note: A commercial flock consists of a flock of at least 100 layers 6 months or older.

Island eggs command a large price premium over mainland eggs. Prewar prices for Island eggs were generally lowest in March, the month when both coast and island production is normally high. The premium for Island eggs was highest in November, month of lowest production.<sup>7</sup> At present, it would appear that the same pricing cycle is continuing.

Chart 1 shows the 1937-1941 monthly average of wholesale egg prices at both Honolulu and San Francisco. Chart 2 furnishes similar comparative information for the year 1946 and chart 3 for the first eight months of the year 1947.

Chart 1

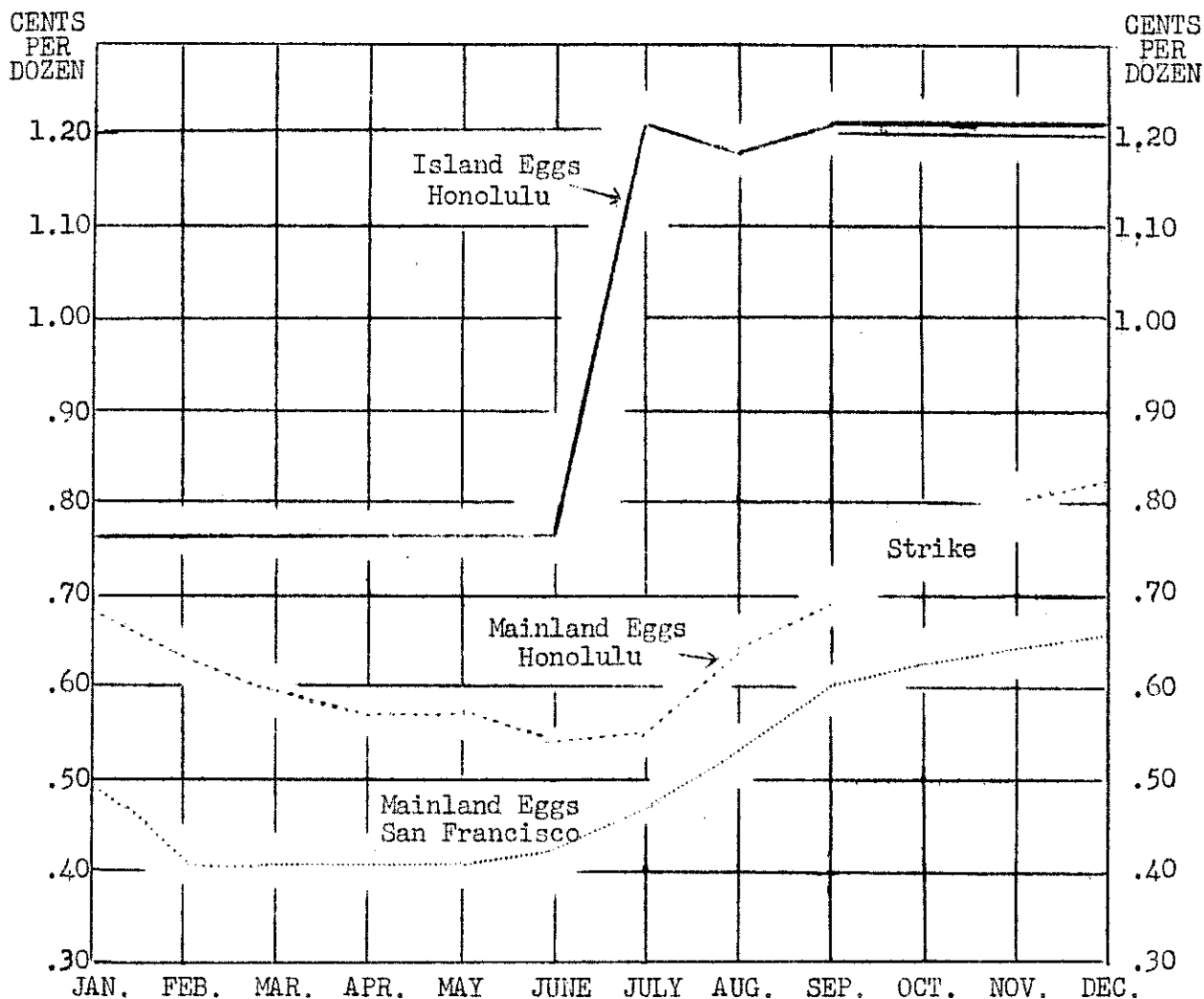
Five-Year (1937-41) Monthly Average of Wholesale Egg Prices  
(Large and Medium) Honolulu and San Francisco



Source: "Egg Markets and Prices for Hawaiian Poultrymen"; p. 5.

Chart 2

1946 Monthly Average of Wholesale Egg Prices\* (A Large\*\*)  
Honolulu and San Francisco



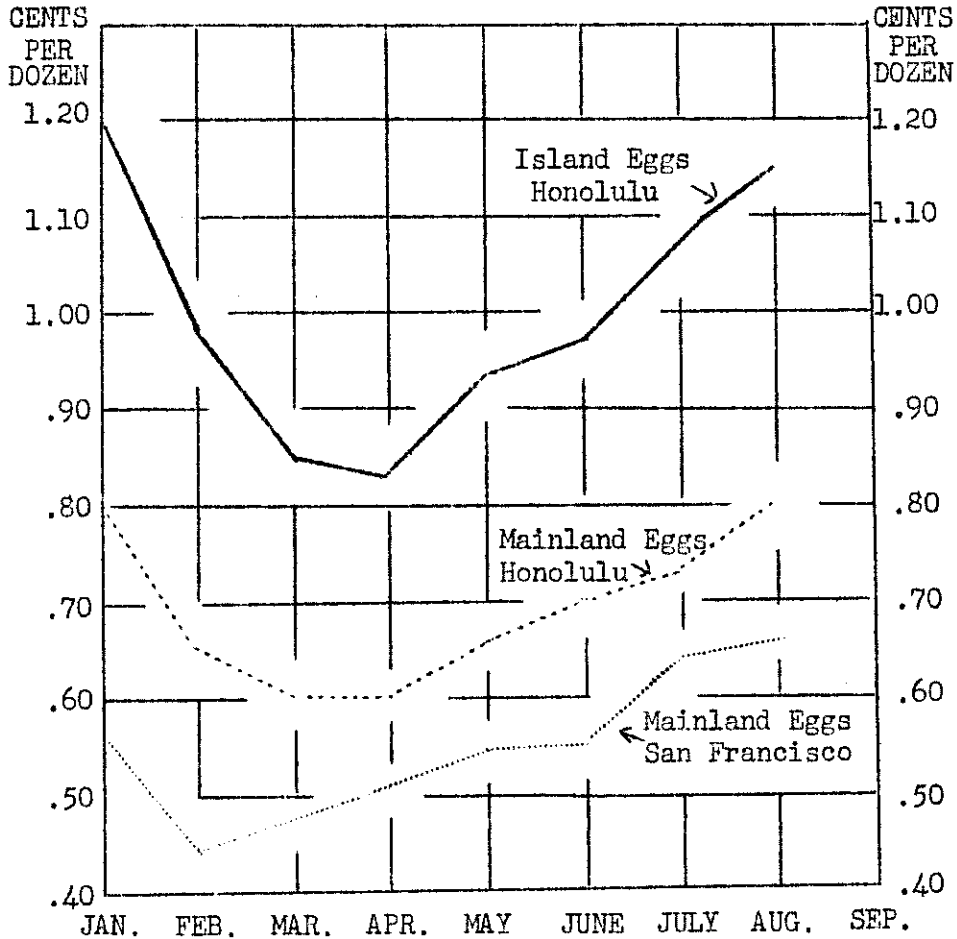
\*Island Egg prices shown after March are 2¢ less than quoted to cover cost of carton.

\*\*Until August, Large and AA Large included in Honolulu prices.

Source: Compiled from U.S. Dept. of Agriculture Production and Marketing Administration marketing reports.

Chart 3

1947 Monthly, Average of Wholesale Egg Prices\*  
(A Large) Honolulu and San Francisco



\*Island egg prices are 3¢ less than quoted to cover cost of carton.

Source: Compiled from U.S. Dept. of Agriculture Production and Marketing Administration marketing reports.

### 5. Territorial Egg Consumption

Local use of eggs is far below the mainland average in spite of increased consumption during the war. Prewar differences are probably due to the fact that diets of Oriental and Filipino families included fewer eggs than the Caucasian family consumed. In recent years, the diet of this portion of the population has tended to shift toward that of mainland United States.

From 1939 to 1945, Honolulu disappearance increased by 103 eggs per capita, compared to a per-capita increase of 75 eggs on the mainland.<sup>8</sup>

<sup>8</sup>"Egg Markets and Prices for Hawaiian Poultrymen"; p.9.

Meat shortages and higher levels of employment contributed to both the mainland and Island increases. The greater increase in Island per-capita disappearance during the war years is partially explained by the influx of mainland workers, but a part of the increase came from the large number of military personnel who ate in restaurants and civilian homes.

Table 2.--Estimated Supply and Per-Capita Civilian Disappearance of Eggs on Oahu, 1939-46

| Year     | Annual Steamer Unloads from all Sources | Oahu Production | Total Oahu Supplies | Total Supplies for Oahu Civilians | Civilian Population of Oahu | Annual Per-Capita Civilian Disappearance for Oahu | Annual Per Capita Civilian Disappearance(US) |
|----------|---|-----------------|---------------------|-----------------------------------|-----------------------------|---|--|
|          | (1)                                     | (2)             | (3)                 | (3)                               | (4)                         | (5)   | (6)  |
|          | <u>thousands of dozens</u>              |                 |                     | <u>number</u>                     | <u>Eggs per capita</u>      |   |  |
| 1939 ... | 2,843                                   | 1,093           | 3,936               | 2,736                             | 228,586                     | 143.6   | 308.0  |
| 1940 ... | 3,054                                   | 1,366           | 4,420               | 3,120                             | 260,885                     | 143.4   | 313.7  |
| 1941 ... | 4,782                                   | 1,530           | 6,312               | 4,312                             | 310,503                     | 166.7   | 307.5  |
| 1942 (7) | 3,972                                   | 1,000           | 4,972               | 4,972                             | 321,037                     | 185.9   | 311.3  |
| 1943 ... | 3,790                                   | 1,500           | 5,290               | 5,290                             | 332,571                     | 190.8   | 334.5  |
| 1944 ... | 4,468                                   | 2,200           | 6,668               | 6,668                             | 342,106                     | 233.9   | 351.6  |
| 1945 ... | 5,210                                   | 11,950          | 7,160               | 7,160                             | 348,045                     | 246.8   | 383.3  |
| 1946 (8) | 3,559                                   | 1,500           | 5,209(10)           | 5,209                             | 356,950                     | 175.0   | 365.0(9)                                     |

(1) Unload records, Agricultural Extension Service Economics Project.

(2) Oahu production from census report, 1940; from Agricultural Extension Service Economics Project estimates in 1945 and 1946; other years estimated on basis of percentage changes from base years.

(3) Total steamer unloads and Oahu production, less estimated deliveries to military and naval agencies. Purchases of military agencies estimated at 1,200,000 dozen in 1939, 1,300,000 in 1940, and 2,000,000 in 1941.

(4) July 1 civilian population estimates of City and County of Honolulu from Bureau of Vital Statistics, Territorial Board of Health.

(5) Civilian supplies divided by civilian population of the City and County of Honolulu (Oahu).

(6) U.S.D.A. Bureau of Agricultural Economics statistics.

(7) Some 1942 receipts stored for emergency purposes.

(8) Shipping from Mainland interrupted approximately 3 months by strikes.

(9) Preliminary.

(10) Includes 5,000 cases released to civilian buyers by military agencies.

Source: "Egg Markets and Prices for Hawaiian Poultrymen", p.10.

The per-capita civilian consumption of eggs shown for the Territory does not take domestic flock production into consideration. However, even doubling

the Oahu production shown still leaves the consumption rate per person lower than the mainland average. ;

In the Territory, the prime market is for island eggs. Mainland eggs tend to fill in the unsatisfied demand for Island eggs, and to a certain extent reach those consumers who cannot afford or do not wish to pay Island egg prices. As a result, mainland eggs now serve as a reserve against depletion of stocks of Island produced eggs. With the exception of minor, unusual imbalances, there is no unsatisfied demand for them. Mere shipment of more mainland eggs into the Territory would not appear to have the result of increasing territorial egg consumption. Should they glut the market, until they are consumed prices might be depressed. A little greater consumption might be temporarily encouraged thereby; supply and prices, as well, would rapidly return to the original levels. To sell mainland eggs at a depressed price means assuming an unnecessary loss, so the restriction of shipments to the Territory until the temporary market glut has been eliminated would be the expected outcome.

To repeal the egg marking law would eliminate its cost from the mark up on coast eggs prices. There would be some additional saving due to elimination of damage and egg deterioration caused by extra handling. Of course, as both are relatively nominal, in comparison to the total cost, they might be absorbed into the margin of profit for handling eggs, rather than being reflected in lower mainland egg prices in the Territory. In any event, even if the saving were passed on to the consumer in the form of lowered prices, there is nothing to indicate that the price factor would disturb the premium market enjoyed by Island eggs or result in any marked increase of territorial egg consumption.

Elimination of the psychological barrier to consumption of mainland eggs would increase mainland egg consumption, and a contributing factor would

be removal of the egg mark. This is discussed more fully under trade barriers, below.

## 6. Trade Barriers

The effect of the egg marking requirement, the prohibition of labeling mainland eggs as "Fresh" if they are processed, and the mandatory notice stating that they are "Processed"<sup>9</sup> all contribute to discourage consumption of mainland eggs in the Territory. Stated in more technical terms, they operate to create a trade barrier protecting domestic production.

The Territory is not alone in so doing. Prior to the war, seven states had a maximum grade which could be met only by domestic eggs. For example, Georgia, Florida and Arizona defined "Fresh Eggs" as eggs laid in the state, regardless of how fresh imported eggs were. Two states required eggs imported from other states to be labeled "Shipped," and another half dozen states provided that eggs from foreign countries must be distinctly marked to show the country of origin.<sup>10</sup>

It is debatable to what extent the present psychological barrier against eating mainland eggs is due to the Territory's discriminatory legislative egg requirements, particularly, the egg marking requirement. Probably they all are only contributing factors, but very important ones now that establishing of egg standards and their active enforcement promises the elimination of taste and egg deterioration differentials. Even if all mainland eggs were superior to Island produced eggs, the continuation of these legislative requirements would foster the maintenance of the psychological barrier to eating mainland eggs.

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<sup>9</sup>"Processed" eggs are eggs subjected to some special process, either for the purpose of improving their keeping qualities or appearance. Practically all mainland eggs brought into the Territory are so treated. Under sec. 5 of Regulation 3 of the board of commissioners of agriculture and forestry, processed eggs may not be sold as "fresh eggs;" sec. 6 requires a notice by sign or label that the eggs are processed.

<sup>10</sup>"Interstate Trade Barriers" prepared by The Marketing Laws Survey (1942), p.25. "Interstate Trade Barriers" -Julia E. Johnsen (1940), p.39.

Assuring that accurately graded, uncontaminated mainland eggs are sold, and repealing the Territory's impediments to mainland egg importation, would do much to erase this mental barrier. At the lower price of mainland eggs, once their use was accepted as normal, more people in the Territory could afford to consume eggs, and an increase in the consumption rate would be expected. To this extent, the egg marking requirement does contribute to the Territory's low egg consumption rate.

APPENDIX A.

## PERTINENT TERRITORIAL LEGISLATION

## ACT 70 OF 1931

An Act to Promote the Development of the Hawaii Egg Industry, to Prohibit the Sale of Eggs Unfit for Human Food, to Prevent Deception in the Sale of Eggs, to Protect the Consuming Public in the Matter of Quality and Weight, and to Encourage Greater Consumption of Eggs by Regulating and Standardizing the Grading, Classification, and Labelling of All Eggs Displayed for Sale, and Providing Penalties for the Violation of the Provisions of This Act.

Be it Enacted by the Legislature of the Territory of Hawaii:

Section 1. Sale of bad eggs. No person shall sell, or offer to sell, or expose for sale, any eggs unfit for human food unless the same are broken in shell and then denatured so that they cannot be used for human food. For the purposes of this Act an egg shall be deemed unfit for human food if it be addled or moldy, if it contains black spot, black rot, white rot, or blood ring; if it has an adherent yolk or a bloody or green white (albumen), or if it consist in whole or in part of a filthy, decomposed or putrid substance.

Section 2. Words and phrases defined. Unless the context otherwise requires, the words and phrases employed in this Act shall have the meanings hereinafter defined.

- (a) "Addled" or "white rot" means an egg which is putrid or rotten.
- (b) "Moldy" means an egg in which mold has developed inside the shell.
- (c) "Black rot" means an egg which has deteriorated to such an extent that the whole interior presents a blackened appearance before the candle.
- (d) "Blood ring" means an egg which contains blood.
- (e) "Adherent yolk" means an egg in which the yolk has settled to one side and become fastened to the shell.
- (f) "Retailer" means any person, firm, or corporation or association which sells eggs to a consumer.
- (g) "Consumer" means any person purchasing eggs for his or her own family use or consumption, or a restaurant, hotel, boarding house, bakery or other institution purchasing eggs for serving to guests or patrons, or for its or their use in cooking or baking.
- (h) "Person" means any individual, firm, corporation or association.
- (i) "Eggs" mean: (1) eggs in the shell; (2) liquid, frozen or dried whole egg meats, whites of eggs or egg yolks.

Section 3. Enforcement of Act. The territorial board of health is hereby empowered through its authorized agents, deputies and inspectors to enforce this Act and shall have supervision and control over all enforcement officers of this Act in the Territory of Hawaii.

Section 4. Grading standards and regulations. It shall be the duty of the territorial board of health to establish forthwith, and from time to time, specific grades or standards of quality and size or weight to govern the sale of eggs for human consumption, as permitted by this Act, and to make rules and regulations for carrying out all its provisions, provided, however, that such grades or standards of quality shall not permit the sale of any eggs of poorer quality than permitted by the grading standards established from time to time by the United States Department of Agriculture, Bureau of Agricultural Economics. All rules, regulations and standards of quality and weight, and supplementary changes therein as provided by this section, shall be filed in the office of the territorial board of health and shall be in effect sixty days after such filing.

Section 5. Notice of grade and size. It shall be unlawful for any person to sell, or offer to sell or expose for sale to a consumer, any eggs other than those of his own production intended for human consumption without notifying by suitable sign or label the person or persons purchasing or intending to purchase the same whether the same are imported from the mainland or foreign countries or of island production, and the exact grade or quality and the size or weight of such eggs, according to the standards prescribed by the territorial board of health.

Section 6. Seller's invoice. Every person, in selling eggs other than those of his own production to a retailer, shall furnish to said retailer an invoice showing the exact grade or quality and the size or weight of such eggs according to the standards prescribed by the territorial board of health. A copy of such invoice shall be kept on file by the person selling and by the retailer at their respective places of business for a period of thirty days, and shall be available for inspection at all reasonable times by accredited inspectors or representatives of the territorial board of health.

Section 7. Penalties. Every person who violates any of the provisions of this Act shall be guilty of a misdemeanor and upon conviction for the first offense shall be punished by a fine not exceeding one hundred dollars; for the second offense by a fine not exceeding two hundred dollars; for the third and subsequent offenses by a fine not exceeding three hundred dollars or by imprisonment in the county jail not exceeding ninety days.

Section 8. This Act shall take effect January 1, 1932.

Approved this 14th day of April, A. D. 1931.

LAWRENCE M. JUDD,  
Governor of the Territory of Hawaii.

App. A. (Cont.)

ACT 164 OF 1935 (Series A-27)

An Act to Amend Section 1077 of the Revised Laws of Hawaii 1935, Relating to Imported Eggs.

Be it Enacted by the Legislature of the Territory of Hawaii:

Section 1. Section 1077 of the Revised Laws of Hawaii 1935, is hereby amended by adding thereto the following:

"It is provided, however, that in case of eggs imported from the Mainland or foreign countries, prior to removal from any dock or landing, each egg so imported shall bear in clear and plain letters, of not less than twelve (12) point type, the word 'Imported'; it is provided further, that the word 'Imported' need not be borne upon imported eggs preserved with an outer covering of ashes and salt."

Section 2. This Act shall take effect thirty days after its approval.

(Approved May 13, 1935.)

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ACT 92 OF 1939 (Series A-22)

An Act to Amend Section 1075 of the Revised Laws of Hawaii 1935, Relating to the Regulation, Grading, Sale and Importation of Eggs.

Be it Enacted by the Legislature of the Territory of Hawaii:

Section 1. Section 1075 of the Revised Laws of Hawaii 1935 is hereby amended to read as follows:

"Sec. 1075. Enforcement. The board of commissioners of agriculture and forestry is empowered through its authorized agents, deputies and inspectors to enforce this subtitle and to have supervision and control of all enforcement officers of this subtitle in the Territory."

[L. 1931, c.70, s. 3; R. L. 1935, s. 1075; am. L. 1939, c. 92, s. 1.]

Section 2. It is hereby declared that the purpose and intent of this Act is to transfer the duties and powers of the board of health relating to the regulation, grading, sale and importation of eggs, as prescribed in sections 1073-1079 of the Revised Laws of Hawaii 1935, as amended, to the board of commissioners of agriculture and forestry.

Section 3. This Act shall take effect upon its approval.

(Approved April 24, 1939.)

App. A. (Cont.)

ACT 175 OF 1939 (Series A-23)

An Act to Amend Section 1077 of the Revised Laws of Hawaii 1935, as Amended by Act 164 (Series A-27) of the Session Laws of Hawaii 1935, Relating to the Sale of Domestic and Imported Eggs.

Be it Enacted by the Legislature of the Territory of Hawaii:

Section 1. Section 1077 of the Revised Laws of Hawaii 1935, as amended by Act 164 (Series A-27) of the Session Laws of Hawaii 1935, is hereby amended to read as follows:

"Sec. 1077. Notice of grade and size; designation as to imported eggs of state or country of origin. It shall be unlawful for any person to sell, or offer to sell or expose for sale to a consumer, any eggs other than those of his own production intended for human consumption without notifying by suitable sign or label the person purchasing or intending to purchase the same whether the same are imported from the mainland United States or foreign countries or of island production, and the exact grade or quality and the size or weight of such eggs, according to the standards prescribed by the board.

In the case of eggs imported from the mainland United States or foreign countries, regardless of the person producing the same, each egg so imported shall be marked in clear and plain letters, of not less than twelve (12) point type, the letters 'U.S.', if such egg was produced in the mainland United States, or the name of the country, if such egg was produced in a foreign country, before such eggs may be removed from any dock or landing, and no crate or container containing such eggs shall be removed from any dock or landing until the consignee thereof has been furnished with a certificate of the board certifying that the eggs contained in the shipment in which such eggs arrived are marked as provided in this section; provided, however, that eggs which are preserved with an outer covering of ashes and salt need not be marked as herein provided." [L. 1931, c.70, s.5; R.L. 1935, s. 1077; am. L. 1935, c. 164, s. 1; am. L. 1939, c. 175, s. 1.]

Section 2. This Act shall take effect upon its approval.

(Approved May 5, 1939.)

APPENDIX B.

HAWAII DEFENSE ACT

RULE NO. 19

SUSPENDING CERTAIN OF THE PROVISIONS OF  
SECTION 1077 OF THE REVISED LAWS OF HAWAII  
1935, AS AMENDED.

Under and by virtue of the powers and authority vested in me by Act 24 of the Special Session Laws of Hawaii 1941 and more particularly Section 13 thereof and by virtue of all other powers in me vested by law, I, J. B. POINDEXTER, Governor of the Territory of Hawaii, do hereby suspend the following part of Section 1077 of the Revised Laws of Hawaii 1935, as amended, to wit:

"In the case of eggs imported from the mainland United States or foreign countries, regardless of the person producing the same, each egg so imported shall be marked in clear and plain letters, of not less than twelve (12) point type, the letters 'U.S.', if such egg was produced in the mainland United States, or the name of the country, if such egg was produced in a foreign country, before such eggs may be removed from any dock or landing, and no crate or container containing such eggs shall be removed from any dock or landing until the consignee thereof has been furnished with a certificate of the board certifying that the eggs contained in the shipment in which such eggs arrived are marked as provided in this section, provided, however, that eggs which are preserved with an outer covering of ashes and salt need not be marked as herein provided."

DONE at Iolani Palace, Honolulu,

(SEAL OF THE TERRITORY)

Territory of Hawaii, this

20th day of January, 1942.

(Sgd) J. B. POINDEXTER  
J. B. POINDEXTER,  
Governor of the Territory  
of Hawaii.

By the Governor:

(sgd) CHAS. M. HITE  
Secretary of Hawaii

APPENDIX C.

CALIFORNIA ASSEMBLY CONCURRENT RESOLUTION

CHAPTER .....

ASSEMBLY CONCURRENT RESOLUTION NO. 64 - RELATIVE TO THE  
REVISED LAWS OF HAWAII 1945 AFFECTING THE SALE OF IMPORTED EGGS.

WHEREAS, Section 1308 of the Revised Laws of Hawaii 1945 relating to the sale of domestic and imported eggs, requires that the letters "U.S." be marked in not less than 12-point type on each egg imported into Hawaii from the mainland United States before such eggs may be removed from any Hawaiian dock or landing; and

WHEREAS, To our knowledge eggs are the only food product shipped to Hawaii on which there is an individual identification requirement; and

WHEREAS, the mainland United States and the State of California in particular does not require the individual identification of origin of Hawaiian products imported into California; and

WHEREAS, The same alleged goal - that is, protection of island egg producers and consumers - can be achieved by the former Territorial Egg Law similar to the California Egg Standard Law which for a number of years has been a protection to both producers and consumers in California; now, therefore, be it

RESOLVED BY THE ASSEMBLY OF THE STATE OF CALIFORNIA, THE SENATE THEREOF CONCURRING, That the Legislature of the Territory of Hawaii be memorialized and urged to cause the said provision in the Hawaiian Revised Laws of 1945 to be eliminated and the former Territorial Egg Law to be re-enacted, which latter law, if adequately enforced, will achieve the goal desired, and will not be in the nature of a trade barrier operating between parts of the United States; and be it further

RESOLVED, That the Chief Clerk of the Assembly is directed to transmit copies of this resolution to the President of the Senate and to the Speaker of the House of Representatives of the Hawaiian Legislature.

APPENDIX D.

Stand. Com. Rep. No. 431

Honolulu, T. H., May 2, 1947.

Honorable Clement Gomes  
President of the Senate

Sir:

Your committee on Agriculture, Forestry and Conservation, to which was referred Miscellaneous Communication No. 94, together with copy of Assembly Concurrent Resolution No. 64, adopted by the California Legislature, begs leave to report as follows:

Since this communication was received on the last day of the Legislature and inasmuch as there was no time to take action thereon, your Committee recommends that this communication and resolution be referred to the Senate Holdover Committee, should such committee be named.

Respectfully submitted,

FRANCIS H. BROWN, Chairman  
JOHN B. FERNANDES  
C. A. GROZIER  
CHARLES H. SILVA  
W. H. HILL

SUMMARY OF STANDARDS FOR QUALITY OF INDIVIDUAL SHELL EGGS (Reg. 3, Sec. 2,  
Board of Commissioners of Agriculture and Forestry; March 5, 1946)

| Quality Factor | Specifications for Each Quality Factor                                       |   |   |   |   |  |   |   |
|----------------|--|---|---|---|---|--|---|---|
|                | Grade AA   | Grade A   | Grade B   | Grade C   | Light Dirty   | Dirty  | Check   | Leaker  |
| Shell          | Clean<br>Unbroken<br>Normal  | Clean<br>Unbroken<br>Normal   | Clean,<br>unbroken;<br>May be<br>slightly<br>abnormal.  | Clean,<br>unbroken;<br>May be<br>slightly<br>abnormal   | Unbroken.<br>May have<br>light<br>dirty<br>condition. | Unbroken.<br>May have<br>dirty<br>condition. | Clean or<br>dirty<br>condition.<br>Cracked<br>but not<br>leaking. | Clean or<br>dirty con-<br>dition.<br>May be<br>cracked or<br>leaking. |
| Air Cell       | 1/8 inch<br>or less<br>in depth;<br>regular<br>or slight-<br>ly wavy.        | 1/4 inch<br>or less<br>in depth;<br>regular<br>or slight-<br>ly wavy.                                 | 3/8 inch or<br>less in depth;<br>may show to-<br>tal movement<br>not over 3/8<br>inch; if small<br>may be free. | May be over<br>3/8 inch in<br>depth. May<br>be bubbly or<br>free.   | Same as<br>Grade B                                    | Same as<br>Grade C                           | Same as<br>Grade C  | Same as<br>Grade C  |
| Yolk           | Outline<br>slightly<br>defined;<br>free<br>from de-<br>fects or<br>blemishes | Outline<br>fairly<br>well de-<br>fined;<br>practical-<br>ly free<br>from de-<br>fects or<br>blemishes | Outline well<br>defined; may<br>show definite<br>but not ser-<br>ious defects.                                  | May be plain-<br>ly visible;<br>may appear<br>dark; may<br>show clearly<br>visible germ<br>development<br>but no blood<br>due to such<br>development;<br>may show de-<br>fects that<br>do not ren-<br>der it in-<br>edible. | Same as<br>Grade B                                    | Same as<br>Grade C                           | Same as<br>Grade C  | Same as<br>Grade C  |

SUMMARY OF STANDARDS FOR QUALITY OF INDIVIDUAL SHELL EGGS (Reg. 3, Sec. 2,  
Board of Commissioners of Agriculture and Forestry; March 5, 1946)  
(cont.)

| Quality Factor | Specifications for Each Quality Factor |                       |                             |  |             |       |       |        |
|----------------|--|-----------------------|-----------------------------|--|-------------|-------|-------|--------|
|                | Grade AA                               | Grade A               | Grade B                     | Grade C  | Light Dirty | Dirty | Check | Leaker |
| White          | Clear Firm                             | Clear Reasonably Firm | Clear; may be slightly weak | Clear; may be weak and watery; small meat spots or small blood clots may be present. |             |       |       |        |

SUMMARY OF CONSUMER GRADES FOR SHELL EGGS (Reg. 3, Sec. 3,  
Board of Commissioners of Agriculture and Forestry; March 5, 1946)

| INDIVIDUAL SHELL EGG GRADES |                     |                   |                   |                                  |                |   |  |
|-----------------------------|---------------------|-------------------|-------------------|----------------------------------|----------------|---|--|
| Consumer Grades             | Minimum Percentages |                   |                   |                                  |                | Maximum number of eggs allowed as tolerance per thirty dozen                            |  |
|                             | Grade AA            | Grade A or better | Grade B or better | Grade C or Light Dirty or better | Check or dirty | Grade C, Light Dirty or Check or Better   | Check or dirty, or better  |
| Consumer Grade AA           | 80                  | 10                | Balance           |                                  |                | 18 (5%) including not more than 3 (.8%) eggs with small meat spots or small blood clots |  |
| Consumer Grade A            |                     | 80                | Balance           |                                  |                | 18 (5%) including not more than 3 (.8%) eggs with small meat spots or small blood clots |  |
| Consumer Grade B            |                     |                   | 80                | Balance                          |                |   | 36 (10%) including not more than 5 (1.4%) eggs with small meat spots or small blood clots. |
| Consumer Grade C            |                     |                   |                   | 80                               | Balance        |   |  |

APPENDIX G.

TERRITORY OF HAWAII  
BOARD OF COMMISSIONERS OF AGRICULTURE AND FORESTRY  
DIVISION OF MARKETING

Honolulu I, T. H.

August 4, 1947

NOTICE TO IMPORTERS OF EGGS

At the request of certain importers of mainland eggs, the undersigned has explored the possibilities of allowing unstamped eggs to be removed from Honolulu Docks for stamping in wholesalers warehouses.

The Board of Commissioners of Agriculture and Forestry will permit unstamped mainland shell eggs to be removed from docks, provided each lot is accompanied by an inspector of this division, and provided further that the eggs are stamped under the division's direct supervision.

A charge will be made to wholesalers who desire to avail themselves of this service computed on an hourly basis.

At present, this service can only be offered on a limited basis because of lack of personnel, and notice must be given on shipments of unstamped eggs before such shipment is made.

(Sgd) ALAN THISTLE  
ALAN THISTLE, Director  
Division of Marketing