

21.34.7 EGG INSPECTION FEES RULE REPEAL AND REPLACE
RULEMAKING HEARING

Moderated by Les Owen
Tuesday, July 29, 2025
9:00 a.m.

Gerald Thomas Hall Auditorium, New Mexico State
University
940 College Drive (Room 194)
Las Cruces, NM 88003

Reported by: Ryan Auten
JOB NO: 7452797

A P P E A R A N C E S

List of Attendees:

Les Owen, Deputy Director NMDA

Roxanne Chepsongol, Division Director NMDA

Vanessa Fisher, Host

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P R O C E E D I N G S

MR. OWEN: Good morning. At this time, we will start the hearing that addresses the proposed repeal and replacement of the Egg Inspection Fees Rule, Title 21, Chapter 34, Part 7 of the New Mexico Administrative Code.

My name is Les Owen, and I am Deputy Director with the New Mexico Department of Agriculture. Today, I will be officiating this hearing.

Please make sure you have signed in for the record and that your cell phone is off or silenced. Thank you.

Copies of the proposed amendments to the Egg Inspection Fees Rule were made available in strikethrough version and in clean copy form as you walked in.

If you require copies, please hold your hand up and they will be provided to you. For our virtual participants, electronic copies are available on the department's website at nmdeptag.nmsu.edu.

The day and date is Tuesday, July 29, 2025, and the time is 9:00 a.m. This hearing is being held personally in person and virtually in New Mexico State University's Gerald Thomas Hall Auditorium,

1 located at 940 College Drive, Las Cruces, New Mexico.
2 This is the published date, time, and location for
3 this meeting.

4 This hearing is being recorded, and
5 either a transcript of today's hearing or the
6 recording will be available from the department's
7 webpage.

8 Following a summary of the proposed
9 primary amendments, the public will have an
10 opportunity to provide testimony regarding the
11 proposed amendments.

12 Mrs. Chepsongol will now provide a
13 summary of the public notices proposed primary
14 amendments today, inspection fees rule, and any
15 related information.

16 MS. CHEPSONGOL: Good morning. I'm
17 Roxanne Chepsongol, Division Director with the New
18 Mexico Department of Agriculture.

19 The Egg Inspection Fees Rule was
20 promulgated under the authority of the Egg Grading
21 Act, which establishes egg standards, egg dealer
22 licenses, egg inspection fees, and assures the eggs
23 sold in the state are fit for human consumption and
24 are labeled properly.

25 Public notices of this hearing were

1 published as follows, and in accordance with the state
2 laws: June 24, 2025, in the New Mexico Register; June
3 24, 2025, in the Albuquerque Journal; June 24, 2025,
4 in the Santa Fe New Mexican in Spanish and in English;
5 June 25, 2025, in the Las Cruces Sun News.

6 Hearing notices were also posted on the
7 New Mexico Sunshine Portal at New Mexico Department of
8 Agriculture District Station in Albuquerque and on the
9 New Mexico Department of Agriculture's website in
10 Spanish and English.

11 Copies of the proposed rule were made
12 available at the New Mexico Department of Agriculture,
13 Las Cruces main office and Lab building, New Mexico
14 Department of Agriculture Veterinary Diagnostic
15 Services Lab in Albuquerque, New Mexico Department of
16 Agriculture Peanut Grading Station in Portales and on
17 the department's website.

18 Notification and the proposed rule were
19 sent to New Mexico Economic Developments, Small
20 Business Regulatory Authority Commission, and to the
21 Legislative Council Service. As of today, New Mexico
22 Department of Agriculture has not received findings
23 from either. Notice of the public hearing was also
24 emailed to current egg dealers.

25 Although the amendments are few, the

1 age of the Egg Inspection Fees Rule required a repeal
2 and replace process to address updates to style and
3 format in conjunction with the New Mexico Department
4 of Agriculture's proposed amendments.

5 Primary proposed amendments to the Egg
6 Inspection Fees Rule: Proposed fees change from 12
7 cents per case, which is 30 dozen to 15 cents per case
8 for 30 dozen. The last fee adjustment to the egg
9 inspection fees was 1985.

10 An adjustment to the fees is necessary
11 to help offset the increased costs of services,
12 licensing and inspections due to inflation and
13 mandatory adjustments to staff salaries.

14 The amendment updates the outdated fees
15 and supports egg inspections, licensing activities and
16 promoting the poultry industry in accordance with the
17 Egg Grading Act 25-6-1 through 25-6-16.

18 The fees collected support portions of
19 eleven inspection staff and two office staff salaries.
20 These staff complete inspections three to four times a
21 year at retail locations that sell eggs in New Mexico.
22 In the past three years, staff have completed 826
23 inspections and 107 or 12.5% resulted in stop sales on
24 eggs.

25 In the past five years, the egg

1 inspection fees haven't maintained the program's
2 activities. The program is on average short \$40,601
3 annually. Based on an estimate from the past five
4 years revenue of egg sales, the increase to 15 cents
5 per case would generate \$37,000.

6 Other states have similar eggs
7 inspection fees, but comparisons are challenging since
8 they charge other fees and have a significantly more
9 egg dealers and producers.

10 For example, Louisiana's fee is 16
11 cents per case for shell eggs with additional --
12 additional fees for egg products. Indiana's fees are
13 11 cents per case, but revenue is generated by
14 approximately 290 producers. New Mexico has 66
15 dealers and only 4 in-state dealers and no commercial
16 egg producers.

17 To fulfill statutory requirements, fees
18 must increase to support inspector salaries for
19 inspections and department costs. Thank you.

20 MR. OWEN: Thank you, Mrs. Chepsongol.
21 New Mexico Department of Agriculture has not received
22 any written comments prior to this hearing.

23 We'll now open the floor for comments.
24 Please begin by stating your name and affiliation for
25 the record. Your comments and questions should be

1 limited to the contents of the rule.

2 Please raise your hand and -- and wait
3 until I call on you. At this time, I will begin
4 accepting comments.

5 Seeing none, we will now accept
6 comments from virtual participants. Please use the
7 raise your hand function and I will call on you.

8 Is there anyone else wishing to
9 comment? Seeing none, we will close the public oral
10 comment period for this hearing.

11 Written comments will be accepted until
12 5:00 p.m., Thursday, July 31, 2025. All public
13 comments will be presented to the Secretary/Director
14 of New Mexico Department of Agriculture, Mr. Jeff
15 Witte, and will be submitted for consideration to the
16 New Mexico State University Board of Regents.

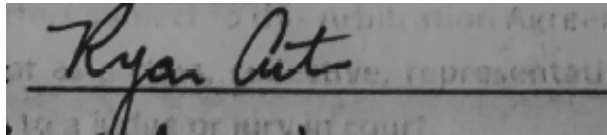
17 Submitted comments, and either a transcript of today's
18 hearing and/or the recording will be available from
19 the New Mexico Department of Agriculture's website.

20 Thank you all for participating. We
21 will close this hearing at 9:09 a.m. Thank you.

22 (Whereupon, the meeting concluded at
23 9:09 a.m.)
24
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CERTIFICATE

I, RYAN AUTEN, the officer before whom the foregoing proceedings were taken, do hereby certify that any witness(es) in the foregoing proceedings, prior to testifying, were duly sworn; that the proceedings were recorded by me and thereafter reduced to typewriting by a qualified transcriptionist; that said digital audio recording of said proceedings are a true and accurate record to the best of my knowledge, skills, and ability; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this was taken; and, further, that I am not a relative or employee of any counsel or attorney employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

A black and white photograph of a handwritten signature, "Ryan Auten", written in dark ink on a light-colored background. The signature is written in a cursive style and is positioned above a horizontal line.

RYAN AUTEN

Notary Public in and for the
State of New Mexico

CERTIFICATE OF TRANSCRIBER

I, VENUS COLE, do hereby certify that this transcript was prepared from the digital audio recording of the foregoing proceeding, that said transcript is a true and accurate record of the proceedings to the best of my knowledge, skills, and ability; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this was taken; and, further, that I am not a relative or employee of any counsel or attorney employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.



VENUS COLE

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