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To: Agriculture; Public Health and Welfare

SENATE BILL NO. 2345  
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 69-7-605, MISSISSIPPI CODE OF 1972,  
2 TO REVISE THE DEFINITION OF CATFISH; TO DEFINE CERTAIN TERMS; TO  
3 AMEND SECTION 69-7-607, MISSISSIPPI CODE OF 1972, TO CLARIFY USE  
4 OF THE TERM "CATFISH" IN LABELING REQUIREMENTS; TO INCLUDE  
5 WHOLESALERS IN LABELING REQUIREMENTS; TO CREATE A NEW CODE SECTION  
6 TO BE CODIFIED AS SECTION 69-7-608, MISSISSIPPI CODE OF 1972, TO  
7 MAKE IT UNLAWFUL TO MISREPRESENT FISH PRODUCTS AS "CATFISH" IN  
8 VIOLATION OF THIS ACT; TO PROVIDE PENALTIES FOR SUCH VIOLATIONS;  
9 TO AUTHORIZE THE STATE DEPARTMENT OF HEALTH TO REGULATE THE SALE  
10 OF CATFISH IN RESTAURANTS; TO CREATE A NEW CODE SECTION TO BE  
11 CODIFIED AS SECTION 69-7-610, MISSISSIPPI CODE OF 1972, TO REQUIRE  
12 DISTRIBUTORS, PROCESSORS OR WHOLESALERS OF CERTAIN FISH PRODUCTS  
13 TO PROVIDE RETAILERS AND THE COMMISSIONER OF AGRICULTURE WITH  
14 INFORMATION AS TO THE TYPE OF FISH BEING DISTRIBUTED; TO AMEND  
15 SECTION 69-7-613, MISSISSIPPI CODE OF 1972, TO REVISE  
16 ADMINISTRATIVE PROCEDURES TO CONFORM; TO DELETE EXCEPTION TO  
17 CERTAIN PENALTIES; TO CREATE A NEW CODE SECTION TO BE CODIFIED AS  
18 SECTION 69-7-614, MISSISSIPPI CODE OF 1972, TO REQUIRE ALL PERSONS  
19 SELLING CATFISH OR OTHER FISH TO MAINTAIN CERTAIN RECORDS OF THEIR  
20 PURCHASES AND SALES OF CATFISH OR OTHER FISH; TO CREATE A NEW CODE  
21 SECTION TO BE CODIFIED AS SECTION 69-7-616, MISSISSIPPI CODE OF  
22 1972, TO PROVIDE CIVIL PENALTIES FOR VIOLATIONS AND TO PROVIDE  
23 ADMINISTRATIVE PROCEEDINGS TO BE USED BY THE DEPARTMENT OF  
24 AGRICULTURE AND COMMERCE IN HANDLING COMPLAINTS AND HEARINGS; TO  
25 AMEND SECTION 41-3-15, MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE  
26 STATE BOARD OF HEALTH TO ADMINISTER THE LABELING OF DOMESTIC AND  
27 IMPORTED CATFISH IN RESTAURANTS; AND FOR RELATED PURPOSES.

28 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

29 **SECTION 1.** Section 69-7-605, Mississippi Code of 1972, is  
30 amended as follows:

31 69-7-605. For purposes of this article, the following terms  
32 shall have the meaning ascribed herein unless the context  
33 otherwise requires:

34 (a) "Capable of use as human food" means and shall  
35 apply to any catfish or part or product thereof unless it is  
36 denatured or otherwise identified as required by regulations  
37 prescribed by the commissioner to deter its use as human food, or  
38 unless it is naturally inedible by humans.



39 (b) "Catfish" means any species within the family  
40 Ictaluridae or the family Anarhichadidae.

41 (c) "Commissioner" means the Commissioner of  
42 Agriculture and Commerce of the State of Mississippi.

43 (d) "Direct retail sale" means the sale of catfish  
44 products individually or in small quantities directly to the  
45 consumer.

46 (e) "Distributor" means any person offering for sale,  
47 exchange or barter any catfish product destined for direct retail  
48 sale in the State of Mississippi.

49 (f) "Label" means a display of written, printed or  
50 graphic matter upon or affixed to the container in which a catfish  
51 product is offered for direct retail sale.

52 (g) "Labeling" means all labels and other written,  
53 printed or graphic matter upon a catfish product, or any of its  
54 containers or wrappers, offered for direct retail sale.

55 (h) "Pay pond" means a circumscribed body of water  
56 owned by a person and operated solely for recreational fishing  
57 purposes on a commercial basis for profit.

58 (i) "Person" includes any individual, partnership,  
59 corporation and association or other legal entity.

60 (j) "Processor" means any person engaged in handling,  
61 storing, preparing, manufacturing, packing or holding catfish  
62 products.

63 (k) "Producer" means any person engaged in the business  
64 of harvesting catfish, by any method, intended for direct retail  
65 sale.

66 (l) "Product" means any catfish product capable of use  
67 as human food which is made wholly or in part from any catfish or  
68 portion thereof, except products which contain catfish only in  
69 small proportions or historically have not been, in the judgment  
70 of the commissioner, considered by consumers as products of the  
71 United States commercial catfish industry and which are exempted



72 from definition as a catfish product by the commissioner under  
73 such conditions as he may prescribe to assure that the catfish or  
74 portions thereof contained therein are not adulterated and that  
75 such products are not represented as catfish products.

76 (m) "Product name" means the name of the catfish item  
77 intended for retail sale which identifies it as to kind, class or  
78 specific use.

79 (n) "Restaurant" means any person offering for sale to  
80 a consumer prepared food for immediate consumption.

81 (o) "Retailer" means any person offering for sale  
82 catfish products to individual consumers and representing the last  
83 sale prior to human consumption except that restaurants and other  
84 eating establishments are hereby excluded.

85 (p) "State Health Officer" means the State Health  
86 Officer of the State Board of Health, or his designated  
87 representative.

88 (q) "Wholesaler" means any person offering for sale any  
89 catfish product destined for direct retail sale in the State of  
90 Mississippi.

91 **SECTION 2.** Section 69-7-607, Mississippi Code of 1972, is  
92 amended as follows:

93 69-7-607. (1) No catfish product shall be offered for  
94 direct retail sale for human consumption by a processor,  
95 distributor, wholesaler or retailer unless the catfish product  
96 name is specifically labeled in the following manner:

97 (a) "FARM-RAISED CATFISH, A PRODUCT OF MISSISSIPPI" if  
98 the product has been specifically produced in fresh water  
99 according to the usual and customary techniques of commercial  
100 aquaculture; except that the appropriate state name or USA or  
101 United States of America may be inserted in lieu thereof to  
102 accommodate similar catfish products produced in any one of the  
103 other states of the United States of America.



104 (b) "RIVER OR LAKE CATFISH, A PRODUCT OF MISSISSIPPI"  
105 if the product has been produced in any freshwater lake, river or  
106 stream of the state, but has not been produced according to the  
107 usual and customary techniques of commercial aquaculture; except  
108 that the appropriate state name or USA or United States of America  
109 may be inserted in lieu thereof to accommodate similar catfish  
110 products produced in freshwater lakes, rivers or streams of any  
111 other state in the United States of America.

112 (c) "IMPORTED CATFISH" provided the catfish is produced  
113 from freshwater, either according to the usual and customary  
114 techniques of, aquaculture, or from freshwater lakes, rivers or  
115 streams of a country other than the United States of America.

116 (d) "OCEAN CATFISH" provided the catfish product is  
117 produced from marine or estuarine waters.

118 (2) Any person selling river or lake catfish exclusively and  
119 directly to the consumer may have on his premises a sign  
120 reasonably visible to the consumer identifying such product as  
121 river or lake catfish, rather than labeling each individual  
122 container or package of catfish product, as provided in this  
123 section.

124 (3) Any retailer selling catfish products not wrapped or in  
125 a container may comply with this article by placing a sign on the  
126 display case or refrigeration unit reasonably visible to the  
127 consumer, giving notice that such catfish is either "Farm Raised  
128 Catfish," "River or Lake Catfish," "Imported Catfish" or "Ocean  
129 Catfish," as such products are defined in this section.

130 (4) Any advertising as to any catfish product shall state  
131 whether such catfish product is "Farm Raised Catfish," "River or  
132 Lake Catfish," "Imported Catfish" or "Ocean Catfish," as defined  
133 in this section.

134 (5) The term "catfish" shall not be used as a common name or  
135 in the label name of fish product except as provided in this  
136 section.



137       (6) This section shall not apply to catfish products  
138 exported out of the United States.

139       **SECTION 3.** The following shall be codified as Section  
140 69-7-608, Mississippi Code of 1972:

141       69-7-608. (1) The term "catfish" shall not be used as a  
142 common name or used to advertise, distribute or label any fish or  
143 fish product except for those species within the definition of  
144 catfish in Section 69-7-605.

145       (2) It is unlawful to use the term "catfish" in the  
146 advertising, distributing, labeling or selling of any of those  
147 species within the family of Siluridae, Clariidae and Pangasiidae  
148 or any other fish not within the definition of catfish in Section  
149 69-7-605.

150       (3) (a) The State Health Officer shall regulate and inspect  
151 restaurants under this article. To carry out the regulation of  
152 restaurants, the State Health Officer shall have all powers and  
153 duties granted to the commissioner under this article. The  
154 commissioner shall not regulate restaurants under this article.

155       (b) The State Health Officer shall notify, in writing,  
156 any restaurant violating this article and shall give the  
157 restaurant three (3) days to correct the violation. No penalties  
158 under this article shall apply to any restaurant that corrects the  
159 violation within three (3) days from the date notified by the  
160 State Health Officer.

161       (4) In addition to any other civil or criminal penalties, a  
162 person who violates this section or who otherwise misrepresents as  
163 catfish any fish or fish product not defined as catfish under this  
164 article is guilty of a felony and upon conviction shall be  
165 punished by a fine of not more than One Thousand Dollars  
166 (\$1,000.00) or by imprisonment for not more than two (2) years, or  
167 both. For subsequent violations, a person shall be punished by a  
168 fine of not more than Five Thousand Dollars (\$5,000.00) or by  
169 imprisonment not to exceed five (5) years, or both.



170           **SECTION 4.** The following section shall be codified as  
171 Section 69-7-610, Mississippi Code of 1972:

172           69-7-610. All distributors, processors, or wholesalers of  
173 catfish or other fish products, distributing or selling catfish or  
174 other fish products, shall provide information to the commissioner  
175 or his representative, upon request, and to each retailer to which  
176 such distributor, processor or wholesaler distributes or sells  
177 catfish or other fish products as to whether such product is "Farm  
178 Raised Catfish," "River or Lake Catfish," "Imported Catfish, Other  
179 Fish a Product of (country of origin)" or "Ocean Catfish." In  
180 addition, any wholesaler or distributor shall provide his sales  
181 and purchases records of catfish and other fish upon request by  
182 the commissioner. "Other fish" includes those fish in the  
183 taxonomic family of Siluridae, Clariidae and Pangasiidae.

184           **SECTION 5.** Section 69-7-613, Mississippi Code of 1972, is  
185 amended as follows:

186           69-7-613. (1) Any person who violates any provision of this  
187 article for which no other \* \* \* penalty is provided by this  
188 article shall upon conviction be subject to a fine of not more  
189 than Five Hundred Dollars (\$500.00) \* \* \*.

190           \* \* \*

191           (2) The commissioner may apply for and the court may grant a  
192 temporary or permanent injunction restraining any person from  
193 violating or continuing to violate any of the provisions of this  
194 article or any rule or regulation promulgated under this article,  
195 notwithstanding the existence of other remedies at law. The  
196 injunction shall be issued without bond.

197           \* \* \*

198           **SECTION 6.** The following section shall be codified as  
199 Section 69-7-614, Mississippi Code of 1972:

200           69-7-614. All persons selling fish within this state that  
201 are regulated by this article shall preserve and maintain all  
202 records of their purchases and sales of catfish and other fish for



203 a period of two (2) years after such purchases and sales have  
204 occurred. If such records are not kept on the premises, then such  
205 person has fourteen (14) days to produce the records. This  
206 section shall repeal July 1, 2004.

207 **SECTION 7.** The following section shall be codified as  
208 Section 69-7-616, Mississippi Code of 1972:

209 69-7-616. (1) When a complaint is made against a person for  
210 violation of any of the provisions of this article, or any of the  
211 rules or regulations promulgated hereunder, the Director of the  
212 Regulatory Division of the Mississippi Department of Agriculture  
213 and Commerce, or his designee, shall act as reviewing  
214 officer. The complaint shall be filed with the Mississippi  
215 Department of Agriculture and Commerce. The reviewing officer  
216 shall cause to be delivered to the accused, in the manner  
217 described herein, a copy of the complaint and any supporting  
218 documents along with a summons requiring the accused to respond to  
219 the allegations within thirty (30) days after service of the  
220 summons and complaint upon the accused. The accused shall file  
221 with the department a written response to the complaint and any  
222 supporting documents within the thirty-day period. The accused  
223 may be notified by serving a copy of the summons and complaint on  
224 the accused or any of his officers, agents or employees by  
225 personal service or by certified mail. Upon the expiration of the  
226 thirty-day period, the reviewing officer shall review the  
227 complaint, the written response of the accused, if any, and all  
228 supporting documents offered by the parties in support of their  
229 respective positions. The reviewing officer's decision shall be  
230 based solely on the documents provided by the parties. If the  
231 reviewing officer determines that the complaint lacks merit, he  
232 may dismiss the complaint. If he finds that there are reasonable  
233 grounds showing that a violation of the statutes or regulations  
234 has been committed, he may impose any or all of the following  
235 penalties upon the accused: (a) levy a civil penalty in the



236 amount of no more than One Thousand Dollars (\$1,000.00) for each  
237 violation; (b) issue a stop-sale order; (c) require the accused to  
238 relabel any fish that he is offering for sale and which is not  
239 labeled in accordance with the provisions of this article; or (d)  
240 seize any fish that is not in compliance with this article, and  
241 destroy, sell or otherwise dispose of the fish, and apply the  
242 proceeds of any such sale to the costs herein and any civil  
243 penalties levied, with the balance to be paid to the accused. The  
244 reviewing officer's decision shall be in writing, and it shall be  
245 delivered to the accused by any of the methods described herein  
246 for service of the summons and complaint on the accused.

247 (2) Either the accused or the department may appeal the  
248 decision of the reviewing officer to the Commissioner of  
249 Agriculture and Commerce by filing a notice of appeal with the  
250 department within thirty (30) days of receipt of the reviewing  
251 officer's decision. If no appeal is taken from the order of the  
252 reviewing officer within the allotted time, the order shall then  
253 become final. In the event of an appeal, the commissioner, or his  
254 designee, shall conduct a full evidentiary hearing relative to the  
255 charges. The commissioner may issue subpoenas to require the  
256 attendance of witnesses and the production of documents.

257 Compliance with such subpoenas may be enforced by any court of  
258 general jurisdiction in this state. The testimony of witnesses  
259 shall be upon oath or affirmation, and they shall be subject to  
260 cross-examination. The proceedings shall be recorded by a court  
261 reporter. The commissioner shall have all the powers of the  
262 reviewing officer described herein, and the commissioner may  
263 affirm, reverse or modify the order of the reviewing officer. The  
264 commissioner's decision shall be in writing, and it shall be  
265 delivered to the parties in the same manner that the summons and  
266 complaint may be served upon the accused.

267 (3) Either the accused or the department may appeal the  
268 decision of the commissioner to the circuit court of the county of





269 residence of the accused, or if the accused is a nonresident of  
270 the State of Mississippi, to the Circuit Court of the First  
271 Judicial District of Hinds County, Mississippi. The appellant has  
272 the obligation of having the record transcribed and filed with the  
273 circuit court. The appeal shall otherwise be governed by all  
274 applicable laws and rules affecting appeals to the circuit court.  
275 If no appeal is perfected within the required time, the decision  
276 of the commissioner, or his designee, shall then become final.

277 (4) The decision of the circuit court may then be appealed  
278 by either party to the Mississippi Supreme Court in accordance  
279 with the existing laws and rules affecting such appeals.

280 (5) Where any violation of this article, or the rules and  
281 regulations promulgated hereunder, occurs, or is about to occur,  
282 that presents a clear and present danger to the public health,  
283 safety or welfare requiring immediate action, any of the  
284 department's field inspectors and any other persons authorized by  
285 the commissioner, may issue an order to be effective immediately,  
286 before notice and a hearing, that imposes any or all of the  
287 penalties described herein against the accused. The order shall  
288 be served upon the accused in the same manner that the summons and  
289 complaint may be served upon him. The accused shall then have  
290 thirty (30) days after service of the order upon him within which  
291 to request an informal administrative review before the reviewing  
292 officer, or his designee, as described herein. The accused shall  
293 include within his request all documents that support his  
294 position. The department may also submit any documents that  
295 support its position. If the accused makes such a request within  
296 such time, the reviewing officer, or his designee, shall review  
297 the documents provided by the parties and render a written  
298 decision within thirty (30) days after such request is made. Upon  
299 the making of such a request, the procedure described herein shall  
300 be followed, except that there is no need for a complaint to be  
301 filed against the accused. If the accused does not request an



302 administrative review within such time frame, then he shall have  
303 waived his right to an administrative review.

304 **SECTION 8.** Section 41-3-15, Mississippi Code of 1972, is  
305 amended as follows:

306 41-3-15. (1) There shall be a State Department of Health  
307 which shall be organized into such bureaus and divisions as are  
308 considered necessary by the executive officer, and shall be  
309 assigned appropriate functions as are required of the State Board  
310 of Health by law, subject to the approval of the board.

311 (2) The State Board of Health shall have the authority to  
312 establish an Office of Rural Health within the department. The  
313 duties and responsibilities of this office shall include the  
314 following:

315 (a) To collect and evaluate data on rural health  
316 conditions and needs;

317 (b) To engage in policy analysis, policy development  
318 and economic impact studies with regard to rural health issues;

319 (c) To develop and implement plans and provide  
320 technical assistance to enable community health systems to respond  
321 to various changes in their circumstances;

322 (d) To plan and assist in professional recruitment and  
323 retention of medical professionals and assistants; and

324 (e) To establish information clearinghouses to improve  
325 access to and sharing of rural health care information.

326 (3) The State Board of Health shall have general supervision  
327 of the health interests of the people of the state and to exercise  
328 the rights, powers and duties of those acts which it is authorized  
329 by law to enforce.

330 (4) The State Board of Health shall have authority:

331 (a) To make investigations and inquiries with respect  
332 to the causes of disease and death, and to investigate the effect  
333 of environment, including conditions of employment and other  
334 conditions which may affect health, and to make such other



335 investigations as it may deem necessary for the preservation and  
336 improvement of health.

337 (b) To make such sanitary investigations as it may,  
338 from time to time, deem necessary for the protection and  
339 improvement of health and to investigate nuisance questions which  
340 affect the security of life and health within the state.

341 (c) To direct and control sanitary and quarantine  
342 measures for dealing with all diseases within the state possible  
343 to suppress same and prevent their spread.

344 (d) To obtain, collect and preserve such information  
345 relative to mortality, morbidity, disease and health as may be  
346 useful in the discharge of its duties or may contribute to the  
347 prevention of disease or the promotion of health in this state.

348 (e) To enter into contracts or agreements with any  
349 other state or federal agency, or with any private person,  
350 organization or group capable of contracting, if it finds such  
351 action to be in the public interest.

352 (f) To charge and collect reasonable fees for health  
353 services, including immunizations, inspections and related  
354 activities, and the board shall charge fees for such services;  
355 provided, however, if it is determined that a person receiving  
356 services is unable to pay the total fee, the board shall collect  
357 any amount such person is able to pay.

358 (g) To accept gifts, trusts, bequests, grants,  
359 endowments or transfers of property of any kind.

360 (h) To receive monies coming to it by way of fees for  
361 services or by appropriations.

362 (i) (i) To establish standards for, issue permits and  
363 exercise control over, any cafes, restaurants, food or drink  
364 stands, sandwich manufacturing establishments, and all other  
365 establishments, other than churches, church-related and private  
366 schools, and other nonprofit or charitable organizations, where



367 food or drink is regularly prepared, handled and served for pay;  
368 and

369 (ii) To require that a permit be obtained from the  
370 Department of Health before such persons begin operation.

371 (j) To promulgate rules and regulations and exercise  
372 control over the production and sale of milk pursuant to the  
373 provisions of Sections 75-31-41 through 75-31-49.

374 (k) On presentation of proper authority, to enter into  
375 and inspect any public place or building where the State Health  
376 Officer or his representative deems it necessary and proper to  
377 enter for the discovery and suppression of disease and for the  
378 enforcement of any health or sanitary laws and regulations in the  
379 state.

380 (l) To conduct investigations, inquiries and hearings,  
381 and to issue subpoenas for the attendance of witnesses and the  
382 production of books and records at any hearing when authorized and  
383 required by statute to be conducted by the State Health Officer or  
384 the State Board of Health.

385 (m) To employ, subject to the regulations of the State  
386 Personnel Board, qualified professional personnel in the subject  
387 matter or fields of each bureau, and such other technical and  
388 clerical staff as may be required for the operation of the  
389 department. The executive officer shall be the appointing  
390 authority for the department, and shall have the power to delegate  
391 the authority to appoint or dismiss employees to appropriate  
392 subordinates, subject to the rules and regulations of the State  
393 Personnel Board.

394 (n) To promulgate rules and regulations, and to collect  
395 data and information, on (i) the delivery of services through the  
396 practice of telemedicine; and (ii) the use of electronic records  
397 for the delivery of telemedicine services.

398 (o) To enforce and regulate domestic and imported fish  
399 as authorized under Section 69-7-601 et seq.



400 (5) (a) The State Board of Health shall have the authority,  
401 in its discretion, to establish programs to promote the public  
402 health, to be administered by the State Department of Health.  
403 Specifically, such programs may include, but shall not be limited  
404 to, programs in the following areas:

- 405 (i) Maternal and child health;
- 406 (ii) Family planning;
- 407 (iii) Pediatric services;
- 408 (iv) Services to crippled and disabled children;
- 409 (v) Control of communicable and noncommunicable  
410 disease;
- 411 (vi) Child care licensure;
- 412 (vii) Radiological health;
- 413 (viii) Dental health;
- 414 (ix) Milk sanitation;
- 415 (x) Occupational safety and health;
- 416 (xi) Food, vector control and general sanitation;
- 417 (xii) Protection of drinking water;
- 418 (xiii) Sanitation in food handling establishments  
419 open to the public;
- 420 (xiv) Registration of births and deaths and other  
421 vital events;
- 422 (xv) Such public health programs and services as  
423 may be assigned to the State Board of Health by the Legislature or  
424 by executive order; and
- 425 (xvi) Regulation of domestic and imported fish for  
426 human consumption.

427 (b) The State Board of Health and State Department of  
428 Health shall not be authorized to sell, transfer, alienate or  
429 otherwise dispose of any of the home health agencies owned and  
430 operated by the department on January 1, 1995, and shall not be  
431 authorized to sell, transfer, assign, alienate or otherwise  
432 dispose of the license of any of those home health agencies,



433 except upon the specific authorization of the Legislature by an  
434 amendment to this section. However, this paragraph (b) shall not  
435 prevent the board or the department from closing or terminating  
436 the operation of any home health agency owned and operated by the  
437 department, or closing or terminating any office, branch office or  
438 clinic of any such home health agency, or otherwise discontinuing  
439 the providing of home health services through any such home health  
440 agency, office, branch office or clinic, if the board first  
441 demonstrates that there are other providers of home health  
442 services in the area being served by the department's home health  
443 agency, office, branch office or clinic that will be able to  
444 provide adequate home health services to the residents of the area  
445 if the department's home health agency, office, branch office or  
446 clinic is closed or otherwise discontinues the providing of home  
447 health services. This demonstration by the board that there are  
448 other providers of adequate home health services in the area shall  
449 be spread at length upon the minutes of the board at a regular or  
450 special meeting of the board at least thirty (30) days before a  
451 home health agency, office, branch office or clinic is proposed to  
452 be closed or otherwise discontinue the providing of home health  
453 services.

454 (c) The State Department of Health may undertake such  
455 technical programs and activities as may be required for the  
456 support and operation of such programs, including maintaining  
457 physical, chemical, bacteriological and radiological laboratories,  
458 and may make such diagnostic tests for diseases and tests for the  
459 evaluation of health hazards as may be deemed necessary for the  
460 protection of the people of the state.

461 (6) (a) The State Board of Health shall administer the  
462 local governments and rural water systems improvements loan  
463 program in accordance with the provisions of Section 41-3-16.

464 (b) The State Board of Health shall have authority:



465 (i) To enter into capitalization grant agreements  
466 with the United States Environmental Protection Agency, or any  
467 successor agency thereto;

468 (ii) To accept capitalization grant awards made  
469 under the federal Safe Drinking Water Act, as amended;

470 (iii) To provide annual reports and audits to the  
471 United States Environmental Protection Agency, as may be required  
472 by federal capitalization grant agreements; and

473 (iv) To establish and collect fees to defray the  
474 reasonable costs of administering the revolving fund or emergency  
475 fund if the State Board of Health determines that such costs will  
476 exceed the limitations established in the federal Safe Drinking  
477 Water Act, as amended. The administration fees may be included in  
478 loan amounts to loan recipients for the purpose of facilitating  
479 payment to the board; however, such fees may not exceed five  
480 percent (5%) of the loan amount.

481 **SECTION 9.** This act shall take effect and be in force from  
482 and after its passage.

