SENATE BILL REPORT SB 6382

As of February 13, 2020

Title: An act relating to state-inspected commercial custom meat facilities.

Brief Description: Concerning state-inspected commercial custom meat facilities. [Revised for <u>1st Substitute:</u> Concerning a state-inspected meat and poultry inspection program.]

Sponsors: Senators Ericksen and Takko.

Brief History:

Committee Activity: Agriculture, Water, Natural Resources & Parks: 1/28/20, 1/30/20 [DPS-WM].

Ways & Means: 2/05/20.

Brief Summary of First Substitute Bill

- Provides that a meat and poultry inspection program should be established in the state that is at least equal to programs imposed under the Federal Meat Inspection Act, Poultry Products Inspection Act, and the Humane Slaughter Act.
- Allows the Department of Agriculture (WSDA) to enter into a cooperative agreement with the United States Department of Agriculture in order to operate the meat and poultry inspection program.
- Requires WSDA to adopt rules to administer the meat and poultry inspection program.

SENATE COMMITTEE ON AGRICULTURE, WATER, NATURAL RESOURCES & PARKS

Majority Report: That Substitute Senate Bill No. 6382 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Van De Wege, Chair; Salomon, Vice Chair; Warnick, Ranking Member; Honeyford, McCoy, Rolfes and Short.

Staff: Karen Epps (786-7424)

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Jed Herman (786-7346)

Background: <u>Washington State Department of Agriculture</u>. WSDA Animal Health Program is charged with protecting animals and the public from communicable animal diseases. The WSDA Food Safety Program licenses custom meat businesses to slaughter or process uninspected meat food animals such as cattle, sheep, goats, and swine for the sole consumption of the owner.

<u>Custom Meat.</u> Custom farm slaughterers, custom slaughtering establishments, and custom meat facilities must be licensed by WSDA. Before issuing any license to operate as a custom farm slaughterer, custom slaughtering establishment, and a custom meat facility, WSDA must inspect the facility and equipment. Custom farm slaughterers are mobile slaughter units to prepare meat food animals for the consumption of the owner of the animals, done on the owner's farm or at an approved site. A custom slaughtering establishment is a fixed facility to slaughter meat food animals for the owner. A custom meat facility is a facility operated by a person licensed to prepare uninspected meat for the sole consumption of the owner. Operators of custom meat facilities may also prepare and sell prepared inspected meat to household users only, but the inspected meat must be kept separate from the uninspected meat and preparation must be done at different times. Operators of custom meat facilities may also sell prepared inspected meat to any person.

Summary of Bill (First Substitute): The purpose of this section is to provide a meat and poultry inspection program in Washington that is at least equal to programs imposed under the Federal Meat Inspection Act, Poultry Products Inspection Act, and the Humane Slaughter Act. WSDA may enter into a cooperative agreement with the United States Department of Agriculture (USDA) in order to operate a meat and poultry inspection program. WSDA may enter into a cooperative shipping program agreement with the USDA in order to allow establishments licensed under this program under specific criteria to ship products in interstate commerce.

Under the meat and poultry inspection program adopted pursuant to the cooperative agreement, WSDA must:

- require antemortem and postmortem inspections, quarantine, segregation, and reinspections;
- require that animals be identified for inspection purposes;
- require that meat or poultry products, or their containers, be marked and labeled as required;
- prohibit or limit meat products, poultry products, or other materials not prepared under inspection procedures from being brought into establishments licensed under this program;
- require inspections that prescribe sanitary standards and refuse to provide inspection service if the sanitary conditions allow adulteration of any meat or poultry product; and
- require that any person operating an establishment licensed under this program allow inspection of the business premises at reasonable times, allow examination of inventory, records, and facilities, and allow samples to be taken.

Inspectors must be appointed to examine and inspect methods of handling and slaughtering animals to prevent the inhumane slaughtering of animals. WSDA must require that an establishment with an animal showing symptoms of disease during antemortem inspection must set apart and slaughter the animal separately from other livestock and poultry. The director of WSDA must adopt rules that conform substantially to federal statutes and rules in order to administer the program.

EFFECT OF CHANGES MADE BY AGRICULTURE, WATER, NATURAL RESOURCES & PARKS COMMITTEE (First Substitute):

- Allows WSDA to enter into a cooperative agreement with the USDA in order to operate the meat and poultry inspection program.
- Provides that a meat and poultry inspection program should be established in the state that is at least equal to programs imposed under the Federal Meat Inspection Act, Poultry Products Inspection Act, and the Humane Slaughter Act.
- Allows WSDA to enter into a cooperative interstate shipping program agreement to allow establishments licensed under the meat and poultry inspection program to ship products out of state.
- Requires WSDA to do inspections, establish sanitary standards, establish identification requirements, and set labeling provisions.
- Requires WSDA to adopt rules to administer the program.
- Removes the state-inspected commercial custom meat facilities provisions.

Appropriation: The bill contains a null and void clause requiring specific funding be provided in an omnibus appropriation act.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill (Agriculture, Water, Natural Resources & Parks): *The committee recommended a different version of the bill than what was heard.* PRO: This bill will allow a person who lives in the city to buy their beef products from a rancher in their own county. Currently, the only way to purchase beef from a rancher would be to buy a cow or a share of a cow. This bill allows a slaughterhouse to custom package beef, chicken, or pork for sale directly to the customer. This bill is great for the farmer who is able to sell product at a higher price and for the customer who wants to know exactly what they are getting. There are a number of states that already allow for state-inspected facilities to allow a farmer to bring in an animal for slaughter and then sell the meat. This bill will open up new markets for farmers and ranchers. The disadvantage of selling half a pig or a quarter of a pig is freezer space and the meat is labeled not for sale, so it cannot be given to someone else since it is not inspected. This bill serves the needs of the majority of farmers who are running fewer than 100 cows and is perfect for smaller producers that want to provide this option in their communities.

OTHER: USDA has preempted state meat inspection, unless the state has a cooperative agreement with USDA. The state will need to go through the full USDA process and cover everything the USDA requires in a state program, including inspection, sampling, humane handling, consumer protection, food safety, and financial accountability. The bill could require WSDA to work through that process in order to get approval. Currently there are five USDA slaughter facilities in Washington. This legislation provides continued growth in the cottage industry by providing custom harvesting and packaging of meat. There was a 7 percent increase in registered farmers markets between 2013 and 2018 due in part to growth in the cottage food industry, but ancillary services to support them, including custom meat processing, also needs to grow. Custom meat packaging operations provide customers the opportunity to track their meal from hoof to plate and build relationships by offering a direct link between the food product and consumers.

Persons Testifying (Agriculture, Water, Natural Resources & Parks): PRO: Senator Doug Ericksen, Prime Sponsor; Mark Streuli, Washington Cattlemen's Association; Tom Davis, Washington Farm Bureau; Allen Ostrander, citizen.

OTHER: Evan Sheffels, Washington State Department of Agriculture; Pam Lewison, Washington Policy Center, Agriculture Research Director.

Persons Signed In To Testify But Not Testifying (Agriculture, Water, Natural Resources & Parks): No one.

Staff Summary of Public Testimony on First Substitute (Ways & Means): PRO: Cattlemens Association is in full support. The bill will help small producers. This bill will help the majority of the 8000 farmers who raise livestock. We could right size the program to reduce the fiscal costs and still help the small producers.

OTHER: We know there is a demand for this kind of policy. We can learn from other states with similar sized programs to help develop one here in Washington.

Persons Testifying (Ways & Means): PRO: Mark Streuli, Washington Cattlemens Association; Tom Davis, Washington Farm Bureau.

OTHER: Evan Sheffels, Washington State Department of Agriculture.

Persons Signed In To Testify But Not Testifying (Ways & Means): No one.