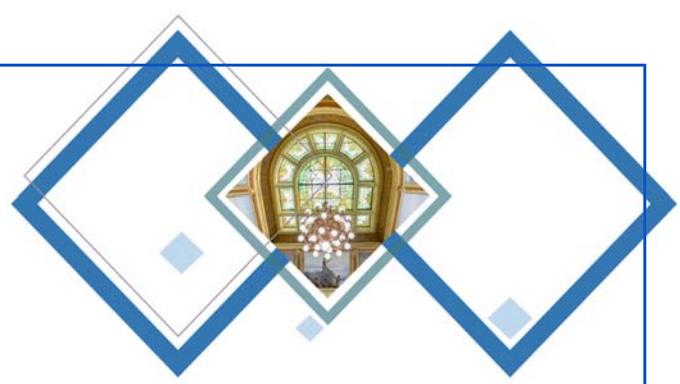


February 2018

Economic Affairs Interim Committee

Pat Murdo, Committee Staff and Research Analyst



MEAT INSPECTIONS: FEDERAL/STATE

Federal laws govern meat and egg inspections in the United States. However, state meat and poultry inspections are allowed if the state regulations meet or exceed federal standards and if the meat or meat product is not intended to be shipped across state lines. Meat processed at a state-inspected facility may be sold at wholesale or retail, just not shipped out of state. A fact sheet from the federal Food Safety and Inspection Service (FSIS) notes that only federally inspected and approved products “can enter interstate commerce or be exported to foreign countries.”

State laws exempt from coverage people who slaughter or process meat themselves or through a custom slaughter plant that returns the meat to the provider for personal or household consumption. (See 81-9-218, MCA.)

In late 2017 Montana had 39 active state-inspected facilities and 20 federally inspected facilities (although a state-specific document on the FSIS website indicates there are 26 meat and poultry plants in Montana and a document provided to the Board of Livestock in January indicated an expected 37 active licensees in 2018). See Attachment for a map and list of Montana meat and poultry inspected plants, provided to the Economic Affairs Interim Committee by the Montana Department of Livestock in November 2017.

By the Numbers for Montana:

20 Federally inspected meat processing plants

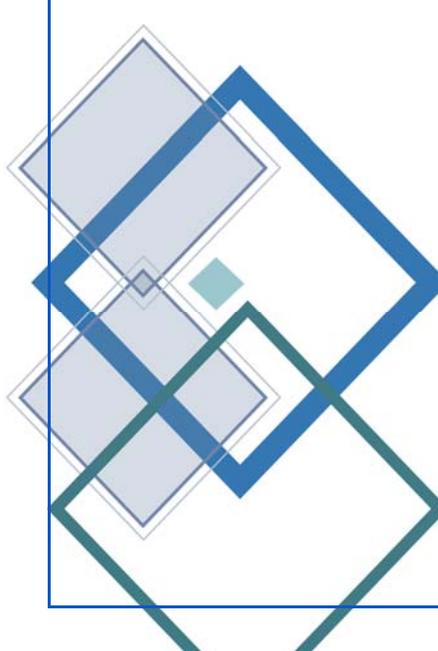
39 State-inspected meat processing plants

Why is this issue before the Economic Affairs Committee?

As part of its monitoring duties for the Department of Livestock, the committee learned of two issues of concern: one related to state-inspected meat processing facilities and the other related to concerns about federally inspected facilities.

The state-inspected issue arose after a state-inspected jerky processor faced a Class 1 recall and other state-inspected jerky processing plants were temporarily shut down because they reportedly had similar questioned practices. A Class 1 recall is used if a product might be considered hazardous or deadly. The processors took their concerns to the Board of Livestock, which has worked on recall and other concerns raised by the processors.

The concern associated with the federally inspected facility was that a small meat processor received citations for violations of actions not spelled out in federal regulations and not apparently imposed on larger meat processors in Montana.



February 2018

Meat Inspections: Federal/State
Economic Affairs Interim Committee

The original federal meat inspection law passed in 1906. According to the FSIS website, an E. coli outbreak in 1993 triggered a change in inspection processes toward a science-based Hazard Analysis and Critical Control Point (HACCP) process, issued by federal rule in 1996. The website says:

HACCP clarifies the respective roles of government and industry. Industry is accountable for producing safe food. Government is responsible for setting appropriate food safety standards, maintaining vigorous inspection oversight to ensure those standards are met, and maintaining a strong regulatory enforcement program to deal with noncompliance.

Montana's Meat and Poultry Inspection Act, found in Title 81, chapter 9, part 2, MCA, provides definitions, allows rules that must be "consistent with the requirements of the rules of the U.S. department of agriculture governing meat inspection," and contains a provision that slaughtering and processing may be carried out only in the presence of an assigned inspector (see 81-9-230, MCA). In late January the Board of Livestock planned to address efforts to clarify some of the meat and poultry inspection rules.

Other activities on the meat processing front include proposals for two combined feedlots and slaughterhouses capable of handling thousands of head of cattle. One proposal, the Madison Food Park outside of Great Falls, would be a multispecies food processing facility about 8 miles east of Great Falls that, according to the *Great Falls Tribune*, would employ as many as 3,000 people and process up to 165 truckloads of cattle, hogs, chickens, and bulk milk each week. (This information was in an opinion piece from Nov. 21, 2017: <http://www.greatfallstribune.com/story/opinion/2017/11/21/overflow-crowd-swamps-community-meeting-great-falls-slaughterhouse/887338001/>.) The other proposal is based on a Nov. 8, 2017, memorandum of understanding between the Montana Stockgrowers Association and JD.com and the Bank of China. That proposal, written about in the *Western Ag Reporter* on Dec. 21, 2017, had no specific location but envisioned construction of a \$100 million feedlot and packing plant. Both of these proposals would require federal meat inspectors if the processed meat is to be shipped out of state.

CI0425 8024pmxa.docx