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Maine Department of Agriculture, Food and Rural Resources

Legislative Review

"Encouraging Production, Sale, and Consumption of Maine-Raised Meat Products"

Presented to

**Ed McLaughlin,
Commissioner of Agriculture
&**

**Joint Standing Committee on Agriculture, Forestry and Conservation of the
Second Session of the 117th Maine Legislature**

By

**Maine Meat Act Review Task Force
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Preface

In the first regular session of the 117th Maine Legislature, LD 1469 - "An Act to Reinstate the Maine Meat Inspection Program" - was introduced and debated. The bill was held over at the close of the session at the request of the Commissioner of the Department of Agriculture. The State Department of Agriculture was assigned to study the reasons for and implications of enacting a Maine Meat Inspection Program, and report back to the second 117th session.

The team evaluated the perceived market for Maine-grown and value-added meat products and surveyed industry representatives concerning economic disincentives that may exist due to limited access of livestock producers to available slaughter plants and meat processing facilities in Maine. This is a report of findings.

Maine Meat Act Review Task Force

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Table of Contents

Executive Summary	1
Goals Of The Task Force Study	4
Objectives Of The Study	
Background	5
Trends In Livestock Production In Maine	5
Maine-Grown Lamb	5
Maine-Grown Beef	5
Maine-Grown Venison	5
Maine-Grown Pork	6
History Of Slaughtering In Maine	6
History Of Inspection Programs In Maine	6
General Findings Of The Task Force	8
Distance To Slaughter Facilities	8
An Expanded In-State Meat Production And Marketing Program Has Economic Development Potential For Maine Farmers And Provides The Local Products Consumers Seek In The Marketplace	8
Market Potential For In-State Maine Grown Meat Sales	8
Perceived Major Barriers To Accessing Local Markets	9
Costs Of Marketing Is High Relative To Price Market Can Bear	9
Competition From Large, Wholesale Distributors	9
The "Monopolistic" Attitude Of Slaughter Facilities Due To Small Numbers Of Slaughter Facilities In Maine	10
Costs Associated With Upgrading Facilities To Meet USDA Standards Or To Pay For Inspection Services	10
The Twelve State Meat Inspection Programs -- How They Are Operated And Funded, And How They Relate To Maine's Program	10
Process For Setting Up A New State Inspection Program Following Federal Guidelines	11
New Federal Inspection Program (HACCP) May Change The Way State Inspections Are Conducted And Current Federal Regulations For Food Safety Could Be Met	11

Steps To Develop A New Maine State Meat Inspection Program	12
Veterinarian Response To Need For Assistance In Implementing A New Maine Meat Act	12
Funding Requirements For A USDA/Maine Meat Inspection Program	12
Conclusions Of The Study	14
Recommendations	15
1. Encourage Congressional support for development of federal rules so that HACCP will be implemented by USDA.	15
2. Establish a "pilot" State inspection program based on newly created federal HACCP systems.	15
3. Provide \$15,000 for establishing HACCP protocol, writing a manual of procedures for slaughterhouses and processors, and negotiate with the Federal government to undesignate and acquire grants for a new "pilot" inspection system in Maine.	15
4. Create a loan/grant/technical assistance program and target identified and interested custom houses to upgrade facilities to Federal/State inspection specifications.	16
5. Develop State funding of a HACCP inspection program.	16
6. Include Task Force recommendations in the Governor's Small Business Development program and legislative package, as well as the Department of Economic Development's Economic Development Strategy	16
Appendices	17

List of Appendices

Appendix 1: GRAPHICAL DISPLAY OF CURRENT USDA AND CUSTOM SLAUGHTER FACILITIES IN MAINE AND LOCATION OF INTERESTED LIVESTOCK PRODUCERS WHO WISH TO DEVELOP LOCAL NITCHE MARKETS FOR MAINE-GROWN MEAT PRODUCTS

Appendix 2 : LISTING OF CURRENT USDA AND CUSTOM SLAUGHTERHOUSES IN MAINE

Appendix 3: SURVEY RESPONSES OF LIVESTOCK PRODUCERS CONCERNING PARTICIPATION IN A MAINE MEAT INSPECTION PROGRAM

Appendix 4: FINDINGS OF TWO SURVEYS TO STUDY MARKET POTENTIAL AND DEMAND FOR STATE OF MAINE INSPECTED MEAT AND MEAT PRODUCTS

Appendix 5: SURVEY RESPONSES OF MAINE'S CUSTOM SLAUGHTERHOUSES CONCERNING PARTICIPATION IN A MAINE MEAT INSPECTION PROGRAM

Appendix 6: SURVEY RESPONSES OF MAINE'S USDA SLAUGHTERHOUSES CONCERNING PARTICIPATION IN A MAINE MEAT INSPECTION PROGRAM

Appendix 7: 1985 EVALUATION OF MAINE'S SLAUGHTER FACILITIES

Appendix 8: HISTORICAL REPORT ON CARCASS GRADING IN MAINE

Appendix 9: ANNOUNCEMENT OF PROPOSED FEDERAL LAW UPGRADING OF THE MEAT AND POULTRY INSPECTION SYSTEM

Appendix 10: MATRIX OF OTHER STATE PROGRAMS AND HOW THEY MAY RELATE TO MAINE

Appendix 11: STATE-FEDERAL COOPERATIVE INSPECTION PROGRAM REQUIREMENTS

Appendix 12: STATE OF MONTANA LEGISLATION AND STATUTES FOR RE-ESTABLISHING A STATE MEAT ACT

Appendix 13: FEDERAL STATE HEALTH AND SAFETY PERFORMANCE REQUIREMENTS FOR MEAT INSPECTION

Appendix 14: SURVEY OF VETERINARIAN INTEREST IN BECOMING CONTRACT VETERINARIANS UNDER PROPOSED MAINE MEAT INSPECTION PROGRAM

Appendix 15: DRAFT OPERATIONAL PLAN AND BUDGET FOR REINSTATING A MAINE MEAT INSPECTION PROGRAM

Appendix 16: MISCELLANEOUS CORRESPONDENCES AND NOTE

Executive Summary

Task Force Considerations

The Task Force considered reinstitution of a State meat inspection program, specifically addressing whether:

- 1) meat and meat products bearing a state inspection mark, as opposed to USDA, would find equal or better acceptance in the marketplace;
- 2) the level of market demand for value-added Maine grown meat products exists for state-inspected meat products;
- 3) a state inspection program would lift tangible barriers which interfere with the selling of Maine meat/meat products;
- 4) a state-inspection option would cut costs for livestock producers who wish to market locally and thus make a substantial economic difference to the sustainability of farms and small-scale food marketers;
- 5) a positive or negative impact would occur on existing slaughter plants now operating under federal inspection, existing plants operating under USDA Custom-Exempt status, new start-up plants, livestock producers, and meat distributors and retailers.

Economic And Market Potential

Consumers, retailers, producers, wholesale marketers, and slaughter plants agree that a niche market does exist for high quality Maine-grown meat products. The extent of this niche market in Maine is not known, and a "chicken and egg" situation exists, that without the access to slaughter plants, the level of products can't enter the marketplace to test demand.

The overall economic development potential for small businesses could reach over \$700,000 per year while sustaining over 60 Maine farms in a program to increase direct sales of Maine-grown meat products.

Identified Barriers To Value-Added Niche Markets

Livestock producers described barriers that exist which hinder the marketing of Maine-grown meat. The barriers identified included:

- * distance to slaughter facilities;
- * cost for custom processing;
- * the lack of choice in using the services of slaughter and processing facilities due to insufficient numbers of facilities and specialization by each facility;

- * loss of control of the producers' animals/carcasses during slaughter & processing;
- * lack of interest or capability on the part of available plants to provide value-added cuts or products, such as for a niche recipe, as plants do not need to or want to modify their schedule or facility to accommodate the requests of one producer or two producers;
- * plants are not schooled/knowledgeable in cutting meat to the specifications demanded by white-table-cloth chefs, exactly the niche opportunity producers are targeting; and
- * difficulty in securing quick-turn-around especially during the heavy-demand fall season, when livestock come off pasture and when seasonal wild game need processing for hunters.

Demands Of The Marketplace

The marketplace requires steady supply, consistent quality, cuts that meet consumer trends both in terms of portion size and trim, and regular delivery which not all small-scale growers and manufacturers have always been able to supply. National meat distribution is concentrated in giant packers who slaughter, process, pack, and distribute portion-controlled boxed beef nationwide. Almost all of the meat consumed in Maine is sourced from these major packers.

The Maine producers being addressed in this study are small-scale. The quantity Maine producers can grow and sell is limited, and because their unit cost cannot be spread over a large inventory, national pricing is and will always be a competitive disadvantage to Maine's producers.

Reactions From Current Small Maine Businesses

From another perspective, Maine USDA plants surveyed believe that a state inspection program, if initiated, could create increased competition for them, which could hurt their business. Some questioned initiating a state program using tax dollars when the federal program was in place and working. Producers counter that USDA plants are too few, poorly located, and are not responsive to their needs for specialty cuts at reasonable cost.

Some (about 30% of those who responded) USDA ~~custom-exempt slaughter facilities~~ surveyed said they have an interest in becoming State-inspected and serving local, small-scale producers, if the demand is proven. Some plants had tried USDA inspection but were disappointed in the rigidity of the Federal system, the costs associated with facility design requirements, and the "attitude" of federal inspectors. In addition, they were concerned that any state inspection program would force the custom houses to incur additional inspection fees not currently required under federal inspection.

Evaluation Of Other State Inspection Programs

The Task Force surveyed twelve state inspection programs and federal government requirements. The appendices provide specific steps necessary to legislatively establish a new state inspection program and to meet USDA filing requirements.

Summary And Recommendations

Based on the findings, the Task Force recommended development of a State of Maine Locally Grown Meat Development Program including the following actions:

- * Encourage Congressional support for development of Federal Rules so that HACCP will be initiated at the USDA.
- * Establish a "pilot" State inspection program based on newly created federal HACCP systems.
- * Provide \$15,000 for establishing HACCP protocol, writing a manual of procedures for slaughterhouses and processors, and negotiate with the Federal government to undesignate and acquire grants for a new "pilot" inspection system in Maine.
- * Create a loan/grant/technical assistance program and target identified and interested custom houses to upgrade facilities to Federal/State inspection specifications. The Task Force recommends support of LD1575, the Agricultural Marketing Loan Fund, that may provide the necessary loan program to meet these needs.
- * Develop State funding for a HACCP inspection program. The Task Force recommends that, after the pilot program is established, the State fully fund the program for a period of three years (phase-in), followed by a three year decrease in state funding and increase in private sector funding for the inspection service (phase-out).
- * Include Task Force recommendations in the Governor's Small Business Development program and legislative package, as well as the Department of Economic Development's Economic Development Strategy.

The measurements of success of the program could be gauged by increased consumption of Maine grown meat products, increased numbers of well-placed slaughter facilities, and increased numbers of livestock producers who supply the marketplace with Maine-grown products.

Goals Of The Task Force Study

- I. To determine whether a Maine State Meat Inspection Program would reduce real economic barriers for Maine livestock producers who market meat/meat products;
- II. To increase options for Maine growers to slaughter, process, and add value to their meat/meat products for sale in the marketplace;
- III. To assess barriers and opportunities a Maine Inspection Program would have on existing small-business plant owners and new plants that might come on-line;
- IV. To provide ways for existing and new slaughter/processing plants to serve Maine growers at minimum expense;
- V. To identify costs and financial benefits associated with and resultant from the implementation of a Maine Meat Inspection Program and outline an operational plan for implementation of a Maine Meat Act.

Objectives Of The Study

1. Determine economic/growth legislative impact of a State meat inspection program.
2. Determine the process of developing a state inspection program.
3. Evaluate other state meat inspection programs.
4. Determine other Federal programs and pending laws and how they may impact development and impact of a State inspection program.
5. Determine response of meat distribution/marketing channels towards local production and marketplace acceptance of Maine-grown meats.
6. Determine food safety issues and inspection/lab needs.
7. Determine and outline program costs and source of revenues/funds.
8. Determine opinions of existing small-business-owned Maine plants to idea.
9. Outline operational plan for implementing inspection including training procedures.
10. Establish proposed timetable if program were implemented.
11. Develop draft legal authority and language to introduce program.
12. Develop overall recommendations for Commissioner and Maine State Legislature.

Background

Trends In Livestock Production In Maine

To have locally-grown, high-quality meat products available to Maine consumers in the marketplace has been a goal shared by many agencies, producers, and livestock associations for quite some time. The efforts of State government in providing technical and financial assistance has paid off many times throughout this period, and can be shown for each livestock sector.

Maine-Grown Lamb

In the early to late 80's, lamb production flourished in response to the establishment of two cooperative marketing groups which helped provide the infrastructure sheep producers needed to market their lambs. These cooperatives were the MAMA (the Maine Agricultural Marketing Association, a Farm Bureau cooperative) and the Yankee Shepherd's Cooperative, a Vermont-based business. When these marketing channels declined in their effectiveness, Maine lamb production directly declined in response.

Maine-Grown Beef

In the early 80's, many Maine farms sold freezer beef. With the decline in home freezers, increased consumer demand for convenience items, and heightened awareness and demand for "healthy diets," the 'freezer beef' trade declined. During the past eight years, beef producers have instead sold unfinished feeder calves and yearlings on the national market. Although cattle numbers in Maine have increased over the past ten years, the availability of Maine-grown beef in the marketplace has declined.

Maine-Grown Venison

With the Legislative authorization to raise domesticated deer in Maine and sell the venison from these domesticated deer, we saw a sharp growth in domesticated deer farming since 1989. Each year more and more Maine-raised venison has entered the market, in Maine and New England. Maine deer farmers have marketed cooperatively, through the Northern New England Deer Farmers' Association, which has seen up's and down's in its effectiveness for Maine growers. Much of the Maine venison has moved through a New England cooperative approach, targeting sales outside Maine. Venison meat falls under the designation of "wild game" by USDA. This means that deer are to be slaughtered under State of Maine inspection when killed in Maine. Currently, State inspectors observe slaughter of domesticated deer killed in Maine for sale in commerce. Venison producers can relate many examples of difficulties they have faced in securing plants willing and equipped to handle deer. The result is that most of the venison grown in Maine has travelled out-of-state for slaughter. The deer shrink in weight as they endure these trips, thus they weigh less at slaughter, thus producers receive less for their animals, and often quality is impaired from extended handling at this stage.

Maine-Grown Pork

Maine's hog industry has fluctuated over the years. In the early 80's, a large percent of Maine-grown hogs were sold unfinished, out-of-state through cooperative feeder pig marketing efforts through the Maine Hog Growers Association. Many more hog finishing operations were in business then presently exist in Maine. Now, most of Maine's finished pork is sold out-of-state. Very few Maine plants kill hogs, because special equipment and processes are needed, which plants feel they can not justify based on the volume of hogs to be killed.

History Of Slaughtering In Maine

Only 10 to 12 years ago, more Maine slaughter plants were in business successfully than today. The biggest cause of this decline in plants followed the decline in cull dairy cows, with hamburger being the major product sold. During the mid 1980's, existing slaughter facilities had excess capacity due to the lack of supply of dairy and beef stock due to the dairy buyout and to the increased sale of beef out of state. Prior to 1980, about 6 full-time state inspected slaughter facilities, 21 processing plants, and 47 custom houses were under inspection.

Today 9 federally-inspected slaughter facilities operate, and about 23 custom slaughter facilities are located throughout the state to handle wild and customer-delivered animals only. It is said by some that many of today's custom slaughterhouse businesses are "struggling". Some operate mostly as seasonal businesses, with excess capacity. Others have more business than they can handle, and some are looking to augment their business with **value-adding** and direct and wholesale marketing of Maine-grown products. We believe it is correct to generally describe Maine's slaughter plants as businesses with limited funding access and capitalization. Typically, these businesses are not ones investors consider as growth opportunities, so the options owners have are limited and financial decisions, such as whether to invest in the costs required for federal approval, are made very carefully.

History Of Inspection Programs In Maine

The Federal Meat Inspection Act of 1906 made inspection mandatory for all meat that crossed state lines. The Wholesome Meat Act of 1967 required that inspection of meat sold within a state meet inspection requirements at least as stringent as those of the federal system. These inspection programs assure that:

1. Only healthy animals are slaughtered for meat and,
2. Guarantee that facilities and equipment meet sanitation standards in a) slaughter plants and b) processing facilities.

The State had a meat inspection program for many years. The program consisted of fifteen (15) personnel (twelve inspectors, two veterinarians, and one clerical). The Meat Inspection Act operated as a 50/50 cost share with USDA. Maine's share in 1979 was \$100,900 made up of \$83,000 personal services and \$17,900 all other.

The meat processing inspection program includes:

- * inspection of meat at various stages of processing
- * temperature monitoring for both fresh and cooked meat
- * review of packaging and labels used for fresh and processed meat
- * control and monitoring of the use of additives
- * control and monitoring of imported meat.

Federal Meat Inspection is the responsibility of the Food Safety and Inspection Service (FSIS), a Division of the USDA. State meat inspection programs are the responsibility of each state's government. All primal cuts of meat entering commerce must bear USDA's inspection stamp, a round stamp with purple ink containing the official establishment number assigned to the plant by USDA. Meat that will not cross state lines can enter commerce bearing a State stamp with the official plant number, which is usually placed within the outline of that state. State stamps are administered by the State government staff.

The Maine legislature in 1980 eliminated the state program, and in its place the federal government took over all inspection services. At that time many feared that smaller slaughterhouses would cease due to the stringent requirements for facilities and procedures required by USDA. Today in Maine the federal program consists of 2 USDA veterinarians, 2 inspector supervisors, 15 inspectors of processing and/or slaughtering facilities, and 1 dedicated to slaughtering facilities. Small scale poultry falls within a USDA exemption, under the Poultry Products Inspection Act. In addition, meats that are classified as "wild game" by USDA, such as rabbit and venison, are exempt from these requirements. However, in order for rabbit and venison producers to ship intrastate, they must process under federal inspection or under a State program that ensures "equal to" standards are met.

General Findings Of The Task Force

An Expanded In-State Meat Production And Marketing Program Has Economic Development Potential For Maine Farmers And Provides The Local Products Consumers Seek In The Marketplace

Based on the information gathered from producers and businesses, the overall economic development potential for small businesses could reach over \$700,000 per year while sustaining over 60 Maine farms in a program to increase direct sales of Maine-grown meat products.

Eight out of ten custom slaughter houses surveyed by the Division of Production Development (Appendix 5) said that producers would increase their production of beef animals and estimated that production would increase over \$70,000 if they could sell more meat locally (based on a capital investment in one beef animal at \$1000). In the producer survey (Appendix 3), 31 producers said that gross sales would increase between 10 and 100%. 15 producers reported total potential increased sales of \$135,000 per year.

Forty nine farmers stated that they would increase the size of their herds, and 33 felt that their gross income would increase if barriers, such as location of slaughter facilities, were eliminated.

The respondents make up about 20% of all producers in the state. Extrapolation of these figures could increase the increased income estimates to nearly \$700,000 per year.

Market Potential For In-State Maine Grown Meat Sales

A survey of 150 livestock producers conducted by Dave Averill of the Division of Production Development found that producers were split on what they think is the market potential for local sales (Appendix 3). Some producers are already servicing the local market through direct consumer sales, while other producers are interested but have not pursued the market due to perceived problems in accessing adequate slaughter facilities and federal inspection procedures.

Sixty farmers (40%) out of a total of 150 respondents surveyed indicated that increasing the number of processing plants closer to the site of production on the farm would significantly reduce marketing costs and thus would enhance their market opportunities.

In a survey conducted by Judy Powell of the Division of Market Development, two small custom slaughter facilities saw a potential benefit of selling Maine-grown, especially to local consumers and Maine families. In addition, the Market Development survey of restaurants showed that some restaurants already offer Maine-grown and five other restaurants would look into local purchases to help support Maine businesses if the price, quality and safety were assured.

The surveys did not address local consumer preferences, such as those found at farmers' markets and those that currently buy from producers and have the animals slaughtered. Anecdotal evidence from some producers feel that a niche market does exist and could be strengthened with lowered costs of production and inspection services closer to production areas.

Eighty producer respondents did not favor a new inspection program as they were already being serviced by USDA slaughter facilities and 67 respondents said that they did not expect to increase the size of their herds or increase gross income if a state inspection program were started.

Perceived Major Barriers To Accessing Local Markets

Distance To Slaughter Facilities

USDA inspected slaughter facilities are not accessible in certain regions of the state where Niche marketing is expanding. According to the survey of livestock producers conducted by Dave Averill of the Division of Production Development (Appendix 3), almost 50% of the producers surveyed want closer facilities and feel costs associated with transport would go down. Producers now having to go back 2 or 3 times to "supervise" the slaughter and processing of their animals.

The preponderance of producers needing closer facilities are located in the coastal section of Maine, where lack of close-by USDA slaughter facilities exist (See Appendix 1).

Producers believe that a state inspection program, if coupled with increased number of slaughter facilities utilizing state inspection, would help to reduce costs associated with transporting animals these long distances to slaughter facilities and producers would be willing to pay more for slaughter if these facilities were located closer to the farms.

Costs Of Marketing Is High Relative To Price Market Can Bear

Maine producers who target local sales develop their marketing plans based on a price higher than meat processed and sold out of the big three conglomerate national meat packing plants. Their targeted niche market will bear this price margin because of distinct product differences Maine producers can stand by.

The Maine producers addressed here are small-scale. The quantity these producers are growing and selling is limited and thus their unit cost is high, as expenses cannot be spread over a large inventory. National price is and will always be a competitive disadvantage to Maine's producers because of a stratified industry with consolidated cow-calf production, finishing, and slaughter plants, where costs are kept down all along the production and marketing system because of this structure.

Competition From Large, Wholesale Distributors

A second factor is competition from large wholesalers and distributors who can supply on a steady basis, year round, servicing accounts with delivery and special considerations. Buyers, whether they are Maine restaurants or schools, must have confidence in their source of supply.

Small Maine farmers and suppliers feel shut out by larger, market-adept suppliers.

In the Market Development survey (Appendix 4), wholesale distributors indicated their need for an assured, year-round supply of quality, portion cuts. Price is an important buying consideration in a highly price-competitive business. Because distributors do not want to be confined by state lines within their marketing area, they need USDA-inspected meat for interstate sales.

Wholesalers are driven by consumers who demand the safety of food provided via inspected plants and thus advertise to a safe and wholesome product line. Although the typical U.S. consumer does not know the difference between the USDA classifications of meat plants, they want clean and safe meat, and USDA is the country's indication of safe meat product. There may be a perceived lack of cleanliness associated with custom plants, coupled with a fear of a less trained state inspection service, and these would cause concern for purveyors who must meet customer demands.

The "Monopolistic" Attitude Of Slaughter Facilities Due To Small Numbers Of Slaughter Facilities In Maine

Some livestock producers feel the current USDA slaughter facilities in Maine are too expensive and do not want, or are not able, to offer custom processing in order to cater to producer preferences for types of cuts required for market or to provide other services demanded of the Niche markets. The farmers surveyed would like to see additional competition by creation/addition of more state inspected custom houses.

In a survey of USDA-inspected facilities by the Division of Production Development (Appendix 6), over one half of the USDA-inspected plants do not see a benefit from having the State start an inspection program, citing safety, business competition, and other issues as concerns. USDA-inspected plants recognize that a state inspection program would create more competition which could be good for farmers and consumers. One of the plants said they would consider state inspection if the state started a program.

Of those farmers that favor a new state inspection program, two farmers would consider opening their own slaughter facilities and four farmers would consider opening processing facilities. Some custom slaughter facilities would also consider State inspection.

Costs Associated With Upgrading Facilities To Meet USDA Standards Or To Pay For Inspection Services

A major reason custom businesses do not attempt to become certified under federal inspection is cost. In a survey of custom slaughter facilities (Appendix 5), eight firms had an interest in selling more locally-produced meat, and five said state inspection services would definitely improve their businesses, especially if government inspections did not increase their costs of processing.

Under federal inspection, a slaughter facility must comply with requirements including having a separate office and bathroom for the federal inspector at each slaughter facility, even if

an inspector that only visits one day per week. Under a state inspection program, the State would guarantee inspection "equal to or greater than" current USDA inspection standards, but Maine's program could eliminate some of the requirements to reduce costs that do not affect health and safety.

The Twelve State Meat Inspection Programs -- How They Are Operated And Funded, And How They Relate To Maine's Program

Clayton Davis of the Division of Regulations conducted a survey of other state meat inspection programs and the results are tabulated in Appendix 10.

Of all the states, Delaware appears to have the closest program to that envisioned for Maine. Their program costs the state, in a 50/50 percent match with USDA, about \$200,000 per year. The program consists of ten USDA inspected plants and 14 Custom slaughter facilities. The program has eleven (11) personnel including seven inspectors, one supervisor, one vet, one compliance officer and one field veterinarian. The total number of animals slaughtered per year is 38,000, mostly swine. The total program costs \$580,000 with \$200,000 required from the state on the 50/50 percent cost share arrangement under the Talmadge-Aiken Act.

Under current inspection protocol, if Maine's custom houses surveyed did adopt federal or state inspection, they would require about four full time inspectors. This represents only seven of the custom houses surveyed and other slaughter facilities may also want state inspection. Again, these figures would change if the Federal government adopts a HACCP program.

Process For Setting Up A New State Inspection Program Following Federal Guidelines

The Federal government provides a process to be followed to adopt a State Inspection Program (Appendix 11). The state must submit a state performance plan for approval by USDA. FSIS Directive 5720.2 Revision 2 Part two, Pages 10-16 outlines the requirements and procedures to follow. These requirements may change due to the upcoming HACCP program, but in all cases the State will have to negotiate with the USDA to reestablish (undesignate) the program.

USDA currently suggests that Maine follow Montana's plan (Appendix 12). Montana was the first to go through the process of implementing a state program, which was approved by USDA. USDA urges that if Maine could follow the same procedures and adopt most of the language of the Montana State Law then quick approval from the Feds would be possible.

The state inspection program would provide staff of the Department of Agriculture who would be available to go to designated plants and carry out the services now provided only by USDA. The Development Program would identify and work with USDA Custom-Exempt plants to bring them on-line so that producers could use these instead of distant federal plants. Closer state-inspected plants would reduce marketing cost and make local meats more competitively priced.

New Federal Inspection Program (HACCP) May Change The Way State Inspections Are Conducted And Current Federal Regulations For Food Safety Could Be Met Under State Inspection

The Federal Government is currently developing a new type of inspection program, called the Hazard Analysis and Critical Control Points (HACCP) system rather than the traditional continuous inspection program (See Appendix 9). According to proponents to the new system, an inspection program should focus on allotting inspection resources to the riskiest areas, from the farm to table, where possible contamination would occur. Identification of those sites, and development of inspection protocol are essential. This new program could potentially reduce the number of inspectors needed, and depend more on targeted inspections/consulting on sanitation procedures in the business.

Linda Stahlnecker, Director of the Milk Quality Lab of the Division of Veterinary Services, conducted an evaluation of the food safety requirements for the current Cooperative Inspection programs (Appendix 13). Currently all state inspections must have 1) a performance plan which includes in-plant inspections for sanitation, 2) a residue monitoring program, and 3) a voluntary microbiological monitoring program.

Under a State inspection program, safety would rest with the inspector and good training is essential. The residue monitoring program also is conducted by the inspector and the state must designate a laboratory to be certified for the testing.

Under a new HACCP program the State could establish a once-a-year sampling of each facility and/or do a random sampling program. Currently the microbiological monitoring is voluntary. However with the increased concerns caused by failures in the USDA inspection programs to identify Salmonella and Listeria, the federal government is considering adoption of guidelines for a sampling program. The state could establish the necessary microbiological testing services for about \$4,000 for necessary equipment and a minor processing fee.

Veterinarian Response To Need For Assistance In Implementing A New Maine Meat Act

Some private veterinarians support a contractual role in the current proposed state inspection program. However, competitive fees closer to private practice would have to be charged.

Dr. Chip Ridky of the Division of Veterinary Services conducted a survey of private veterinarians to determine their interest in becoming contract veterinarians, which is one option for the state to consider for providing for diseased carcass disposal (Appendix 14).

Of the respondents, one veterinarian, who once performed State inspections, was rather negative, especially about the fees. Two others were fairly positive, but again, the fee structure was too low at \$25 per carcass. If contract veterinarians are used, a higher fee would be required.

Funding Requirements For A New Maine Meat Inspection Program

Under the Talmedge-Aiken Act, the state must share in the program at 50% and can only acquire the funds from the General fund, not user fees (Appendix 11). A small license fee is acceptable to the Feds for registration of licenses, but the state has to show, through annual appropriations, a sum able to handle the inspections for the program.

Under the current visual inspection program protocol, the State inspection program could cost up to \$160,000 per year (See Appendix 15). Under a new HACCP program, the State may be able to reduce it's costs considerably. The exact sum could not be determined at this time.

Conclusions Of The Study

An important historical factor from the buyers' experience is that insufficient supplies of finished meats have been targeted by farmers for local sales. The Task Force cannot say for certain that entrepreneurs will emerge to fill the gap in the marketplace to sell and distribute Maine meats but a number of farmers are currently offering cuts and would like to expand their operations to explore these markets further.

It is clear that some producers and slaughter facilities are already pursuing the local niche markets. A state inspection program may facilitate more producers entering the market by reducing some costs and allowing more producer influence and control in a their meat product line. However, we can not answer at this time what impacts these two factors may make as contributions to an overall product line development, sales strategy, marketing plan, and distribution system. The Task Force had limited time to identify the overall marketing costs producers face in marketing meats. Further study is needed.

The farmer "frame of reference" as they develop their marketing options will need to change for a satisfactory "supply-side" modification to the existing scenario. Generally, production of livestock on Maine farms is an very important diversification crop, providing income on land that is often not tillable or inaccessible to equipment. Grazing untillable pastures is a viable way for otherwise poor land to pay it's share of the tax burden without new investment. This means that traditionally the animals leave fall pasture unfinished for market, and farmers earn more by selling unfinished animals. Thus, 1) the volume of Maine-grown meats has not been readily available to buyers, and 2) producers who target local buyers need to sell the entire carcass, not just selected cuts.

A number of existing custom houses may have an interest and potential to upgrade. Some facilities had previously been federally approved and let this lapse due to alleged problems with the federal inspection service and/or lack of a steady local market. To become eligible for USDA inspection now, these plants would need to rebuild market and set aside capital to justify expansion of their physical plant to meet federal/state requirements.

The current inspection programs are costly and require labor resources currently unavailable. The Task Force recognizes the opportunity to develop a new type of inspection program, called HACCP, that may be a win-win for the state and small meat producers. The HACCP program will need to be tested to ascertain the potential to improve this market niche and food safety for selling meat products.

The Task Force believes that the following recommendations would provide for greater flexibility for producers to aggressively pursue local markets, set up small packaging and storefronts, and provide for small scale processing of locally grown meats. Competition from more slaughterhouses will 1) reduce prices to producers, 2) reduce transportation costs, 3) and will increase development of value-added products.

The success of the program will hinge on the ability of some custom houses to upgrade their facilities to meet federal/state inspection requirements, and for the state to develop highly trained inspectors.

Recommendations

Recommendation 1: Encourage Congressional support for development of federal rules so that HACCP will be initiated at the USDA.

The Task Force recommends that the Commissioner of Agriculture and Governor lobby the Congressional delegation to support HACCP rule-making at USDA. In discussions with Federal regulators, the Task Force noted that 160 pages of proposed rules were published in the Federal Register, Part II, Department of Agriculture FSIS, 9CFR, Part 308 that deal with Pathogen Reduction Hazard Analysis Critical Control Point (HACCP) Systems (Appendix 9). These rules, if implemented, will substantially change the way inspections are conducted. Also being discussed is the possibility of combining FDA and USDA inspection programs.

If changes are put into place, including HACCP, Maine could be a leader and take advantage of being a pilot project and setting a good example for implementing new regulations.

Recommendation 2: Establish a "pilot" State inspection program based on newly created federal HACCP systems.

The federal HACCP program represents the most comprehensive change in meat inspection regulations since 1906. HACCP is in need of testing at the state level and the Task Force recommends legislative support for the program and lobbying for Federal support to establish Maine as a "pilot state" to test the new system.

The Task Force recommends the immediate development of a new pilot State of Maine inspection program to further livestock business development in Maine. The pilot inspection program would be based on the newly proposed federal Hazard Analysis Critical Control Point (HACCP) program. The HACCP program would replace the traditional on-site inspection programs with a new process wherein the state and federal government approve facilities based on agreed upon performance standards and do spot checks for compliance along with periodic laboratory testing of facilities and meat products.

Can Maine do this if program not in place

Recommendation 3: Provide \$15,000 for establishing HACCP protocol, writing a manual of procedures for slaughterhouses and processors, and negotiate with the Federal government to undesignate and acquire grants for a new "pilot" inspection system in Maine.

1st step toward legislation

The Task Force recommends the state provide \$15,000 to properly develop a HACCP program for Maine. The funds would be used to hire a consultant to develop the program. The consultant would provide the following services for the State:

- * Develop a grant proposal, acceptable to USDA, to become a pilot HACCP program,
- * Develop a HACCP protocol manual for slaughter facilities,

- * Complete the necessary Federal documentation for USDA to be able to "undesignate" the State so the State may operate an inspection program,
- * Write appropriate draft legislation to implement a HACCP program,
- * Survey existing custom houses for interest in expanding business opportunities and becoming a pilot HACCP partner.

Recommendation 4: Create a loan/grant/technical assistance program and target identified and interested custom houses to upgrade facilities to Federal/State inspection specifications.

The Task Force recommends that a Loan/Grant program be established to assist slaughter facilities in upgrading to HACCP standards. The state could establish rules to target certain areas of the state where a lack of good USDA facilities exist. The producers would have to guarantee that a serious commitment would be made to increase use of any facilities identified and targeted for assistance in the newly created "pilot" program.

The Task Force recommends support of LD1575, the Agricultural Marketing Loan Fund, that may provide the necessary loan program to meet these needs. The Task Force also recommends looking for federal and private grant funds to assist in upgrading facilities.

Recommendation 5: Develop State funding for a HACCP inspection program.

The Task Force recommends that, after the pilot program is established, the State fully fund the program for a period of three years (phase-in), followed by a three year decrease in state funding and increase in private sector funding for the inspection service (phase-out).

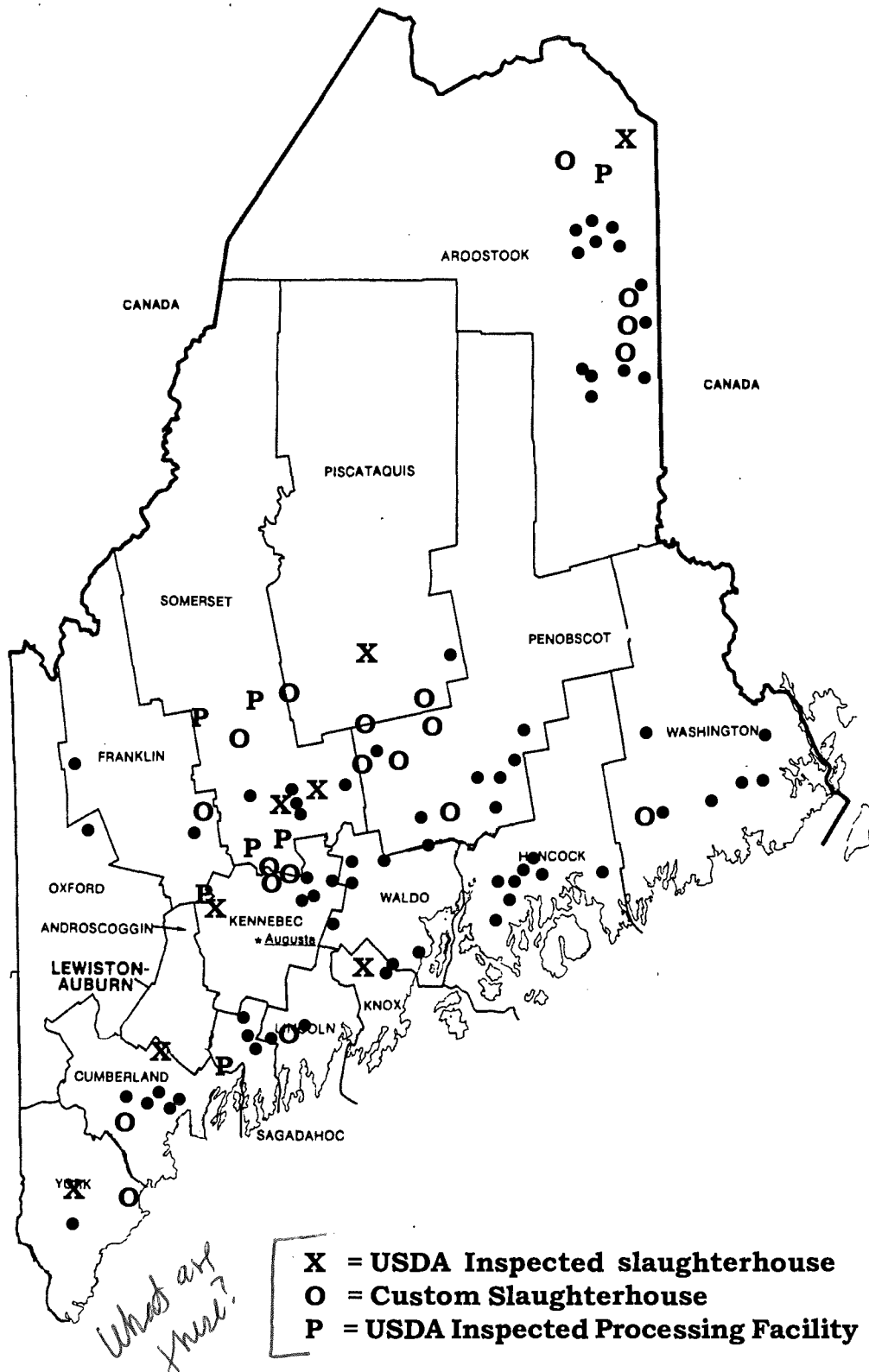
Currently, the federal government requires State funding of the inspections if the State wishes to have the federal government cost share at 50%. The supplemental program expenditures to augment the federal inspection program may initially require up to \$50,000 of State funds per year to match federal funds. The Task Force expects that, in the next five years, the federal government may loosen funding requirements to allow for private sector contributions without jeopardizing federal costshare assistance.

Recommendation 6: Include Task Force recommendations in the Governor's Small Business Development program and legislative package, as well as the Department of Economic Development's Economic Development Strategy.

The Task Force recommendations support the Commissioner's intention to provide more market development support for Maine commodities, the State's economic development strategy to assist natural resource industries value-add their products, and the Governor's small business initiative to help small business prosper in Maine.

Appendix 1

GRAPHICAL DISPLAY OF CURRENT USDA AND CUSTOM SLAUGHTER FACILITIES IN MAINE AND LOCATION OF INTERESTED LIVESTOCK PRODUCERS WHO WISH TO DEVELOP LOCAL NITCHE MARKETS FOR MAINE-GROWN MEAT PRODUCTS



Appendix 2

**LISTING OF CURRENT USDA AND CUSTOM SLAUGHTERHOUSES IN
MAINE**

8/95

SLAUGHTER PLANTS

FEDERALLY-INSPECTED

Ballard Custom Meats
P.O. Box 247
Manchester, ME 04351
207-622-9764

Fortin & Sons, Inc., Peter A.
P.O. Box 523
Waterville, ME 04901-0523
207-872-5255

Barber Foods
P.O. Box 4821
Portland, ME 04112
207-772-1934

Herring Bros., Inc.
RFD 2, Box 325
Dover-Foxcroft, ME 04426
207-876-2631

Bean & Sons, Inc., W. A.
P.O. Box 1446
Bangor, ME 04401
207-947-0364

Jimmy's Foods, Inc.
23 Ferry Street
Van Buren, ME 04785

Bishop & Son, Inc., A. R.
P.O. Box 3562
Portland, ME 04104
207-773-5683

Jordan's Foods Corp.
55 Thomas Drive
Westbrook, ME 04092
207-871-0700

Bubier Packing, Inc.
RFD 2, Box 3260
Greene, ME 04236
207-946-5015

Jordan's Meats
38 India Street
Portland, ME 04112-0588
207-772-5411

Cyr Brothers Meat Packing, Inc.
220 Washburn Road
Caribou, ME 04736

Kirschner Co., Inc., Joseph
193 Riverside Drive
Augusta, ME 04330
207-623-3544

Kniffin's Meat Processing Plant
Box 2900, Embden Pond Road
North Anson, ME 04958
207-635-2817

Shields Meats & Produce, Inc.
P.O. Box 146
Kennebunk, ME 04043
207-985-3141

LaCasse's Bakery
P.O. Box 236
Lewiston, ME 04240
207-783-8181

Soups & Things
629 Elm Street
Biddeford, ME 04005
207-284-7052

LaPlante's Farm
Route 1A
Hamlin, ME 04785
207-868-2744

Theriault's Abattoir, Inc.
P.O. Box 314
Hamlin, ME 04785
207-868-3344

Mailhot Sausage Co., E. W.
258 Bartlett Street
Lewiston, ME 04240
207-786-2454

Town & Country Foods
P.O. Box 88
Greene, ME 04236
207-946-5489 or 1-800-773-9710

Mason Beef Co.
Rt. 1, Box 45, Unity Road
Albion, ME 04910
207-437-2490

Windham Butcher Shop
RFD 3, Varney Mill Road
South Windham, ME 04082
207-892-4203

Naples Packing Co., Inc.
River Road
Mexico, ME 04257
207-364-3725

Poultry Products of Maine, Inc.
Augusta Road
Winslow, ME 04902
207-872-2706

8/95

SLAUGHTER PLANTS

CUSTOM

Bauneg Egg Hill Slaughter
RFD 1
North Berwick, ME 03906

Cowperthwaites Slaughter
P.O. Box 426
Mars Hill, ME 04758

Blaisdell Brothers
South Side Road
York, ME 03909

Curtis, Fulton
P.O. Box 75
Warren, ME 04864
207-273-2574

Blaisdell, Eugene
Route 1, Box 265A
Norridgewock, ME 04957
207-634-3741

Curtis, Myron
Preston Road
Dennysville, ME 04628
207-726-4717

Burns, Keith
RFD 2
Union, ME 04862
207-785-4055

Dick's Custom Meat Cutting
P.O. Box 52
St. Albans, ME 04971
207-938-2142

Castonguay, Francis
Gibbs Mills Road
Livermore, ME 04253
207-897-4989 or 1-800-310-4989

Durgin, Roland
RFD 2
Harrison, ME 04040
207-583-4243

Country Curers
Standish Road
North Windham, ME 04062
207-892-4295

Elliott's Butcher Shop
RFD 5, Box 201
Gorham, ME 04038

Foss Slaughterhouse
Route 43
Athens, ME 04912

Jordy's Custom Meat Shoppe
Rte. 2, Hill Road
Clinton, ME 04927
207-426-8942

Fuller's Market
RFD 3
West Gardiner, ME 04345
207-724-3940

Kenniston, William
P.O. Box 343
Pittsfield, ME 04967

Gagnon, John
7 High Street
Limestone, ME 04750

Ken's Custom Meat Processing
134 River Road
Biddeford, ME 04005
207-282-9078

H & E Custom Processing
66 Main Street
Norway, ME 04268
207-743-8234

L & P Market
Meadow Road
Topsham, ME 04086

Jandreau, Huey
RFD 3, Box 210
Augusta, ME 04330
207-547-3768

Levesque, Roger
Marquis Road
Van Buren, ME 04785
207-868-3905

Jim's Custom Cutting
Rte. 3, Box 186
West Gardiner, ME 04345

Maine Correctional Center
119 Mallison Street
South Windham, ME 04082
207-892-6716

John's Convenience Plus
115 Market Street
Fort Kent, ME 04743
207-834-5181

Maple Lane Farms
Route 11A
Charleston, ME 04422

Marcoux's Meat Shop, Lionel
Town Farm Road
Waterville, ME 04901
207-465-3926

McClay's Slaughterhouse
P.O. Box 228
Mars Hill, ME 04758
207-429-9632 or 1-800-479-9632

Nest, Orrin
RFD 1
Kennebunk, ME 04043
207-985-2363

Norton & Sons, J. E.
Northern Avenue
Farmingdale, ME 04345
207-582-2143

Paradis, Lewis J.
1 Pleasant Street
Fort Kent, ME 04743

Peterson's Meat Service
P.O. Box 111
Stockholm, ME 04783
207-896-5681

Rae's Butcher Shop
RFD 1
Lincolnton, ME 04849

Shute, Lester
Brooks, ME 04921
207-722-3526

Siegler, Donald
Star Route
Damariscotta, ME 04543

Speed, Elwyn Custom Slaughterhouse
Rte. 1, Box 63
East Corinth, ME 04427

Stone & Son, Kenneth
229 Cony Street
Augusta, ME 04330
207-622-3217

Tom's Custom Meats
Summit Street
Bryant Pond, ME 04219

Weeks, Raymond
Rte. 213
North Whitefield, ME 04353
207-549-5095

West Gardiner Beef
Rte. 5A
Gardiner, ME 04345
207-724-3378

Worcester, Bruce

RR 1, Box 1386

Stockton Springs, ME 04981

York's Slaughterhouse

Star Route

Medway, ME 04460

207-746-5845

Young, Wayne

Rte. 2, Box 130BB

Hampden Highland, ME 04445

Appendix 3

LIVESTOCK PRODUCER'S SURVEY RESPONSES ON MAINE MEAT ACT

150 7-800
LIVESTOCK PRODUCERS THOUGHTS ON A "MAINE MEAT ACT"

1. Are you already using a USDA inspected slaughter and processing plant?

80_ Yes 70_ No If yes who is it? 10 Curtis, 6 Fortin, 5 Bubier, 14 Windham, 8 Mason's, 6 Herring Bros., 2 Wentworth, NH, 4 Sanford

le plant Hankin

2. Would the "Maine Meat Act" make slaughter facilities closer or more accessible to you which in turn may improve your profitability?

60_ Yes 77_ No 4 maybe

3. What slaughter house would you choose to use if it was state inspected?

4 Curtis, 2 Fortin, 11 ?, 13 Windham, 6 none, 1 Norton's, 7 Worcester, 3 Herring Bros., 5 Nest, 5 West Gardiner Beef, 4 Castonguay, 13 Closest and best price, 6 Gary's, 2 Foss, 7 Young's, 5 Mason, 2 Moon's, 2 Dan's, 1 McClay's, 1 Country Meadows, 1 Richards, 1 Hargrove, 1 Boivin, 3 Sanford, 2 Kenniston, 1 Watson, 5 Bisson, 5 Peterson, 1 Detroit Beef

4 a. Would you establish you own slaughter plant if the "Maine Meat Act" was established? 2_ Yes 135_ No

b. Would you establish you own processing plant if the "Maine Meat Act" was established? 4_ Yes 145_ No

5. Would you increase the size of your herd or flock with a state inspected facility close by? 49_ Yes 95_ No

6. How much would you predict your gross income to increase with the "Maine Meat Act"? 67 0% 5-10% 3-20% 2-30% 1 40% 2-50% 3-100%

4 \$1000 3 \$2000 5 \$5000 1 \$10000 1 \$20000 1-\$50000 2 decrease

\$115,000

7. What other benefits, if any, would the "Maine Meat Act" have for your business?

2- More plants closer would increase competition and lower price.

12- Would allow me to sell pieces instead of whole sides.

25- None

6- Less traveling time.

4- Improve marketing, improve advertising.

3- More access to open market.

2- Assurance that I would get my own product back by using an honest run

business.

- 3- No benefit just more bureaucracy, more state jobs, more red tape, and cost us more money.
- 2- USDA is doing a good job and the state would be a waste of money.
 - 2- Increase market for local grown meat, allow to value add more products.
 - Be able to label our organic meat "Organic".
- If you add cost to processing then I will be paying more then I'm now.
 - Positive
 - Improve quality of product.
 - Create more jobs
 - Create another market
 - No benefit , if there is a user fee.
 - There isn't enough cattle to warrant more inspected plants.
 - More accessibility to inspection, more local control.
 - Would be a gain for the processor not the producer.
 - Might make it easier to borrow money for expansion.
 - More variation in options of products produced.
 - I'm limited to selling feeder calves.
 - Need more hog facilities
 - Easier to get new customers/
 - Might make a plant closer.
 - Possible of alternative facilities
 - More accessible for customer, could increase market and income.
 - Easier to use
 - Make more meat accessible to low income families.
 - Expand into other meat supplies.
 - Improve quality
 - Accessibility to economic growth
 - Would increase selling power
 - Assurance to customer
 - Need inspectors that will trim carcasses not tank the whole carcass for a broken leg.

8. We would appreciate your Name:

9. Further comments

3- Raising sheep for own use

To late to help

I'm supportive of more USDA plants in Maine

When cost are figured out, I would like to know the results.

- ✓ I will not be keeping animal much longer
- ✓ Act would create an adverse economic impact.
- ✓ We need less government intrusion and more opportunity to make it or go broke on our own.

Would benefit every farmer in Maine as far as marketing their product

Maybe we wouldn't have to ship our steers to Canada.

Need to establish a processor to use the waste material, from producer's money before changing the inspection process.

- ✓ Act would probably close our custom plants.
- ✓ Act would keep honest hard working people honest.
- ✓ We would be willing to pay a reasonable fee, if to high the concept will fail.
- ✓ A bad and unnecessary legislation.
- ✓ Public is disillusioned with the USDA, enacting a new system instead of fixing the old will require a massive media campaign and who will foot the bill?
- ✓ Complicated meat inspection kills the small producer.

I support this bill to help the producers that do not live near a USDA plant.

If Act gets passed I will increase red meat production but if it fails I will stop raising red meat.

If Act is not passed, I fail to see how the Department serves the Maine farmer.

If user processing fee was added small farmer would not use state inspection.

State inspection would add cost and be another thing to spend our tax dollars on.

We think the Act would benefit the industry.

It will cost to much for the amount of use.

- ✓ Don't fix what isn't broken.

Having problem with access to slaughterhouses that do quality work.

Will drive some slaughterhouses out of business.

The state does not need another collection of workers that are not earning their keep.

*Custom
no relation*

PRODUCERS THAT WOULD INCREASE THEIR PRODUCTION
IF INSPECTED SLAUGHTERHOUSES WERE MORE ACCESSIBLE

SIZE OF OPERATION

SMALL	MEDIUM	LARGE	UNKNOWN	
7 SHEEP	10 BEEF	2 BEEF		6
15 BEEF				
3 BEEF & SHEEP				
17 UNKNOWN SPECIE				

PRODUCERS THAT WOULD INCREASE THEIR PRODUCTION
IF INSPECTED SLAUGHTERHOUSES WERE MORE ACCESSIBLE

SIZE OF OPERATION

SMALL	MEDIUM	LARGE	UNKNOWN	
7 SHEEP	10 BEEF	2 BEEF		6
15 BEEF				
3 BEEF & SHEEP				
17 UNKNOWN SPECIE				

Appendix 4

FINDINGS OF TWO SURVEYS TO STUDY MARKET POTENTIAL AND DEMAND FOR STATE OF MAINE INSPECTED MEAT AND MEAT PRODUCTION

76

Legislative Study Report: "An Act to Reinstate the Maine Meat Act"

October 1995

Department of Agriculture, Division of Market Development, Judith Powell

Findings of two August 1995 surveys to study market potential and demand for State of Maine inspected meat and meat products?

Introduction

In the first regular session of the 117th Maine Legislature, LD 1469 - "An Act to Reinstate the Maine Meat Inspection Program" - was introduced and debated. The bill was held over at the close of the session, and the State Department of Agriculture was assigned to lead a comprehensive study of the parameters and implications of enacting a Maine Meat Inspection Program, and report back to the 118th session.

This report represents one aspect of the overall study, addressing whether meat and meat products bearing a state inspection mark, as opposed to USDA inspection, would find equal or better acceptance in the marketplace, and whether market demand or a market niche seems to exist for state inspected meat product.

Two primary market channels that move the largest volume of meats in Maine --purveyors and restaurants -- were surveyed. These are the findings of the surveys.

I. Findings -- Survey of Market Potential of Meat Purveyors

August 1995 Survey of Meat Purveyors: Is There Market Demand and Market Potential for State-Inspected Meats?

Introduction

Purveyors act as the intermediary between consumers and producers, providing the distribution channel. Purveyors may be small or large, local or national. They may 1) specialize in meats, i.e. only handle and move meats; 2) they may be "full line" or "broad line" firms, meaning they handle a full range of product lines from grocery to equipment to supplies; or 3) they may distribute meats as an adjunct to their slaughter plant, processing plant, or manufacturing plant.

Note: There are livestock producers in Maine - growers of veal, lamb, beef, or pork - who sell product at the wholesale, retail, or direct-to-consumer level. This study did not include livestock producers, as they were surveyed in another under part of the overall study.

Survey Approach

A letter dated August 9, 1995 signed by Commissioner Ed McLaughlin, along with a survey form and "Backgrounder" informational sheet, were mailed to 39 businesses that distribute meats/meat products in Maine. The letter explained the task and asked questions related to impact and benefits of having meats available under a State of Maine Meat Inspection Program. Stamped, addressed return envelopes were enclosed. (See attachments: A. letter; B. survey; C. "Backgrounder"; D. List of surveyed companies.)

These 39 businesses represent the major companies in meat distribution in Maine. Thirty-seven of these are Maine companies, and two have corporate headquarters located in Massachusetts.

Of the 39 companies, 16 companies (41%) specialize in meats, 9 are broad-line distributors (23%), and 14 sell or distribute meats/meat products as part of a slaughter or processing facility (36%).

Response Findings

Of the 39 surveys mailed, 15 (38%) were returned. One of these was returned out-of-business by the business owner. The other 14 were returned completed (93%). Thus, the base response group consists of 14 businesses.

The businesses fell into one of two groups: they indicated no or negative impact or they indicated beneficial or possible positive impact.

A. Businesses saying "No Impact" -- 11 businesses or 78% Surveyed

Of the 14 businesses, 11 (78%) indicated a negative response. A negative response means

- a. they saw no benefit from having Maine inspected meat in the marketplace, or
- b. they would not be able to alter their systems to account for non-USDA-inspected meat, or
- c. they advised against allocating resources to upgrade custom plants when the service is available through USDA.

Within this group are the two Massachusetts companies, both of whom move large volumes and serve areas throughout New England, and thus requiring USDA-inspected product for interstate commerce.

(Note: John Kinneally, Vice President Kinneally & Sons, mentioned in his comments he would purchase game meats that are USDA-inspected but he would be unable to segment Maine product. Since game is USDA-exempt, this does not apply to the survey at hand.)

(1.) Subset of Maine Businesses of the Total Group of No or Negative Impact Responses

Nine (9) Maine companies (67%) do not support moving ahead to establish state meat inspection. Following are comments made by these companies on their surveys.

<u>Company</u>	<u>Comments</u>
Dennis Beverage, Veazie	None
Fortin Meats, Winslow	A state-inspection program would not increase availability of Maine-grown. We now sell to other Federal plants, in and out of state. Not easy to find lean meat grown in Maine. Maine meat is affordable and price competitive, but not tender, inconsistent quality, not uniform. Customer comments usually are not positive. I can't inventory Maine-grown. Demand for Maine-raised is not there. I advertise USDA meat. Past experience would caution me not to purchase local.
Jordan's, Portland	We can only use USDA in our products. No requests for Maine-raised. Maine-raised is affordable, price competitive, and consistent quality, but it is not tender, and cuts are not uniform or consistently sized. Comments from customers usually not positive about Maine-raised. I could not inventory Maine-raised separately. I advertise USDA. Why duplicate the expense. Can't stand more taxes. Have those plants (custom plants) become USDA-approved.
Kniffen's, North Anson	We buy weekly from Fortin's (USDA) - whole carcasses, and I can get all I need. Maine-raised is inconsistent quality, not price competitive, not affordable. Customers buy according to price; don't care otherwise. My experience has shown a price disadvantage and would be even higher if slaughterhouse had to pay any part of the cost of inspection. The only way to buy Maine-grown beef would be directly through the grower. Most plants wouldn't be able to buy enough good beef to supply the customers. Therefore, would start selling anything to make the business runs. I would purchase to meet customer demand, to strengthen Maine agriculture. I would deal with producers I know, to support Maine business, and to secure fresh, quality product.
Mailhot Sausage, Lewiston	Never receive requests for Maine-raised.

NorthCenter Foods, Augusta	I need 300-400#/week beef tenderloin. Quality not consistent. I cannot inventory Maine-grown separately. My products are mixed; must be able to load for out-of-state. Maine meat is affordable. Customers sometimes ask for.
Peterson's, Stockholm	Orders in insufficient amounts only. It's not easy to find Maine-raised meat. A price disadvantage for Maine-raised. I have had negative experience: not tender, inconsistent quality. Sometimes consumers make positive comments about Maine-raised meats.
Shields Meats, Kennebunk	This would be a very costly project. State should instead work with USDA to improve their methods and support small business at that level. Most customers want USDA. I don't believe raising meat in Maine can be cost-effective.
W. A. Bean, Bangor	We buy from Maine producers who slaughter USDA, and my experience is very positive: consistent, affordable, price competitive. Local is not always as tender. May have a better taste. We must have large quantities of USDA-inspected meats for all our products. I could not inventory/account for the Maine-raised segment. Our products are sold out-of-state, so we must have USDA.

Businesses Saying Yes! We Need It! Go Ahead!

Two companies (14%) urged the State to move ahead and implement State inspection. Both are Maine businesses.

<u>Business</u>	<u>Comments</u>
Nest, Nest, & Mullen, Kennebunk (Custom Plant)	It would make it legal to sell meat by the sides to families. Most federal plants are too far away or too expensive. It would be a great help to small Maine farms. I am strongly in favor.
Richard's Slaughter & Smokehouse, Blaine (Custom Plant)	"Hurry and get it going!" I would purchase to meet customer demand, secure fresh, quality product from producers I know. I am strongly in favor of supporting Maine small business.

Addendum A

August 7, 1995

FIELD(fnm) FIELD(lnm)
FIELD(busnm)
FIELD(addr)
FIELD(city), FIELD(state) FIELD(zip)

Dear FIELD(sal) FIELD(lnm):

Legislation was introduced in the last session of the Maine State Legislature to establish a Maine Meat Act. The legislation was tabled, while the Legislature requested the Maine Department of Agriculture to study the feasibility and benefits of reinstituting a Maine Meat Act. A brief "Backgrounder" is attached.

A Maine Meat Act would allow meat which is sold within Maine's borders to enter commerce bearing a State of Maine stamp of inspection. This would mean that State government staff, instead of USDA personnel, could oversee slaughter and processing of meat raised by Maine farmers to assure its wholesomeness, for meat sold in-state. The rationale for evaluating this at this time is twofold:

- a) to increase farmers' access statewide to slaughter and processing facilities within Maine, as an economic stimulant for Maine's economy, and
- b) to increase Maine products in the state's marketplace.

As part of the process we are using to evaluate the impact and benefits of a Maine Meat Act, we would very much appreciate your taking a few minutes to complete the enclosed survey. As food distributors or meat manufacturers, your responses are of critical importance to a complete evaluation and understanding of the implications of this decision. Because we are attempting to meet a study deadline, we ask, **if possible, that you return the survey by August 21, 1995.**

We appreciate your time and responses, and wish to thank you. Should you have any questions about the survey or pending legislation, please feel free to call Judy Powell at the Department at 207-287-3491.

Sincerely,

Ed McLaughlin
Commissioner

EM/dp

Addendum B

Survey of Maine Food Distributors -- Reinstitution of a Maine Meat Act

August 1995

Respondent Information:

Business Name: _____ Telephone: _____

Person Completing Survey: _____ Title: _____

I. One set of questions facing the Maine State Legislature and the Department is the market demand and potential for State inspected meat. Could a Maine State inspection program increase the availability of Maine-grown products, specifically meat products?

Would you please comment on whether a Maine State Meat Inspection Program might impact your buying decisions.

No Impact

___ We would not be affected by a Maine Meat Inspection program, because we buy from National meat packers now and would not vary from this.

___ We use only ingredient meats which we purchase in large quantities.

___ Other Comments: _____

Possible Impact

If you receive requests for Maine-raised meat products now: **Please indicate:**

How Much/Amount: 1-10#, 10-20#, 20-50#, greater than 50#, etc.

How Frequently: daily, weekly, monthly, quarterly, once annually, never

How Ordered: e.g. Boxed select cuts: such as box of T-bone steaks; regular of hamburger only; deli meats; etc.

Orders from Whom: HRI by type, seasonality, scale, etc.

Beef (B) Pork (P) or Lamb (L)	How Much?	How Often?	What Cuts/products?	By Whom?
				Small Maine Year-Round Restaurants
				Small Maine restaurants-Seasonal
				Large Year-Round Restaurants
				Large Maine Restaurants - Seasonal
				Restaurant, Out-of-State Ownership

Beef (B) Pork (P) or Lamb (L)	How Much?	How Often?	What Cuts/products?	By Whom?
				Maine Secondary Schools
				Maine Primary Schools
				Maine Colleges
				Maine Nursing Homes
				Maine Hospitals
				Maine Churches
				Special Events, such as special dinners/affairs, etc.
				Maine/New England large chain stores
				Small independent Maine stores
				Gourmet retail stores in Maine
				Seasonal Yachts, Schooners, etc.
				Civic Centers
				Social Clubs
				Other-please explain:

When you are looking to buy Maine meat, how easily can you get it? Please describe your current access to Maine meat products now.

- ☐ Easily available in the amounts I need, all year round
- ☐ Easily available in the amounts I need, but not consistently year round
- ☐ Easily available but in insufficient amounts, year round
- ☐ Easily available but in insufficient amounts, both seasonally and year round
- ☐ Can find, but not easily, and in insufficient amounts
- ☐ Can find what I need, but not easily
- ☐ Unavailable most of the time entirely
- ☐ Unavailable entirely
- ☐ Other:

Please call Judy Powell in the Maine Department of Agriculture if you have questions about this, at 207-287-3491.

Please describe your experience with Maine-grown meats:

My experience has been **positive**

- ☐ Tender
- ☐ Consistent Quality
- ☐ Cuts Consistently/Uniformly Sized
- ☐ Affordable
- ☐ Price competitive

My experience has been **negative**

- ☐ Tender
- ☐ Consistent Quality
- ☐ Cuts Consistently/Uniformly Sized
- ☐ Affordable
- ☐ Price competitive

Customer Comments on Maine-grown meat are:

- ☐ Always Positive
- ☐ Sometimes Positive
- ☐ Not Usually Positive
- ☐ Do Not Know

II. The Legislature needs information on whether buyers would purchase State-inspected meat and meat products in place of USDA inspection for Maine-raised meat sold within Maine.

☐ **I would purchase** Maine-State inspected meat and meat products

- a. ☐ To meet customer demand.
- b. ☐ To strengthen Maine agriculture.
- c. ☐ To secure fresh, quality product.
- d. ☐ To deal directly with producers I know.
- e. ☐ My experience has shown a price advantage for locally-grown.
- f. ☐ I am strongly in favor of supporting Maine small business.
- g. ☐ Other: _____

☐ **I would not purchase** Maine-State inspected meat or meat products because

- a. ☐ I could not inventory/account for/segment out Maine meat separate from Federally-inspected meat/meat products.
- b. ☐ The demand volume would not warrant purchase of Maine-raised meat/meat products.
- c. ☐ My experience has shown a price disadvantage that would prohibit me from purchasing Maine-raised meat/meat products.
- d. ☐ My accounts advertise USDA meats, and therefore I believe they would not order Maine-raised due to their printed materials.
- e. ☐ Past experience generically would caution me not to purchase.
- f. ☐ I would worry about: _____

Addendum C

"Backgrounder"

The Federal Meat Inspection Act of 1906 made inspection mandatory for all meat that crossed state lines. The Wholesome Meat Act of 1967 required that inspection of meat sold within a state meet inspection requirements at least as stringent as those of the federal system. These inspection programs assure that only healthy animals are used for meat, and guarantee that facilities and equipment meet sanitation standards. The Meat Inspection program includes:

- inspection of meat at various stages of processing
- temperature monitoring for both fresh and cooked meat
- review of packaging and labels used for fresh and processed meat
- control and monitoring of the use of additives
- control and monitoring of imported meat.

Federal Meat Inspection is the responsibility of the Food Safety and Inspection Service (FSIS), a Division of the USDA. State meat inspection programs are the responsibility of each state's government. All primal cuts of meat entering commerce must bear USDA's inspection stamp-- a round stamp with purple ink containing the official establishment number assigned to the plant by USDA. Meat that will not cross state lines can enter commerce bearing a State stamp with the official plant number, which is usually placed within the outline of that State. State stamps are administered by State government staff.

A Maine Meat Act would re-establish a USDA-approved State of Maine Inspection Program. This program could allow meat which is sold within Maine's borders to enter commerce, either bearing a State of Maine stamp of inspection or a U.S. Inspection stamp. The decision would rest with the livestock producer as to where s/he chose to slaughter/process his/her animals.

The rationale for evaluating this at this time is to increase access statewide to slaughter and processing facilities within Maine.

Note: The reinstitution of a Maine Meat Act does not apply to small-scale poultry growers who have processed 15,000 or fewer birds annually, as small-scale poultry falls within a USDA exemption.

Objectives of Study Group

1. Evaluate potential use of the program and needs of producers to enter program.
2. Determine food safety issues and inspection/lab needs.
3. Determine and outline costs and source of revenues/funds of the program.
4. Evaluate market potential of intrastate meat sales and other benefits from the program.
5. Determine concerns of competitors of this program.
6. Determine other Federal programs/pending laws and how they may impact state inspection.
7. Determine responsibility for the program and personnel needs.
8. Evaluate other state meat inspection programs and incorporate any ideas into our plan.
9. Outline operational plan for implementing inspection.
10. Outline training procedure for inspectors.
11. Establish timetable for implementation of the plan.
12. Develop draft legal authority and language for new program.

Addendum D
October 1995

Meat Purveyors Surveyed August 1995 re: "Maine Meat Act"

I. Meats-Only Distributors

AR Bishop & Son, Inc., South Portland
B & B Smoking-Curing, Greene
Ballard Custom Meats, Manchester
W. A. Bean & Sons, Inc., Bangor
Breakneck Farm, Abbot
Jordan's Meats, Portland
Joseph Kirschner, Co., Inc. , Augusta
Kniffin's Meat Processing Plant, No. Anson
E. W. Mailhot Sausage Co., Lewiston
Naples Packing Co., Inc., Mexico
Peterson's Meat Service, Stockholm
Russell Acres Farm, Kennebunk
Shakaree Deer Farm, Weston
Shields Meats & Produce, Inc., Kennebunk
Soups & Things, Biddeford
Town & Country Meats, Greene

II. Full-Line Distributors

Carl Smith Foods, Bangor
Cyr Brothers, Caribou
Dennis Beverage Co., Veazie
Dole and Bailey, Inc., Woburn, MA
Jimmy's Foods, Inc., Caribou
Jordan's Foods, Portland
Maine Sysco, Newport
NorthCenter Foods, Augusta
T. F. Kinnealey & Co., Inc., Boston, MA

III. Slaughter/Processing Plants that Distribute Meats

Bubier Packing, Inc., Greene

County Line Packing, Standish

Curtis Custom Meat, Warren

Peter A. Fortin & Sons, Inc., Waterville

Herring Bros., Inc., Dover-Foxcroft

LaPlante's Abattoir, Hamlin

Mason Beef Co., Albion

Nest, Nest & Mullen, Kennebunk

Pinebrook Processing, Vassalboro

Ed Richard's Slaughter and Smokehouse, Blaine

Sanford Butcher Shop, Sanford

Theriault's Abattoir, Inc., Hamlin

Windham Butcher Shop, South Windham

York's Slaughterhouse, Medway

II. Findings -- Survey of Market Potential of Maine Restaurants

August 1995 Survey of Maine Restaurants: Is There Market Demand and Market Potential for State Inspected Meats?

Introduction

Maine restaurateurs were asked to comment on whether they would support and/or benefit from Maine inspected meats. One hundred nine restaurants were surveyed, in partnership with the Maine Restaurant Association (MRA.) MRA Executive Vice President, Dick Grotton assisted in identifying restaurants from the MRA membership, using his personal knowledge of "likely" candidates. These were establishments already using Maine products, having expressed desire for locally-grown, or good matches re their kitchen, management, and/or philosophy. Mr. Grotton a strong advocate for Maine-raised meat, as he has personal ties with meat processing.

Survey Approach

A letter dated August 28, 1995 from MRA Executive Vice President Dick Grotton, on MRA letterhead, along with a survey questionnaire and a stamped and addressed return envelope, were mailed to 109 restaurants. The restaurants represented different sizes and localities. (See MRA letter - Addendum E, Survey - Addendum F, Restaurants Surveyed - Addendum G.)

Response Findings

Of the 109 restaurants mailed the survey, 16 (15%) responded by returning a completed questionnaire. None came back out-of-business or unknown.

A. Nine (9) Businesses Said "No Impact" (60%)

In total, nine businesses reported no or negative impact from state inspection of meat. Five (5) of these simply checked "no impact." These are Reunion Station, Newcastle; DiMillo's, Portland; Finest Kind, Deer Isle; Waterville Burger Corp.; Freddie's Restaurant, Rumford.

Four of the nine restaurants said "no impact" but offered additional comments:

<u>Restaurant</u>	<u>Comments Provided</u>
Riverview, Kennebunkport	Will continue to buy through NorthCenter Foods
Mister Mike's, Lincoln	"Don't like the product."
Chuckwagon, Livermore Falls	"Past experience not good."
UM Dining Service, Orono	Must put out to bid with one distributor getting the contract.

B. Seven (7) Restaurants Indicated they 'Would Consider' or 'Already Buy Locally' (40%)

(1). The 'Already Buy' Group: 2 restaurants

The Haven Restaurant,
Vinalhaven

Buy from Wolfe's Neck Farm, 20-50# monthly,
boxed select cuts; it's tender & consistently uniform.

Harraseeket Inn,
Freeport

Buy locally now: 50# beef/year, 50# venison, 50# rabbit
My experience has been that the meat is tender,
affordable, competitively priced, and consistent quality.

(2). The 'Maybe' Group: 5 restaurants

Valle's Steak House,
Portland

Would buy, but no one has called and no time to research
where to get it. Would require competitive pricing. Need
60-1000#/week. Buy from Jordan's, NorthCenter, IBP,
Excel, Montford.

Cole Farms,
Gray

Bought a 4-H steer once. Worry about borne illness with
meat. Need 50-300#/week.

Tabitha-Jean's,
Portland

Would only be interested in or give preference to state-
inspected if the protocols were stricter, more staff were
involved, so quality and safety were higher. I would worry
about cutbacks, lax standards, too few inspectors.

Market Street Grille,
Portland

Purchase from Jordan's and Kinneally, 10-50#/week. Am
strongly in favor of supporting small Maine business.
Comments are always positive. Tender, affordable, quality.

Rasberri's,
Ogunquit

Purchase from NorthCenter. 70# weekly beef 1x1 strips,
60# weekly tenderloin beef, 10# weekly venison racks, 20#
weekly lamb 12 oz racks. This would allow me to change
my restaurant for meat to "Maine products." Strongly in
favor of supporting small Maine businesses. Haven't
explored price or quality, really don't know. "I would
worry about liability on my part with switching from a
process (USDA) that I am fully familiar with and have
confidence in.



ADDENDUM E

... representing Maine's finest restaurants

Maine Restaurant Association • P.O. Box 5060 • 5 Wade Street • Augusta, Maine 04332-5060
207-623-2178 • FAX 207-623-8377

August 28, 1995

Good Morning!

I really appreciate your taking the time to assist Maine Restaurants, your Association and Ed McLaughlin, Commissioner of the Maine Department of Agriculture with a project mandated by the Maine Legislature.

The Legislature wants opinions from Maine restaurateurs to help determine the viability of a new Maine Meat Inspection Program designed to help the small Maine farmer market his product at the local community level and throughout Maine. This program would permit inspected meat to be marketed by Maine farms to Maine restaurants, assuring safety, quality and Maine jobs through the Maine Meat inspection program.

I know it's a busy time, but I'm writing to ask your cooperation in taking a few minutes to fill in the enclosed survey so that your opinions are heard by the legislature as they revisit this issue later this year.

Doing business in Maine is tough for all of us and especially for Maine farmers. Please... **give them a few minutes to answer these questions. Maine jobs depend on it!**

Thanks so much and best regards,

Dick Grotton
Executive Vice-President

Enclosures

Addendum F

**Survey of Maine Restaurants -- Maine-Inspected Meat: Maine Meat Act
August 1995**

Respondent Information:

Restaurant Name: _____ Telephone: _____

Name and Title of Person Completing Survey: _____

I. One set of questions facing the Maine State Legislature and the Department is the market demand and potential for State inspected meat. Could a Maine State inspection program increase the availability of Maine-grown products, specifically meat products?

Would you please comment on what impact a Maine State inspection program might have on the availability of Maine-grown meat.

No Impact

☐ We would not be affected by a Maine Meat Inspection program, because we buy from National meat packers now and would not vary from this.

☐ We purchase only in very large quantities.

☐ Our purchasing is part of a larger (e.g. chain) unit only.

Possible Impact

If you have interests in or buy Maine-raised meat products now: **Please indicate:**

How Much/Amount: 1-10#, 10-20#, 20-50#, greater than 50#, etc.

How Frequently: daily, weekly, monthly, quarterly, once annually, never

How Ordered: e.g. Boxed select cuts: such as box of T-bone steaks; regular of hamburger only; deli meats; etc.

Where you Buy: Name of Producer or distributors

Identify Beef (B), Pork (P), Lamb (L), Venison (V)	How Much?	How Often?	What Cuts/products?	From Whom?

Identify Beef (B), Pork (P) ,Lamb (L), Venison (V)	How Much?	How Often?	What Cuts/products?	By Whom?

When you are looking to buy Maine meat, how easily can you get it? Please describe your current access to Maine meat products now.

- ☐ Easily available in the amounts I need, all year round
- ☐ Easily available in the amounts I need, but not consistently year round
- ☐ Easily available but in insufficient amounts, year round
- ☐ Easily available but in insufficient amounts, both seasonally and year round
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- ☐ Can find what I need, but not easily
- ☐ Unavailable most of the time entirely
- ☐ Unavailable entirely
- ☐ Other:

Please call Judy Powell in the Maine Department of Agriculture if you have questions about this, at 207-287-3491.

Please describe your experience with Maine-grown meats:

My experience has been **positive**

- ☐ Tender
- ☐ Consistent Quality
- ☐ Cuts Consistently/Uniformly Sized
- ☐ Affordable
- ☐ Price competitive

My experience has been **negative**

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"Backgrounder"

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8. Evaluate other state meat inspection programs and incorporate any ideas into our plan.
9. Outline operational plan for implementing inspection.
10. Outline training procedure for inspectors.
11. Establish timetable for implementation of the plan.
12. Develop draft legal authority and language for new program.

Addendum H

LIST OF RESTAURANTS

Riverview Restaurant
Kennebunkport

Seascapes
Cape Porpoise

Roma Cafe
Portland

Shaner's Family Restaurant
South Paris

Sing's Restaurant
Bangor

Smith's Truck Stop
Mars Hill

Jaspers Restaurant & Motel
Ellsworth

Martin's Manor Restaurant
Waterville

F. Parker Reidy's
Portland

Epicurean Inn, Inc.
Naples

Barn House Tavern & Rest.
Windham

Arrows Restaurant, Inc.
Ogunquit

Bonanza Restaurant
Presque Isle

Bernardini's
Calais

Bates College
Lewiston

Bradley Inn
New Harbor

Captain Nicks
Bangor

Campus Living Dining-UMO
Orono

Arby's
Auburn

Alisson's Restaurant
Kennebunkport

Brass Lantern Restaurant
Gorham

Bartley's Dockside
Kennebunkport

Boston Concession Group, Inc.
Carrabassett Valley

Anjons Italian Restaurant
Scarborough

Arby's
Brunswick

Back Bay Grill
Portland

Barefoot Boy Restaurant
Old Orchard Beach

Sportsman's Grill
Portland

Slate's
Hallowell

Silver Street Tavern
Waterville

Raff's
Portland

Raspberrri's at Gorges Grant
Ogunquit

Pulpit Harbor Inn
North Haven Island

Sunset Grill
Belgrade Lakes

Testas Hotels & Restaurant
Bar Harbor

Tabitha-Jean's Restaurant
Portland

Shogun Steak House
Scarborough

Seguino's Restaurant
Bangor

Reunion Station Restaurant
Newcastle

Finest Kind Dining
Deer Isle

Freddie's Restaurant
Rumford

Dunstan School Restaurant
Scarborough

Pilot's Grill
Bangor

Mister Mike's Restaurant
Lincoln

Palmer Foods, Inc.
Waterville

O'Neil's
Camden

Moody's Diner
Waldoboro

Purple Cow Restaurant
Canaan

Paul's Restaurant
Bangor

The Porter House Restaurant
Eustis

The Outhouse Restaurant
Canaan

The Olde House Restaurant
Bridgton

The Maine Diner
Wells

The Rustic Barrel
East Sebago

Le Garage Restaurant
Wiscasset

Leedy's Restaurant
Alfred

Le Club Calumet
Augusta

Oriental Jade Restaurant
Bangor

Peter Ott's Tavern & Steak
Camden

Raymond's Country Store
Northeast Carry

Tony Roma's
South Portland

The People's Choice
Rangeley

Sudbury Inn
Bethel

The Porcupine Grill
Bar Harbor

Sugarloaf Inn
Carrabassett Valley

Talk of the Town
Bangor

Charlie Beiggs Restaurant
Windham

Cascade Inn
Saco

Chuckwagon Restaurant
Livermore Falls

Maine Street Restaurant
Bar Harbor

Maximillians
Wells

Market Street Grille
Portland

Katahdin Restaurant
Portland

The Haven Restaurant
Vinalhaven

The Nellie G. Cafe
Chebeague Island

The Chef's Table, Inc.
Norway

Valeries Restaurant, Inc.
Ogunquit

V's Restaurant
Stratton

Wesathervane Restaurant
Readfield

Village Inn Restaurant
Old Orchard Beach

Valle's Steak House
Portland

The Cliff House
Ogunquit

Jorgensen's
Waterville

Khalidis Creative Seafoods
Portland

Ken's Drive-In, Inc.
Winslow

Holiday Inn West
Portland

Holiday Inn
Bangor

Jade Fountain, Inc.
Auburn

Hug's Italian Cuisine
Carrabassett Valley

Galyn's Galley
Bar Harbor

Giobbi's Restaurant
Portland

Hilltop House Restaurant
Ellsworth

Holiday Inn Bounty Restaurant
Bath

Holiday Inn/Olivers Rest.
Ellsworth

Holiday Inn Downtown
Portland

Hampton Court Restaurant
Bar Harbor

Kopper Kettle Restaurant
Topsham

Ground Round
Yarmouth

Harraseeket Inn
Freeport

Holiday Inn/Killarney's
Waterville

Dmm Corp/Black Horse
Bridgton

DiMillo's Floating Rest.
Portland

Governor's
Stillwater

Country "Cheers" Restaurant
Bar Harbor

Dean's Motor Lodge, Inc.
Portage

Crow's Nest
Vinalhaven

Campus Cuisine
Lewiston

Cole farms
Gray

Country Way Restaurant
South Paris

Appendix 5

CUSTOM SLAUGHTERHOUSE SURVEY RESPONSES

7

[illegible]

PLANT NAME	4. How many days per week require inspection?	5. Would act improve your business?	6. Do you have many producers who would increase their meat production with the Act?	HOW MANY
Peterson	0.5	NO	YES	
Nest		YES	YES	
Gardiner Beef	2	YES	YES	
Shute				
Detroit Beef	?	YES	YES	
Worcester		NO	NO	
Shields Meat	5	NO	NO	
Castonguay	1	YES	YES	20
Kniffin	3	NO	YES	2
Young	2	YES	YES	20 - 50
Blaisdel	5	Maybe	Maybe	
Norton				
Gary's				
Foss				
Moon's				
Dan's				
McClay's				
Richards				
Hardgrove				
Boivin				
Kenniston				
Watson				
Bisson				

8. Comments

PLANT NAME

Peterson Nest Gardiner Beef Shute	Plant was built for state inspection. Federal inspection caused me to loss interest
Detroit Beef Worcester	The Commissioner was against this at the hearing and his office was the only opposition.
Shields Meat	I believe this is to costly and the governor will veto it.
Castonguay	If state inspection cost me I wouldn't bother with it.
Kniffin	Had USDA inspection but inspectors didn't want to bother with a small plant just for processing.
Young Blaisdel Norton Gary's Foss Moon's Dan's McClay's Richards Hardgrove Boivin Kenniston Watson Bisson	

Appendix 6

USDA SLAUGHTERHOUSE SURVEY RESPONSES

USDA SLAUGHTERHOUSE SURVEY

1.Do you have interstate sales?

2a. if 1. is no would you use state inspection?

2b.if 1. is no would you use state if it cost more?

3.How many weeks per year do you operate?

4.How many days per week do you operate?

5.What concerns do you have with Meat Act"?

YES

NO

YES

NO

YES

NO

None

food Safety

Loss of Busine

LaPlante

N

N

N

52

3 N

Herring Bro Y

52

5

X

X

Mason Bee Y

52

5 X

Fortin Bros. Y

52

5

X

Curtus

Bubier

X

Windham

Sanford

N

Y

N

52

1

6.Do you see any benefits from the Meat Act"?

7.Would the act change how you promote your product?

9. COMMENTS

Other

YES

NO

YES

NO

LaPlante

N

N

Herring Bros

N

N

Mason Beef

N

N

Fortin Bros.

N

N

Curtus

Bubier

Windham

Sanford

X

N

N

Who has a niche market? I would be glad to custom operate for anyone.

Appendix 7

EVALUATION OF MAINE'S SLAUGHTER FACILITIES AND INTERMEDIARIES

**EVALUATION OF MAINE'S
SLAUGHTER FACILITIES AND
INTERMEDIARIES**

By

George K. Criner and Russell C. Parker

ARE 372

March 1985

EVALUATION OF MAINE'S SLAUGHTER FACILITIES AND INTERMEDIARIES

George K. Criner and Russell C. Parker*

In response to requests from livestock producer groups and the Maine Department of Agriculture, Food, and Rural Resources (MDAFRR) the authors have compiled data from many sources which help to explain the livestock marketing system in Maine. Topics such as the slaughter and processing capacity of existing slaughterhouses in Maine, the current demand for slaughter and processing in Maine and the quality and volume requirements for entry into wholesale meat (livestock) markets are discussed in this paper.

The paper also considers some of the major issues confronting the Maine livestock industry. Is there excess capacity in Maine's slaughterhouses? Is entry into wholesale markets a realistic goal for Maine livestock producers? Do Maine livestock producers have costs of production which prevent them from successfully competing with producers in western states? Finally, is direct marketing the only reliable and attainable marketing alternative for Maine livestock producers?

After presenting data relevant to the Maine livestock industry, the authors also provide an interpretation of the data. The data can be interpreted in many ways. Quite frankly there is no consensus among the several livestock processing and producing industries over the major issues raised in this paper. The amount and depth of research concerning the Maine livestock-related industries has been minimal relative to the research needs. The conclusions made by the authors are based upon data and research currently available. Future more detailed studies may challenge the ideas presented in this paper but should not detract from the principal objectives of this paper which are to broaden livestock producers' knowledge of the existing marketing system in Maine, pin-point the requirements

*Assistant Professor, Department of Agricultural and Resource Economics, University of Maine at Orono, and Assistant Scientist/Instructor, respectively.

for entering the marketing system, and help the producer to use the available markets more efficiently.

- I. How is the Maine livestock marketing system currently organized? How does the capacity of Maine slaughterhouses to process livestock compare with Maine's yearly production of livestock?

Table 1 lists the federally inspected slaughter facilities in Maine from 1979 to 1983 and the numbers of cattle, calves, hogs, and sheep slaughtered in those facilities. In a recent survey of Maine slaughterhouse facilities by the Maine

TABLE 1

Federally Inspected Livestock Slaughtered in Maine,
Fiscal Years 1979-1983

Fiscal Year	Number of Plants ¹	Cattle	Calves	Hogs	Sheep	Total Animals
1979	5	35,478	21,422	1,661	398	58,959
1980	4-10	32,931	22,376	3,333	626	59,266
1981	12	28,142	28,142	15,668	1,313	73,285
1982	11	33,438	31,005	4,556	1,770	70,769
1983	12	36,744	31,168	3,706	3,269	74,887

¹Average number for year 1980 split by first and second half of year due to elimination of state inspection.

Source: Buitenhuys, Neil. 1984. "An Analysis of Maine's Slaughterhouse Facilities" (draft).

Department of Agriculture, Food, and Rural Resources (MDAFRR), it was determined that in the slaughterhouses responding 88.69 percent of cattle, 97.04 percent of calves, 26.02 percent of hogs, and 55.24 percent of sheep were slaughtered under federal inspection (Buitenhuys, 1984). The number of non-federally inspected slaughterhouses has "varied greatly in number from year to year, with 34 in operation as of January 1984" (Buitenhuys, 1984, p. 3).

Some of the important factors which influence the current livestock market structure in Maine as well as most of New England are:

1. The primary livestock in Maine and New England are dairy animals. The primary livestock going to slaughter in Maine and New England are cull dairy cows and bull dairy calves. On January 1, 1984 there were roughly 918,000 livestock in New England (U.S.D.A. 1984). A large proportion of these were dairy animals. A major use of cull dairy cows is hamburger production for which federal grading is not as important as it is for other meat cuts.
2. The bulk of U.S. slaughterhouse production has moved west, for example with sheep and lambs the states west of the Mississippi River slaughter over 80 percent of the U.S. total. Thus, in New England the slaughter industry is dominated by dairy animals and the bulk of non-dairy slaughter is in the West.
3. In order to enter many retail markets most meat products need to be federally graded. In Maine there are currently no slaughterhouses employing a federal grader. The lack of federal grading is a missing link in the marketing chain which would get Maine livestock in Maine retail outlets. This is a problem for beef cattle, swine, and sheep and lambs.

The lack of a wholesale market (which would probably develop with federally graded livestock) is a contributing factor to the large direct-to-consumer market for sheep and lambs, swine, and beef cows. Intermediaries such as livestock dealers are faced with the same slaughterhouse situation which faces the producers. That is, there are no slaughter facilities locally which offer federal grading. The dealers do, however, have the ability to amass larger quantities of livestock which should give them greater efficiency in transportation. Livestock dealer operations can vary considerably. French, in a discussion of dealer operations states:

Many larger dealers buy cows and calves from several markets as well as from other dealers. These dealers may in turn buy direct from farmers or from auctions -- frequently auctions more remote from major slaughter centers. Larger dealers generally move livestock direct to packers. These dealers may take title to the cattle, but quite frequently they operate on commission, filling orders received from one or more packers. Those that do take title often have packer orders or some purchase agreement with packers. A well-established and longstanding relationship often exists between a large-volume dealer, his suppliers and the packers whom he supplies.

The dealers are performing functions which some producers choose not to do, that of assembling and transporting the animals to slaughter or some other desti-

nation. Between 1974 and 1978 the number of dealers operating in Maine decreased from 12 to 10 and the number of dealers in Maine, Vermont, and New Hampshire decreased from 127 to 83 (French, 1981). Concerning auctions, French (p. 10) states that in 1978 "104,272 head of cattle, calves, hogs and sheep" were handled in Northern New England auctions (see Table 2). The fundamental problem facing livestock producers is not the number of auctions or dealers; it is the lack of local federal grading and boxing of cuts, the inability to penetrate local retail outlets, and price competition from the west.

TABLE 2

Auction Volume, By Class or Species, Northern
New England, 1978

Animal	Number of Head		Total
	Maine	Vermont	
Cattle	7,150	27,778	34,928
Calves	5,946	53,731	59,677
Hogs	3,838	1,785	5,623
Sheep	<u>2,020</u>	<u>2,024</u>	<u>4,044</u>
Total	18,954	85,318	104,272

Note: New Hampshire was reported to have no livestock auctions in 1978.

Source: French, Forest M. 1981. "A Preliminary Study of the Livestock Slaughter and Packing Needs in Maine and Other Northern New England States."

There appears to be excess capacity in Maine's slaughterhouses. Based on the MDAFRR survey of slaughterhouses and conversations with the Maine Department of Agriculture, Food and Rural Resources the authors estimate that the excess slaughter capacity in federally inspected slaughterhouses in Maine is somewhere near 21,000 animals.

II. What is the yearly production of livestock in Maine and how are the livestock marketed?

According to the U.S. Census of Agriculture, Maine in 1982 had stocks of 57,173 milk cows, 17,308 sheep and lamb, 13,242 beef cows, 8,586 hogs and pigs, and 70,000 heifers, steers, and bulls. Estimates of how the livestock in Maine is marketed is as follows: lamb, 75 percent direct markets, and 25 percent Easter, feeder, Christmas, and replacement; hogs, 65 percent direct markets and 35 percent feeder and other; beef cows, 90 percent direct markets and 10 percent other; cull dairy cows, mostly sold to processors for hamburger; bull dairy calves, some veal going out-of-state, some are sold and raised for slaughter.

III. What limits the expansion of Maine's wholesale and direct markets for livestock?

Since Maine and New England generally have livestock production costs higher than western states, it will be very hard to displace Western marketings outside of New England. In the New England states the consumers may have a preference for locally produced livestock so perhaps western imports can be displaced.

Expansion of direct marketings is possible as New England is a livestock deficit area. Below is a discussion of this with respect to Maine lambs. Expansion into supermarkets, the major market outlet for livestock, depends on several factors, the most important being federal grading and boxing. Many knowledgeable of the lamb industry are not optimistic about expansion of the Easter lamb market (see for example, Lupien and Dowling).

Livestock wholesale intermediaries such as auctions and dealers have limited expansion potential. Dealers face a similar slaughter situation as do producers except they pool livestock and have arrangements with processors. There is still

the problem of no federal grading in Maine. Dealers and auctions provide marketing services and deserve a return for those services. Many producers direct market because they feel they can provide these services for less. It should be noted, however, that producers who direct market are probably earning a low return on their labor. Attempts to organize teleauctions for lambs in Vermont have been unsuccessful and they would probably be unsuccessful in Maine and for other livestock. The basic problem is that most producers have a cost of production higher than the wholesale price.

There appears to be room for expansion in direct marketing of Maine lambs. The 1982 U.S. per capita consumption of lamb and mutton on a carcass weight basis equaled 1.7 pounds. If the 1.2 million Maine consumers consumed this average, then they eat roughly 2,040,000 carcass weight pounds of lamb or 40,800 100 pound lambs in 1982. The quantity of lambs consumed in Maine may be less than this amount as the U.S. per capita consumption rate varies greatly by region. If Maine's consumption is near the U.S. average, however, Maine is easily consuming more than its production. Maine in 1982 marketed 6,900 of its lamb production (MDAFRR). An analogous situation exists for swine and beef cattle.

Problems with the direct marketing of lambs are that it is an inefficient marketing method and many consumers may want less than the whole or half carcass which is the customary quantity sold. Direct marketing requires a considerable amount of "leg-work," maintaining contacts, making many phone calls, hauling small quantities of animals, etc. As a producer expands his production he could easily find himself spending a large portion of his time marketing his lambs, and as with the production aspect the returns to this marketing labor are low. Finally, in some cases the direct-marketed price may not be competitive with that in retail outlets.

While an indepth analysis of livestock transportation costs is beyond the scope of this study the following has been determined. From conversations with those in the industry the cost of shipping a lamb or a hog to Lancaster, Pa. was estimated to be roughly \$4 per head. Paul Saenger, Livestock Extension Specialist at the University of Vermont, estimates that the cost of shipping livestock carcasses from the west to New England at five cents a pound. Rick Wertheimer of the American Sheep Producers Association reports that the cost of moving a carlot of lamb carcasses is near \$1.80 to \$2.00 per mile. Using the figure of 40,000 pounds of lamb carcasses in a carlot results in a transportation charge of .005 cents per mile. This rate for a 1,000 mile trip would equal 5 cents per pound.

IV. What livestock product quality is demanded by Maine food retailers?

Herbert Cowan, a purchaser for Hannaford Brothers Co., feels that some of the necessary conditions for getting Maine lambs into the wholesale channels which would result in Maine lambs being retailed in Maine supermarkets are:

1. Maine lambs being federally yield and quality graded.
2. The offering of specific cuts to supermarkets.
3. The lambs being federally graded choice or prime.
4. The existance of an ample supply.
5. The lamb needs to be boxed (vacuum packed individual cuts in 50 pound boxes).

These requirements generally apply to all of the New England states for all livestock types. For instance, hogs have been sold to supermarkets in a boxed form longer than either lambs and beef. Supermarkets can buy U.S.D.A. graded and boxed specific hog cuts if they desire, such as loins and chops vacuum packed in 50 pound boxes.

The ample supply available is taken to mean enough product available to serve several stores at one time. In a telephone conversation a retail purchaser stated that it would require roughly two boxes of lamb (fifty pounds of vacuum packed lamb cuts) per store per week. By weight conversion this is equivalent to two lambs per week per store. If a chain had 20 stores, then roughly 40 lambs would be needed. However, many supermarkets will only take boxed federally graded livestock meat cuts. So the supply is not as large a problem as the boxing and federally grading which is not available in Maine. Also, the supermarkets may not want the whole lamb but may desire certain boxed cuts. This would require the disposition of the less desirable cuts.

There is little evidence that Maine has a serious livestock quality problem among non-hobby livestock producers. While the hobby producers may have little knowledge of quality and little financial incentive to improve quality, there are the more serious producers who do strive for a quality product. Federal grading would improve the quality of Maine livestock since the information of and rewards to quality would be available.

Part of the problem with expanding into wholesale channels is that the price Maine farmers need to exceed their costs of production is higher than western livestock plus transportation. The July 14, 1984 American Sheep Industry Market News reported that the N.Y./Boston less than carlot carcass weight price for lambs equaled \$1.42 to \$1.47 a pound. A similar situation exists for Maine hog and beef producers. This cost disadvantage is a basic problem which federal grading will not remedy.

V. What is the general trend in prices for U.S. livestock and what effect might advertising have on prices received for livestock?

Table 3 presents wholesale prices for steers, barrows and gilts, and slaughter lambs. The steer prices reached a peak in 1979 and have decreased

slightly since. The only producer favorable price trend is the two consecutive price rises in the barrows and gilts price. The 1982 barrows and gilt price is nearly 40 percent higher than its 1980 level. The slaughter lamb price peaked in 1979 and has fallen since.

Advertising programs for livestock is quite often generic. Recent advertising by the livestock industry has been aimed at stabilizing or slowing the downward trend in red meat per capita consumption. Possibly as a result of health worries by the public consumers are eating less red meat and more poultry. Poultry consumption per capita has almost doubled since 1960. Future increases in advertising may be difficult especially since several state beef check-offs are being challenged in court. Both the authors and those in the industry feel that while red meat consumption remains flat there is little hope for future price increases.

TABLE 3
Wholesale Livestock Prices by Livestock Type, 1975-82

Year	Dollars Per Hundred Pounds, Live		
	Omaha Choice Steer 900-1,100 Lbs.	Barrows and Gilts at 7 Markets	Slaughter Lambs at San Angelo
1975	44.61	48.32	44.45
1976	39.11	43.11	49.85
1977	40.38	41.07	54.28
1978	52.34	48.49	65.33
1979	67.75	42.06	68.75
1980	66.96	39.48	66.64
1981	63.84	44.12	59.04
1982	64.22	55.07	56.44

Source: American Meat Institute, Meat Facts: 1983.

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Appendix 8

HISTORICAL REPORT ON CARCASS GRADING IN MAINE

Supply side problem



Governor
John R. McKernan, Jr.
Commissioner
Bernard W. Shaw

STATE OF MAINE
DEPARTMENT OF AGRICULTURE
FOOD AND RURAL RESOURCES

Division of Regulation
Clayton Davis, Director
State House Station 28
Augusta, Maine 04333
Tel. (207)289-3841

April 16, 1990

TO: Peter W. Curra, Director
Bureau of Public Service

FROM: Clayton F. Davis, Director
Division of Regulations

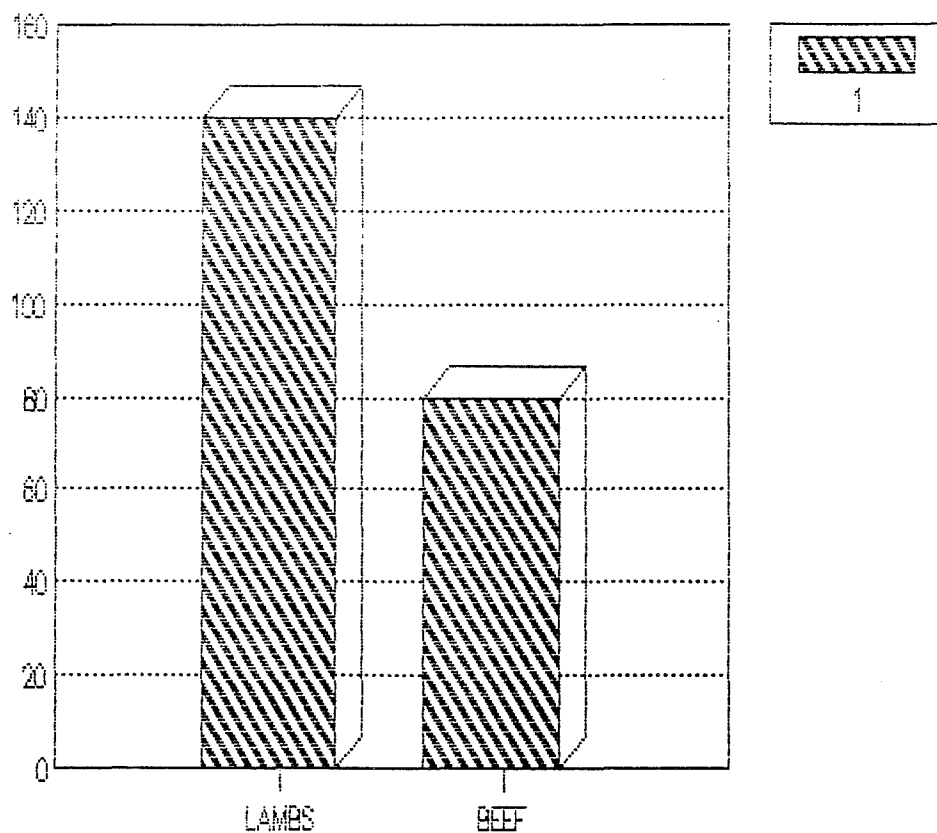
SUBJECT: Highlights

Clayton Davis

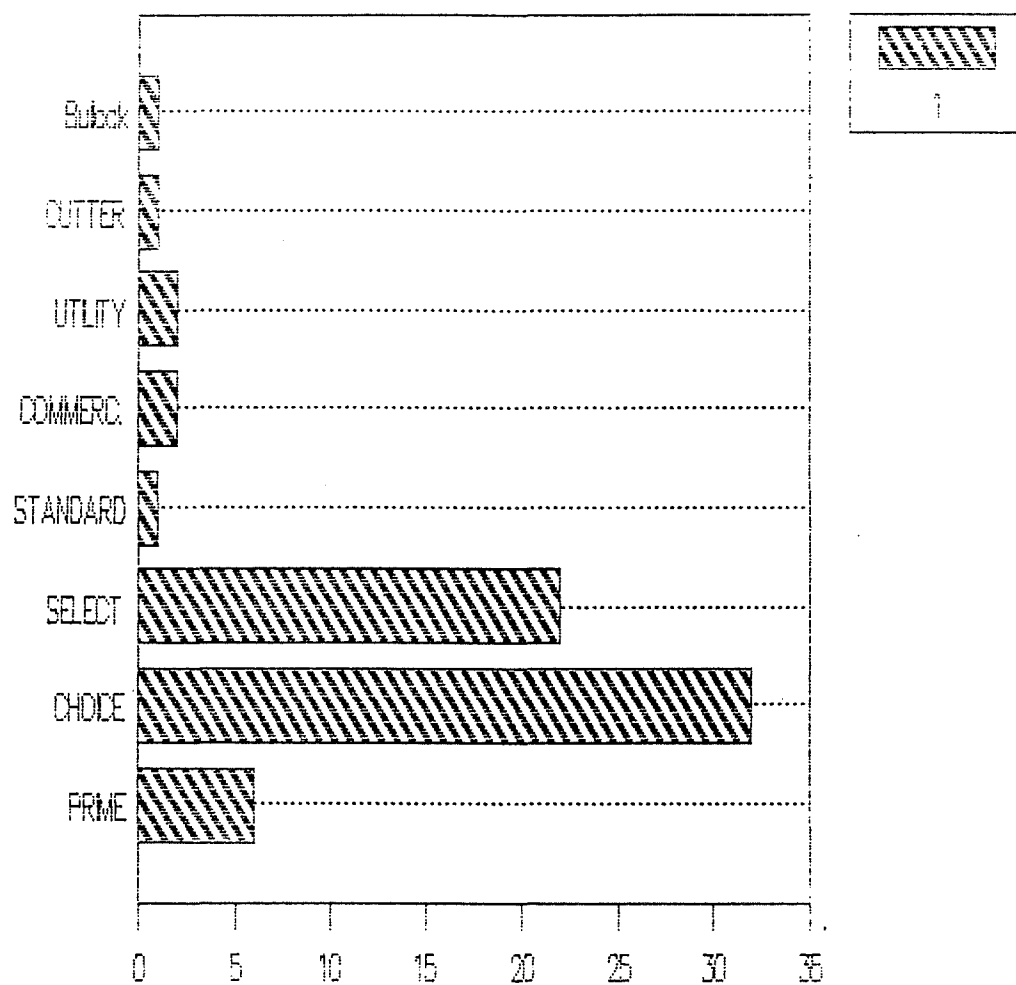
I have been notified by the U.S.D.A. that since our inspector has not been asked to perform any meat grading functions since December of 1989, and since there is no apparent economic advantage for this program in Maine at the present time, the inventorial government equipment in our possession will have to be returned to the U.S.D.A. office.

The Co-op agreement between U.S.D.A. Agricultural Marketing Service and the State of Maine would remain intact. If the demand for grading is requested once again, then a supervisory visit by the U.S.D.A. of our inspector would be arranged to observe the correct technical pattern and administrative report update. The equipment would also be returned to the inspector and grading would be readily available.

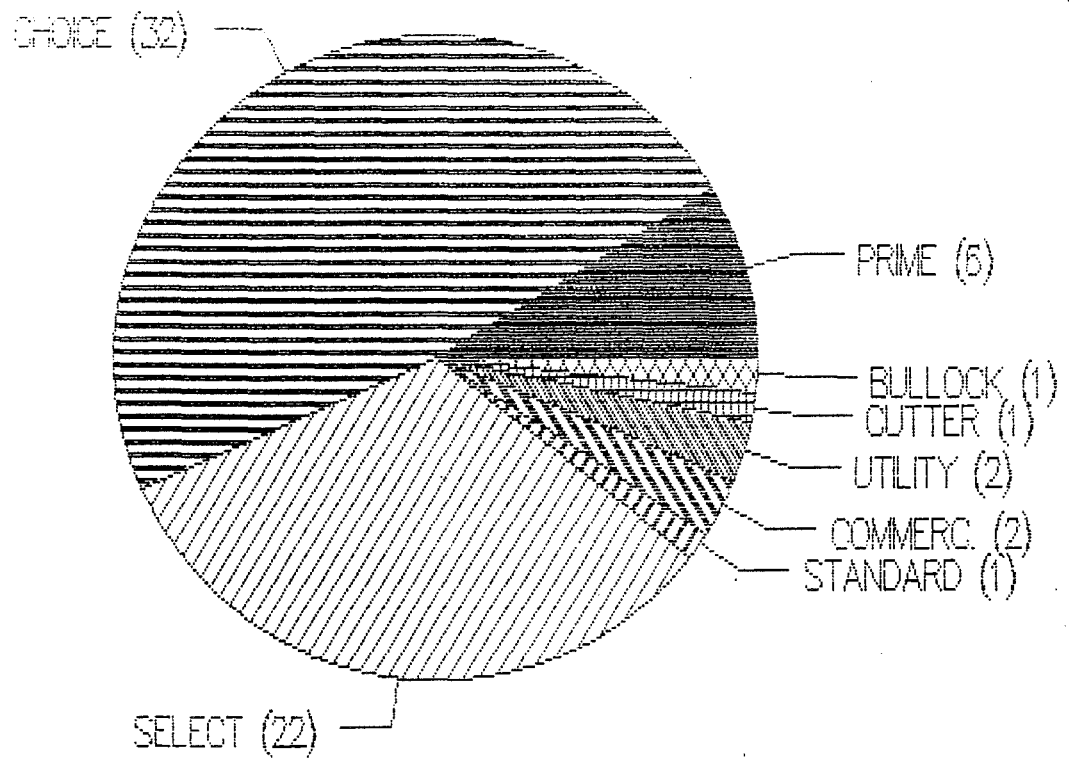
1988 GRADING PROGRAM



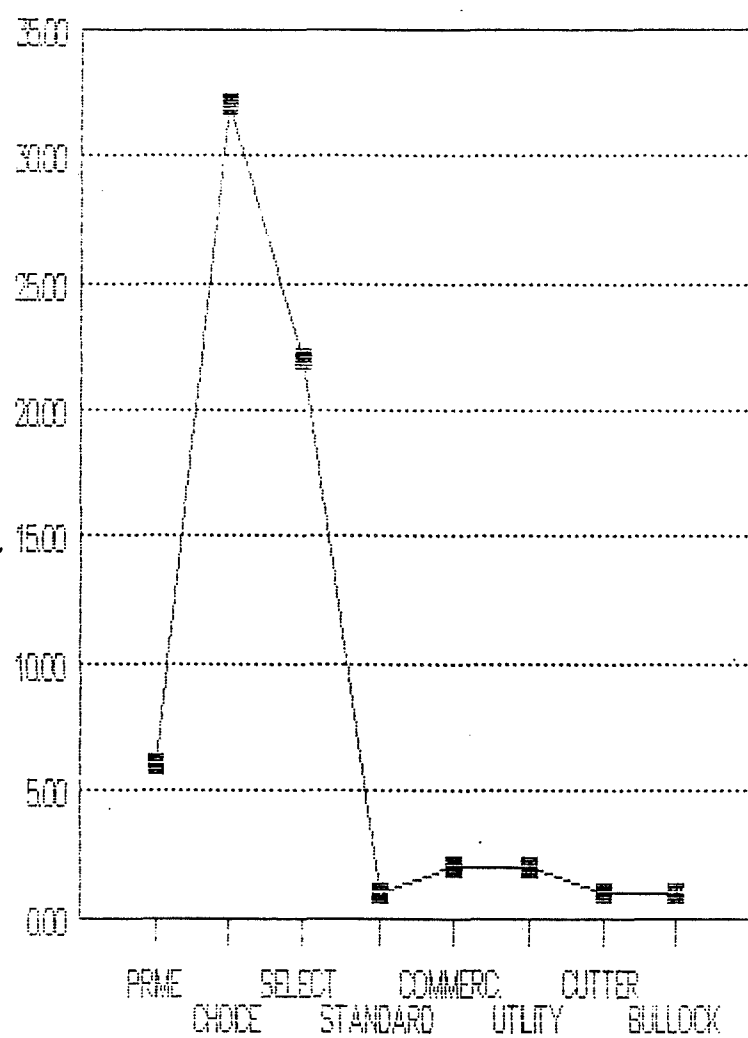
80 BEEF GRADED 1988



80 BEEF GRADED 1988

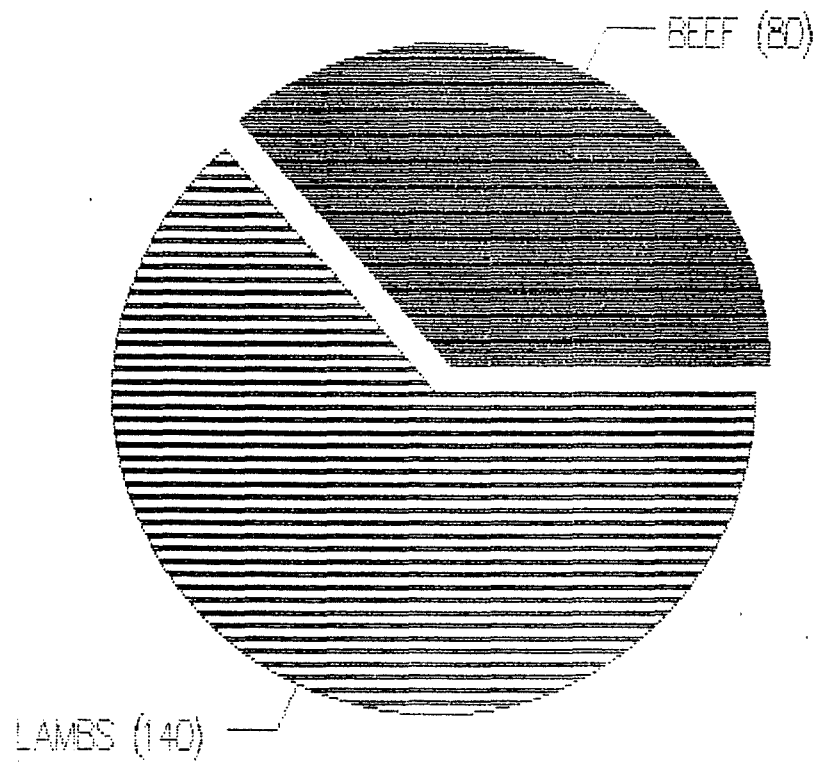


80 BEEF GRADED 1988



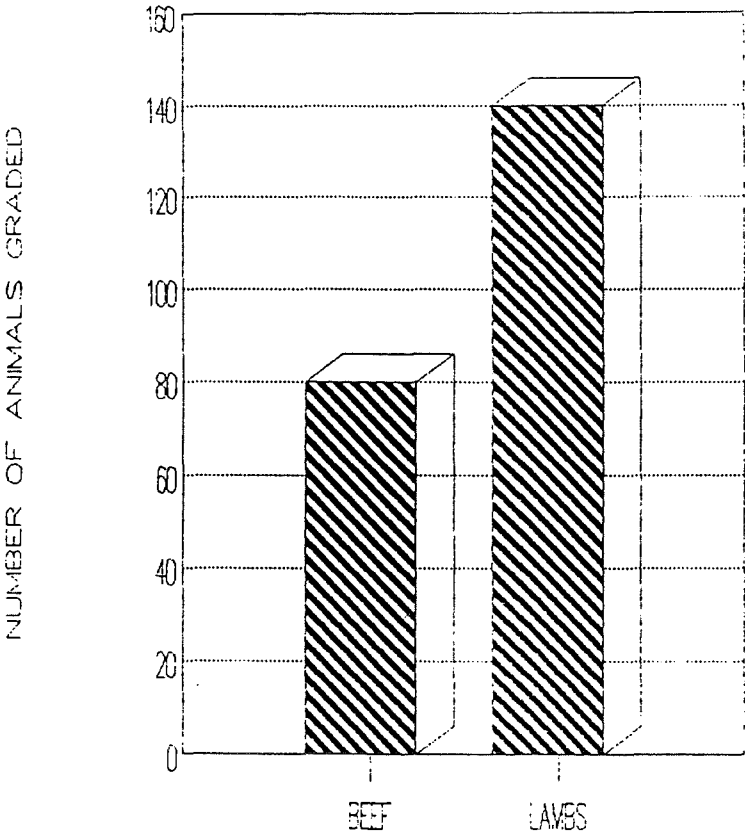
MEAT GRADING PROGRAM

1988



MEAT GRADING PROGRAM

1988



STATE OF MAINE MEAT GRADING PROGRAM 1988

Just for your information Clayton

DATE	PLANT	LAMB GRD.	BEEF GRD.	PRIME	CHOICE	SELECT	STANDARD	COMMERC.	UTILITY	CUTTER	Bullock
11/1/87	Emery		4			2	1	1			
		7			7						
11/15/87	Emery		6	1	2	2	1				
12/13/87	Emery		7			1	2	1	2	1	
12/17/87	Emery		3	1	2						
		1			1						
1/3/88	Emery		6	1	2	3					
1/31/88	Emery		7		5	2					
3/27/88	Emery		3		2	1					
4/12/88	Emery		7	1	2	3	1				
4/24/88	Emery		3		2	1					
6/5/88	Emery		2		1	1					
7/24/88	Emery	5			5						
			5	1	2	1					1
8/7/88	Emery	12		1	11						
			6		3	3					
8/14/88	Emery	2			2						
8/21/88	Emery	5			5						
9/4/88	Emery	6			6						
10/2/88	Emery	3			3						
10/2/88	Emery		2		1	1					
10/16/88	Emery	7			6	1					
Total		48	61	6	70	22	5	2	2	1	1

DATE	PLANT	LAMB GRD.	BEEF GRD.	PRIME	CHOICE	SELECT	STANDARD	COMMERC.	UTILITY	CUTTER	Bullock
9/18/88	Herring	18			18						
	Herring	12			12						
	Herring	19			19						
			2		2						
11/27/88	Herring	12			12						
12/11/88	Herring	31			31						
12/25/88	Herring		7		5	2					
Total		92	9	0	99	2	0	0	0	0	0

DATE	PLANT	LAMB GRD.	BEEF GRD.	PRIME	CHOICE	SELECT	STANDARD	COMMERC.	UTILITY	CUTTER	Bullock
11/13/88	Windham		6		3	3					
11/27/88	Windham		4			3	1				
Total		0	10	0	3	6	1	0	0	0	0

Grand Total 140 80

Maine Department of Agriculture, Food and Rural Resources

Deering Bldg. (AMHI), State House Station 28, Augusta, Maine 04333

Governor

Joseph E. Brennan

Commissioner

Barbara S. Gottschalk

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John P. Fogler

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Tel: 207 289-2167

Agricultural

Production

Peter Mosher

Tel: 207 289-3117

Public Service

Robert C. Deis

Tel: 207 289-3219

Agricultural &

Rural Resources

Esther Lacognata

Tel: 207 289-3511

To: Operators of Slaughterhouses and Meat Packing
Facilities in Maine

From: Robert C. Deis, Director,
Bureau of Public Services



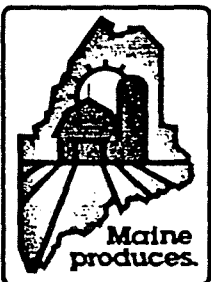
Date: September 8, 1986

Subject: Meat Grading Services

During the 1986 Regular Session, the Maine Legislature authorized the Department of Agriculture to provide meat grading services (i.e. carcass grading) on a regular basis. Grading of livestock is often a way to gain access to markets which have special requirements. We are currently planning to charge at a Federal rate of \$27.40 per hour for grading services with corresponding overtime charges. Travel costs to various locations will be underwritten in part through funds provided by the Legislature.

We are trying to decide on the best way to make the grader's services available, and would appreciate your response to the attached questions. We have included a stamped return envelope to use. If you have any questions about the survey, or about the grading position, please feel free to contact me at 289-3219.

Thank you for your cooperation.



SURVEY OF MAINE SLAUGHTERHOUSES AND PACKING FACILITIES

NAME OF FACILITY: _____

LOCATION: _____

PHONE: _____

1. Would your facility be interested in using the services of a grader in the foreseeable future? _____ Yes _____ No

2. If yes, which meats would you like graded?
 _____ Beef
 _____ Lamb
 _____ Pork
 _____ Poultry
 _____ Other (e.g., rabbits) Please specify.

3. How often would you need grading services?
 Daily _____ Weekly _____ Monthly _____ Seasonal _____
 If seasonal, what time of year? _____

4. What volume would you anticipate having graded at any time?

5. Will the presence of a grader permit you to enter markets from which you have been excluded to date?

We have tentatively decided to have the person providing grading services stationed in Augusta, but the person will be traveling to any locations where services are needed. Your response will help to determine the training and schedule for the grader.

Thank you for your prompt reply. Please mail your response in the enclosed envelope.

Appendix 9

**ANNOUNCEMENT OF PROPOSED FEDERAL LAW UPGRADING OF THE
MEAT AND POULTRY INSPECTION SYSTEM**



NATIONAL ASSOCIATION OF STATE DEPARTMENTS OF AGRICULTURE
1156 15TH STREET, N.W. • SUITE 1020 • WASHINGTON, DC 20005
TELEPHONE: 202/296-9680 • FAX: 202/296-9686

NEWS RELEASE

**NASDA RELEASES LEGISLATION TO REFORM
THE MEAT AND POULTRY INSPECTION SYSTEM**

Contact: Rick Kirchhoff
Mark Nestlen
202/296-9680

EMBARGOED FOR RELEASE AUGUST 24, 1995; 9:30 am EDT

WASHINGTON -- The National Association of State Departments of Agriculture (NASDA) today said that they strongly believe that the 104th Congress should consider and pass legislation reforming the meat and poultry inspection system. In a Washington, D.C. press conference, the Commissioners, Secretaries and Directors of the state departments of agriculture released a bill which they suggested should be used as the foundation for reform of the nation's inspection laws as Congress debates the issue.

"In our opinion the current inspection system must be reformed both by legislation and through the regulatory process," said NASDA President and Director of the Oregon Department of Agriculture, Bruce Andrews. "Rather than building a new ivory HACCP tower on top of the weak foundation of the current system, we need to construct a new product from the foundation up."

Andrews explained that NASDA was releasing the legislation as an attempt to continue moving the debate on reform forward. He said the organization had carefully reviewed the current system, analyzed options for reform, and met with Members of Congress, the administration, health groups, and industry to formulate the "risk-based, science-based proposal which will bring much needed reform to the meat and poultry inspection system."

NASDA President-elect and Secretary of the Wisconsin Department of Agriculture, Trade, and Consumer Protection, Alan T. Tracy, described how state officials are at the "front lines" of the food safety system. "Preserving the safety and integrity of the nation's food supply and assuring the health and safety of the public is our highest calling," he stated. "Though the American food supply is the safest in the world, there are always ways to improve, and the opportunity exists today."

Tracy suggested that while the current meat and poultry inspection system has served us well in the past, it is in need of an overhaul. "The new system our legislation proposes will replace the outdated ineffective parts of the current law while preserving the effective parts. It does not simply layer a new concept on top of the current system, but provides a comprehensive revision of the inspection system."

Meat and Poultry Inspection Reform Bill Released

Page 2

The legislation proposed by NASDA will create a new inspection system authorized by a single law calling for mandatory science-based inspection at all levels of production of all species whose flesh is used for food, including meat, poultry, exotic and aquatic animals. "Retail and restaurant operations have evolved and today are conducting complex processing with significantly less oversight when compared to similar risks," Tracy continued, adding that "some of those processes include grinding, curing, smoking, vacuum packaging, and distribution of meat, poultry and seafood products which have the potential to pose significant risks to the consumer."

Tracy said the NASDA approach provides for a government-wide evaluation of food safety. "When properly coordinated, such an evaluation will eliminate costly duplication and will result in a better food regulation system, and provide for the allocation of scarce fiscal resources in a manner that ensures the safety of the American food supply."

Terry Burkhardt, President of the National Association of State Meat and Food Inspection Directors (NASMFID) and Director of the Wisconsin Department of Agriculture, Trade and Consumer Protection Meat Safety and Inspection Bureau, said that in order to meet today's demand for a meat and poultry supply that is safe from all hazards, including pathogens that cannot be detected by traditional means, it is evident that current meat and poultry inspection laws must be changed. "Meat and poultry inspection reform should include the best available technology while retaining those parts of current meat and poultry inspection laws which have assured the United States public a safe supply of meat and poultry in the past," he said. "This includes careful organoleptic examination of animals and carcasses by trained professionals to detect disease, tumors and other neoplasms, inflammation, bruises, fractures, parasites, and injection sites. Animals affected by any diseases transmissible to man such as tuberculosis, and animals with toxemia or septicemia can best be detected through sensory evaluation during ante- and post-mortem examination."

Burkhardt explained that meat, poultry and seafood, and meat, poultry and seafood products can be produced safely through cooperative efforts of the industry and the government utilizing scientific inspection systems such as the Hazard Analysis and Critical Control Points (HACCP) system rather than continuous inspection.

"Any change in meat and poultry inspection should consider all businesses in the meat manufacturing arena. Risk assessments in all areas from farm-to-table should be accomplished and inspection resources allotted respective to the amount of risk to the consumer based on the type of process and product rather than the type of distribution system," Burkhardt continued. "The public should be confident in their belief

Meat and Poultry Inspection Reform Bill Released

Page 3

that all flesh foods offered for sale or prepared for consumption have been prepared under an effective inspection system."

The NASDA proposal also provides for a public education program on the proper handling of meat, poultry and seafood by consumers and food handlers. "It is equally important that the public know that with current technology it is impossible to guarantee a meat supply that is free of microbes; therefore, the consumer, an important link in preventing food borne illnesses related to meat products, must be provided with continuous educational information regarding safe food handling," Burkhardt stated.

Dr. Lee Jan, Chairman of the NASDA-NASMFID Task Force on Meat and Poultry Inspection Reform and Director of the Texas Department of Health, Meat Safety Assurance Program amplified the need to include all facets of meat, poultry, exotic, and aquatic animal production — from the farm to the consumer — in the inspection system. "You will find the legislation modifies the definitions of livestock and poultry to include those species not currently included under the laws," he said. "Livestock and poultry like ostrich, emu, alligator, buffalo, rabbits and the like will now be subject to inspection. And the bill will also — for the first time — mandate that all seafood and seafood products, produced in confinement or in the open waters, be inspected."

Jan said that the risks of foodborne disease will be reduced by incorporating HACCP principles into all phases of food production. "HACCP plans developed by producers, slaughterers, processors, retailers, and restaurants will assess the risks at all levels of production and introduce steps at each of these levels to reduce the possibility of foodborne disease. Our legislation clearly changes the inspection system to a risk-based system by requiring wholesale and retail operations that process meat, poultry and seafood products be subject to inspection," he said, adding that "by eliminating the exemptions found in the current law and thereby adding retail and food service establishments to the requirements, we are mandating a total food system inspection process which will enhance food safety."

Jan also explained that the bill will require the Secretary of Agriculture to work with the livestock and poultry producer community to develop on-farm quality assurance programs. "These programs should be developed for each industry and each segment of production through a coordinated, cooperative effort of producers, producer organizations, veterinary practitioners, state agencies concerned with animal and human health, universities, and appropriate federal agencies," he continued. "Preharvest quality assurance programs should identify diseases, conditions, chemical agents, and microorganisms of concern to food safety." He said the bill also directs USDA to identify research needs so necessary epidemiological and

Meat and Poultry Inspection Reform Bill Released

Page 4

ecological data can be generated that will identify risk factors, diagnostic procedures, critical control points, and intervention strategies.

"Finally, our bill will continue the strong relationship between the federal inspection program and state inspection programs. The measure places the same requirements on small, state inspected plants and removes the unfair economic prohibition against shipping state-inspected product in interstate commerce," Jan concluded.

The bill proposed by NASDA would:

- Create a new comprehensive inspection system authorized by a single law.
- Mandate a science-based, risk-based inspection system at all levels of production from slaughter through retail.
- Include all species whose flesh is used for food, including meat, poultry, exotic animals and seafood.
- Provide for voluntary quality assurance programs to reduce the occurrence of pathogens at the farm or ranch level.
- Mandate a national public education program on the appropriate handling and preparation of meat, poultry and seafood by consumers and food service handlers.
- Authorize USDA to conduct research regarding improved sanitation methods and other techniques which lead to safer food supply.
- Continue the cooperative relationship between the federal inspection program and equivalent state programs.
- Repeal the unfair prohibition on the interstate shipment of state-inspected meat and poultry products.

NASDA is a nonprofit association of public officials representing the Commissioners, Secretaries and Directors of Agriculture in the fifty states and four territories.

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Appendix 10

MATRIX OF OTHER STATE PROGRAMS AND HOW THEY MAY RELATE TO MAINE

By maintaining your own meat act has it been an economic advantage for your state?			How is your share funded?	How many Plants?	USDA inspected		
Alabama	No-Small firms prefer State over U.S.D.A.		Talmadge - Aiken 50-50 & OT pd. 100% State 50-50 Custom 50-50 Gen.-Fund Monies		100 plus USDA 20 Talmadge-Aiken agreement		
California	No-State custom-No State Insp. program; exempt-inspect custom & retail processors only		100% Gen. - Fund Monies custom exempt plants are reviewed under contract-state reimbursed 100%		USDA 225		
Delaware	No- More comfortable with state		State employee staffed fed. plants 100% reimbursed state" 50 - 50 General fund		10		
Georgia	Yes		50-50, Overtime reimbursed 100% Small license fee		49 All Employees State		
Illinois	Yes		State 50-50, Custom 50-50 Talmadge - Aiken 50-50 & OT pd. 100% Small license fee		34- Talmadge-Aiken		
Indiana	No-but industry prefers state		State 50-50 Custom " " Small license fee		30		
Minnisota	No	No state inspection program	Agreement w/ USDA for review of custom exempt. USDA-100%		75		
Mississippi	Yes		Talmadge - Aiken; State 50-50, Custom 50-50		16 Talmadge - Aiken		
N. Carolina	Yes		50-50 all plants state employees		52		
Vermont	Yes		USDA by State 100% on x utilization State 50-50		25-30 6-Utilization Agreement		Rural location seasonal-go for feds
Virginia	Yes		Talmadge-Aiken 50-50 & OT paid 100% State 50-50		USDA - 76 T-A-31		
W. Virginia	Yes		50-50		23		
Maine							

	How many State Inspected?	How is custom slaughter addressed in your state?	Do you use Contract Veterinarians?	How many animals are inspected each year by State Inspectors?	Kind
Alabama	85 State 20 custom	Federal criteria	No	?	Swine beef, sheep Ostrich
California	Custom slaughter 45 retail 120 poultry 42	Licensed, person on site Certified State (owner)	No	120,000	Swine, beef sheep, goats
Delaware	4 10 custom	Federal Criteria	No	1820 beef 36,000 swine	----- -----
Georgia	89 29 custom	"	Yes	14,000 weekly 700,000 annually	----- -----
Illinois	400 35 custom	" & risk assessment (facility score)	Yes	?	swine, beef sheep, goats
Indiana	130 30 custom	" "	No	115,000	swine, beef sheep
Minnisota	250 custom	" "	No	?	-----
Mississippi	54 16 custom	risk assessment	Yes	5,000 60,000 1,250	----- ----- -----
N. Carolina	180 40 custom	Federal criteria	No	117,093 55,715 1,793	----- ----- -----
Vermont	18 9 custom	"	No	?	beef swine, sheep
Virginia	26 109 custom	"	No	97,978	beef, swine sheep
W. Virginia	32 50 custom	"	No	30,000	beef, swine sheep
Maine					

	How is poultry slaughter addressed?	How many people are employed by your program?	How many employees work in the following categories?	What is the total cost of running your program?	
				Total - \$2,408,346.	
Alabama	USDA, 2 plants	Insp.-29; Super.-7.5	Talmadge - Aiken-15	Federal	State
	State 50-50	Support Staff 4.5; Compl. Off.-2	USDA x Utilization-0	USDA x Utiliz.-\$902,712.	\$820,588.
		Vets-6; (these are part of super. count)	State & Custom -- 14	Compl.-	\$78,000. \$78,000.
				Lab -	\$24,377. \$24,335.
				Sup. Staff-	\$240,160. \$240,161.
California	USDA	Total - 22; Insp-9; Super. (2 Vets)	Talmadge-Aiken-0; USDA Cross	Total -	\$1,300,000
		(2 Insp.); Sub. Staff- 3; Vets-6	Utilization-State&Custom-7	State -	\$130,000 \$1,170,000.
Delaware	USDA	Total-11; Insp-7; Super.-1	Talmadge-Aiken, USDA x Utiliz.,	Total -	\$580,000.
		Sup.Staff-1 Vets-1; Comp. Off.-1	State, & Custom - 7 Cross Trained	USDA x Utiliz.	\$180,000.
				State -	\$200,000. \$200,000.
Georgia	USDA	Total-95; Insp.-75; Super.-5; Sup. Staff-6	* - all 75 Inspectors	Total -	\$4,500,000.
	-exempt -state inspect.	Vets-5 Assistance; Comp. Off.-4	are cross trained	Custom -	50/50 program
				Compl.-	\$2,250,000. \$2,550,000.
Illinois	exempt by state	Total-160; Insp.-117; Super.-18; Sup. Staff-14; Vets-7; Comp. Off.-4	* 117 Cross Trained	Total -	\$ 8,000,000.
				Insp. T/A-	\$4,000,000 \$4,000,000.
Indiana	15 are exempt 4 x yr. by state	Total-77; Insp.-62; Vets-10; Supp. Staff-3	USDA Cross Utiliz.-2	Total -	\$3,700,000.
		Compliance Off.-2	State & Custom - 60	State - 50-50 program	
				Compliance	\$1,850,000. \$1,850,000.
Minnesota	USDA	Total-46; Insp.-34; Super.-4; Sup. Staff-4	All Inspectors cover	Total -	\$237,000.
		Compl. Off.-4	Custom & State Plants	State -	\$134,000.
				Custom -	\$93,000.
Mississippi	USDA	Total-65; Insp.-50; Super.-6; Supp. Staff-8	Talmadge - Aiken 16	Total-1,600,000.	reimburse
		Vets(Contract Vets); Compl. Off.-1	USDA x Utiliz.-1; State &	USDA x Utiliz.-	\$20,000. 100%
			Custom-33	Custom T/A	\$790,000. \$790,000.
				plants	
N. Carolina	Slaughter by USDA	Total-125; Insp.-95; Super.-7; Vets-2 w/8	Talmadge-Aiken 35 plus	Total-	\$5,100,000.
	further processing by	Assist.&3 program mgrs.; Supp. Staff-7	30 who crossed trained	Total program cost 50/50 share	
	state employees	Compliance Off.-3	State & Custom - 30	Compliance	\$2,550,000 \$2,550,000.
Vermont	USDA	Total-15; Insp.-10; Super.-2; Supp. Staff-2(1 is the Vet); Comp. Off.-1	All 10 Inspectors cover all types of plants/crosss trained	Total -	\$606,000
			Comp. Off. is also an Inspector	USDA x Utiliz-	\$120,000. 0
				St.&Custom-	\$243,000. \$243,000.
				50/50 covers all srvs. included in program	
Virginia	USDA	42 Total; Insp.-26	Cross trained all inspectors	Total-	\$2,000,000.
		Super.-6; Support	work in all plants	Inspec. T/A	50% 50%
		Staff 5; Vets3 Compl. Off.-2			\$1,000,000. \$1,000,000.
W. Virginia	USDA	Total-26; Insp.-17; Super.-2;	17 Inspectors for Custom/	Total-	\$1,120,000.
		Supp. Staff-3; Vets-2; Compl.-2	State Plants		\$560,000. \$560,000.
Maine					

By maintaining your own meat act has it been an economic advantage for your state?			How is your share funded?		How many USDA inspected Plants?		
Alabama	No-Small firms prefer State over U.S.D.A.		Talmadge - Aiken 50-50 & OT pd. 100%	100%	100 plus USDA		
			State 50-50 Custom 50-50		20 Talmadge-Aiken agreement		
			Gen.-Fund Monies				
California	No-State custom-No State Insp. program; exempt-inspect custom & retail processors only		100% Gen. Fund Monies		USDA 225		
			custom exempt plants are reviewed under contract-state reimbursed 100%				
Delaware	No- More comfortable with state		State employee staffed fed. plants 100% reimbursed state	50 - 50	10		
			General fund				
Georgia	Yes		50-50, Overtime reimbursed 100%		49		
			Small license fee		All Employees State		
Illinois	Yes		State 50-50, Custom 50-50				
			Talmadge - Aiken 50-50 & OT pd. 100%		34- Talmadge-Aiken		
			Small license fee				
Indiana	No-but industry prefers state		State 50-50 Custom " " Small license fee		30		
Minnisota	No	No state inspection program	Agreement w/ USDA for review of custom exempt. USDA-100%		75		
Mississippi	Yes		Talmadge - Aiken; State 50-50, Custom 50-50		16 Talmadge - Aiken		
N. Carolina	Yes		50-50 all plants state employees		52		
Vermont	Yes		USDA by State 100% on x utilization		25-30		
			State 50-50		6-Utilization Agreement	Rural location	
						seasonal-go for feds	
Virginia	Yes		Talmadge-Aiken 50-50 & OT paid 100%		USDA - 76		
			State 50-50		T-A-31		
W. Virginia	Yes		50-50		23		
Maine							

	How many Inspected?	State	How is custom slaughter addressed in your state?	Do you use Contract Veterinarians?	How many animals are inspected each year by State Inspectors?	Kind
Alabama	85 State 20 custom		Federal criteria	No	?	Swine beef, sheep Ostrich
California	Custom slaughter 45 retail 120 poultry 42		Licensed, person on site Certified State (owner)	No	120,000	Swine, beef sheep, goats
Delaware	4 10 custom		Federal Criteria	No	1820 beef 36,000 swine	----- -----
Georgia	89 29 custom		"	Yes	14,000 weekly 700,000 annually	----- ----- 90% beef lambs
Illinois	400 35 custom		" & risk assessment (facility score)	Yes	?	swine, beef sheep, goats
Indiana	130 30 custom		" "	No	115,000	swine, beef sheep
Minnisota	250 custom		" "	No	?	-----
Mississippi	54 16 custom		risk assessment	Yes	5,000 60,000 1,250	----- ----- ----- beef swine sheep
N. Carolina	180 40 custom		Federal criteria	No	117,093 55,715 1,793	----- ----- ----- beef swine sheep
Vermont	18 9 custom		"	No	?	beef swine, sheep
Virginia	26 109 custom		"	No	97,978	beef, swine sheep
W. Virginia	32 50 custom		"	No	30,000	beef, swine sheep
Maine						

	How is poultry slaughter addressed?	How many people are employed by your program?	How many inspectional employees work in the following categories?	What is the total cost of running your program?		
				Total - \$2,408,346.		
Alabama	USDA, 2 plants State 50-50	Insp.-29; Super.-7.5 Support Staff 4.5; Compl. Off.-2 Vets-6; (these are part of super. count)	Talmadge - Aiken-15 USDA xUtilization-0 State & Custom -- 14	Federal USDA x Utiliz.-\$902,712.	State \$820,588.	
				Compl.- \$78,000.	\$78,000.	
				Lab - \$24,377.	\$24,335.	
				Sup. Staff- \$240,160	\$240,161.	
California	USDA	Total - 22; Insp-9; Super. (2 Vets) (2 Insp.); Sup. Staff- 3; Vets-6	Talmadge-Aiken-0; USDA Cross Utilization-State&Custom-7	Total - \$1,300,000		
				State - \$130,000	\$1,170,000.	
Delaware	USDA	Total-11; Insp-7; Super.-1 Sup. Staff-1 Vets-1; Comp. Off.-1	Talmadge-Aiken, USDAxUtiliz., State, & Custom - 7 Cross Trained	Total - \$580,000.		
				USDAxUtiliz. \$180,000.		
				State - \$200,000	\$200,000.	
Georgia	USDA -exempt -state inspect.	Total-95; Insp.-75; Super.-5; Sup. Staff-6 Vets-5 Assistance; Comp. Off.-4	* - all 75 Inspectors are cross trained	Total - \$4,500,000.		
				Custom - 50/50 program		
				Compl.- \$2,250,000	\$2,550,000.	
Illinois	exempt by state	Total-160; Insp.-117; Super.-18; Sup. Staff-14; Vets-7; Comp. Off.-4	* 117 Cross Trained	Total - \$ 8,000,000.		
				Insp. T/A- \$4,000,000	\$4,000,000.	
Indiana	15 are exempt 4 x yr. by state	Total-77; Insp.-62; Vets-10; Supp. Staff-3 Compliance Off.-2	USDA Cross Utiliz.-2 State & Custom - 60	Total - \$3,700,000.		
				State - 50-50 program		
				Compliance \$1,850,000	\$1,850,000.	
Minnesota	USDA	Total-46; Insp.-34; Super.-4; Sup. Staff-4 Compl. Off.-4	All Inspectors cover Custom & State Plants	Total - \$237,000.		
				State - \$134,000.		
				Custom - \$93,000.		
Mississippi	USDA	Total-65; Insp.-50; Super.-6; Supp. Staff-8 Vets(Contract Vets); Compl. Off.-1	Talmadge - Aiken 16 USDA x Utiliz.-1; State & Custom-33	Total-1,600,000.	reimburse	
				USDAxUtiliz.- \$20,000	100%	
				Custom T/A \$790,000.	\$790,000.	
				plants		
N. Carolina	Slaughter by USDA further processing by state employees	Total-125; Insp.-95; Super.-7; Vets-2 w/8 Assist.&3 program mgrs.; Supp. Staff-7 Compliance Off.-3	Talmadge-Aiken 35 plus 30 who crossed trained State & Custom - 30	Total- \$5,100,000.		
				Total program cost 50/50 share		
				Compliance \$2,550,000	\$2,550,000.	
Vermont	USDA	Total-15; Insp.-10; Super.-2; Supp. Staff-2(1 is the Vet); Comp. Off.-1	All 10 Inspectors cover all types of plants/crosss trained Comp. Off. is also an Inspector	Total - \$606,000		
				USDAxUtiliz- \$120,000	0	
				St.&Custom- \$243,000	\$243,000.	
				50\50 covers all srvs. included in program		
Virginia	USDA	42 Total; Insp.-26 Super.-6; Support Staff 5; Vets3 Compl. Off.-2	Cross trained all inspectors work in all plants	Total- \$2,000,000.		
				Inspec. T/A 50%	50%	
				\$1,000,000.	\$1,000,000.	
W. Virginia	USDA	Total-26; Insp.-17; Super.-2; Supp. Staff 3; Vets-2; Compl.-2	17 Inspectors for Custom/ State Plants	Total- \$1,120,000.		
				\$560,000.	\$560,000.	
Maine						

Appendix 11

STATE-FEDERAL COOPERATIVE INSPECTION PROGRAM REQUIREMENTS

UNITED STATES DEPARTMENT OF AGRICULTURE
FOOD SAFETY AND INSPECTION SERVICE
WASHINGTON, D.C.

CHANGE TRANSMITTAL SHEET

☐ DIRECTIVE
☒ REVISION
☐ AMENDMENTS
☐ OTHER

FSIS Directive
COOPERATIVE INSPECTION PROGRAMS

5720.2,
Rev. 2

7-24-92

I. PURPOSE

The purpose of this transmittal is to provide information on the reissuance of FSIS Directive 5720.2, Rev. 2. This directive is intended to:

A. Be a single source of information on the policies and procedures for the management and administration of the State-Federal and Federal-State Cooperative Inspection Programs, including cross-utilization requirements, training, and qualifications.

B. Introduce the revised policies and procedures for the Federal-State Cooperative Inspection Program (commonly known as the Talmadge-Aiken Program).

II. CHANGE

A. Remove the following directives:

1. FSIS Directive 5110.4, Rev. 1, dated 9/24/91;
 2. FSIS Directive 5720.2, Rev. 1, dated 10/30/87;
- and
3. FSIS Directive 5730.1, dated 4/7/86.

B. Extensive revision, retitling, and subject matter changes have been made. The FSIS Directives cited for removal have been consolidated into this new revised directive and new program policies have been incorporated.

III. ACTION REQUIRED BY PART III OF THE DIRECTIVE

A. Qualified States. Under the terms of this directive affecting the Federal-State Cooperative Inspection Program, State officials who commit less than 10 inplant staff-years to the program are required to inform the appropriate FSIS Regional Director of (1) their intention to continue operating under the provisions of the Federal-State

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PRD, AID, State Directors

OPI: IO/FSR

Cooperative Inspection Program or request, (2) their plan to switch to a cross-utilization agreement with FSIS. The Regional Director must be notified in writing of the State's intention within 30 days after the effective date of this directive.


B. States Choosing Cross-utilization. A qualified State may make a one-time written request to the Regional Director to staff selected plants under a cross-utilization agreement. Under such an agreement, the State would be reimbursed at the rate of 100 percent. The effective date of such an arrangement would be mutually agreed to by the Regional Director, Area Supervisor(s), and State Program Director.

C. States Continuing to Operate a FSCIP. States that qualify for cross-utilization but that continue to operate a FSCIP and States that are not eligible to be considered for cross-utilization (i.e., that supply 10 or more inplant staff-years to the program) should implement the provisions of the directive as soon as possible. Essential steps include naming the Program Coordinator (PC) and making any necessary training or personnel changes. When the PC has been appointed and the State is ready to operate under the terms of the Directive, the actual implementation date is to be agreed on by the Regional Director and the Area Supervisor. It is the goal of the FSIS to have the changes fully implemented in all States no later than one year after the effective date of this directive.

D. States That Do Not Now Qualify for Cross-utilization. States that do not currently qualify for cross-utilization, i.e., that have committed 10 or more inplant staff-years to the FSCIP, may request that their program be converted to a cross-utilization agreement whenever the personnel requirements for their program fall below 10 inplant staff-years. Such requests must be submitted in writing to the Regional Director and will be considered case by case.

IV. CANCELLATION

Users may keep this transmittal in their records or destroy it when this directive has been filed and FSIS Directive 5110.4, Rev. 1, and FSIS Directive 5730.1, Rev. 1, have been removed.


Deputy Administrator
Inspection Operations

COOPERATIVE INSPECTION PROGRAMS

TABLE OF CONTENTS

PART ONE -- BASIC PROVISIONS

	Title	Page No.
I.	PURPOSE.	1
II.	CANCELLATIONS.	1
III.	REASON FOR REISSUANCE.	1
IV.	REFERENCES	1
V.	ABBREVIATIONS AND FORMS	2
VI.	POLICY	2
VII.	DEFINITIONS.	3

PART TWO -- STATE-FEDERAL COOPERATIVE INSPECTION PROGRAMS

I.	ELIGIBILITY.	7
II.	REIMBURSEMENT.	7
III.	PROGRAM MANAGEMENT AND ADMINISTRATION.	7
IV.	STATE PERFORMANCE PLAN	10
V.	OVERSIGHT STRATEGIES	17
VI.	ANNUAL CERTIFICATION	17
VII.	COMPREHENSIVE REVIEW	17
VIII.	SPECIAL REVIEW	29
IX.	PLANTS ENDANGERING PUBLIC HEALTH	29

ATTACHMENT 2-1--Transmittal Cover Letter	30
ATTACHMENT 2-2--Form Letter -- Notification of Team Leader.	31
ATTACHMENT 2-3--Form Letter -- Notification of Team Members	32
ATTACHMENT 2-4--Table -- Selection of Plants for Records Review	34
ATTACHMENT 2-5--Table -- Selection of Plants for Review Visits.	35
ATTACHMENT 2-6--FSIS Form 5720-8, State Review and Certification Summary	36
ATTACHMENT 2-7--FSIS Form 5720-9, SPP Documentation Worksheet	39
ATTACHMENT 2-8--FSIS Form 5720-10, Records Documentation Worksheet	41

PART THREE -- FEDERAL-STATE COOPERATIVE INSPECTION PROGRAMS

I.	ELIGIBILITY CRITERIA.	43
I.	REIMBURSEMENTS.	43
III.	PROGRAM MANAGEMENT AND ADMINISTRATION.	43
IV.	MEETINGS.	44
V.	GRANTING, REFUSING, OR WITHDRAWING INSPECTION.	44
VI.	REGULATORY MANAGEMENT.	45
VII.	STAFFING CRITERIA AND INFORMATION.	45
VIII.	QUALIFICATIONS AND ASSIGNMENT.	45

	Title	Page No.
IX.	EMPLOYEE PERFORMANCE	46
X.	EMPLOYEE IDENTIFICATION.	47
XI.	GUIDELINES ON SUSPENDING OR REMOVING A STATE INSPECTION EMPLOYEE FROM ASSIGNMENT TO A FSCIP PLANT	48
XII.	PROCEDURES FOR SUSPENDING OR REMOVING AUTHORITY OF A STATE EMPLOYEE TO CONDUCT FEDERAL INSPECTION	48
XIII.	PROGRAM OVERSIGHT.	48
 PART FOUR -- CROSS UTILIZATION OF STATE EMPLOYEES TO PERFORM FEDERAL INSPECTION OR FEDERAL EMPLOYEES TO PERFORM STATE INSPECTION		
I.	OBJECTIVES	51
II.	ADMINISTRATION	51
III.	WORK RELATIONSHIPS	51
IV.	REIMBURSEMENT.	52
V.	BILLING WORK PERFORMED BY A STATE EMPLOYEE FOR IO	52
VI.	BILLING WORK PERFORMED BY AN IO EMPLOYEE FOR A STATE.	53
	 ATTACHMENT 4-1--Hourly Rates for Cross-Utilization of Federal Employees in State-Inspected Plants	 55
 PART FIVE -- TRAINING AND QUALIFICATIONS OF STATE EMPLOYEES		
I.	RESPONSIBILITIES.	57
II.	QUALIFICATIONS OF STATE-EMPLOYED VETERINARIANS. .	57
III.	TRAINING STANDARDS FOR STATE INSPECTION PROGRAMS. .	57
	 ATTACHMENT 5-1--FSIS FORM 5720-1, State Training Report	 62
	ATTACHMENT 5-2--FSIS FORM 5720-2, State Laboratory Activity Report.	63
	ATTACHMENT 5-3--FSIS FORM 5720-3, Compliance and Inplant Activity Report	64
	ATTACHMENT 5-4--FSIS FORM 5720-4, State Establishment Profile	65
	ATTACHMENT 5-5--FSIS FORM 5720-5, State Assignment and Employment Report.	66
	ATTACHMENT 5-6--FSIS FORM 5720-6, State Slaughter and Processing Report	67
	ATTACHMENT 5-7--FSIS FORM 5720-7, State Establishment Directory	68

Title**Page No.****PART SIX -- ETHICS AND CONDUCT**

I.	BRIBERY AND ACCEPTANCE OF THINGS OF VALUE	69
II.	DISGRACEFUL CONDUCT; SUBSTANCE ABUSE.	70
III.	FALSIFICATION, MISUSE, OR DESTRUCTION OF OFFICIAL REPORTS OR PROPERTY.	70
IV.	OUTSIDE EMPLOYMENT.	71
V.	RESTRICTIONS ON POLITICAL ACTIVITY.	72

PART SEVEN -- CUSTOM-EXEMPT ESTABLISHMENT REVIEW PROCEDURES**PART EIGHT -- USE OF CONTRACT VETERINARIANS IN STATE MEAT AND
POULTRY INSPECTION PROGRAMS****PART NINE-- REPORTS**

I.	ANNUAL REPORT OR PROGRAM PERFORMANCE.	77
II.	PERIODIC REPORTING REQUIREMENTS	77
III.	OTHER REPORTING REQUIREMENTS.	79

UNITED STATES DEPARTMENT OF AGRICULTURE
FOOD SAFETY AND INSPECTION SERVICE
WASHINGTON, D.C.

FSIS DIRECTIVE

5720.2
REV. 2

7-24-92

COOPERATIVE INSPECTION PROGRAMS

PART ONE -- BASIC PROVISIONS

I. PURPOSE.

This directive sets forth the policies and procedures relating to management and administration of the State-Federal, Federal-State, and Cross-Utilization cooperative inspection programs.

II. CANCELLATIONS

FSIS Directive 5110.4, Rev. 1, dated 9/24//91.
FSIS Directive 5720.2, Rev. 1, dated 10/30/87.
FSIS Directive 5730.1, Rev. 1, dated 4/7/86.

III. REASON FOR REISSUANCE.

Extensive revision, retitling, and subject matter changes have been made. The directives cited under "Cancellations" have been consolidated and new program policies have been incorporated.

IV. REFERENCES

FMIA
PPIA
Talmadge-Aiken Act
Intergovernmental Cooperation Act
Federal Grant and Cooperative Agreement Act
MPI regulations
MPI Manual
FSIS Directive 1060.1, dated 11/5/86
FSIS Directive 3300.1, dated 10/3/80 (2 Amendments)

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V. ABBREVIATIONS AND FORMS

CIP	Cooperative Inspection Program
EEO	Equal Employment Opportunity
FSIS	Food Safety and Inspection Service
FMIA	Federal Meat Inspection Act
FSR	Federal-State Relations
IO	Inspection Operations
MPI	Meat and Poultry Inspection
NFC	National Finance Center
OGC	Office of the General Counsel
PC	Program Coordinator
PPIA	Poultry Products Inspection Act
SD	State Program Director
SPP	State Performance Plan
T&A	Time and Attendance Report
TDD	Training and Development Division
VMO	Veterinary Medical Officer
WAE	When Actually Employed

FSIS Form 3420-2, Billing Invoice
FSIS Form 5110-1, Services Rendered
FSIS Form 5720-1, State Training Report
FSIS Form 5720-2, State Laboratory Activity Report
FSIS Form 5720-3, Compliance and Inplant Activity Report
FSIS Form 5720-4, State Establishment Report
FSIS Form 5720-5, State Employment Report
FSIS Form 5720-6, State Slaughter and Processing Report
FSIS Form 5720-7, State Establishment Directory
FSIS Form 5720-8, State Review and Certification Summary
FSIS Form 5720-9, SPP Documentation Worksheet
FSIS Form 5720-10, Records Documentation Worksheet
FSIS Form 8110-2, Establishment Review and Assessment Worksheet
SF-269, Financial Status Report

VI. POLICY

A. The State-Federal Cooperative Inspection Program will be carried out under the authority of the FMIA and PPIA. USDA will provide oversight through the specific strategies outlined in Part Two of this Directive.

B. USDA will make use of the Federal-State Cooperative Inspection Program (FSCIP), as authorized by the Talmadge-Aiken Act, when it is deemed to be in the interest of the Department to do so.

C. FSIS recognizes the advantages for economy and efficiency of utilizing State personnel in the performance of mandatory and voluntary meat and poultry inspection functions in Federal plants. The cross-utilization of employees to avoid dual staffing is to be undertaken to the greatest feasible extent, consistent with good management practices and effective

FSIS DIRECTIVE 5720.2
REVISION 2
PART ONE

use of personnel. The degree of cross-utilization between State inspection services and FSIS is to be reviewed and determined on a case-by-case basis.

D. The training requirements for State programs must be flexible enough to allow for the varying needs of individual States while allowing the States the opportunity of planning and developing training programs that are "at least equal to" those provided for employees in the Federal meat and poultry inspection program.

E. The Federal requirements for ethics and conduct are covered in detail in conditions for employment. It is expected that the States will meet requirements equal to those of the Federal requirements in State-Federal programs, and the same as in Federal-State programs.

F. The qualification for custom exempt status is defined in the Federal regulations, and the review of custom exempt operations is covered in FSIS Directive 5930.1, Revision 1, dated 6/27/90. This Directive requires that the Federal review of such operations be done on a frequency based on risk. States are expected to use the same criteria for such reviews.

G. Contract veterinarians employed by the States in supervisory or implant VMO functions are to have training equivalent to that required for Federal veterinarians in similar positions.

H. No contract veterinarian may be employed for the purpose of making veterinary dispositions in those instances where a conflict of interest might arise. Conflict of interest is covered explicitly in Federal employment rules. For State inspection programs to be considered "at least equal to" the Federal program, similar prohibitions of conflict of interest must be enforced.

VII. DEFINITIONS

A. Acts means the FMIA and PPIA.

B. Call letter is the annual written communication to an organization requesting specific information on budgetary needs for the impending Federal fiscal year.

C. Basic Items are the requirements that are used to determine the classification of the State program.

D. Federal-State Cooperative Agreement is a document which provides for cooperation with a State agency

according to the provisions of the Talmadge-Aiken Act (7 U.S.C. 450) for the use of State employees and facilities in carrying out Federal functions under the FMIA and PPIA. This document is not to be confused with the State-Federal Cooperative agreement defined below in paragraph K.

E. Federal-State Cooperative Inspection Program (FSCIP) means the activities carried out by FSIS and a State under the terms of a Federal-State cooperative agreement. Such an agreement sets forth the terms under which the Administrator of FSIS is authorized to utilize the employees and facilities of the State in carrying out Federal functions under the FMIA and PPIA. The Federal-State Cooperative Inspection Program is not to be confused with the State-Federal Cooperative Inspection Program defined below in paragraph L.

F. Head of State Agency refers to the person (Commissioner, Director, Secretary, Chairperson) or delegate of such person who is in charge of the State Agency having jurisdiction over the meat or poultry inspection program of the State.

G. Regional Director; Deputy Administrator, IO; Assistant Deputy Administrator, Compliance Program; Director, FSR/IO refer to the persons occupying the positions or anyone who has been delegated the authority to act on their behalf.

H. Regulations means the Federal Meat and Poultry Products Inspection Regulations (9 CFR 301 et seq. and 381 et seq.).

I. Reviews means review activities which may include one or all phases of a State program ranging from reviews of records and reports to inplant reviews.

J. State means any State or organized territory of the United States, including the Commonwealth of Puerto Rico.

K. State-Federal Cooperative Agreement is a document which provides for cooperation with State agencies according to the provisions of Section 301 of the FMIA and Section 5 of the PPIA. This document is not to be confused with the Federal-State Cooperative Agreement defined above in paragraph D. A State-Federal cooperative agreement may provide for Federal advisory, technical, laboratory, training, and financial assistance for the development and administration of State meat and poultry products inspection programs, with a view to assuring that requirements that are at least equal to those of the Federal meat and poultry inspection program are imposed and enforced. Such cooperation is authorized if the State has enacted legislation governing the inspection of meat or poultry distributed in intrastate commerce that is at least equal to the

FSIS DIRECTIVE 5720.2
REVISION 2
PART ONE

Federal legislation governing the inspection of meat and poultry to be distributed in interstate commerce.

L. **State-Federal Cooperative Inspection Program** means the activities carried out by FSIS and a State under the terms of a State-Federal cooperative agreement. Such an agreement sets forth the terms under which the Administrator of FSIS is authorized to provide advice and assistance to the State in carrying out a meat or poultry inspection program that is at least equal to the Federal MPI program. The State-Federal Cooperative Inspection Program is not to be confused with the Federal-State Cooperative Inspection Program defined above at paragraph E.

M. **State Performance Plan** is a document that provides information on the organization of a State inspection program and procedures that will be used to ensure that the State inspection program is at least equal to the requirements contained in the FMIA and the PPIA.

N. **State Program Coordinator** refers to the person or delegate of such person who is responsible for the day-to-day supervision of State employees assigned under the FSCIP and regulatory management of FSCIP plants, and who receives program direction from the Federal Area Supervisor. If the PC and SD are the same person, the PC is also responsible for the administration, regulatory management, and supervision of all State employees and FSCIP plants.

O. **State Program Director** refers to the person or delegate of such person who is directly responsible for the State meat or poultry inspection program.

P. **Verification Review** means a review conducted by State officials to prove that reviews performed by their personnel have been accurately performed, that the true condition of establishments is reflected through such reviews, and that any corrective actions have been taken as necessary.

PART TWO -- STATE-FEDERAL COOPERATIVE INSPECTION PROGRAM

I. ELIGIBILITY

The FMIA and PPIA permit the Secretary of Agriculture to cooperate with a State in developing and administering an inspection program which is "at least equal to" the Federal inspection program.

II. REIMBURSEMENT

The FMIA and PPIA require that the amount contributed to any State shall not exceed 50 percent of the total cost and the Federal funds shall be allocated among the participating States on an equitable basis.

III. PROGRAM MANAGEMENT AND ADMINISTRATION

A. General

The State Agency assigned the responsibility for administering the State's meat and poultry inspection program shall be responsible for carrying out the cooperative requirements of the FMIA and PPIA.

B. Maintaining the Integrity of the Slaughter Inspection Program.

Federal livestock and poultry slaughter inspection operations are carried out under the direct oversight of qualified veterinary medical officers (VMO's). Because of the impracticability of formulating rules covering every case and of designating at just what stage a disease process or condition results in adulteration of a product, it is necessary that the final inplant decision on the disposition of all carcasses, organs, or other parts, be left to the VMO. The VMO must exercise his or her judgment in the disposition of carcasses and parts in a manner that will ensure that only wholesome, unadulterated product is passed for human food. Veterinarians employed by the States, whether as permanent employees or on contracts for a limited duration, must be at least as qualified as Federal VMO's in making veterinary dispositions on meat or poultry carcasses and parts, whether the product is inspected under a State "equal-to" inspection program for intrastate commerce, or whether the product is prepared and inspected for distribution in interstate commerce.

C. Maintaining the Integrity of the Processing Inspection Program.

1. Federal meat and poultry processing inspection operations are carried out by qualified processed food inspectors under the oversight of supervisory processed food inspectors, food technologists, and VMO's. They are responsible for assuring that meat and poultry food products entered in commerce are wholesome, not adulterated, and properly marked, labeled, and packaged. While there are different manufacturing requirements and inspection criteria for each class of processed product, inspection is carried out to ensure that sanitation is adequate, approved formulations are followed, only wholesome ingredients are used, products are made in accordance with approved production procedures, and products are truthfully labeled. Inspectors have the authority to prevent adulterated products from entering commerce and to condemn any such products they discover at a processing facility.

2. Processing inspection personnel employed by the States must be at least as qualified as Federal employees to make inspection decisions on processed products, whether the products are inspected under a State "equal-to" inspection program, or under Federal jurisdiction for distribution in interstate commerce.

D. The Head of State Inspection Program shall:

1. Prepare and submit the SPP to the Director, FSR/IO.

2. Prepare and submit updates as deemed necessary by the State, or required by the Deputy Administrator, IO.

3. Ensure that the SPP is adhered to and meets the Basic Items as described in Section IV, part B.

4. Furnish information and reports as outlined in Part 8 or otherwise required by FSIS.

E. The Regional Director, utilizing personnel located at the region, area, circuit and plant levels shall provide:

1. Pursuant to the Cooperative Agreement, technical, advisory and training assistance to State inspection programs within the region.

2. Counsel, as requested by the State, in preparing the SPP, call letter and other items.

FSIS DIRECTIVE 5720.2
REVISION 2
PART TWO

3. Intra-regional communication to assure uniformity in the application of this Directive.

4. Personnel, as requested, to conduct oversight activities.

5. Input to the Director, FSR/IO, concerning operation of State program, type and depth of oversight activity required and the classification of the State inspection program.

F. The Director, FSR/IO, shall coordinate all FSIS activities involving State inspection programs and after consulting with other FSIS personnel shall review and recommend to the Deputy Administrator, IO, the:

1. Classification of State inspection program.

2. Approval/disapproval of SPP.

3. Type of oversight activity required.

4. Composition of the review team that will perform oversight activities relating to the State inspection program.

G. The Deputy Administrator, IO, shall:

1. Approve or disapprove the SPP.

2. Provide for communication among FSIS, IO regional offices to promote uniformity in the application of this Directive.

3. Issue annual notification on the adequacy of the State program in meeting the at least equal to requirements of the FMIA and PPIA.

H. The Deputy Administrators, FSIS; Assistant Deputy Administrator, Compliance Program; and Staff Directors of Information and Legislative Affairs, Policy Evaluation and Planning Staff, and Equal Opportunity and Civil Rights Staff, shall provide:

1. Cooperation and coordination with FSR/IO in the development of oversight activities relating to State inspection programs.

2. Personnel to conduct oversight activities relating to State inspection programs.

3. Pursuant to the Cooperative Agreement, technical, advisory and training assistance to State inspection programs.

4. Input to the Director, FSR/IO, concerning type and depth of oversight activities required and the classification of the State inspection program.

5. Uniform application of program standards between the Federal and State inspection programs.

IV. STATE PERFORMANCE PLAN

A. General. Each State that operates a meat or poultry inspection program must submit an SPP. The plan must describe the operating practices and procedures used by the State for administering and managing its inspection system within the context of the Nine (9) Basic Items defined in the following Section (B).

B. Basic Items. The following are Basic Items for evaluating State meat and poultry inspection programs:

1. Laws. State law must be at least equal to the FMIA and PPIA by granting authority for the development, administration and enforcement of the State meat and/or poultry inspection program.

2. Regulations. The State inspection program must promulgate regulations at least equal to the Federal regulations.

3. Funding and Financial Accountability. The State must appropriate funds commensurate with those provided by the USDA as specified by the Cooperative Agreement. The State must follow fiscal guidelines as contained in FSIS Directive 3300.1 and budgetary requirements as contained in the annual FSIS call letter.

4. Resource Management. The State shall maintain records and information and shall outline procedures for determining the level and type of resources required in the following areas:

a. Staffing. Having enough employees to carry out the responsibilities assigned to all organizational levels, units and functions.

FSIS DIRECTIVE 5720.2
REVISION 2
PART TWO

b. Training. Providing directly or contracting for employees, the technical, professional, administrative, supervisory, and managerial training, required to maintain a competent and productive workforce.

c. Program Operations. Maintaining records and reports that explain the full range of the activities and administration of the State inspection program.

5. Facilities and Equipment. The State shall have a system for reviewing and approving blueprints for new construction or remodeled facilities and equipment that is at least equal to USDA standards.

6. Labels and Standards. The State must have a system for approving labels to assure accurate labeling of all products at least equal to USDA standards and developing accurate labeling for new or specialty items not covered by USDA standards.

7. In-plant Reviews/Enforcement.

a. The State must have a system of in-plant reviews to assure that slaughtering and processing inspection activities are conducted in accordance with USDA requirements. The Review and Evaluation Glossary and Format in FSIS Directive 8110.2 should be used as a guide.

b. The State must have a system comparable to USDA requirements for monitoring plants which are exempt from inspection requirements.

c. The State must have an enforcement system for detecting violations, and investigating and enforcing State meat and poultry laws. Enforcement includes all activities to correct deficiencies inside and outside plants.

8. Specialty Programs. The State must have an adequate residue monitoring and control program. Also the State must have programs (protein-fat-free, species determination, etc.) which may be addressed through participation in the current USDA program or by developing and conducting its own specialty programs that are at least equal to USDA requirements.

9. Laboratories. The State must utilize laboratories with analytical capabilities comparable to those of FSIS laboratories. The laboratories must be able to perform tests to determine product wholesomeness and compliance with regulatory standards, and employ experts in the disciplines of

chemistry, microbiology and pathology. Such laboratories may be:

a. State Laboratories

b. Private Laboratories (including laboratories accredited by FSIS).

c. USDA Laboratories. State and private laboratories must be FSIS-accredited or participate in the check sample program conducted by FSIS or in chemistry check sample programs which may be approved by FSIS.

C. Submission of State Performance Plan.

1. The CIP States are to submit a SPP to the Deputy Administrator, IO/FSIS, for approval. Once the SPP is approved, it must be kept up to date to reflect any subsequent changes. The SPP and changes thereto must address the 9 Basic Items outlined in Part II, Section IV, par. B, of this Directive.

2. Each SPP must be submitted with a transmittal cover sheet using the format described in Attachment 2-1.

D. Suggested Format.

1. Laws.

a. Identify Titles, Chapters, and Sections of the State laws which are applicable to the inspection program.

b. If the laws have not been previously approved by USDA, a copy should be submitted with the SPP for approval.

2. Regulations.

a. Identify Titles, Chapters and Sections of the State regulations which are applicable to the inspection program.

b. If the Regulations have not been previously approved by USDA, a copy should be submitted with the SPP for approval.

3. Funding and Financial Accountability. As required by the Cooperative Agreement and as outlined in FSIS Directive 3300.1:

a. Submit the Federal budget request(s) to FSIS.

b. Describe the State budget process. Include dates and the current status of State funding.

c. Describe the procedures for maintaining accountability of the receipt and expenditure of Federal funds for MPI.

d. Describe the procedures for maintaining accountability of the receipt and expenditure of State funds for MPI.

e. Describe the audit process used.

4. Resource Management.

a. Staffing .

(1). Describe the organizational structure. (If necessary, include organizational chart to clarify.)

(2). Describe the staffing patterns, positions, position titles and minimum qualifications for the field for each geographical jurisdiction. (List and identify personnel assigned to compliance and enforcement activities.)

b. Training. Describe the duration, frequency, mode and type of training resources for each of the following categories:

(1). Newly Hired Personnel.

(2). Supervisors.

(3). Staff and Professional Development.

(4). Continuing Education Programs.

c. Program Operations. Describe State records of the operation and administration of State inspection program that are not provided for elsewhere in the plan. (Example: What information is available to describe the activities, accomplishments, and goals of the program?)

5. Facilities and Equipment.

a. Identify staff position(s) responsible for approving the facilities and equipment program.

b. Describe the standards and procedural requirements for facility, equipment and blueprint approval.

c. Identify what organizational levels review or approve the equipment and blueprints.

d. Describe any variations to FSIS Directive 11,140.1, also known as USDA Handbook 570, "U.S. Inspected Meat and Poultry Packing Plants, A Guide to Construction and Layout," and to FSIS Directive 11,220.1, also known as MPI-2, "Accepted Meat and Poultry Equipment."

e. Describe the recordkeeping system used for equipment and blueprint approval.

6. Labels and Standards.

a. Identify staff position(s) responsible for approving labels.

b. Describe the system used for approval, control and maintenance of labels.

c. Describe the system used for development and maintenance of meat and poultry standards.

d. Describe any exceptions from FSIS label approval system and the published standards.

e. Describe the State program controls of official and/or restricted devices.

7. In-Plant Review/Enforcement.

a. In-Plant Review.

(1). Format. Describe any exceptions or modifications to the Review and Evaluation Glossary and Format as outlined in FSIS Directive 1060.1.

(2). System.

(a). Identify, by position and title, the person responsible for selecting, scheduling, and correlating State plant reviews.

(b). Identify positions within the State program that are responsible for conducting State in-plant reviews.

(c). Indicate the frequency that each official State plant will be reviewed.

(d). Describe the internal program used to ensure the validity of official State plant reviews.

(e). Describe the recordkeeping system used for official State plants and verification reviews.

(f). Describe the system for monitoring State plants which are exempt from inspection requirements.

(3). Follow-up and Corrective Action.

(a). Describe the procedures used for follow-up and corrective action.

(b). Identify the levels of the organization responsible for the follow-up action.

b. Enforcement Activities

(1). Describe the organization of compliance activities, such as surveillance, evaluation, investigation, and enforcement duties which are not assigned exclusively to implant or administrative personnel.

(2). Describe any exceptions or modifications to the current Federal Enforcement Program as described in FSIS Directive 8070.1.

(3). Describe the recordkeeping system used for the State Enforcement Program, if not described elsewhere.

(4). Describe the system used in disposing of meat and poultry products, in distribution channels, that are found to be in noncompliance, if the system is not described elsewhere.

8. Specialty Programs. ✱

a. Describe the system used for approving and monitoring each specialty program, such as programs for residues and PFF.

b. List any exceptions or additions to the "List of Proprietary Substances and Nonfood Compounds" used in meat or poultry plants.

c. Identify any on-site tests used for disposition of carcasses or product.

9. Laboratories
(Chemical/Microbiological/Pathological).

a. Analyses.

(1). Indicate the name, address and type of laboratory conducting the analyses.

(2). Describe the types of analyses conducted.

(3). Describe the methodology used and, if not available through publication, submit a copy for review.

(4). Describe the Quality Assurance Program that the laboratories use for each type of analysis and procedures followed in taking corrective action (FSIS check sample, etc.). (Example: How does the State ensure that laboratory personnel are running tests correctly and what actions are taken to correct deficiencies?)

b. Describe the recordkeeping system used by the laboratory.

c. Describe procedures used for controlling program or compliance samples that may result in litigation.

E. Maintenance Requirements.

1. General. After the initial submission and approval of the SPP, the Head of the State inspection program is responsible for keeping the SPP up to date. The SPP must be revised on the basis of new or modified requirements that are submitted, in a timely manner, as amendments to the initially approved SPP.

2. Transmittal. The cover letter used to transmit changes to a the State SPP shall summarize the changes.

3. Submission. Submit seven copies of changes to the SPP as follows:

a. Six copies to:

Director, Federal-State Relations
Meat and Poultry Inspection Operations
Food Safety and Inspection Service,
USDA
Room 4865, South Building
Washington, DC 20250

b. One copy to the appropriate FSIS Regional Director.

V. OVERSIGHT STRATEGIES

FSIS will employ three strategies for conducting oversight reviews:

1. Strategy 1. The review of the State Performance Plan, related reports, and information derived from various sources.
2. Strategy 2. Strategy 1 and the results of a special review of the State's inspection program.
3. Strategy 3. Strategy 1 and the results of a comprehensive review of a State's overall inspection program.

VI. ANNUAL CERTIFICATION

FSIS will follow one or more of the oversight strategies described above for each participating State. After considering the results of the oversight activities described above and the Annual Review of Program Performance described in Part Nine of this directive, the Agency will, at the end of the Federal Fiscal Year, give the State a certification of "meets" or "does not meet" the "at least equal to" requirements.

VII. COMPREHENSIVE REVIEW

A. General. The primary purpose of the comprehensive review is to determine if a State's inspection program is "at least equal to" that of the Federal program. This determination is based on the evaluation of the State with respect to the nine basic items described in Section IV, paragraph B. The procedures established for making an "at least equal to" determination are based on the notion that an inspection program is comprised of various systems and processes that must be viewed in their totality before the adequacy of a State's program can be determined. Within this framework, the following principles of organizational management systems and performance are essential to successful State inspection programs:

1. The States must have written standards and procedures in place, and they must clearly outline the responsibilities and authorities of the inspection officials at all organizational levels - headquarters through plant.

2. The employees responsible for carrying out the procedures and standards must be qualified to do so.

3. A process must be in place for overseeing inspection operations to determine if they are working properly with respect to policy, procedure, or performance.

4. There must be a corrective action process to be initiated when deficiencies are found. Also, there must be a means of obtaining evidence at the plant level that the process is working correctly.

The mechanism for deciding how well a State's inspection program is functioning consists of (1) determining adherence to the Performance Plan (SPP), (2) the review of records, and (3) the review of inplant conditions and operations. The results of these activities, governed by the above principles enables FSIS officials to determine the "at least equal to" status of a State program. A State's SPP will be subject to a total review, whereas records and inplant conditions and operations will be reviewed on the basis of a statistical sample of the affected population.

B. Purpose of the Review Activity. To ensure that the SPP is being followed and is effective, and that the State is maintaining a program at least equal to the requirements in the FMIA and PPIA and MPI Regulations, the reviews will be made to:

1. Determine findings and actions of State personnel.

2. Determine if actions were correct and appropriate and solved the problem.

3. Determine if the State is following procedures contained in the SPP.

C. Review Criteria.

In addition to the SPP, reviewers conducting reviews of records and reports will evaluate:

1. Routine Operations.

a. Laws. Determine that laws are up to date. If reviewers are in doubt, they are to submit copies to the Director, FSR, for review and consultation with OGC.

FSIS DIRECTIVE 5720.2
REVISION 2
PART TWO

b. Regulations. Determine that regulations are up to date. If reviewers are in doubt, they are to submit copies to the Director, FSR, for review and consultation with OGC.

c. Funding. Ensure adequate budgeting.

d. Resource Management. Ensure that staffing, training, financing, operational evaluations and reviews, policy formulation, and procurement are adequate and support the "equal to" status of the program.

e. Facilities and Equipment. Determine that blueprint and equipment submittals are properly approved and maintained.

f. Labels and Standards. Determine that labels and product standards are properly approved and maintained.

g. Inplant Review and Enforcement. Determine that slaughter and processing procedures, sanitation, plant improvement plan, laboratory sample system and results, reviews (routine, supervisory, and verification), follow-up of corrective actions, and enforcement activity are adequate.

h. Specialty Programs. Determine the adequacy of sample results, and determine that action to correct deficiencies is appropriate.

i. Laboratory. Determine that the laboratory has proper control of samples and quality control results, and that actions to correct deficiencies are appropriate.

2. Reports Required by FSIS. See Part Eight of this Directive.

D. Review Team and Types of Reviews.

1. Review Team.

The review team will be led by the Deputy Regional Director, the Team Leader, and will be composed of Agency officials representing various functional areas. The team will always include subject matter experts in operations, budget and finance, resource management, and compliance, and will sometimes include experts in chemistry and equal employment opportunity and civil rights.

2. Plant Records.

a. The type of records to be reviewed will depend on the purpose of the review. The number of establishments to be randomly selected for review of records and whose records are to be reviewed depends on the number of inspected plants in a State as shown in the chart in Attachment 2-4.

b. Randomly select the plants whose records are to be reviewed. In addition, randomly select at least one custom-exempt plant for records review. All plant records reviewed must be acceptable to FSIS. If they are not, the Team Leader will consult with the Director, FSR/IO.

c. After consulting with the Director, FSR/IO, the Team Leader may decide to select additional plants for records review. This decision will be based on the results of the records review for the initial selection of plants or on other information. The additional plants need not be randomly selected.

3. Plant Visits.

a. Plants will be visited to ensure that they are in compliance with the SPP and that the plant records accurately depict the conditions and operations of the plant. The visits will also be made for the purpose of verifying the adequacy of State inplant reviews and enforcement activities.

b. The plants to be visited will be randomly selected from among those whose records have been reviewed. The number of plants to be visited will be determined by consulting the chart in Attachment 2-5. The column labeled "No. of Official Plants" will be interpreted to mean the number of plants whose records have been reviewed. Findings in all plants must be acceptable to FSIS. If not, contact the Director, FSR/IO.

c. After consulting with the Director, FSR/IO, the Team Leader may decide to visit additional plants. This decision will be based on the results of plant visits already made or on other information. The additional plants need not be randomly selected. In addition to the official plants, at least one custom-exempt plant must be reviewed.

E. Frequency.

As stated in Part Two, IO will conduct a periodic comprehensive review of each State inspection program. Comprehensive reviews will be conducted according to the category assigned to the State inspection program as a result of the last comprehensive review.

FSIS DIRECTIVE 5720.2
REVISION 2
PART TWO

1. Category 1 - Acceptable (At Least Every 5 Years). All required items are in compliance with the Acts, Regulations and SPP.

2. Category 2 - Acceptable with Minor Variations (At Least Every 4 Years).

a. Variations found during reviews were considered minor and do not affect public health.

b. Possibility that adulterated or misbranded product could enter human food channels is minimal.

c. Procedures in the SPP are being followed and updates are being sent to FSIS officials.

d. Corrective actions taken by State officials were adequate to assure program maintenance in full compliance with the Acts and Regulations.

3. Category 3 - Acceptable with Significant Variations (At Least Every 3 Years)

a. Variations found during reviews were considered significant and may affect public health but were corrected immediately.

b. Possibility that adulterated or misbranded product can enter the human food channels is minimal.

c. Procedures in SPP are being followed but effectiveness is in question.

d. Changes have been made in SPP but updates have not been sent to FSIS officials as required.

e. Actions taken by State officials are less than adequate to assure that the program is maintained in compliance with the Acts and Regulations.

4. Category 4 - Unacceptable (Frequency to be based on the nature of unacceptable findings).

a. Variations found during reviews were considered significant and which may affect public health and were not corrected.

b. Possibility that adulterated or misbranded product has entered or can enter human food channels.

c. Procedures in the SPP are not being followed, or procedures are being followed but are not effective.

d. Major procedures in the SPP have been changed but updates have not been sent to FSIS officials as required.

e. Actions taken by State officials are less than adequate to assure the program is maintained in compliance with the Acts and Regulations.

F. Schedule.

Each fiscal year, the FSR Director will schedule comprehensive reviews of States. Refer to paragraph V, above, for further discussion on oversight strategies.

G. Coordination.

Agency officials responsible for assigning reviewers are requested to do everything possible to meet the deadlines proposed by the FSR Staff in order to minimize revision of the review schedule. It is recognized that an Agency official with responsibilities in a subject matter area may want a particular State to be reviewed early in the process. If that is the case, the FSR Staff should be fully informed of the reasons why and every effort will be made to schedule the State for review at a time compatible with the requirements of the requesting official.

The Deputy Regional Director will serve as the Team Leader for all State Reviews. The Federal/State Relations Staff will facilitate the establishment of each review team by:

1. Talking with the heads of the various FSIS operations to determine the availability of personnel for the various subject matter areas.

2. Talking with the Deputy Regional Director, who is to determine the availability of, and arrange for, the appropriate number and types of personnel required to review inspectional aspects of the State's program.

3. Using the feedback received from persons in item 1. and 2., from the various FSIS operational heads and the Deputy

Regional Director, to establish the review period after consulting with the affected State official.

4. Informing the Deputy Regional Director of the names of team members and dates of review. Attachment 2-1 to this document is a form letter which will be used for this purpose. Attachment 2-2 to this document is a form letter which the Deputy Regional Director will use to notify the reviewers.

H. Pre-Review and Exit Conferences.

1. The Team Leader will be responsible for opening and closing the review with the appropriate State official(s). The opening of the review may be handled either via telephone or at an on-site meeting. Factors to consider in deciding how the review should be conducted are: (1) size of the State program, (2) proximity of the regional office to the state office, (3) relationship of the date(s) of the inspectional review segment and start-up of the comprehensive review, and (4) cost. As particular subject matter experts start their review process, they are expected to handle their own pre-review meetings. It is at the option of the Team Leader to decide whether he will or will not participate in the various opening and closing meetings.

2. The Team Leader will conduct the exit conference with the head of the State inspection program. The program head's immediate superior and other State officials whose subject areas were reviewed should be encouraged to attend the conference.

3. The goals of the Exit conference are:

a. To provide a forum for discussion of the review findings. In this portion of the exit conference, there should be allowance for give-and-take discussion of review findings. To improve the organization of such discussions, the Team Leader should have listed in outline form the major findings of the review, and have prepared sufficient copies of the outline for distribution among the attendees.

b. To provide a list of items the State Director must response to, in writing, within 30 days after the exit conference. The outline referred to above serves very well for this purpose. In many instances, during the discussion of findings, some items may be stricken from the list upon mutual agreement that the issue is resolved, or was not an issue. Conversely, the discussion may reveal that additional items need to be added to the list.

I. Review Procedures for the IO Reviewer.

1. General. Arrange the inplant review schedule with the appropriate State official. When possible, it is desirable for the IO reviewer(s) to be included in discussions regarding the review findings of other subject matter team members. The IO reviewer(s) will discuss findings with the Team Leader, resolve problems, and prepare the summary report for use at the exit conference.

2. Plant Records. For purposes of the comprehensive review, the records discussed in this Directive are defined as the full range of program reports -- inplant reviews, sanitation reports, slaughter reports, processing reports, label approvals, blueprint approvals, etc.

Using the records selected for review, determine if they accurately depict the conditions and operations of the randomly selected plants or if they comply with the SPP. Document the findings by completing the FSIS Form 5720-10, Records Documentation Worksheet (Attachment 2-8) as follows:

a. Items 1 thru 4 are self-explanatory.

b. Item 5 -- This item is divided into four categories as follows:

(1). Item A -- Record Title/Purpose -- Enter the name of the report/form/record and its purpose. The purpose is to identify the inspection process being documented. Example: Slaughter, Processing, Facilities, Equipment, Labels, Review, etc.

(2). Item B -- Date of Record -- This is the date the report/form/record was prepared.

(3). Item C -- Depicts Plant Conditions/Operations - Check the appropriate response. The principal purpose of the records review is to determine if it depicts the conditions and operations of the plant. However, some records simply report data and point-in-time information. In such cases, check the N/A (non-applicable) column. Whenever a "no" response is entered, a description of the variance/problem/deficiency is required. On a separate sheet of paper, identify the record and then fully describe the variance/problem/deficiency. When records are being reviewed for plants not subject to an on-site review, complete Item D.

(4). Item D -- Meets SPP -- there are times when the records review procedures will entail the review

of records of plants not subject to an on-site review. In such cases, the records review is to be correlated with the appropriate part of the SPP. Whenever a "no" response is entered, a description of the variance/problem/deficiency is required. On a separate sheet of paper, identify the record and then fully describe the variance/problem/deficiency.

J. Inplant Review.

The review of inplant operations will most likely require the greatest amount of time from start to finish. There are no set rules on how many inplant reviewers can be used. Factors to consider are: (1) the number of plants to be reviewed, (2) their physical location, (3) general availability of regional personnel, (4) cost, and (5) prompt completion of the review. However, the number of reviewers used is to be kept to a minimum in the interest of promoting uniformity and consistency of application.

1. The Team Leader or inspection reviewer will determine the number, and select, the plants to be reviewed. The selection of plants shall be determined by use of a random sample table. (See Table, Attachments 2-4 and 2-5). Size up the travel requirement according to the physical location of the subject plants and number of assigned reviewers. The State Director may be told which plants will be reviewed immediately prior to the start of the inspectional review. The selection of plants may take place either at the State or Federal office.

2. FSIS Form 8110-2, Establishment Review and Assessment Worksheet, is to be used to document the results of the evaluation of inplant conditions and operations. Some of the items identified under the various categories may not be applicable to State operations. Example: Export procedures, under category VI, Product Preparation. In such cases, simply disregard such items. FSIS Form 8110-2 is to be completed in the following manner:

a. Print the words "Comprehensive Review Program" across the top of the form.

b. Items 1 thru 6, and 8 are self-explanatory.

c. Item 7 -- Status is self-explanatory. Make no entry in the type of review boxes.

d. Items 9 and 13 -- Strike through those items which are not applicable to either the State program or the plant because of the type of operations conducted.

e. Items 10, 11, 12, 14, 15, and 16 -- These columns will be completed with the principles of the program review process in mind. Refer to paragraph A of this section. The reviewer must exercise judgment in the application of the standards. Whenever a "minor" or "major" variation response is entered, a description of the variance/problem/ deficiency is required. On a separate sheet of paper, identify the category and then fully describe the variance/problem/deficiency.

3. Plants will be visited to ensure that they are in compliance with the SPP and that the plant records accurately depict the conditions and operations of the plant. The visits will also be made for the purpose of verifying the adequacy of State inplant reviews, supervisory reviews, and enforcement activities.

b. The plants to be visited will be randomly selected from among those whose records have been reviewed. The number of plants to be visited will be determined by consulting the chart in Attachment 2-5. The column labeled "No. of Official Plants" will be interpreted to mean the number of plants whose records have been reviewed.

c. After consulting with the Director, FSR/IO, reviewers may decide to visit additional plants. This decision will be based on the results of plant visits already made or on other information. The additional plants need not be randomly selected. In addition to the official plants, at least one custom-exempt plant must be reviewed.

K. Reporting Review Findings.

1. General. Upon completion of the review, the reviewer(s) will have the following documentation:

a. One copy of FSIS Form 5720-9, SPP Documentation Worksheet,

b. One copy of FSIS Form 5720-10, Records Documentation Worksheet, for each set of plant records reviewed, and

c. One copy of FSIS Form 8110-2, Establishment Review and Assessment Worksheet, for each plant reviewed.

2. Using the documentation cited above, the reviewer(s) is (are) to prepare, in memorandum form, a report to the Team Leader summarizing the review findings.

FSIS DIRECTIVE 5720.2
REVISION 2
PART TWO

3. Format. The report of findings is to be organized by the headings on FSIS Form 5720-8, State Review and Certification Summary. Refer to Attachment 2-6 and Part Two, Section IV, paragraph B.

If the answer to a given statement is "Yes", the reviewer is not required to write a narrative explanation, unless it is necessary and beneficial to do so. However, if the answer to a given statement is "No", the reviewer is to describe the variance, problem, or deficiency observed.

4. Assembling Material. The various completed worksheets are to be attached to the report of findings. The first is to be FSIS Form 5720-9. Subsequent attachments will be the completed FSIS Forms 8110-2 and 5720-10. Place the FSIS Form 5720-10, for plants reviewed, behind the FSIS Form 8110-2 for the corresponding establishment number, then place these two documents in numerical sequence. Place the FSIS Form 5720-10 for plants not reviewed in numerical sequence. This will result in the following sequence of records:

a. Report of Findings (memorandum to the team leader),

b. FSIS Form 5720-9,

c. FSIS Forms 8110-2 and 5720-10 for plants reviewed - in numerical sequence by establishment number.

d. FSIS Forms 5720-10 for plants not reviewed - In numerical sequence by establishment number.

5. Due Date. The report is to be filed by the reviewer, on a date agreed to by the Team Leader, prior to the exit conference.

6. Review of Records and Reports in Addition to SPP. In addition to the SPP, reviewers conducting reviews of records and reports will evaluate:

a. Routine Operations.

(1). Laws. Determine that laws are up to date. If reviewers are in doubt, they are to submit copies to the Director, FSR, for review and consultation with OGC.

(2). Regulations. Determine that regulations are up to date. If reviewers are in doubt, they are

to submit copies to the Director, FSR, for review and consultation with OGC.

(3). Funding. Ensure adequate budgeting.

(4). Resource Management. Ensure that staffing, training, financing, operational evaluations and reviews, policy formulation, procurement, enforcement and regulatory actions, and EEO are adequate.

(5). Facilities and Equipment. Determine that blueprint and equipment submittals are properly approved and maintained.

(6). Labels and Standards. Determine that labels and product standards are properly approved and maintained.

(7). Inplant Review and Enforcement. Determine that slaughter and processing procedures, sanitation, plant improvement plan, laboratory sample system and results, reviews (routine, supervisory, and verification), follow-up of corrective actions, and enforcement activity are adequate.

(8). Specialty Programs. Determine the adequacy of sample results, and determine that action to correct deficiencies is appropriate.

(9). Laboratory. Determine that the laboratory has proper control of samples and quality control results, and that actions to correct deficiencies are appropriate.

7. Reports Required by FSIS. See Part Eight of this Directive.

8. Review Formats.

a. Reviewers from the Compliance Program, Budget and Finance Division, and Chemistry Division will follow the review procedures and formats established by their respective programs.

b. IO reviewers will use FSIS Form 8110-2 and the Glossary accompanying the form to check procedures and processes normally observable only at the plant level (Product Preparation, Marks of Inspection, Finished Product Analysis, etc.).

FSIS DIRECTIVE 5720.2
REVISION 2
PART TWO

c. On completing the review, the Team Leader will submit its report (FSIS Form 5720-8) to the Director, FSR/IO, along with any supporting documentation.

VIII. SPECIAL REVIEW

Special Reviews will be scheduled as necessary and as indicated by the SPP, reports, and other information concerning the operations of a state's program.

IX. PLANTS ENDANGERING PUBLIC HEALTH

Sections 331.5 and 381.225 of the MPI Regulations discuss the action to be taken when an FSIS official becomes aware of a state plant that is endangering public health. The reviewer(s) is to immediately notify the team leader, prior to taking any action, whenever such a plant is found. Specific directions will be provided by the Team Leader on what action(s) is to be taken.

TRANSMITTAL COVER LETTER

(Date)

_____, Director
Federal-State Relations, IO
Food Safety and Inspection Service, USDA
Room _____, _____ Building
Washington, DC 20250

Dear Mr./Dr. _____:

Enclosed is the State Performance Plan for (State).

1. Agency

The inspection program is under the (State) Department of (Agency).

2. Staff Composition

List titles, names, addresses, and telephone numbers for officials responsible for the administration of the State inspection program (i.e., Head of State Agency, Director).

3. Administrative Contact for (State)

List title, name, address and telephone number for contact regarding the Cooperative Meat and Poultry Inspection Program.

4. Date

If revision are submitted, list all revision dates in addition to the original date the SPP was approved.

Sincerely,

Enclosure(s)

NOTIFICATION OF TEAM LEADER

To: _____

From: _____
Director, Federal-State Relations, IO

Subject: Comprehensive Review of the State of _____
Meat/Poultry Inspection Program

As you know, you have been appointed to serve as the team leader for the subject review. The following persons have been designated as members of the team to provide expertise in their respective specialties:

Discipline or Specialty

Name, Address, and Telephone Number

Review Date

Chemistry

Civil Rights

Compliance

Finance

Inspection

Resource Management

NOTIFICATION OF TEAM MEMBERS

To: Team Member

From: Team Leader

Subject: Comprehensive Review of the State of _____ Meat
and Poultry Inspection Program

You have been appointed to serve on the comprehensive review team for the review of the State of _____ Meat and/or Poultry Inspection. the review will be conducted during the period _____ to _____. The names of the individuals involved, their subject matter specialties, and tentative review dates are:

Discipline or Specialty

Chemistry
Civil Rights
Compliance
Finance
Inspection
Resource Management

ReviewerDate(s)


With respect to your segment of the review, you are scheduled to start _____. Please plan on being in the office of the individual identified at _____. Please confirm the date, time, and place before arriving on site.

[Name, Address, and Telephone]
[of the appropriate State Official]

You are expected to handle your own opening and closing meetings with the above-named person. For your information, I will be conducting an exit conference with the appropriate State officials at the conclusion of the review. Therefore, I will need your preliminary report of the findings by _____.

FSIS DIRECTIVE 5720.2
REVISION 2
ATTACHMENT 2-3

This report will highlight any significant problem areas as well as any comments on areas where they are doing a particularly good job. We don't want to restrict our comments to just problem areas. If we observe a particular area where they are doing a better-than-average job, we want to be able to point that out as well.

Your attention is directed to FSIS Directive 5720.2, Revision 2, Attachment 15. This is the form which I will prepare on the basis of the findings submitted by all reviewers. To help in its preparation, I would appreciate your submitting your report to me by _____ for those categories applicable to your area of review, in the sequence identified on the form. In your particular case, the items in question  are _____. If the answer to a given statement is "yes," you are not required to write a narrative explanation unless you believe it is necessary and the feedback would be beneficial. Remember, we also want to highlight positive findings. However, if the answer to a given statement is "No," please describe the variance/problem/deficiency. ✓

I hope that the above information will facilitate the review process. Your assistance and cooperation is appreciated. Please contact me at any time if you wish to discuss any aspect of the subject review.

cc: Director, FSR/IO
Appropriate State Official

FSIS DIRECTIVE 5720.2
REVISION 2
ATTACHMENT 2-4

Selection of Plants for Records Review
According to the Number of Official Plants in the State

<u>No. of Official Plants</u>	<u>No. of Plants to be Selected</u>
10 or less	All
11	10
12	11
13	12
14-15	13
16-17	14
18-19	15
20-22	16
23-25	17
26-28	18
29-32	19
33-38	20
39-44	21
45-53	22
54-64	23
65-81	24
82-107	25
108-150	26
151-260	27
261-770	28
Over 770	29

FSIS DIRECTIVE 5720.2
REVISION 2
ATTACHMENT 2-5

Selection of Plants for Review Visits According to the Number of Official Plants in the State	
<u>No. of Official Plants</u>	<u>No. of Plants to Review</u>
1 - 5	All
6 - 100	6
101 - 200	7
201 - 300	8
301 - 400	9
401 & Above	10

FSIS DIRECTIVE 5720.2
REVISION 2
ATTACHMENT 2-6

STATE REVIEW AND CERTIFICATION SUMMARY		STATE NAME
<i>SEND TO: Federal State Relations Staff</i>		
	YES	NO
1. LAWS – APPROVED	<input type="checkbox"/>	<input type="checkbox"/>
2. REGULATIONS – APPROVED.	<input type="checkbox"/>	<input type="checkbox"/>
3. FUNDING AND FINANCIAL ACCOUNTABILITY		
a. Sufficient	<input type="checkbox"/>	<input type="checkbox"/>
b. Guidelines in FSIS Directive 3300.1 Being Followed	<input type="checkbox"/>	<input type="checkbox"/>
4. RESOURCE MANAGEMENT		
a. Adequate Procedures for Allotting Resources	<input type="checkbox"/>	<input type="checkbox"/>
Staffing		
b. Organizational Structure is Accurate	<input type="checkbox"/>	<input type="checkbox"/>
c. Field Staffing Pattern is Being Followed and is Adequate	<input type="checkbox"/>	<input type="checkbox"/>
d. Headquarters Staffing Pattern is Being Followed and is Adequate	<input type="checkbox"/>	<input type="checkbox"/>
Training		
e. Adequate Training for Duties and Position of Employees	<input type="checkbox"/>	<input type="checkbox"/>
f. Competent and Productive Workforce is Maintained	<input type="checkbox"/>	<input type="checkbox"/>
Program Operations		
g. Records Describing Program Activities are Being Maintained and Available	<input type="checkbox"/>	<input type="checkbox"/>
5. FACILITIES AND EQUIPMENT		
a. Active Program to Update Facilities and Equipment	<input type="checkbox"/>	<input type="checkbox"/>
b. Positions Responsible for Approving are Accurately Identified and Adequate	<input type="checkbox"/>	<input type="checkbox"/>
c. Standards and Approval Process are Accurately Described and Adequate	<input type="checkbox"/>	<input type="checkbox"/>
d. Review Process is Accurately Described and Adequate	<input type="checkbox"/>	<input type="checkbox"/>
e. Variations to Federal Process are Accurately Described and Program is Comparable	<input type="checkbox"/>	<input type="checkbox"/>
f. Recordkeeping is Accurately Described and Adequate	<input type="checkbox"/>	<input type="checkbox"/>
6. LABEL AND STANDARDS		
a. Positions Responsible for Approving Labels and Standards Accurately Identified and Adequate	<input type="checkbox"/>	<input type="checkbox"/>
b. Systems for Approving, Controlling and Maintaining Labels are Accurately Described and Adequate	<input type="checkbox"/>	<input type="checkbox"/>
c. System for Developing and Maintaining Standards is Accurately Described and Adequate	<input type="checkbox"/>	<input type="checkbox"/>
d. Variations from FSIS Label Approval System are Accurately Described and Program is Comparable	<input type="checkbox"/>	<input type="checkbox"/>
e. Program for Control of Official and/or Restricted Devices is Accurately Described and Adequate	<input type="checkbox"/>	<input type="checkbox"/>

7. IN-PLANT REVIEWS/ENFORCEMENT		YES	NO
a. Any Variation to Federal Format is Accurately Described	<input type="checkbox"/>	<input type="checkbox"/>	
b. The Format is Comparable	<input type="checkbox"/>	<input type="checkbox"/>	
c. Positions Responsible for Selecting, Scheduling and Correlating Plant Reviews are Accurately Identified	<input type="checkbox"/>	<input type="checkbox"/>	
d. Positions Responsible for Conducting In-plant Reviews are Accurately Identified	<input type="checkbox"/>	<input type="checkbox"/>	
e. Described Review Frequency is Being Followed and is Adequate	<input type="checkbox"/>	<input type="checkbox"/>	
f. Program to Ensure Validity of Plant Reviews is Accurately Described and Adequate	<input type="checkbox"/>	<input type="checkbox"/>	
g. Recordkeeping System for Reviews is Accurately Described and Adequate	<input type="checkbox"/>	<input type="checkbox"/>	
h. Procedures for Follow-up and Corrective Action is Accurately Described and Adequate.	<input type="checkbox"/>	<input type="checkbox"/>	
i. Levels of Organization Responsible for Follow-up Action are Accurately Identified and Adequate	<input type="checkbox"/>	<input type="checkbox"/>	
j. Enforcement Plan for Noncompliance Within the Plant is Accurately Described and Adequate	<input type="checkbox"/>	<input type="checkbox"/>	
k. Description of In-Plant Enforcement System is Accurate and Adequate	<input type="checkbox"/>	<input type="checkbox"/>	
Custom-Exempt			
1. System for Monitoring Custom-Exempt Activities is Accurately Described and Adequate	<input type="checkbox"/>	<input type="checkbox"/>	
Outside of Plant Enforcement			
m. Variations to FSIS Directive 8070.1 are Accurately Described and Program is Comparable.	<input type="checkbox"/>	<input type="checkbox"/>	
n. Variations to Federal Enforcement Program are Accurately Described and Program is Comparable	<input type="checkbox"/>	<input type="checkbox"/>	
o. Recordkeeping System is Accurately Described and Adequate	<input type="checkbox"/>	<input type="checkbox"/>	
p. System to Respond to Product in Commerce is Accurately Described and Adequate.	<input type="checkbox"/>	<input type="checkbox"/>	
q. Outside of Plant Enforcement System is Accurately Described and is Adequate	<input type="checkbox"/>	<input type="checkbox"/>	
8. SPECIALTY PROGRAMS			
a. System for Approving and Monitoring Specialty Program is Accurately Described and Adequate.	<input type="checkbox"/>	<input type="checkbox"/>	
b. Variations to the "List of Proprietary Substances and Non Food Compounds" is Accurately Described and Program is Comparable	<input type="checkbox"/>	<input type="checkbox"/>	
c. On-site Tests are Properly Identified; Tests are Being Conducted Correctly	<input type="checkbox"/>	<input type="checkbox"/>	
9. LABORATORIES			
a. Laboratories Accurately Identified	<input type="checkbox"/>	<input type="checkbox"/>	
b. Types of Analyses are Accurately Identified	<input type="checkbox"/>	<input type="checkbox"/>	
c. Methodology Used is Accurately Described	<input type="checkbox"/>	<input type="checkbox"/>	
d. Laboratories are (Check as Appropriate):			
State Laboratories			
e. On Approved Check Sample Program	<input type="checkbox"/>	<input type="checkbox"/>	
f. FSIS Accredited	<input type="checkbox"/>	<input type="checkbox"/>	
Private Laboratories			
g. On Approved Check Sample Program	<input type="checkbox"/>	<input type="checkbox"/>	
h. FSIS Accredited	<input type="checkbox"/>	<input type="checkbox"/>	
i. USDA Laboratories	<input type="checkbox"/>	<input type="checkbox"/>	
j. Quality Assurance Program is Accurately Described and Adequate.	<input type="checkbox"/>	<input type="checkbox"/>	
k. Recordkeeping Systems are Accurately Described and Adequate	<input type="checkbox"/>	<input type="checkbox"/>	
l. Procedures for Controlling Samples that may Result in Litigation are Accurately Described and Adequate.	<input type="checkbox"/>	<input type="checkbox"/>	

FSIS DIRECTIVE 5720.2
 REVISION 2
 ATTACHMENT 2-6

STATE CERTIFICATION SUMMARY SHEET		STATE NAME
<p>Mark the following items on the adequacy of their meeting the at least equal to requirements of the FMIA and PPIA. Documentation must justify your answers.</p>		
	YES	NO
1. Laws	<input type="checkbox"/>	<input type="checkbox"/>
2. Regulations	<input type="checkbox"/>	<input type="checkbox"/>
3. Funding and Financial Accountability	<input type="checkbox"/>	<input type="checkbox"/>
4. Resource Management	<input type="checkbox"/>	<input type="checkbox"/>
5. Facilities and Equipment	<input type="checkbox"/>	<input type="checkbox"/>
6. Label and Standards	<input type="checkbox"/>	<input type="checkbox"/>
7. In-plant Reviews/Enforcement	<input type="checkbox"/>	<input type="checkbox"/>
8. Specialty Programs	<input type="checkbox"/>	<input type="checkbox"/>
9. Laboratories	<input type="checkbox"/>	<input type="checkbox"/>
<p>The inspection program for this state meets the equal to requirements of the FMIA and PPIA. <input style="margin-left: 100px;" type="checkbox"/> <input style="margin-left: 100px;" type="checkbox"/></p>		
<p>THE REVIEW TEAM RECOMMENDS THAT THE STATE PROGRAM BE CLASSIFIED AS:</p>		
<p><input type="checkbox"/> CATEGORY 1 - Acceptance</p> <p><input type="checkbox"/> CATEGORY 2 - Acceptance with Minor Variations</p> <p><input type="checkbox"/> CATEGORY 3 - Acceptable with Significant Variations</p> <p><input type="checkbox"/> CATEGORY 4 - Unacceptable</p>		
SIGNATURE OF REVIEW TEAM LEADER		DATE
FSIS FORM 5720-8 (1/87)		PAGE 3
		USDA - FSIS

FSIS DIRECTIVE 5720.2
REVISION 2
ATTACHMENT 2-7

U.S. DEPARTMENT OF AGRICULTURE FOOD SAFETY AND INSPECTION SERVICE SPP DOCUMENTATION WORKSHEET		1. STATE 2. REVIEW DATES
3. REVIEW LOCATIONS		
4. NAME OF REVIEWER		TITLE OF REVIEWER
<i>INSTRUCTIONS: Check the appropriate response. Whenever a "no" response is made, a description of the variance / problem / deficiency is required. On a separate sheet of paper, identify the section / item number and then fully describe the variance / problem / deficiency.</i>		
5. PROGRAM OPERATIONS The records to report on the operation and administration of the inspection program are as described and are functioning properly? <input type="checkbox"/> YES <input type="checkbox"/> NO		
6. FACILITIES AND EQUIPMENT		
A. The position(s) responsible for approving facilities and equipment and the organizational level for review and / or approval of equipment and blueprints are as described and are functioning properly?		<input type="checkbox"/> YES <input type="checkbox"/> NO
B. The standards and procedural requirements for facility, equipment, and blueprint approval are as described and are functioning properly?		<input type="checkbox"/> YES <input type="checkbox"/> NO
C. The variations to USDA Handbook 570, "U.S. Inspected Meat and Poultry Packing Plants, A Guide to Construction and Layout" and the "Accepted Meat and Poultry Equipment Book" are as described and are functioning properly?		<input type="checkbox"/> YES <input type="checkbox"/> NO
D. The recordkeeping system used for equipment and blueprint approval is as described and is functioning properly?		<input type="checkbox"/> YES <input type="checkbox"/> NO
7. LABELS AND STANDARDS		
A. The position(s) responsible for approving labels is as described and is functioning properly?		<input type="checkbox"/> YES <input type="checkbox"/> NO
B. The system used for approval, control, and maintenance of labels is as described and is functioning properly?		<input type="checkbox"/> YES <input type="checkbox"/> NO
C. The system used for development and maintenance of meat and poultry standards is as described and is functioning properly?		<input type="checkbox"/> YES <input type="checkbox"/> NO
D. The exceptions from the FSIS label approval system and the published standards are as described and are functioning properly?		<input type="checkbox"/> YES <input type="checkbox"/> NO
E. The system used to control official and / or restricted devices is as described and is functioning properly?		<input type="checkbox"/> YES <input type="checkbox"/> NO
8. IMPLANT REVIEW		
A. The exceptions or modifications to the Review and Evaluation Glossary and Format, as outlined in FSIS Directive 8110-2, are as described and are functioning properly?		<input type="checkbox"/> YES <input type="checkbox"/> NO
B. The position(s) responsible for selecting, scheduling, and correlating plant reviews is as described and is functioning properly?		<input type="checkbox"/> YES <input type="checkbox"/> NO
FSIS FORM 5720-9 (3/89)		

FSIS DIRECTIVE 5720.2
REVISION 2
ATTACHMENT 2-7

FSIS 5720-9 (Reverse)

8. INPLANT REVIEW (continued)

- C. The positions responsible for conducting State inplant reviews are as described and are functioning properly? ☐ YES ☐ NO
- D. The frequency that each official plant will be reviewed is as described and is functioning properly? ☐ YES ☐ NO
- E. The internal system used to ensure the validity of official plant reviews is as described and is functioning properly? ☐ YES ☐ NO
- F. The recordkeeping system used for official plants and verification reviews is as described and is functioning properly? ☐ YES ☐ NO
- G. The procedure used for follow-up and corrective action is as described and is functioning properly? ☐ YES ☐ NO
- H. The levels of the organization responsible for the followup action are as described and are functioning properly? ☐ YES ☐ NO

9. CUSTOM EXEMPT

- A. The system for monitoring plants which are exempt from inspection requirements is as described and is functioning properly? ☐ YES ☐ NO
- B. The procedure used for follow-up and corrective action is as described and is functioning properly? ☐ YES ☐ NO

10. SPECIALTY PROGRAMS

- A. The following specialty programs are being carried out as described and are functioning properly?
1. Residue ☐ YES ☐ NO
2. PFF ☐ YES ☐ NO
3. Species ☐ YES ☐ NO
3. Other (specify): _____ ☐ YES ☐ NO
3. Other (specify): _____ ☐ YES ☐ NO
- B. The exceptions or additions to the "List of Proprietary Substances and Nonfood Compounds" used in meat and poultry plants are as described and are functioning properly? ☐ YES ☐ NO
- C. The identified on-site tests used for disposition of carcasses and / or product are as described and are functioning properly? ☐ YES ☐ NO

FSIS DIRECTIVE 5720.2
 REVISION 2
 ATTACHMENT 2-8

U.S. DEPARTMENT OF AGRICULTURE FOOD SAFETY AND INSPECTION SERVICE RECORDS DOCUMENTATION WORKSHEET				1. STATE	
				2. REVIEW DATE(S)	
3. ESTABLISHMENT NO		4. NAME OF REVIEWER		TITLE OF REVIEWER	

5. RECORD INFORMATION

INSTRUCTIONS: Complete columns 5A and 5B for each record reviewed. Complete columns 5C and 5D depending on the review status of the plant. If plant is subject to an on-site review, complete column 5C. If not, complete column 5D. Whenever a "no" response is made, a description of the variance / problem / deficiency is required. On a separate sheet of paper, identify the section / item number and then fully describe the variance / problem / deficiency.

A Record Title and Purpose	B Date on Record	C. Depicts Plant Conditions / Operations			D. Meets SPP	
		Yes	No	N/A	Yes	No
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
11.						
12.						
13.						

FSIS FORM 5720-10 (3-89)

FSIS DIRECTIVE 5720.2
 REVISION 2
 ATTACHMENT 2-8

FSIS 5720.10 (Reverse)

5. RECORD INFORMATION (Continued)

INSTRUCTIONS: Complete columns 5A and 5B for each record reviewed. Complete columns 5C and 5D depending on the review status of the plant. If plant is subject to an on-site review, complete column 5C. If not, complete column 5D. Whenever a "no" response is made, a description of the variance, problem, deficiency is required. On a separate sheet of paper, identify the section / item number and then fully describe the variance / problem, deficiency.

A Record Title and Purpose	B Date on Record	C. Depicts Plant Conditions / Operations			D. Meets SPP	
		Yes	No	N/A	Yes	No
14.						
15.						
16.						
17.						
18.						
19.						
20.						
21.						
22.						
23.						
24.						
25.						
26.						
27.						
28.						
29.						

**PART THREE -- FEDERAL-STATE COOPERATIVE INSPECTION PROGRAM
(FSCIP)**

I. ELIGIBILITY CRITERIA

A. States participating in FSCIP should be able to dedicate at least 10 staff-years to the inplant inspection at official establishments. For States with fewer than 10 staff years, provisions for alternate Federal-State coverage under cross-utilization are contained in Part Four.

II. REIMBURSEMENTS

Work performed by State employees under provisions of the cooperative agreements concluded under the FSCIP will be reimbursed by FSIS at the rate of 50 percent.

III. PROGRAM MANAGEMENT AND ADMINISTRATION

A. **Program Coordinator.** Each State participating in the FSCIP is to appoint a person to serve as the Program Coordinator (PC). The responsibilities of the PC may vary according to:

1. When the State Program Director is also serving as the PC:

a. The SD is responsible for the administration, regulatory management, and supervision of all State employees and inspection in official establishments where inspection is conducted under FSCIP. The PC may delegate authority to subordinate levels to carry out the requirements of the cooperative agreement when the state has a large number of FSCIP plants.

b. The SD receives guidance from the Federal Area Supervisor with jurisdiction over Federal inspection activities in the State.

c. The SD is accountable for meeting the requirements of the cooperative agreement; provides resources; works with the Federal Area Supervisor on the placement of plants in the FSCIP; and works with the Federal Regional Director or the person designated by the Regional Director concerning the removal of State employees or on the performance of the State program.

2. When the PC is not the same person who is the State Program Director:

a. The PC is responsible for the day-to-day supervision of State employees assigned to official establishments under FSCIP; regulatory management of inspection activities at establishments where inspection is conducted under FSCIP; and receives program guidance from the Federal Area Supervisor with jurisdiction over Federal inspection activities in the State.

b. The State Program Director appoints the PC and holds the PC accountable for meeting the requirements of the cooperative agreement; provides resources; works with the Federal Area Supervisor on the placement of plants in the FSCIP; and works with the Federal Regional Director or the person designated by the Regional Director concerning the removal of employees or on the performance of the State program.

IV. MEETINGS

The PC shall participate in all technical meetings held by the Federal Area Supervisor that are normally attended by Federal Circuit Supervisors. The Area Supervisor will make every effort to include the PC in the same information sharing and applicable directions given to Circuit Supervisors.

V. GRANTING, REFUSING, OR WITHDRAWING INSPECTION

A. The process of granting, refusing, or withdrawing inspection is to be conducted in the manner prescribed by FSIS Directive 5220.1, Granting, Refusing, or Withdrawing Federal Inspection Service. The Federal Area Supervisor may designate the State PC to perform those tasks that are normally assigned to the Federal circuit supervisor. (Refer to paragraph VII. A. for information on the coordination required between the Area Supervisor and the Director of the State Program concerning the placement of plants in the FSCIP.)

B. An application by a plant owner or operator for a grant of Federal inspection is to be referred to the Federal Area Supervisor for processing. If the establishment in question is currently being operated under State inspection, the Area Supervisor will decide if inspectional staff can be assigned to the establishment in accordance with the provisions of the cooperative agreement (Federal-State cooperative agreement) between FSIS and the State. Such a decision will be based on the Federal inspection staffing situation at the applicant's location.

VI. REGULATORY MANAGEMENT

A. **Adjudication of appeals.** Appeals by plant management of decisions by implant inspectors or veterinarians should be made first to the PC and then to the Federal Area Supervisor.

B. **Recordkeeping.** Under the Federal-State cooperative agreement, the PC is to submit, in writing, a quarterly report to the Federal Area Supervisor on all significant technical and regulatory decisions made or accepted or ratified by the PC.

C. **Reviews of official establishments.** Supervisory reviews of establishments in the FSCIP are to be conducted by the PC (or a qualified designee, in states with a large number of FSCIP plants). The review instruments and methods to be used are to be the same as those used by Federal Circuit Supervisors in reviewing official establishments.

VII. STAFFING CRITERIA AND INFORMATION

A. **Availability of inspection personnel.** When there are no available Federal implant inspection personnel at the location of the applicant for a grant of inspection, the Federal Area Supervisor is to consult with the State Program Director on the placement of the establishment in question in the FSCIP in order to determine whether a qualified State implant inspector is available.

B. **Position management.** The inspection staffing requirement for an establishment is determined by using Federal staffing criteria and procedures. Inspection positions for establishments in the FSCIP will be counted in the Federal position management reporting system. The Federal Area Supervisor will consult with the State PC to determine inspection staffing requirements for plants in the FSIP. The Regional Director will approve the creation of all positions in the FSCIP plants in the same manner as such approval is currently given for inspection positions to be filled in all other Federal official establishments.

VIII. QUALIFICATIONS AND ASSIGNMENT

A. **Assignment and Qualifications of employees.** The number of State employees to be assigned to FSCIP plants is to be equivalent to the number of approved positions plus the number of relief inspectors or WAE's.

B. The PC is to provide the Area Supervisor with an assignment list containing the names of employees authorized to perform inspection and the establishments to which they are assigned at the beginning of each quarter of the calendar year (January 1, April 1, July 1, and October 1).

C. **Training of Employees.**

1. State employees, including the PC and inplant inspectors, are expected to have undergone the training and to have acquired the knowledge that will enable them to carry out their duties.

2. If an establishment that formerly had been operated under State inspection has received a grant of Federal inspection and is to be operated under the FSCIP, employees assigned to perform inspection at the establishment must have completed the training required for the position within 9 months of the inauguration of inspection under the FSCIP, unless the employee has previously completed such training.

3. **Delivery of training.**

a. States may send State employees to the FSIS Training Center for the completion of required training or they may provide such training through State-administered programs. Plans for State-administered training programs will be submitted as amendments of the SPP's to the Director, FSR/IO, who will consult with TDD/AM on approving the plans.

b. As new or modified inspection procedures are introduced, State employees will be trained in a timely manner following instructor workshops (train-the-trainer programs).

c. The PC is responsible for determining the qualifications of State employees assigned to establishments under FSCIP and that they have been trained to perform their assigned duties.

4. **Record keeping on employee qualifications.** The PC will maintain records containing the dates, places, and subjects of all completed and proposed training for State employees assigned under FSCIP. The information in these records will be reported to the Federal Area Supervisor on or about January 1 and July 1 each year.

IX. EMPLOYEE PERFORMANCE

A. **Performance standards.** The performance of State employees assigned to FSCIP plants will be evaluated according

FSIS DIRECTIVE 5720.2
REVISION 2
PART THREE

to job performance standards for the Federal positions that are comparable to those which the State employees occupy.

B. **Performance evaluation frequency.** State employees assigned to FSCIP plants will be evaluated just as often as Federal employees occupying positions similar to theirs.

X. EMPLOYEE IDENTIFICATION

State employees assigned to FSCIP will be issued a Federal badge representing their occupational area, as required by Sections 306.3 and 381.33 of the Meat and Poultry Inspection Regulations. State employees assigned to perform Federal poultry inspection will be issued a certificate of authorization (or license) in accordance with Sections 381.30 and 381.31 of the Meat and Poultry Inspection Regulations.

XI. GUIDELINES ON SUSPENDING OR REMOVING STATE INSPECTION EMPLOYEE FROM ASSIGNMENT TO A FSCIP PLANT

A. The State PC or the State Program Director may suspend or revoke the authorization of a State inspection employee to perform Federal inspection under FSCIP upon determining that the employee is no longer qualified to carry out the duties of an authorized inspector.

B. In determining whether a State inspection employee remains qualified to perform Federal inspection, the State PC should consider:

1. Whether the employee has carried out, as assigned, the required professional or technical tasks involved in the actual inspection of meat, meat food products, poultry, or poultry products, and

2. Whether the employee's conduct in carrying out all assigned aspects of the regulatory function has been acceptable.

C. State inspection employees assigned to official establishments under the FSCIP are required to accomplish assigned inspection in accordance with the applicable provisions of the FMIA, the PPIA, the Meat and Poultry Inspection Regulations, and supplementary instructions issued by the Federal or State programs.

D. The State PC or State Program Director will conduct such in-plant surveys under FSCIP as are necessary to assure that the facilities and operations, and the conduct of

inspections at official establishments are in compliance with the FMIA, PPIA, and implementing regulations.

E. Material deficiencies, failures, or omissions in professional or technical performance will be cause for suspension or revocation of the State employee's authorization to perform Federal inspection under FSCIP.

XII. PROCEDURES FOR SUSPENDING OR REMOVING AUTHORIZATION OF A STATE EMPLOYEE TO CONDUCT FEDERAL INSPECTION

A. The State PC, or designee thereof, or the State Program Director or designee thereof will notify the affected State employee in writing of suspension or revocation of the authority to perform Federal inspection. All reasons for the action and the procedures for appeal will be clearly stated.

B. The State PC, or designee thereof, or the State Program Director or designee thereof will, upon determining that a State employee's authorization to perform Federal inspection must be suspended or revoked, notify in writing the State program director and the Federal Area Supervisor of the suspension or revocation, setting forth the facts and circumstances of the action and the status of any appeal process in the matter. The final decision concerning the suspension or revocation rests with State officials.

C. Any disciplinary removal or other personnel action which the State may find appropriate will be determined by the State and should be carried out in accordance with applicable State procedures. Action to permanently terminate authorization to perform Federal inspection may be taken in connection with a suspension, depending on the seriousness of the situation. Some forms of misconduct, such as acceptance of a bribe, will be considered serious enough to warrant revocation of authorization to perform inspection, whereas other minor situations may warrant only a suspension.

XIII. PROGRAM OVERSIGHT

A. The Federal oversight of the FSCIP in a State is the responsibility of the Federal Area Supervisor and his staff. The Area Supervisor will report during July of each year to the Regional Director on the adequacy of the FSCIP for the State. The report will be used in deciding whether the cooperative agreement with the State is to be renewed for the next fiscal year.

B. Federal oversight of the FSCIP for a State will consist of the following:

FSIS DIRECTIVE 5720.2
REVISION 2
PART THREE

1. Quarterly reviews of the work of the PC for the purpose of determining the adequacy of enforcement of Federal regulations and the carrying out of administrative policies and procedures.

2. Ongoing review of reports on training and regulatory decisions submitted to the area office.

3. Reviews by the FSIS Program Review Division of establishments operated under the FSCIP.

4. Results of annual records and inplant reviews of random samples of plants. (Such reviews will be performed by the Circuit Supervisors having responsibility in the geographic locations of the plants in the sample.) Random sample tables for use in choosing plants for these reviews are provided in Attachments 2-4 and 2-5.

**PART FOUR -- CROSS-UTILIZATION OF STATE EMPLOYEES TO PERFORM
FEDERAL INSPECTION OR FEDERAL EMPLOYEES TO PERFORM STATE
INSPECTION**

I. OBJECTIVES

It is the policy of FSIS and IO to cooperate with States to ensure the most effective use of available personnel--Federal and State--within a State in order to provide consumers with maximum protection against unsafe or deceptively labeled meat and poultry products at minimum cost.

II. ADMINISTRATION

A. IO and States wishing to participate in cross-utilizing inspection personnel shall enter into formal agreements.

B. The cross-utilization agreement is administered by the IO regional director or designee and the State official or designee specified in the agreement.

C. State employees assigned to Federal work are subject to the requirements of Part Three of this Directive. Federal employees assigned to State work are authorized or licensed by the State agency.

D. Training is limited to the State or Federal function being performed through cross-utilization. (See also Part Five.)

III. WORK RELATIONSHIPS

A. Federal employees are under continuous Federal supervision. However, in a State plant they are subject to State direction.

B. State employees are under continuous State supervision. However, in a Federally inspected plant they are subject to Federal direction.

C. The Area Supervisor and State Director will coordinate personnel assignments or other matters of mutual interest.

D. Federal supervisors shall be responsible for only Federal employees' performance appraisals.

IV. REIMBURSEMENT

A. FSIS is reimbursed according to established IO rates. (See Attachment 1.) State agencies are reimbursed according to an established hourly rate for base, overtime, and holiday pay. Rates represent average direct inspection costs and necessary support costs for cross-utilized employees. Rates used by the State are provided to the cognizant IO regional officer at the time of the first billing. Any changes in billing rates are provided to the appropriate office.

B. When a State incurs costs by performing cross-utilization and bills IO at 100 percent, the State is to EXCLUDE such costs from the SF-269, as prescribed in FSIS Directive 3300.1.

V. BILLING WORK PERFORMED BY STATE EMPLOYEE FOR IO

A. **Reporting Work Performed.** The IO supervisor:

1. Instructs the State employee on what inspection services to conduct.

2. Furnishes State employees with required inspection forms or certificates and instructions for their preparation.

3. Instructs the State employee on how to prepare the FSIS Form 3420-2 to document all cross-utilization work performed. Advises the State employee to furnish a copy of this form to the IO supervisor and State office, as appropriate.

4. Instructs the State employee on how to prepare the FSIS Form 5110-1 if overtime, holiday, or voluntary reimbursable base and/or overtime inspection is performed. All copies of the executed FSIS Form 5110-1 will be given to the IO supervisor.

5. Verifies that FSIS Form 3420-2 and the FSIS Form 5110-1 are correctly prepared and properly signed. Gives the yellow copy of the FSIS Form 5110-1 to the plant. Forwards a copy of the FSIS Form 3420-2 and the original and blue copy of the FSIS Form 5110-1 to the appropriate IO regional office. The State employee retains a copy of the FSIS Form 3420-2.

B. Billing by the State Agency.

1. The State bills FSIS using State rates on State forms. The invoice should include a detailed description of what is being billed, the hourly rate, and indirect costs, if applicable. The State forwards the invoice to the IO office requesting the service.

2. The IO office which requested the service:

a. Stamps each invoice with the date the invoice was received in the IO office.

b. Verifies that services were performed and that charges are correct.

c. Forwards the invoice to the appropriate IO regional office for approval.

3. The IO regional office staff:

a. Obtains the approving official's signature and date on the invoice with the regional office's approval for payment.

b. Forwards the invoice to:

USDA, FSIS, Budget and Finance Division
Accounting Operations and Systems Branch
14th & Independence Avenue, SW
Room 2141 South Building
Washington, DC 20250

VI. BILLING WORK PERFORMED BY AN IO EMPLOYEE FOR A STATE

A. Reporting Work Performed.

1. The State supervisor:

a. Instructs the IO employee of the inspection services to conduct.

b. Furnishes the IO employee with required State inspection forms or certificates and instructions for their preparation and distribution.

2. The IO employee:

a. Documents all cross-utilization performed for the State on FSIS Form 3420-2. Furnishes a copy of this form to the State agency, retains one copy, and forwards remaining copies to the IO regional office.

b. Charges the IO regional cross-utilization management code on the T&A.

B. Billing by IO Regional Office.

1. Bills the State agency on Form AD-496-4. Uses the rates established for other IO inspection to bill the State. NOTE: Older versions of Form AD-496-4 have an incorrect remittance address preprinted on the form. Either overlay the incorrect address with a new mailing label or bring the correction to the State agency's attention.

2. Forwards the pink copy to NFC (P. O. Box 60950). Forwards the original and yellow copy to the State agency with a copy of the FSIS Form 3420-2. Notifies the State to send the yellow along with their remittance to:

Department of Agriculture
COD Field Office
P.O. Box 70791
Chicago, IL 60673

HOURLY RATES FOR CROSS-UTILIZATION OF
FEDERAL EMPLOYEES IN STATE-INSPECTED PLANTS

The Federal hourly rates listed below will be charged to States on a monthly billing cycle for the time Federal inspectors are used in State-inspected plants. These rates apply only to those States that have entered into cooperative agreements for more effective use of available State and Federal inspectors in meat and poultry inspection work.

	Rates Effective 2/11/90	Rates Effective 2/24/91
Base	\$26.68	\$27.72
Overtime and Holiday	\$27.24	\$28.32

PART FIVE -- TRAINING AND QUALIFICATIONS OF STATE EMPLOYEES

I. TRAINING STANDARDS FOR STATE EMPLOYEES TO PERFORM FEDERAL INSPECTION UNDER FSCIP AND CROSS-UTILIZATION

A. RESPONSIBILITIES

1. The State Program Coordinator or the State Program Director will be responsible for:

a. Evaluating the work performance of the State inspection employees and authorizing such employees to perform inspection in Federal official establishments under the FSCIP

b. Ensuring that State inspection employees, including relief personnel and substitute inspectors, have been properly trained and meet all other requirements

c. Ensuring that the number of personnel authorized to conduct inspection in FSCIP plants is sufficient to meet the needs of the program.

d. Ensuring that the proficiency of State inspection employees assigned under FSCIP is maintained.

B. QUALIFICATIONS OF STATE-EMPLOYED VETERINARIANS

1. State program qualifications for veterinarians assigned under FSCIP must be at least equal to qualification requirements for FSIS VMO's.

2. In determining the professional credentials of veterinarians to be employed under FSCIP, the State Program Coordinator may rely on the qualification requirements established by the U.S. Office of Personnel Management in conjunction with the American Veterinary Medical Association.

3. The State PC or State Program Director should inform State inspection employees assigned to official establishments about the types of malperformance or misconduct that may lead to suspension or revocation of their authorization to perform Federal inspection.

II. TRAINING STANDARDS FOR STATE INSPECTION PROGRAMS

A. Standards.

1. Standards of the State Training Program must meet or exceed the standards of the existing FSIS Program

Development Division (TDD) courses for each category of employee as listed by course number below. All formal training will be delivered by the FSIS Training Center or by State trainers certified to deliver FSIS-developed materials or by State colleges or universities delivering FSIS-equivalent courses. Only the modules in each course that are delivered by FSIS instructors are required when the course is delivered by State training programs. (Courses offered at the FSIS Training Center will contain modules delivered by FSIS instructors and faculty of Texas A & M University (TAMU).) All on-the-job training (OJT) will be accomplished at FSIS training stations or federally or State-inspected establishments.

2. Course outlines and lengths are contained in the annual FSIS Training Catalog. The State Director may elect to omit inappropriate courses, such as those pertaining to export, equine slaughter, etc. Those courses identified in the FSIS Training Catalog as being delivered by TAMU faculty are not required for state employees.

B. The formal training standards for food inspectors, veterinarians, and supervisory veterinarians or inspectors, indicated by the FSIS Training Center course numbers, and the informal standards, are given as follows:

1. Food Inspectors (FI's), Slaughter
 - a. Formal -- 305/703 (or 305X/703X, when applicable), and
 - b. OJT.
2. Food Inspectors, Processing
 - a. Formal -- 501, plus other advanced processing courses, as needed, and
 - b. OJT.
3. Veterinary Medical Officers (VMO's)
 - a. Formal -- 904XM/904XP, and
 - b. OJT.
4. Supervisors -- Supervisory Veterinarians or Food Inspectors
 - a. Formal -- 103 and 104, and
 - b. OJT.

5. Supervisory Processing Inspectors (VMO's or FI's)

a. Formal -- 602, and

b. OJT.

C. **Certified State Trainers.** Selective judgment should be used in choosing individuals to be trained and certified as trainers. Only those individuals possessing outstanding communication skills, the skills and knowledge to perform inspection, and demonstrated ability to work with people, should be selected.

1. Formal -- All trainers must have completed classroom training at the FSIS Training Center for the courses they are to teach. In addition to the usual course work, the Training Center instructors will provide additional instruction in teaching skills to State trainers and certify them to deliver specific FSIS-developed courses. Training Center personnel will also assess the State trainers' abilities as instructors.

2. Annual certification -- The FSIS Training Center will hold an annual correlation conference for State trainers to assist them in maintaining their proficiency. State trainers must attend a correlation conference at least every two years to maintain their certification and remain eligible to serve as trainers.

3. These standards will become effective as of the effective date of this Directive. However, state trainers on duty as of that date will be considered certified for two years from that date. The trainer certification process and attendance at one of two correlation meetings conducted by TDD will determine certification status after the two-year grace period.

D. State personnel designated for cross utilization or assignment to FSCIP plants will receive training equivalent to that which FSIS employees receive through FSIS courses.

E. The State training program may utilize the State resources exclusively, Federal resources exclusively, or both State and Federal resources. The following Federal training resources are available:

1. The FSIS Training Center, TAMU, College Station, TX

2. Course materials and lesson plans
3. Audiovisual and "directed studies" materials
4. Potentially, the use of nearby Federal official establishments as sites for OJT
5. Training stations utilized in the veterinary intern program.

NOTE: Travel to a State by the TDD staff for the purpose of conducting training is available on a very limited basis. Requests for such training will be handled case by case.

F. The formal training delivered by a certified State trainer will be at least equal to the FSIS classroom training in content and depth of treatment. Audiovisual and "directed studies" material should be used for refresher or maintenance training but not in lieu of or as a substitute for classroom training. Audiovisual materials may be requested from the FSIS Training Center. "Directed studies" materials should be requested from the Program Training Division.

G. The training program will be reviewed as a part of the comprehensive review of the State program and will be rated on the basis of:

1. Skills and knowledge of the work force relating to inspection tasks
2. Supervision provided to assure effective performance and identify training needs
3. Training facilities and equipment available and the effectiveness of their use
4. The State's diligence in following the approved training program.

H. Training of Contract Veterinarians. The State must show that contract veterinarians have received training appropriate for the functions they are to perform.

Minimum requirements for training are:

1. Veterinary Dispositions Exclusivley
 - a. Red Meat. Either of the following:
 - (1) Fourteen hours of training in antemortem and postmortem diagnosis and dispositions by a Certified State Trainer using FSIS instructional modules

concerning dispositions and the National Residue Program. Successful completion of the training is to be determined through a correlation exercise conducted by the trainer.

(2) Alternatively, completion of FSIS self-instruction modules concerning dispositions and the National Residue Program. Successful completion of the training is to be determined through a 2-hour correlation exercise conducted by a Certified State Trainer.

b. Poultry. Either of the following:

(1) Eleven hours of training by a Certified State Trainer using FSIS instructional modules in anatomy, disposition, and the National Residue Program. Successful completion of the training is to be determined through a correlation exercise conducted by the Trainer.

(2) Alternatively, correlation of FSIS self-instruction modules on anatomy, disposition, and the National Residue Program. Successful completion of the training is to be determined through a 2-hour correlation exercise conducted by a Certified State Trainer.

2. Veterinary Medical Officer (VMO) Training.

Contract veterinarians appointed to carry out supervisory or inplant VMO functions must have received the same training as permanent employees performing similar functions.

3. Maintenance Training. The State must have a plan for ensuring that trained contract veterinarians maintain proficiency. The plan must contain specific time frames, provision for continuing education, supervisory correlation of dispositions by contract veterinarians, or other methods for maintaining and verifying proficiency. This plan must be submitted to FSR for review and inclusion in the SPP.

FSIS DIRECTIVE 5720.2
 REVISION 2
 ATTACHMENT 5-1

STATE TRAINING REPORT				STATE NAME		
				FEDERAL FISCAL YEAR		
SEND TO: Federal State Relations Staff						
SOURCE		NUMBER OF EMPLOYEES TRAINED	HOURS OF TRAINING BY MODE			
			CLASSROOM	ON THE JOB	CORRESPONDENCE	TOTAL
SLAUGHTER	Federal					
	State					
	Other					
	TOTAL					
PROCESSING	Federal					
	State					
	Other					
	TOTAL					
SUPERVISORY	Federal					
	State					
	Other					
	TOTAL					
COMPLIANCE	Federal					
	State					
	Other					
	TOTAL					
OTHER	Federal					
	State					
	Other					
	TOTAL					
REMARKS:						
SIGNATURE OF STATE DIRECTOR				DATE		
FSIS FORM 5720-1 (12/86)				USDA - FSIS		

STATE LABORATORY ACTIVITY REPORT				STATE NAME	FEDERAL FISCAL YEAR					
SEND TO: <i>Federal State Relations Staff</i>										
LABORATORY ACTIVITY (Specify type of tests done)										
I. CHEMISTRY	Type of Tests done Inplant:	NUMBER OF SAMPLES	NUMBER OF DETERMINATIONS	ACTIONABLE FINDINGS	II. MICROBIOLOGY	Type of Tests done Inplant:	NUMBER OF SAMPLES	NUMBER OF DETERMINATIONS	ACTIONABLE FINDINGS	
	TOTAL						TOTAL			
Type of Tests done by Laboratory:				III. PATHOLOGY	Type of Tests done by Laboratory:					
Fat										
Moisture										
Salt										
Protein										
TOTAL						TOTAL				
Other type of Tests done by Laboratory:						Type of Tests done:				
TOTAL					TOTAL					
REMARKS:										
SIGNATURE OF STATE DIRECTOR								DATE		
<div style="display: flex; justify-content: space-between;"> FSIS FORM 5720-2 (12/86) USDA - FSIS </div>										

FSIS DIRECTIVE 5720.2
REVISION 2
ATTACHMENT 5-3

COMPLIANCE AND INPLANT ACTIVITY REPORT		STATE NAME	FEDERAL FISCAL YEAR
<i>SEND TO: Federal State Relations Staff</i>			
COMPLIANCE ACTIVITIES		NUMBER OF ACTIVITIES	
Planned Compliance Reviews			
Random Reviews			
Consumer Complaints			
Letters of Warning			
Hearings			
Court Actions/Prosecutions			
Evaluation Incident Reports			
FMIA/PPIA Violation Cases			
Personal Contacts			
Registrations of Meat and or Poultry Handlers			
Miscellaneous Actions/Special Projects (Please itemize):			
DETENTIONS	NUMBER/OR POUNDS	LABORATORY (Compliance Only)	NUMBER
Number of Detentions		Number of Samples	
Pounds of Product Detained		Number of Determinations	
Pounds of Product Released		Number Out of Compliance	
Pounds of Product Condemned			
Pounds of Product Voluntarily Destroyed			
INPLANT ACTIVITY			
1. NUMBER OF REVIEWS CONDUCTED BY FIRST LINE OR FIELD SUPERVISORS:		2. NUMBER OF VERIFICATION REVIEWS CONDUCTED BY SUPERVISORS FROM HEADQUARTERS OFFICE:	
3. NUMBER OF PLANTS WITH UNACCEPTABLE CONDITIONS:		4. NUMBER OF PLANTS FOUND UNACCEPTABLE:	
5. NUMBER OF PLANTS STILL NOT IN COMPLIANCE BY THE END OF REPORTING PERIOD:		6. NUMBER OF PLANTS IN AN IRE OR SIMILAR STATUS:	
SIGNATURE OF STATE DIRECTOR			DATE
FSIS FORM 5720-3 (12/86)			USDA - FSIS

FSIS DIRECTIVE 5720.2
 REVISION 2
 ATTACHMENT 5-4

U.S. DEPARTMENT OF AGRICULTURE
 FOOD SAFETY AND INSPECTION SERVICE
 INSPECTION OPERATIONS

STATE ESTABLISHMENT PROFILE

STATE:				AS OF: (Month, Day, Year)	
I. NUMBER OF OFFICIAL PLANTS UNDER INSPECTION	TYPE	SLAUGHTER	PROCESSING	COMBINATION	TOTAL
	Meat				
	Poultry				
	Combination				
	TOTAL				
II. NUMBER OF EXEMPT PLANTS	Meat				
	Poultry				
	Combination				
	TOTAL				
III. NUMBER OF FSCP PLANTS	Meat				
	Poultry				
	Combination				
	TOTAL				
REMARKS:					
SIGNATURE					DATE

FSIS FORM 5720-4 (10-91)

REPLACES FSIS FORM 5720-4, WHICH IS OBSOLETE

FSIS DIRECTIVE 5720.2
REVISION 2
ATTACHMENT 5-5

STATE ASSIGNMENT AND EMPLOYMENT REPORT						
STATE:			AS OF: (Month, Day, Year)			
HEAD- QUARTERS	DESCRIPTION	AUTHORIZED	NUMBER EMPLOYED			
			FULL - TIME (FT)	OTHER THAN FT	TOTAL	
	Veterinary Medical Officers (VMO's)					
	Food Inspectors					
	Compliance Personnel					
	Laboratory Personnel					
	Administrative / Clerical					
	Other					
	SUB-TOTAL					
FIELD	REGIONAL / AREA / DISTRICT / CIRCUIT OFFICES	VMO's				
		Food Inspectors				
		Compliance Personnel				
		Laboratory Personnel				
		Administrative / Clerical				
		Other				
		SUB-TOTAL				
		INPLANT STATE / FEDERAL (Include cross-utilization FTE Staff Years.)	VMO's			
	Food Inspectors					
	Administrative / Clerical					
	Other					
	SUB-TOTAL				1/	
	INPLANT FEDERAL / STATE	VMO's				
		Food Inspectors				
		Administrative / Clerical				
		Other				
		SUB-TOTAL				
	TOTAL (Headquarters & Field)					
	1/ If this number includes FTE Staff Years for State employees working in a Federal plant on a cross-utilization basis, report the total FTE's involved in such plants, below:					
	SIGNATURE OF STATE DIRECTOR				DATE	
FSIS FORM 5720-5 (10/91)		REPLACES FSIS FORM 5720-5 (12/86), WHICH IS OBSOLETE.		USDA - FSIS		

FSIS DIRECTIVE 5720.2
 REVISION 2
 ATTACHMENT 5-6

STATE SLAUGHTER AND PROCESSING REPORT						
STATE:				PERIOD COVERED: OCT. 1, 19 ____ to SEPT. 30, 19 ____		
PART A. HEAD SLAUGHTERED						
SPECIES	CODE	ACTUAL NUMBER SLAUGHTERED				FY TOTAL NO. SLAUGHTERED (000)
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	
Horse	01					
Bull	11					
Steer	12					
Cow	13					
Heifer	14					
Calf	20					
Mature Sheep	31					
Lamb	32					
Goat	40					
Market Swine	51					
Boar	52					
Sow	53					
Young Chicken	61					
Mature Chicken	63					
Fryer Roaster	71					
Young Turkey	72					
Mature Turkey	73					
Duck	81					
Geese	82					
Rabbit	91					
PART B. POUNDS INSPECTED						
CATEGORY	PROCESSING		SLAUGHTER		TOTAL (000)	
Meat						
Poultry						
REMARKS:						
SIGNATURE					DATE	
FSIS FORM 5720-6 (10/91)					REPLACES FSIS FORM 5720-6 (12/86), WHICH IS OBSOLETE.	
					USDA - FSIS	

FSIS DIRECTIVE 5720.2
REVISION 2
ATTACHMENT 5-7

STATE ESTABLISHMENT DIRECTORY			STATE NAME	
INSTRUCTIONS: This form may be used or substituted by a state form, with at least information required herein. Updates showing deletions, additions or changes between official and custom are to be submitted at least quarterly. SEND TO: Federal State Relations Staff			PAGE	
			OF	
STATE ESTABLISHMENT NUMBER	NAME	ADDRESS	OFFICIAL	CUSTOM
Sample Copy				

FSIS FORM 5720-7 (12/06) USDA - FSIS

PART SIX--ETHICS AND CONDUCT

I. BRIBERY AND ACCEPTANCE OF THINGS OF VALUE

A. Soliciting or accepting a bribe by a State inspection employee assigned under FSCIP is a criminal offense punishable by fine and imprisonment.

B. Acceptance by any State inspection employee assigned to official establishments under the FSCIP of any money, gift, or other thing of value from the operator of any establishment granted inspection under the FSCIP, or from any other official establishment engaged in the slaughtering of livestock or poultry, or preparing meat, meat food products, poultry or poultry products, or from any employee or agent of such establishment is prohibited and may be grounds for suspension or revocation of authorization to perform Federal inspection under the FSCIP and, further, may be grounds for prosecution under Federal or State law.

The term "other things of value" is meant to include:

1. Gifts, Gratuities, Entertainment, and Favors.

a. Acceptance of items, no matter how innocently offered or accepted, from "interested parties" may be a source of embarrassment to the State and Federal agencies and the employee involved; may affect the judgment of the employee; and may impair public confidence in the integrity of the employee and the service.

b. An "interested party" is any person, firm, corporation, or other entity, or individual acting on behalf thereof which carries out operations or activities that are regulated by the Agency or has interests that may be substantially affected by the performance or nonperformance of the official duty of the involved employee.

c. Allowance is made for the occasional exchange of customary social courtesies that are free of any embarrassing or improper connotation and are of trivial value (e.g., soft drink or cup of coffee) when the circumstances make it clear that the business of the interested party is not a motivating factor. However, the acceptance of all other gifts, gratuities, entertainment, or other things of value (including complimentary meals and beverages, tangible items, tickets, and passes) from interested parties is strictly prohibited and may be grounds for suspension or revocation of the authorization to

perform Federal inspection, as well as grounds for prosecution under applicable Federal or State laws.

2. Loans.

3. Services, such as the repair of a personal automobile, use of establishment property, or equipment for personal unofficial use by the inspector, and similar favors.

a. An inspector is not to perform inspection at or directly affecting any official establishment in which the inspector has a financial interest.

b. An inspector is not to perform inspection on any animal or poultry product or byproduct in which the inspector has a financial or proprietary interest.

II. DISGRACEFUL CONDUCT; SUBSTANCE ABUSE

A. The authorization to perform Federal inspection of an inspector assigned to an official establishment under the FSCIP is subject to revocation if the inspector is found guilty of criminal, infamous, immoral, or notoriously disgraceful conduct reflecting on the State or Federal agency.

B. An inspector assigned to an official establishment under the FSCIP who uses intoxicants while on official duty or whose use of intoxicants causes interference with the performance of official duties, may be suspended or removed from eligibility to perform Federal inspection.

III. FALSIFICATION, MISUSE, OR DESTRUCTION OF OFFICIAL REPORTS OR PROPERTY

A. No inspector assigned to an official establishment under the FSCIP shall falsify any record or document relating to work under the cooperative agreement nor conceal material facts by omissions from such records.

B. No inspector assigned to an official establishment under the FSCIP may remove, destroy, steal or obliterate any public record.

C. Any claim made by an inspector assigned to an official establishment under the FSCIP for reimbursement of money spent in travel, or for other purposes reimbursable under the terms of the cooperative agreement, shall be made with absolute accuracy and truthfulness.

D. An inspector assigned to an official establishment under the FSCIP may not appropriate any article of Federal property for the inspector's own use.

E. Use of federally-owned passenger-carrying motor vehicles is expressly prohibited, except as may be specifically authorized by a responsible Federal official.

IV. OUTSIDE EMPLOYMENT

A. The question whether to allow employment outside official duty hours is to be resolved by the State PC or the designee thereof or the State Program Director or the designee thereof and the State employees assigned to official establishments under the FSCIP. The interest of the cooperating Federal Agency extends to assuring that such outside employment:

1. Does not interfere with the State inspection employee's performance. Such interference occurs when the outside employment:

a. Causes absence without proper authorization during duty hours

b. Prevents the employee from performing effectively or at full capacity while on duty.

2. Does not in any way imply the Federal agency's official or unofficial sanction, support, or participation in a private undertaking

3. Does not entail or tend to give rise to criticism or bring about embarrassment to the Federal agency or the Federal service. Such a result could occur if the outside employment is:

a. Related closely to official duties. Such a close relationship may tend to give an unfair competitive advantage over other persons engaged in private enterprise.

b. Involved in a criminal, infamous, dishonest, immoral, or notoriously disgraceful activity.

4. Is in full compliance with State or other governmental laws and regulations, including employment that requires official authorization or credentialing, such as the practice of law, veterinary medicine, pharmacy, or real estate.

5. Does not result in any conflict of interest or bias of official judgment, whether or not such employment is

undertaken for compensation. A conflict of interest can be presumed to arise if the employment involves:

a. Using official information to the detriment of the public service.

b. Writing, discussing, or otherwise commenting on policies or official programs of the Federal agency except as authorized by specific regulations.

c. Participating in the commercial activity of an organization which may use the person's name in advertising or otherwise characterize the work of the employee as that of a representative of the Federal agency.

V. RESTRICTIONS ON POLITICAL ACTIVITY

A. Hatch Act. Provisions of the Hatch Act (Hatch Political Activities Act of August 2, 1939, as amended; 5 U.S.C. 118i) apply Federal political activity restrictions to those officers and employees of a State or local agency of a State (including a County) whose principal employment is in connection with an activity financed in whole or in part by Federal loans and grants. These restrictions are also enforceable by the United States Office of Personnel Management (OPM). Federal Personnel Manual Supplementary 990-1, Chapter 15, Section 1502, outlines these restrictions as follows:

1. A State or local officer or employee may not:

a. Use official authority or influence for the purpose of affecting the result of an election or a nomination for office.

b. Directly or indirectly coerce, attempt to coerce, command, or advise a State or local officer or employee to pay, lend, or contribute anything of value to a party, committee, organization, agency or person for political purposes.

c. Be a candidate for elected office if any candidate for the office represents a national or State political party.

2. A State or local officer or employee retains the right to vote and express opinions on political subjects and candidates.

FSIS DIRECTIVE 5720.2
REVISION 2
PART SEVEN

PART SEVEN -- CUSTOM EXEMPT ESTABLISHMENT REVIEW PROCEDURES

States administering and enforcing their own inspection programs for meat, meat food, or poultry products in intrastate commerce are required to uphold standards and follow procedures for the review of custom-exempt establishments that are at least equal to those applied by FSIS in its reviews of custom-exempt establishments. The procedures for such reviews are explained in detail in FSIS Directive 5930.1, Amendment 2, dated 6/27/90, Revision 1.

PART EIGHT -- USE OF CONTRACT VETERINARIANS IN STATE MEAT AND POULTRY INSPECTION PROGRAMS

In the Federal meat and poultry inspection program, slaughter inspection operations are supervised by veterinary medical officers (VMO's). When State inspection programs contract with veterinarians to supervise slaughter inspection operations, the following minimum requirements must be met to assure that the qualifications of such veterinarians are equivalent to those of the Federal VMO's:

A. Technical Supervision. Veterinarians contracted by the State and employed in supervisory positions must be trained in supervision and be capable of providing to slaughter inspectors supervision that is equivalent in amount and quality to that provided to FSIS slaughter inspectors by Federal supervisory veterinary medical officers. (See Part Five, Section III of this directive.)

Such veterinarians must provide to slaughter inspectors, at a minimum, an average of 2 hours' veterinary supervision per month. Such supervision must include guidance in:

1. Inspection procedures
2. Correlation and discussion of those animals and carcasses that have been inspected and passed upon antemortem and postmortem examination
3. Dressing procedures
4. Animals and carcasses retained for veterinary examination and disposition

B. Contract Veterinarians used exclusively to perform ante-mortem and post-mortem diagnosis and dispositions must meet the requirements in Part Five, Section III.

C. Conflicts of Interest. No contract veterinarian may be employed for the purpose of making veterinary dispositions where such employment may expose the veterinarian to allegations of conflict of interest. States must enforce requirements for the prevention of conflict of interest among State and contract veterinarians and inspectors that are at least equal to those applying to Federal employees.

PART NINE -- STATE REPORTING REQUIREMENTS

I. ANNUAL REPORT OF PROGRAM PERFORMANCE

A. Heads of the State agency shall submit an annual report detailing program activities during the last Federal fiscal year.

1. The report shall contain information regarding the activities performed and other data to demonstrate that the SPP is effective in meeting the standards set by the 9 Basic Items defined in Part Two of this Directive and the State is maintaining an inspection program at least equal to the requirements in the FMIA and PPIA. Forms illustrated in the Attachments to this Directive may be used to provide the information whenever possible and appropriate.

2. The report should describe any outstanding achievements by the program.

3. The head of the State agency shall make a statement that in his or her opinion the program is or is not at least equal to the requirements in the FMIA and PPIA.

B. The report shall be submitted by November 15 of each year.

II. PERIODIC REPORTING REQUIREMENTS

A. Annual. The following forms should be completed and submitted with the annual report in I, above:

1. FSIS Form 5720-1.

2. FSIS Form 5720-2.

3. FSIS Form 5720-3.

4. FSIS Form 5720-6. This report will now be submitted annually and included in the Annual Report. Slaughter numbers will be broken down by quarter and species code. Report actual numbers slaughtered in the quarterly columns and round the yearly totals to thousands. Total pounds of red meat and

poultry information has been moved to this form from the former FSIS Form 5720-4. Report actual pounds inspected for each category, and round total to thousands.

B. Annual with Call Letter. FSIS Form 5720-4, and FSIS Form 5720-5. Each year, just before October 1, these forms will be requested by call letter from the Resource Management Staff. The letter will indicate a due date. Timely submission of these reports is important because they are essential for budget planning, and RMS must meet a very strict deadline. Copies of the most recent reports submitted to RMS should be included with the Annual Report.

1. FSIS Form 5720-5. In the "Authorized" column, list the authorized positions for each of the categories under the "Description" heading. Assignments for less than full-time positions are to be expressed in terms of Full-Time-Equivalents (FTE).

Example 1: Three part-time VMO's are authorized to carry out the supervision, oversight, and disposition for slaughter operations. Each of the VMO's will work approximately 1/3 of the year. This would be reported as "1" ($1/3 + 1/3 + 1/3 = 1$).

Example 2: Two part-time VMO's are authorized for a similar situation. One will work 1/2 year, the other, 1/4 year. Report "0.75" ($1/2 + 1/4 = 3/4$).

2. The "Full-Time" column will be expressed in whole numbers.

3. The "Other Than FT" column will be expressed in FTE's in the same format as described in B.1., above.

C. Special.

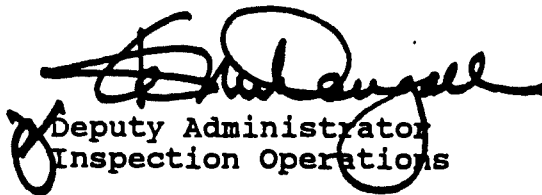
1. An updated FSIS Form 5720-7 is to be submitted annually and included with the Annual Report (I, above). A State form, or other format that includes at least the information required by FSIS Form 5720-7, may be substituted. Information sufficient to update the Directory should be submitted at least quarterly, and should consist of three separate listings: (1) Deletions; (2) Additions; and (3) Changes. "Deletions" may be listed by establishment number only. "Additions" should include all information required by FSIS Form 5720-7. "Changes" should be listed by Establishment number and "From" and "To" categories.

FSIS DIRECTIVE 5720.2
REVISION 2
PART NINE

2. Financial Accountability. States shall submit financial and related information as required by FSIS Directive 3300.1.

III. OTHER REPORTING REQUIREMENTS

FSIS may require additional reports or modification of the periodic reports covering operation and administration of State inspection programs as deemed necessary.



Deputy Administrator
Inspection Operations

United States Department of Agriculture

Food Safety and Inspection Service

Room 0157-South Building

Washington, D.C.

20250

OFFICIAL BUSINESS

Penalty for Private Use, \$300

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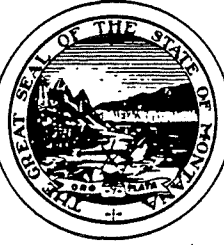
USDA-FSIS

Permit No. G-42

Appendix 12

STATE OF MONTANA LEGISLATION AND STATUTES FOR RE- ESTABLISHING A STATE MEAT ACT

DEPARTMENT OF LIVESTOCK



MARC RACICOT, GOVERNOR

PO BOX 202001

STATE OF MONTANA

BRANDS ENFORCEMENT DIV. 406-444-2045
ANIMAL HEALTH DIV. 406-444-2043
BOARD OF LIVESTOCK - CENTRALIZED SERVICES 406-444-2023
MEAT, MILK & EGG INSPECTION DIV. 406-444-5202

HELENA, MONTANA 59620-2001

June 6, 1995

RECEIVED

JUN 12 1995

Clayton Davis
Division of Regulation MDA
Station #28
Augusta ME 04330

DIV. OF REGULATION

Dear Mr. Davis:

I have been informed by Mr. Cork Mortensen that you are in need of information on a State Meat Inspection program.

Enclosed please find information on legislation, state statutes, budget, number of employees and plants.

If you have any questions or are in need of additional information, please feel free to contact me at (406) 444-5202.

Sincerely,

Handwritten signature of Carol Olmstead in cursive.

Carol Olmstead
Meat/Poultry Inspection Bureau

c: Dr. Hal Sheets
E. E. Mortensen

HOUSE BILL NO. 814

INTRODUCED BY DONALDSON, GIACOMETTO, KELLER,
KOEHNKE, DEVLIN, HAYNE, PETERSON, MENAHAN/
SWITZER, VINCENT, GRADY, MANUEL, MARKS

A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING A STATE
MEAT INSPECTION PROGRAM; PROVIDING FOR ITS ENFORCEMENT AND
APPLICATION BY THE BOARD OF LIVESTOCK; PROVIDING FOR
LICENSING OF MEAT ESTABLISHMENTS; APPROPRIATING MONEY TO
OPERATE THE PROGRAM; AMENDING SECTIONS 7-21-4202, 81-2-102,
81-9-112, 81-9-114 THROUGH 81-9-116, AND 81-9-201, MCA; AND
REPEALING SECTIONS 81-9-101 THROUGH 81-9-103, 81-9-117, AND
81-9-203 THROUGH 81-9-207, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Short title. [Sections 1
through 16] may be cited as the "Meat and Poultry Inspection
Act".

NEW SECTION. Section 2. Definitions. As used in
[sections 1 through 16], the following definitions apply:

(1) "Adulterated" means the term applied to meat if:

(a) it bears or contains a poisonous or deleterious
substance that may render it injurious to health, except
that if the substance is not an added substance, the product
may not be considered adulterated if the quantity of the

THERE ARE NO CHANGES ON HB 814~ AND DUE
TO LENGTH WILL NOT BE REPRINTED. PLEASE
REFER TO SECOND READING (YELLOW) OR
THIRD READING (BLUE) FOR COMPLETE TEXT.

REFERENCE BILL
HB 814

APPROVED BY COMMITTEE
ON AGRICULTURE LIVESTOCK
& IRRIGATION

1 STATEMENT OF INTENT

2 HOUSE BILL 814

3 House Agriculture, Livestock, and Irrigation Committee

4
5 This bill requires a statement of intent because
6 section 4 requires the board of livestock to adopt rules
7 implementing the state meat inspection program. Section 4
8 indicates the scope of the rules. It is intended that the
9 rules conform in all respects to the requirements of the
10 Federal Meat Inspection Act and the Federal Poultry Products
11 Inspection Act, in order to qualify the state program under
12 those acts. It is also intended that the program be
13 developed and administered in cooperation with the food
14 safety and inspection service, United States department of
15 agriculture, to ensure that it is at least "equal to" the
16 requirements contained in the federal law.

HOUSE BILL NO. 814

INTRODUCED BY DONALDSON, GIACOMETTO, KELLER,
KOEHNKE, DEVLIN, HAYNE, PETERSON, MENAHAN,
SWITZER, VINCENT, GRADY, MANUEL, MARKS

A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING A STATE
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OPERATE THE PROGRAM; AMENDING SECTIONS 7-21-4202, 81-2-102,
81-9-112, 81-9-114 THROUGH 81-9-116, AND 81-9-201, MCA; AND
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(1) "Adulterated" means the term applied to meat if:

(a) it bears or contains a poisonous or deleterious
substance that may render it injurious to health, except
that if the substance is not an added substance, the product
may not be considered adulterated if the quantity of the

substance is insufficient to ordinarily render it injurious
to health;

(b) it bears or contains, by reason of administration
of any substance to the meat, an added poisonous or added
deleterious substance other than a color additive, a food
additive, or a pesticide chemical in or on a raw
agricultural commodity, any of which may in the board's
judgment make the meat unfit for human food;

(c) it is in whole or in part a raw agricultural
commodity and bears or contains a pesticide chemical that is
unsafe as provided in the Federal Food, Drug and Cosmetic
Act;

(d) it bears or contains a food additive that is
unsafe as provided in the Federal Food, Drug and Cosmetic
Act;

(e) it bears or contains a color additive that is
unsafe as provided in the Federal Food, Drug and Cosmetic
Act; provided that the meat that is not otherwise considered
adulterated under subsection (1)(c), (1)(d), or (1)(e) of
this section is considered adulterated if use of the
pesticide chemical, food additive, or color additive in or
on the article is prohibited by rule of the board;

(f) it consists in whole or in part of any filthy,
putrid, or decomposed substance or is for any other reason
unsound, unhealthful, unwholesome, or otherwise unfit for

1 human food;

2 (g) it has been prepared, packed, or held under
3 unsanitary conditions whereby it may have become
4 contaminated with filth or rendered injurious to health;

5 (h) it is in whole or in part the product of an
6 animal, including poultry, that has died otherwise than by
7 slaughter;

8 (i) its container is composed in whole or in part of
9 any poisonous or deleterious substance that may render the
10 contents injurious to health;

11 (j) it has been intentionally subjected to radiation,
12 unless the use of the radiation was in conformity with a
13 regulation or exemption in effect pursuant to 21 U.S.C. 348;
14 or

15 (k) any valuable constituent has been in whole or in
16 part omitted or abstracted therefrom, any substance has been
17 substituted wholly or in part therefor, damage or
18 inferiority has been concealed in any manner, or any
19 substance has been added to it or mixed or packed with it so
20 as to increase its bulk or weight, or make it appear better
21 or of greater value than it is.

22 (2) "Chief" means the chief meat inspector appointed
23 as provided in [section 3].

24 (3) "Federal Food, Drug and Cosmetic Act" means 21
25 U.S.C. 301 through 392, as that law reads on [the effective

1 date of this act].

2 (4) "Livestock" means cattle, buffalo, sheep, swine,
3 goats, rabbits, horses, mules or other equines, and game
4 farm animals as defined in 87-4-406 whether alive or dead.

5 (5) "Livestock product" or "poultry product" means a
6 product capable of use as human food that is wholly or
7 partially made from meat and is not specifically exempted by
8 rule of the board.

9 (6) "Meat" means the edible flesh of livestock or
10 poultry and includes livestock and poultry products.

11 (7) "Misbranded" means the term applied to meat:

12 (a) if its labeling is false or misleading in any
13 particular;

14 (b) if it is offered for sale under the name of
15 another food;

16 (c) if it is an imitation of a meat product, unless
17 its label bears, in type of uniform size and prominence, the
18 word "imitation" and immediately thereafter the name of the
19 food being imitated;

20 (d) if its container is so made, formed, or filled as
21 to be misleading;

22 (e) if it does not bear a label showing:

23 (i) the name and place of business of the
24 manufacturer, packer, or distributor; and

25 (ii) an accurate statement of the quantity of the

1 product in terms of weight, measure, or numerical count. The
2 board may adopt rules exempting small meat packages, meat
3 not in containers, and other reasonable variations.

4 (f) If any word, statement, or other information
5 required by [sections 1 through 16] to appear on the label
6 is not prominently placed thereon, as compared with other
7 words, statements, designs, or devices in the labeling, and
8 is not stated in terms that render it likely to be read and
9 understood by the ordinary individual under customary
10 conditions of purchase and use;

11 (g) If it is represented as a food for which a
12 definition and standard of identity or composition has been
13 prescribed by the rules of the board, unless:

14 (i) It conforms to the definition and standard; and

15 (ii) Its label bears the name of the food specified in
16 the definition and standard and, insofar as required by the
17 rules, the common names of optional ingredients present in
18 such food, other than spices, flavoring, and coloring;

19 (h) If it is represented as a food for which a
20 standard of fill of container has been prescribed by rules
21 of the board and it falls below the standard of fill of
22 container applicable thereto, unless its label bears, in the
23 manner and form as the rules specify, a statement that it
24 falls below the standard;

25 (i) If it is not subject to the provisions of

1 subsection (7)(g), unless its label bears:

2 (i) the common or usual name of the food, if any; and

3 (ii) in case it is fabricated from two or more
4 ingredients, the common or usual name of each ingredient,
5 except that spices, flavorings, and colorings may, when
6 authorized by the board, be designated as spices,
7 flavorings, and colorings without naming each. To the extent
8 that compliance with the requirements of this subsection
9 (ii) is impracticable or results in deception or unfair
10 competition, exemptions must be established by rules
11 promulgated by the board.

12 (j) If it purports to be for special dietary uses,
13 unless its label bears such information concerning its
14 vitamin, mineral, and other dietary properties as the board,
15 after consultation with the U.S. secretary of agriculture,
16 by rule prescribes as necessary in order to fully inform
17 purchasers as to its value for such uses;

18 (k) If it bears or contains an artificial flavoring,
19 artificial coloring, or chemical preservative, unless it
20 bears labeling stating that fact, provided that to the
21 extent that compliance with the requirements of this
22 subsection (k) is impracticable, exemptions must be
23 established by rules promulgated by the board; or

24 (l) If it fails to bear directly thereon and on its
25 containers, as the board may by rule prescribe, the official

1 inspection legend and establishment number of the
2 establishment where the product was prepared and other
3 information as the board may require to assure that it will
4 not have false or misleading labeling and that the public
5 will be informed of the manner of handling required to
6 maintain the meat in a wholesome condition.

7 (8) "Official establishment" means an establishment
8 licensed by the board at which inspection of the slaughter
9 of livestock or poultry or the preparation of meat food
10 products is maintained under [sections 1 through 16].

11 (9) "Pesticide chemical", "food additive", "color
12 additive", and "raw agricultural commodity" have the same
13 meanings as provided in 21 U.S.C. 321.

14 (10) "Poultry" means any domesticated bird, whether
15 alive or dead.

16 (11) "Prepared" means slaughtered, canned, salted,
17 stuffed, rendered, boned, cut up, or otherwise manufactured
18 or processed.

19 NEW SECTION. Section 3. Chief meat inspector --
20 deputies -- qualifications. (1) There is a chief meat
21 inspector, who must be appointed by the board and shall
22 serve at its pleasure. Such person must be a veterinarian
23 licensed in Montana who has practiced veterinary medicine
24 for 5 years or longer.

25 (2) The chief shall supervise the state meat

1 inspection program established in [sections 1 through 16]
2 and shall enforce the provisions of [sections 1 through 16]
3 to assure the public that only pure, wholesome, and
4 unadulterated meat or meat food products are offered for
5 sale.

6 (3) Upon recommendation of the chief, the board shall
7 appoint veterinary meat inspectors and lay meat inspectors,
8 who must be responsible to the chief and who shall conduct
9 ante-mortem and post-mortem inspections, enforce sanitary
10 requirements, and perform other necessary meat inspection
11 duties.

12 (4) An inspector assigned to an official establishment
13 may not be related to the management of the establishment or
14 have any financial interest therein.

15 NEW SECTION. Section 4. Rules. The board, upon the
16 recommendation of the chief, shall adopt rules consistent
17 with the requirements of the rules of the U.S. department of
18 agriculture governing meat inspection. The rules must:

19 (1) require ante-mortem and post-mortem inspections,
20 quarantines, segregation, and reinspections with respect to
21 the slaughter of livestock and poultry and the preparation
22 of livestock and poultry products at all official
23 establishments;

24 (2) require the identification of livestock and
25 poultry and the marking and labeling of livestock or poultry

1 products as "Montana Inspected and Passed" if they are found
2 upon inspection not to be adulterated;

3 (3) require the destruction for food purposes of all
4 livestock, poultry, livestock products, and poultry products
5 that have been found to be adulterated;

6 (4) set standards for ingredients of livestock
7 products, meat, and poultry products;

8 (5) set standards for labeling, marking, or branding
9 of meat, livestock products, and poultry products;

10 (6) set standards for the weights or measures of
11 meats, livestock products, and poultry products not
12 inconsistent with standards established under Title 30,
13 chapter 12;

14 (7) set standards for the filling of containers for
15 meat, livestock products, and poultry products;

16 (8) regulate the false or fraudulent advertising of
17 meat, livestock products, and poultry products;

18 (9) provide for periodic investigations of the
19 sanitary conditions of each official establishment and
20 withdraw or otherwise refuse to license and inspect those
21 establishments where the sanitary conditions are such as to
22 render adulterated any meat products prepared or handled
23 therein;

24 (10) prescribe sanitation requirements for all official
25 establishments;

1 (11) require all persons subject to [sections 1 through
2 16] to maintain full and complete records of all
3 transactions involving meat, livestock products, or poultry
4 products and to make the records available on request to the
5 chief or his inspectors at any reasonable time; and

6 (12) prescribe additional standards, methods, and
7 procedures as are necessary to effect the purposes of
8 [sections 1 through 16].

9 NEW SECTION. Section 5. Application for state meat
10 inspection service -- assignment of establishment number.

11 (1) Any meat establishment licensed under 81-9-201 may apply
12 to the board for state meat and poultry inspection service.

13 The application must include:

14 (a) the name and address of the establishment;

15 (b) the type of establishment;

16 (c) a complete description of the facilities and
17 equipment;

18 (d) the day of the week and hours of the day when the
19 establishment is in operation; and

20 (e) other information required by the chief.

21 (2) The chief, upon receipt of the application, shall
22 inspect the applicant's facilities and equipment. If the
23 establishment is found to be clean and sanitary and if it
24 meets the requirements of [sections 1 through 16], the board
25 shall authorize the granting of state meat inspection

1 service to the applicant. The board shall then assign an
2 official establishment number to the approved establishment
3 to be used to mark the meat of the carcasses and parts of
4 carcasses that are offered for sale.

5 NEW SECTION. Section 6. Inspection stamps. (1) The
6 board shall provide meat inspection stamps to all official
7 establishments, which must contain the words "Montana
8 Inspected and Passed". The inspection stamps must be
9 designed by the board so as to be not in conflict with
10 inspection stamps of the U.S. department of agriculture.

11 (2) Approved official establishments may use symbols
12 of the inspection stamps on the processed meats and meat
13 food products they offered for sale if they are in
14 compliance with the provisions of [sections 1 through 16].

15 (3) The meat inspection stamps must at all times be
16 under the jurisdiction of the chief.

17 NEW SECTION. Section 7. Assignment of inspectors. (1)
18 The chief shall assign inspectors to each official
19 establishment and may assign one inspector to two or more
20 establishments.

21 (2) No establishment may slaughter or process any
22 cattle, buffalo, sheep, swine, goats, or poultry unless
23 there is an assigned inspector present. The hours of the
24 day and days of each week, including holidays or weekends,
25 when the establishment is slaughtering or processing meat

1 must be satisfactorily arranged between the chief and each
2 establishment. Establishments shall pay overtime fees to
3 the board when services are rendered in excess of 8 hours a
4 day or on holidays or weekends.

5 NEW SECTION. Section 8. Ante-mortem and post-mortem
6 inspection required. (1) Official establishments must have
7 an ante-mortem inspection. The inspector assigned to each
8 establishment shall examine each animal immediately prior to
9 slaughter for the purpose of eliminating all unfit animals
10 and segregating for more thorough examination all animals
11 suspected of being affected with a condition that might
12 influence their disposition on post-mortem inspection. The
13 unfit animals may not enter the slaughtering facilities of
14 the plant. The suspected animals which after inspection are
15 permitted to be slaughtered must be handled separately from
16 the regular kill and given a special post-mortem
17 examination.

18 (2) Official establishments must have a post-mortem
19 inspection. The post-mortem inspection must be made at the
20 time the animals are slaughtered. The inspectors shall
21 examine the cervical lymph glands, the skeletal lymph
22 glands, the viscera and organs, with their lymph glands, and
23 all exposed surfaces of the carcasses of all cattle,
24 buffalo, sheep, swine, and goats. The examination must be
25 conducted in the slaughtering facilities of the

1 establishment during the slaughtering operations.

2 (3) The chief or any of his inspectors may have a
3 laboratory designated by the board make pathogenic
4 examination of animals or parts thereof for completion of
5 ante-mortem or post-mortem inspection.

6 NEW SECTION. Section 9. Condemnation and appeal. The
7 inspector at an official establishment shall condemn all
8 diseased or otherwise unfit carcasses and parts of
9 carcasses, including the viscera. The condemned parts must
10 be removed from the slaughtering facilities of the plant in
11 equipment designated for that purpose and must be destroyed
12 for food purposes under the supervision of the inspector. If
13 an establishment wishes to appeal a decision of an inspector
14 as to carcasses or parts of carcasses that have been
15 condemned, the establishment may appeal the decision to the
16 chief or any veterinarian the chief may designate. If the
17 establishment is not satisfied and wishes to make a further
18 appeal, it may submit an appeal to the board, whose decision
19 is final unless the person aggrieved, within 10 days after
20 the date of the decision, appeals to the district court of
21 the district in which the licensed premises are located.

22 NEW SECTION. Section 10. Regulation of equine, game
23 farm animal, or rabbit carcasses or products. (1) Equines,
24 game farm animals, and rabbits and their carcasses, parts
25 thereof, and meat food products must be slaughtered and

1 prepared in establishments separate from the establishments
2 where cattle, buffalo, sheep, swine, or goats are
3 slaughtered or their carcasses, parts thereof, or meat food
4 products are prepared.

5 (2) The board may by rule otherwise limit the entry of
6 equine, game farm animal, or rabbit carcasses, parts of
7 carcasses, meat food products, and other materials into any
8 establishment where inspection under [sections 1 through 16]
9 is maintained, under conditions as it may prescribe to
10 assure that allowing the entry of the articles into
11 inspected establishments will be consistent with the
12 purposes of [sections 1 through 16].

13 NEW SECTION. Section 11. Exemptions. The following
14 persons are exempt from [sections 1 through 16] and
15 81-9-201:

16 (1) a person who slaughters livestock or poultry or
17 prepares or processes livestock or poultry products for his
18 own personal or household use;

19 (2) a person engaged in custom slaughtering of
20 livestock and preparation of the carcasses and parts and
21 meat food products thereof only with respect to the
22 slaughter of livestock delivered by the owner for custom
23 slaughter and the preparation of the carcasses for use by
24 the owner in his own household or by members of his
25 household or nonpaying guests; and

(3) a person who transports dead, dying, or diseased animals or poultry for the purpose of treatment, burial, or disposal in a manner that would prevent the carcasses from being used as human food.

NEW SECTION. Section 12. Cooperation with state and federal authorities. (1) In carrying out the provisions of [sections 1 through 16], the chief shall consult with the department of health and environmental sciences and any appropriate state laboratory in matters relating to potability of water, sewage systems, and other sanitary conditions of slaughtering and meat processing establishments that might endanger public health. If any official establishment is failing to meet minimum applicable requirements of the department of health and environmental sciences, inspection service to the establishment must be suspended as provided in [section 14] until the condition is remedied.

(2) The board is designated as the agency responsible for cooperating with the U.S. secretary of agriculture in receiving advisory assistance in developing the state program, technical and laboratory assistance and training, and financial assistance for administration of the program.

NEW SECTION. Section 13. Violations -- penalties. (1) Except as provided in [sections 1 through 16], no person may:

(a) slaughter livestock or poultry or prepare livestock products or poultry products for human consumption;

(b) sell or transport adulterated, misbranded, condemned, or uninspected meats, livestock products, or poultry products;

(c) falsely represent that an article has been inspected and passed or is exempted under [sections 1 through 16] or knowingly make a false statement in any certificate provided for by rules prescribed by the board;

(d) sell or transport slaughtered poultry from which the blood, feathers, feet, head, or viscera have not been removed;

(e) fail to keep any records required by [sections 1 through 16];

(f) forge an official stamp, mark, or certificate;

(g) use, alter, deface, detach, or destroy an official stamp, mark, or certificate without authorization;

(h) fail to use or fail to detach, deface, or destroy an official stamp, mark, or certificate contrary to rules prescribed by the board;

(i) knowingly possess a counterfeit certificate, stamp, or label or the carcass or parts of the carcass of an animal bearing a counterfeit or improperly altered official mark;

1 (j) sell or transport an equine carcass or parts
2 thereof unless they are conspicuously marked or otherwise
3 identified to show the kind of animal from which they were
4 derived;

5 (k) buy, sell, or transport livestock products or
6 poultry products not intended for human food unless they are
7 naturally inedible by humans or are denatured or identified
8 as required by rules prescribed by the board;

9 (l) engage in the business of buying, selling, or
10 transporting dead, dying, disabled, or diseased animals or
11 parts of the carcasses of animals that died otherwise than
12 by slaughter, or buy, sell, or transport dead, dying,
13 disabled, or diseased livestock or poultry or the products
14 of such livestock or poultry that died otherwise than by
15 slaughter unless in accordance with rules adopted under
16 81-9-302 to assure that such livestock or poultry or the
17 unwholesome parts or products thereof will be prevented from
18 being used for human food purposes.

19 (2) A person who violates [sections 1 through 16] or
20 rules adopted under [sections 1 through 16] for which no
21 other criminal penalty is provided is guilty of a
22 misdemeanor and upon conviction is punishable by
23 imprisonment for not more than 1 year or by a fine of not
24 more than \$1,000, or both. If the violation involves intent
25 to defraud or any distribution or attempted distribution of

1 an article that is adulterated, such person is guilty of a
2 felony and upon conviction is punishable by imprisonment for
3 not more than 3 years or by a fine of not more than \$10,000,
4 or both.

5 NEW SECTION. Section 14. Suspension or revocation of
6 inspection service or establishment number -- hearing --
7 appeal. (1) Any license issued by the board or any state
8 meat inspection service or establishment number may be
9 suspended or revoked by the board for noncompliance with
10 [sections 1 through 16] or any rule adopted pursuant to
11 [sections 1 through 16].

12 (2) State meat inspection service or establishment
13 numbers may be suspended or revoked only after a hearing
14 before the board upon reasonable notice. Notice must be
15 given the licensee by service of the complaint upon him.

16 (3) The decision of the board is final in any matter
17 relating to renewal, suspension, or revocation of state meat
18 inspection service or an establishment number unless the
19 person aggrieved, within 10 days after the date of the
20 decision, appeals to the district court of the district in
21 which the licensed premises are located. The court shall
22 hear and determine the matter within 10 days after the date
23 of filing the appeal. After such decision, the person
24 aggrieved may, in compliance with the statutory provisions
25 relating thereto, appeal the decision of the district court

1 to the supreme court of the state, but the suspension or
2 revocation of state meat inspection service or an
3 establishment number remains in effect pending the outcome
4 of the appeal.

5 NEW SECTION. Section 15. Injunction. In addition to
6 remedies provided in [sections 1 through 16], the board is
7 authorized to apply to the district court for and the court
8 shall have jurisdiction, upon hearing and for cause shown,
9 to grant a temporary or permanent injunction restraining any
10 person from violating a provision of [sections 1 through
11 16], whether or not there exists an adequate remedy at law.

12 NEW SECTION. Section 16. Application. The provisions
13 of [sections 1 through 16] apply to persons, establishments,
14 animals, and articles regulated under the federal Meat
15 Inspection Act, 21 U.S.C. 601 through 695, or the federal
16 Poultry Products Inspection Act, 21 U.S.C. 451 through 470,
17 as those acts read on [its effective date of this act], only
18 to the extent provided for therein.

19 Section 17. Section 7-21-4202, MCA, is amended to
20 read:

21 "7-21-4202. Regulation of foodstuffs. The city or town
22 council has power to provide for and regulate the inspection
23 of beef, pork, flour, meal, and all provisions and oils; to
24 regulate the inspection of milk, water, butter, lard, and
25 other provisions; to regulate the vending of meat, poultry,

1 fish, game, and vegetables; to restrain and punish the
2 forestalling of provisions."

3 Section 18. Section 81-2-102, MCA, is amended to read:
4 "81-2-102. Powers of department. (1) The department
5 may:

6 (a) supervise the sanitary conditions of livestock in
7 this state, under the provisions of the constitution and
8 statutes of this state and the rules adopted by the
9 department. The department may quarantine a lot, yard, land,
10 building, room, premises, enclosure, or other place or
11 section in this state which is or may be used or occupied by
12 livestock and which in the judgment of the department is
13 infected or contaminated with an infectious, contagious,
14 communicable, or dangerous disease or disease-carrying
15 medium by which the disease may be communicated. The
16 department may quarantine livestock in this state when the
17 livestock is affected with or has been exposed to disease or
18 disease-carrying medium. The department may prescribe
19 treatments and enforce sanitary rules which are necessary
20 and proper to circumscribe, extirpate, control, or prevent
21 the disease.

22 (b) foster, promote, and protect the livestock
23 industry in this state by the investigation of diseases and
24 other subjects related to ways and means of prevention,
25 extirpation, and control of diseases or to the care of

1 livestock and its products and to this end may establish and
 2 maintain a laboratory, may make or cause to be made biologic
 3 products, curatives, and preventative agents, and may
 4 perform any other acts and things as may be necessary or
 5 proper in the fostering, promotion, or protection of the
 6 livestock industry in this state;

7 (c) impose and collect such fees as the department
 8 considers appropriate for the tests and services performed
 9 by it at the laboratory or elsewhere and for biologic
 10 products, curatives, and preventative agents made or caused
 11 to be made by the department. In fixing these fees the
 12 department shall take into consideration the costs, both
 13 direct and indirect, of the tests, services, products,
 14 curatives, and agents. All fees shall be deposited in the
 15 state special revenue fund for the use of the animal health
 16 functions of the department.

17 (d) adopt rules and orders which it considers
 18 necessary or proper to prevent the introduction or spreading
 19 of infectious, contagious, communicable, or dangerous
 20 diseases affecting livestock in this state and to this end
 21 may adopt rules and orders necessary or proper governing
 22 inspections and tests of livestock intended for importation
 23 into this state before it may be imported into this state;

24 (e) adopt rules and orders which it considers
 25 necessary or proper for the inspection, testing, and

1 quarantine of all livestock imported into this state;

2 (f) adopt rules and orders which it considers
 3 necessary or proper for the supervision, inspection, and
 4 control of the standards and sanitary conditions of
 5 slaughterhouses, meat depots, meat and meat food products,
 6 dairies, milk depots, milk and its byproducts, barns, dairy
 7 cows, factories, and other places and premises where meat or
 8 meat foods, milk or its products, or any byproducts thereof
 9 intended for sale or consumption as food are produced, kept,
 10 handled, or stored. An authorized representative of the
 11 department may take samples of a product so produced, kept,
 12 handled, or stored for analysis or testing by the
 13 department. The records of the samples and their analysis
 14 and test, when identified as to the sample by the oath of
 15 the officer taking it and verified as to the analysis or
 16 test by the oath of the chemist or bacteriologist making it,
 17 are prima facie evidence of the facts set forth in them when
 18 offered in evidence in a prosecution or action at law or in
 19 equity for violation of part 1, 2, or 3 of this chapter,
 20 81-9-201 through 81-9-207, 81-20-101, 81-21-102, 81-21-103,
 21 or a rule or order of the board adopted thereunder. These
 22 standards, insofar as they relate to dairies or milk and its
 23 byproducts, may not include standards of weight or
 24 measurement.

25 (g) adopt rules and orders which seem necessary or

1 proper for the supervision and control of manufactured and
 2 refined foods for livestock and the manufacture,
 3 importation, sale, and method of using a biologic remedy or
 4 curative agent for the treatment of diseases of livestock.
 5 However, as far as practicable the standards approved by the
 6 United States department of agriculture shall be adopted.

7 (h) install an adequate system of meat inspection, at
 8 any time and in such places as public welfare may demand,
 9 under the rules which may provide fees for the maintenance
 10 of such inspection and in accordance with [sections 1
 11 through 16] which shall provide ways and means for shipping
 12 home-grown and home-killed meats into any city in this
 13 state. As far as practicable, the rules shall conform with
 14 the meat inspection requirements of the United States
 15 department of agriculture.

16 (i) slaughter or cause to be slaughtered any livestock
 17 in this state known to be affected with or which has been
 18 exposed to an infectious, contagious, communicable, or
 19 dangerous disease, when such slaughter is necessary for the
 20 protection of other livestock, and destroy or cause to be
 21 destroyed all barns, stables, sheds, outbuildings, fixtures,
 22 furniture, or personal property infected with any such
 23 infectious, contagious, communicable, or dangerous disease
 24 when they cannot be thoroughly cleaned and disinfected and
 25 the destruction is necessary to prevent the spreading of the

1 disease;

2 (j) indemnify the owner of any property destroyed by
 3 order of the department or pursuant to any rules adopted by
 4 the department under parts 1, 2, or 3 of this chapter,
 5 81-9-281 through 81-9-287, 81-20-101, 81-21-102, 81-21-103;

6 (k) require persons, firms, and corporations engaged
 7 in the production or handling of meat, meat food products,
 8 dairy products, or any byproducts thereof to furnish
 9 statistics of the quantity and cost of the food and food
 10 products produced or handled and the name and address of
 11 persons supplying them any of the products.

12 (2) When in the exercise of its powers or the
 13 discharge of its duties it becomes necessary for employees
 14 of the department to investigate facts and conditions, they
 15 may administer oaths, take affidavits, and compel the
 16 attendance and testimony of witnesses."

17 Section 19. Section 81-9-112, MCA, is amended to read:

18 "81-9-112. Inspection and marking of hides and meat of
 19 slaughtered cattle -- records -- bill of sale -- when
 20 inspection not necessary. (1) All butchers and meat peddlers
 21 slaughtering establishments required to be licensed under
 22 81-9-201 shall maintain the hide of an animal in its
 23 entirety with tail and ears attached for each animal
 24 slaughtered until inspected by a state or deputy state stock
 25 inspector in the county where the animal was slaughtered.

1 The inspector shall mark the hide in the manner prescribed
2 by the department. This inspection may be waived for those
3 animals inspected by a state or deputy state stock inspector
4 on a preslaughter inspection.

5 (2) Each dressed carcass of such animal shall be
6 stamped with an ink stamp in a manner specified by the
7 department. The inspector shall keep a record and issue a
8 certificate of inspection as specified by the department,
9 giving the ~~butcher's--or--peddler's name,--the--place--of~~
10 business and address of the establishment or person, the
11 serial number of the inspection of the hide, the brand on
12 the hide, the date of inspection, and the place where the
13 inspection was made. The inspector shall forward a copy of
14 the inspection certificate to the department and issue one
15 copy to the person requesting the inspection.

16 (3) When ownership of the carcass and hide presented
17 is claimed on a bill of sale, the officer making the
18 inspection shall demand and receive the original bill of
19 sale, which shall be attached to the inspector's certificate
20 sent to the county clerk and recorder. When the bills of
21 sale cover cattle not included in the inspection, the
22 inspector shall issue to the owner of the bill of sale a
23 receipt for the bill of sale. The receipt shall describe
24 the balance of the cattle covered by the original bill of
25 sale.

1 (4) Any person who kills beef or veal in good faith
2 for his own use shall not be required to have such meat
3 inspected or stamped."

4 Section 20. Section 81-9-114, MCA, is amended to read:
5 "81-9-114. Duty of--butchers--and--meat--peddlers to
6 report violations. ~~It--is--made--the--duty--of--any--butcher--or~~
7 ~~meat--peddler--licensed--under--the--provisions--of--81-9-102--to~~ A
8 person required to be licensed under 81-9-201 shall report
9 any violation of 81-9-112 to the sheriff of the county
10 wherein such violation shall--occur occurred and of which
11 such ~~butcher--or--meat--peddler~~ person has knowledge, ~~y~~ and--for
12 his Upon failure so to do so, such-butcher-or-meat-peddler
13 the person shall suffer a revocation of his license and no
14 license shall again be issued to such person until the
15 expiration of 1 year from the date of such revocation."

16 Section 21. Section 81-9-115, MCA, is amended to read:
17 "81-9-115. Unlawful to purchase uninspected hide or
18 carcass -- exception. ~~It--shall--be--unlawful--for--any~~ No person
19 ~~or---persons,~~ firm, corporation, or association to may
20 purchase the hide or carcass or any part thereof of any beef
21 or veal without the inspection or identification herein
22 provided for. The provision of this section shall does not
23 apply to any person or-persons who shall-purchase purchases
24 from a licensed butcher-or-peddler meat establishment beef
25 or veal in quantities less than one quarter of an animal."

Section 22. Section 81-9-116, MCA, is amended to read:

"81-9-116. Officers' authority concerning enforcement -- seizure and sale of meat held in violation. Any officer having authority to make the inspection herein provided for may enter into and inspect butcher--shops,--slaughterhouses, and--other--places-of-business-of-meat-peddlers-and-butchers meat establishments required to be licensed under 81-9-201 or places where beef is handled in quantities, for the purpose of determining whether the provisions of this part have been complied with. In case meat is found which is being held in violation of the provisions of this part, the officers shall--have--authority--to may seize and take the same. All meat so seized shall be sold under the direction of a stock inspector, sheriff, or other officer authorized, at either public or private sale, for the best price obtainable, and the proceeds shall be paid to the county treasurer of the county in which said meat is seized for the benefit of the general fund of said county."

Section 23. Section 81-9-201, MCA, is amended to read:

"81-9-201. Slaughterhouse Meat establishment license -- fees and renewals. (1) It is unlawful for a person, firm, or corporation to maintain-or-conduct-a-slaughterhouse, meat packinghouse,--or--meat--depot--in--this-state engage in the business of slaughtering livestock or poultry or processing, storing, or wholesaling the meat products of either without

having a license issued by the department. The department shall establish an annual fee for a license issued under this section, to be paid into the state special revenue fund for the use of the department.

(2) All licenses expire on December 31 of the year in which they are issued and shall be renewed by the department on request of the licensee. However, when the department finds that the place establishment for which the license is issued is not conducted in accordance with the rules and orders of the board made under 81-2-102, the department shall revoke the license and may not renew it until the place establishment is in a sanitary condition in accordance with department rules.

(3) A person, firm, or corporation violating this section or any rule or order promulgated by authority of 81-2-102 is guilty of a misdemeanor and upon conviction shall be fined not to exceed \$500."

NEW SECTION. Section 24. Repealer. Sections 81-9-101 through 81-9-103, 81-9-117, and 81-9-203 through 81-9-207, MCA, are repealed.

NEW SECTION. Section 25. Codification Instruction. Sections 1 through 16 are intended to be codified as an integral part of Title 81, chapter 9, part 2, and the provisions of Title 81 apply to sections 1 through 16.

NEW SECTION. SECTION 26. APPROPRIATION. (1) THERE IS

1 APPROPRIATED THE FOLLOWING AMOUNTS FROM THE GENERAL FUND TO
 2 THE BOARD OF LIVESTOCK TO MATCH FEDERAL FUNDS AVAILABLE TO
 3 ESTABLISH AND OPERATE A STATE MEAT INSPECTION PROGRAM:

4 (A) FISCAL YEAR ENDING JUNE 30, 1988 \$139,400
 5 (B) FISCAL YEAR ENDING JUNE 30, 1989 136,900

6 (2) THERE IS APPROPRIATED THE FOLLOWING AMOUNTS FROM
 7 THE FEDERAL SPECIAL REVENUE FUND TO THE BOARD OF LIVESTOCK
 8 TO ESTABLISH AND OPERATE A STATE MEAT INSPECTION PROGRAM:

9 (A) FISCAL YEAR ENDING JUNE 30, 1988 \$139,400
 10 (B) FISCAL YEAR ENDING JUNE 30, 1989 136,900

-End-

81-9-117. Repealed. Sec. 24, Ch. 577, L. 1987.

History: En. Sec. 7, Ch. 172, L. 1931; re-en. Sec. 3298.22, R.C.M. 1935; R.C.M. 1947, 46-511.

81-9-118. Penalties for violation or falsifying records. Any person who violates any of the provisions of this part or who willfully falsifies any of the records required by this part to be kept shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not less than \$100 or more than \$500 or by imprisonment in the county jail for a period of not less than 30 days or more than 6 months or by such fine and imprisonment for the first offense and for each subsequent offense shall be deemed guilty of a felony and punished by a fine of not more than \$50,000 or imprisonment in the state prison for not less than 1 year or more than 5 years, or both.

History: En. Sec. 9, Ch. 172, L. 1931; re-en. Sec. 3298.24, R.C.M. 1935; R.C.M. 1947, 46-513; amd. Sec. 7, Ch. 198, L. 1981.

Part 2

Slaughterhouses Meat and Poultry Inspection

Part Cross-References

Municipal regulation of foodstuffs, 7-21-4202.

Regulation of location of businesses, factories, and steam boilers, 7-21-4204.

81-9-201. Meat establishment license — fees and renewals. (1) It is unlawful for a person, firm, or corporation to engage in the business of slaughtering livestock or poultry or processing, storing, or wholesaling the meat products of either without having a license issued by the department. The department shall establish an annual fee for a license issued under this section, to be paid into the state special revenue fund for the use of the department.

(2) All licenses expire on December 31 of the year in which they are issued and shall be renewed by the department on request of the licensee. However, when the department finds that the establishment for which the license is issued is not conducted in accordance with the rules and orders of the board made under 81-2-102, the department shall revoke the license and may not renew it until the establishment is in a sanitary condition in accordance with department rules.

(3) A person, firm, or corporation violating this section or any rule or order promulgated by authority of 81-2-102 is guilty of a misdemeanor and upon conviction shall be fined not to exceed \$500.

History: En. Sec. 26, Ch. 262, L. 1921; re-en. Sec. 3285, R.C.M. 1921; re-en. Sec. 3285, R.C.M. 1935; amd. Sec. 79, Ch. 310, L. 1974; amd. Sec. 22, Ch. 12, L. 1977; R.C.M. 1947, 46-235; amd. Sec. 48, Ch. 281, L. 1983; amd. Sec. 20, Ch. 444, L. 1983; amd. Sec. 23, Ch. 577, L. 1987.

81-9-202. Exceptions of certain producers of meats. The owners or operators of slaughterhouses, packinghouses, meat depots, or other places of business engaged in the production, storage, or transportation of meats or meat foods are not required to procure a license from the department of health and environmental sciences, insofar as the business of production, stor-

not limit the supervision or regulation of the sanitary condition of a restaurant, hotel, boardinghouse, or retail market or the products sold or offered for sale thereat by the department of health and environmental sciences, nor does this section limit the duties imposed by law on the department of health and environmental sciences to make sanitary rules for the eradication or control of an epidemic of human disease which may exist in a community.

History: En. Sec. 24, Ch. 262, L. 1921; re-en. Sec. 3283, R.C.M. 1921; re-en. Sec. 3283, R.C.M. 1935; amd. Sec. 77, Ch. 310, L. 1974; amd. Sec. 20, Ch. 12, L. 1977; R.C.M. 1947, 46-233(part).

81-9-203 through 81-9-207. Repealed. Sec. 24, Ch. 577, L. 1987.

Compiler's Comments

Histories of Repealed Sections:

81-9-203. (1)En. Sec. 10, Ch. 262, L. 1921; re-en. Sec. 3269, R.C.M. 1921; re-en. Sec. 3269, R.C.M. 1935; amd. Sec. 62, Ch. 310, L. 1974; Sec. 46-216, R.C.M. 1947; (2) thru (4)En. Sec. 7, Ch. 130, L. 1911; re-en. Sec. 2584, R.C.M. 1921; re-en. Sec. 2584, R.C.M. 1935; Sec. 27-107, R.C.M. 1947; R.C.M. 1947, 27-107, 46-216.

81-9-204. En. Sec. 1, p. 163, L. 1901; re-en. Sec. 8492, Rev. C. 1907; amd. Sec. 1, Ch. 39, L. 1917; re-en. Sec. 11243, R.C.M. 1921; re-en. Sec. 11243, R.C.M. 1935; Sec. 94-35-172, R.C.M. 1947; redes. 46-247 by Sec. 29, Ch. 513, L. 1973; amd. Sec. 199, Ch. 310, L. 1974; R.C.M. 1974, 46-247.

81-9-205. En. 46-210.1 by Sec. 1, Ch. 190, L. 1977; R.C.M. 1947, 46-210.1.

81-9-206. (1)En. Sec. 29, Ch. 262, L. 1921; re-en. Sec. 3288, R.C.M. 1921; re-en. Sec. 3288, R.C.M. 1935; amd. Sec. 23, Ch. 12, L. 1977; Sec. 46-238, R.C.M. 1947; (2)En. Sec. 2, Ch. 39, L. 1917; re-en. Sec. 11244, R.C.M. 1921; re-en. Sec. 11244, R.C.M. 1935; 94-35-173, R.C.M. 1947; redes. 46-248 by Sec. 29, Ch. 513, L. 1973; amd. Sec. 26, Ch. 12, L. 1977; Sec. 46-248, R.C.M. 1947; R.C.M. 1947, 46-238, 46-248.

81-9-207. En. Sec. 30, Ch. 262, L. 1921; re-en. Sec. 3289, R.C.M. 1921; re-en. Sec. 3289, R.C.M. 1935; amd. Sec. 81, Ch. 310, L. 1974; amd. Sec. 24, Ch. 12, L. 1977; R.C.M. 1947, 46-239.

81-9-208 through 81-9-215 reserved.

81-9-216. Short title. Sections 81-9-216 through 81-9-220 and 81-9-226 through 81-9-236 may be cited as the "Meat and Poultry Inspection Act".
History: En. Sec. 1, Ch. 577, L. 1987.

81-9-217. Definitions. As used in 81-9-216 through 81-9-220 and 81-9-226 through 81-9-236, the following definitions apply:

(1) "Adulterated" means the term applied to meat if:

(a) it bears or contains a poisonous or deleterious substance that may render it injurious to health, except that if the substance is not an added substance, the product may not be considered adulterated if the quantity of the substance is insufficient to ordinarily render it injurious to health;

(b) it bears or contains, by reason of administration of any substance to the meat, an added poisonous or added deleterious substance other than a color additive, a food additive, or a pesticide chemical in or on a raw agricultural commodity, any of which may in the board's judgment make the meat unfit for human food;

(c) it is in whole or in part a raw agricultural commodity and bears or contains a pesticide chemical that is unsafe as provided in the Federal Food, Drug and Cosmetic Act;

(d) it bears or contains a food additive that is unsafe as provided in the Federal Food, Drug and Cosmetic Act;

(e) it bears or contains a color additive that is unsafe as provided in the Federal Food, Drug and Cosmetic Act; provided that the meat that is not adulterated under subsection (1)(a), (1)(b), or (1)(c) of

this section is considered adulterated if use of the pesticide chemical, food additive, or color additive in or on the article is prohibited by rule of the board;

(f) it consists in whole or in part of any filthy, putrid, or decomposed substance or is for any other reason unsound, unhealthful, unwholesome, or otherwise unfit for human food;

(g) it has been prepared, packed, or held under unsanitary conditions whereby it may have become contaminated with filth or rendered injurious to health;

(h) it is in whole or in part the product of an animal, including poultry, that has died otherwise than by slaughter;

(i) its container is composed in whole or in part of any poisonous or deleterious substance that may render the contents injurious to health;

(j) it has been intentionally subjected to radiation, unless the use of the radiation was in conformity with a regulation or exemption in effect pursuant to 21 U.S.C. 348; or

(k) any valuable constituent has been in whole or in part omitted or abstracted therefrom, any substance has been substituted wholly or in part therefor, damage or inferiority has been concealed in any manner, or any substance has been added to it or mixed or packed with it so as to increase its bulk or weight, or make it appear better or of greater value than it is.

(2) "Chief" means the chief meat inspector appointed as provided in 81-9-226.

(3) "Federal Food, Drug and Cosmetic Act" means 21 U.S.C. 301 through 392, as that law reads on October 1, 1987.

(4) "Livestock" means cattle, buffalo, sheep, swine, goats, rabbits, horses, mules or other equines, and game farm animals as defined in 87-4-406 whether alive or dead.

(5) "Livestock product" or "poultry product" means a product capable of use as human food that is wholly or partially made from meat and is not specifically exempted by rule of the board.

(6) "Meat" means the edible flesh of livestock or poultry and includes livestock and poultry products.

(7) "Misbranded" means the term applied to meat:

(a) if its labeling is false or misleading in any particular;

(b) if it is offered for sale under the name of another food;

(c) if it is an imitation of a meat product, unless its label bears, in type of uniform size and prominence, the word "imitation" and immediately thereafter the name of the food being imitated;

(d) if its container is so made, formed, or filled as to be misleading;

(e) if it does not bear a label showing:

(i) the name and place of business of the manufacturer, packer, or distributor; and

(ii) an accurate statement of the quantity of the product in terms of weight, measure, or numerical count. The board may adopt rules exempting small meat packages, meat not in containers, and other reasonable variations.

(f) if any word, statement, or other information required by 81-9-216 through 81-9-220 and 81-9-226 through 81-9-236 to appear on the label is not prominently placed thereon, as compared with other words, statements,

likely to be read and understood by the ordinary individual under customary conditions of purchase and use;

(g) if it is represented as a food for which a definition and standard of identity or composition has been prescribed by the rules of the board, unless:

(i) it conforms to the definition and standard; and

(ii) its label bears the name of the food specified in the definition and standard and, insofar as required by the rules, the common names of optional ingredients present in such food, other than spices, flavoring, and coloring;

(h) if it is represented as a food for which a standard of fill of container has been prescribed by rules of the board and it falls below the standard of fill of container applicable thereto, unless its label bears, in the manner and form as the rules specify, a statement that it falls below the standard;

(i) if it is not subject to the provisions of subsection (7)(g), unless its label bears:

(i) the common or usual name of the food, if any; and

(ii) in case it is fabricated from two or more ingredients, the common or usual name of each ingredient, except that spices, flavorings, and colorings may, when authorized by the board, be designated as spices, flavorings, and colorings without naming each. To the extent that compliance with the requirements of this subsection (ii) is impracticable or results in deception or unfair competition, exemptions must be established by rules promulgated by the board.

(j) if it purports to be for special dietary uses, unless its label bears such information concerning its vitamin, mineral, and other dietary properties as the board, after consultation with the U.S. secretary of agriculture, by rule prescribes as necessary in order to fully inform purchasers as to its value for such uses;

(k) if it bears or contains an artificial flavoring, artificial coloring, or chemical preservative, unless it bears labeling stating that fact, provided that to the extent that compliance with the requirements of this subsection (k) is impracticable, exemptions must be established by rules promulgated by the board; or

(l) if it fails to bear directly thereon and on its containers, as the board may by rule prescribe, the official inspection legend and establishment number of the establishment where the product was prepared and other information as the board may require to assure that it will not have false or misleading labeling and that the public will be informed of the manner of handling required to maintain the meat in a wholesome condition.

(8) "Official establishment" means an establishment licensed by the board at which inspection of the slaughter of livestock or poultry or the preparation of meat food products is maintained under 81-9-216 through 81-9-220 and 81-9-226 through 81-9-236.

(9) "Pesticide chemical", "food additive", "color additive", and "raw agricultural commodity" have the same meanings as provided in 21 U.S.C. 321.

(10) "Poultry" means any domesticated bird, whether alive or dead.

(11) "Prepared" means slaughtered, canned, salted, stuffed, rendered, boned, cut up, or otherwise manufactured or processed.

History: En. Sec. 2, Ch. 577, L. 1987.

Cross Reference:

81-9-218. Exemptions. (1) The following persons are exempt from 81-9-201, 81-9-216 through 81-9-220, and 81-9-226 through 81-9-236:

(a) a person who slaughters livestock or poultry or prepares or processes livestock or poultry products for his own personal or household use; and

(b) a person who transports dead, dying, or diseased animals or poultry for the purpose of treatment, burial, or disposal in a manner that would prevent the carcasses from being used as human food.

(2) A person engaged in the custom slaughtering of livestock or poultry delivered by the owner for custom slaughter or a person engaged in the preparation of the carcasses and parts and meat food products of such livestock or poultry when slaughtered or prepared for exclusive use in the owner's household by the owner or members of his household or his nonpaying guests or employees is exempt from 81-9-216 through 81-9-220 and 81-9-226 through 81-9-236, provided the carcasses, parts, or meat food products or containers of such articles are:

(a) kept separate from carcasses, parts, or meat food products prepared for sale;

(b) plainly marked "Not for Sale" immediately after being slaughtered or prepared and remain plainly marked until delivered to the owner; and

(c) prepared and packaged in a sanitary manner and in a sanitary facility.

History: En. Sec. 11, Ch. 577, L. 1987; amd. Sec. 2, Ch. 200, L. 1989.

Compiler's Comments

1989 Amendment: Deleted former (2) that read: "(2) a person engaged in custom slaughtering of livestock and preparation of the carcasses and parts and meat food products thereof only with respect to the slaughter of livestock delivered by the owner for custom slaughter and

the preparation of the carcasses for use by the owner in his own household or by members of his household or nonpaying guests"; inserted (2) relating to custom slaughtering; and made minor changes in form. Amendment effective March 21, 1989.

81-9-219. Application. The provisions of 81-9-216 through 81-9-220 and 81-9-226 through 81-9-236 apply to persons, establishments, animals, and articles regulated under the Federal Meat Inspection Act, 21 U.S.C. 601 through 695, or the federal Poultry Products Inspection Act, 21 U.S.C. 451 through 470, as those acts read on October 1, 1987, only to the extent provided for therein.

History: En. Sec. 16, Ch. 577, L. 1987.

81-9-220. Rules. The board, upon the recommendation of the chief, shall adopt rules consistent with the requirements of the rules of the U.S. department of agriculture governing meat inspection. The rules must:

(1) require ante-mortem and post-mortem inspections, quarantines, segregation, and reinspections with respect to the slaughter of livestock and poultry and the preparation of livestock and poultry products at all official establishments;

(2) require the identification of livestock and poultry and the marking and labeling of livestock or poultry products as "Montana Inspected and Passed" if they are found upon inspection not to be adulterated;

(3) require the destruction for food purposes of all livestock, poultry, livestock products, and poultry products that have been found to be adulterated;

(4) set standards for ingredients of livestock products, meat, and poultry products;

(5) set standards for labeling, marking, or branding of meat, livestock products, and poultry products;

(6) set standards for the weights or measures of meats, livestock products, and poultry products not inconsistent with standards established under Title 30, chapter 12;

(7) set standards for the filling of containers for meat, livestock products, and poultry products;

(8) regulate the false or fraudulent advertising of meat, livestock products, and poultry products;

(9) provide for periodic investigations of the sanitary conditions of each official establishment and withdraw or otherwise refuse to license and inspect those establishments where the sanitary conditions are such as to render adulterated any meat products prepared or handled therein;

(10) prescribe sanitation requirements for all official establishments;

(11) require all persons subject to 81-9-216 through 81-9-220 and 81-9-226 through 81-9-236 to maintain full and complete records of all transactions involving meat, livestock products, or poultry products and to make the records available on request to the chief or his inspectors at any reasonable time; and

(12) prescribe additional standards, methods, and procedures as are necessary to effect the purposes of 81-9-216 through 81-9-220 and 81-9-226 through 81-9-236.

History: En. Sec. 4, Ch. 577, L. 1987.

Cross-References

Adoption and publication of rules — Montana Administrative Procedure Act, Title 2, ch. 4, part 3.

81-9-221 through 81-9-225 reserved.

81-9-226. Chief meat inspector — deputies — qualifications. (1) There is a chief meat inspector, who must be appointed by the board and shall serve at its pleasure.

(2) The chief shall supervise the state meat inspection program established in 81-9-216 through 81-9-220 and 81-9-226 through 81-9-236 and shall enforce the provisions of 81-9-216 through 81-9-220 and 81-9-226 through 81-9-236 to assure the public that only pure, wholesome, and unadulterated meat or meat food products are offered for sale.

(3) Upon recommendation of the chief, the board shall appoint veterinary meat inspectors and lay meat inspectors, who must be responsible to the chief and who shall conduct ante-mortem and post-mortem inspections, enforce sanitary requirements, and perform other necessary meat inspection duties.

(4) An inspector assigned to an official establishment may not be related to the management of the establishment or have any financial interest therein.

History: En. Sec. 3, Ch. 577, L. 1987; amd. Sec. 3, Ch. 200, L. 1989.

Compiler's Comments

1989 Amendment: Deleted second sentence of (1) that read: "Such person must be a veterinarian licensed in Montana who has practiced veterinary medicine for 5 years or longer." Amendment effective March 21, 1989.

81-9-227. Application for state meat inspection service — assign-

81-9-201 may apply to the board for state meat and poultry inspection service. The application must include:

- (a) the name and address of the establishment;
- (b) the type of establishment;
- (c) a complete description of the facilities and equipment;
- (d) the day of the week and hours of the day when the establishment is in operation; and
- (e) other information required by the chief.

(2) The chief, upon receipt of the application, shall inspect the applicant's facilities and equipment. If the establishment is found to be clean and sanitary and if it meets the requirements of 81-9-216 through 81-9-220 and 81-9-226 through 81-9-236, the board shall authorize the granting of state meat inspection service to the applicant. The board shall then assign an official establishment number to the approved establishment to be used to mark the meat of the carcasses and parts of carcasses that are offered for sale.

History: En. Sec. 5, Ch. 577, L. 1987.

81-9-228. Inspection stamps. (1) The board shall provide meat inspection stamps to all official establishments, which must contain the words "Montana Inspected and Passed". The inspection stamps must be designed by the board so as to be not in conflict with inspection stamps of the U.S. department of agriculture.

(2) Approved official establishments may use symbols of the inspection stamps on the processed meats and meat food products they offer for sale if they are in compliance with the provisions of 81-9-216 through 81-9-220 and 81-9-226 through 81-9-236.

(3) The meat inspection stamps must at all times be under the jurisdiction of the chief.

History: En. Sec. 6, Ch. 577, L. 1987; amd. Sec. 77, Ch. 83, L. 1989.

Compiler's Comments

1989 Amendment: In (2) changed "offered" to "offer".

81-9-229. Assignment of inspectors. (1) The chief shall assign inspectors to each official establishment and may assign one inspector to two or more establishments.

(2) No establishment may slaughter or process any cattle, buffalo, sheep, swine, goats, or poultry unless there is an assigned inspector present. The hours of the day and days of each week, including holidays or weekends, when the establishment is slaughtering or processing meat must be satisfactorily arranged between the chief and each establishment. Establishments shall pay overtime fees to the board when services are rendered in excess of 8 hours a day or on holidays or weekends.

History: En. Sec. 7, Ch. 577, L. 1987.

81-9-230. Ante-mortem and post-mortem inspection required. (1) Official establishments must have an ante-mortem inspection. The inspector assigned to each establishment shall examine each animal immediately prior to slaughter for the purpose of eliminating all unfit animals and segregating

a condition that might influence their disposition on post-mortem inspection. The unfit animals may not enter the slaughtering facilities of the plant. The suspected animals which after inspection are permitted to be slaughtered must be handled separately from the regular kill and given a special post-mortem examination.

(2) Official establishments must have a post-mortem inspection. The post-mortem inspection must be made at the time the animals are slaughtered. The inspectors shall examine the cervical lymph glands, the skeletal lymph glands, the viscera and organs, with their lymph glands, and all exposed surfaces of the carcasses of all cattle, buffalo, sheep, swine, and goats. The examination must be conducted in the slaughtering facilities of the establishment during the slaughtering operations.

(3) The chief or any of his inspectors may have a laboratory designated by the board make pathogenic examination of animals or parts thereof for completion of ante-mortem or post-mortem inspection.

History: En. Sec. 8, Ch. 577, L. 1987.

81-9-231. Condemnation and appeal. The inspector at an official establishment shall condemn all diseased or otherwise unfit carcasses and parts of carcasses, including the viscera. The condemned parts must be removed from the slaughtering facilities of the plant in equipment designated for that purpose and must be destroyed for food purposes under the supervision of the inspector. If an establishment wishes to appeal a decision of an inspector as to carcasses or parts of carcasses that have been condemned, the establishment may appeal the decision to the chief or any veterinarian the chief may designate. If the establishment is not satisfied and wishes to make a further appeal, it may submit an appeal to the board, whose decision is final unless the person aggrieved, within 10 days after the date of the decision, appeals to the district court of the district in which the licensed premises are located.

History: En. Sec. 9, Ch. 577, L. 1987.

81-9-232. Regulation of equine, game farm animal, or rabbit carcasses or products. (1) Equines, game farm animals, and rabbits and their carcasses, parts thereof, and meat food products must be slaughtered and prepared in establishments separate from the establishments where cattle, buffalo, sheep, swine, or goats are slaughtered or their carcasses, parts thereof, or meat food products are prepared.

(2) The board may by rule otherwise limit the entry of equine, game farm animal, or rabbit carcasses, parts of carcasses, meat food products, and other materials into any establishment where inspection under 81-9-216 through 81-9-220 and 81-9-226 through 81-9-236 is maintained, under conditions as it may prescribe to assure that allowing the entry of the articles into inspected establishments will be consistent with the purposes of 81-9-216 through 81-9-220 and 81-9-226 through 81-9-236.

History: En. Sec. 10, Ch. 577, L. 1987.

Cross-References

Municipal regulation of foodstuffs, 7-21-4202.

81-9-233. Cooperation with state and federal authorities. (1) In

through 81-9-236, the chief shall consult with the department of health and environmental sciences and any appropriate state laboratory in matters relating to potability of water, sewage systems, and other sanitary conditions of slaughtering and meat processing establishments that might endanger public health. If any official establishment is failing to meet minimum applicable requirements of the department of health and environmental sciences, inspection service to the establishment must be suspended as provided in 81-9-235 until the condition is remedied.

(2) The board is designated as the agency responsible for cooperating with the U.S. secretary of agriculture in receiving advisory assistance in developing the state program, technical and laboratory assistance and training, and financial assistance for administration of the program.

History: En. Sec. 12, Ch. 577, L. 1987.

81-9-234. Violations — penalties. (1) Except as provided in 81-9-216 through 81-9-220 and 81-9-226 through 81-9-236, no person may:

(a) slaughter livestock or poultry or prepare livestock products or poultry products for human consumption;

(b) sell or transport adulterated, misbranded, condemned, or uninspected meats, livestock products, or poultry products;

(c) falsely represent that an article has been inspected and passed or is exempted under 81-9-216 through 81-9-220 and 81-9-226 through 81-9-236 or knowingly make a false statement in any certificate provided for by rules prescribed by the board;

(d) sell or transport slaughtered poultry from which the blood, feathers, feet, head, or viscera have not been removed;

(e) fail to keep any records required by 81-9-216 through 81-9-220 and 81-9-226 through 81-9-236;

(f) forge an official stamp, mark, or certificate;

(g) use, alter, deface, detach, or destroy an official stamp, mark, or certificate without authorization;

(h) fail to use or fail to detach, deface, or destroy an official stamp, mark, or certificate contrary to rules prescribed by the board;

(i) knowingly possess a counterfeit certificate, stamp, or label or the carcass or parts of the carcass of an animal bearing a counterfeit or improperly altered official mark;

(j) sell or transport an equine carcass or parts thereof unless they are conspicuously marked or otherwise identified to show the kind of animal from which they were derived;

(k) buy, sell, or transport livestock products or poultry products not intended for human food unless they are naturally inedible by humans or are denatured or identified as required by rules prescribed by the board;

(l) engage in the business of buying, selling, or transporting dead, dying, disabled, or diseased animals or parts of the carcasses of animals that died otherwise than by slaughter, or buy, sell, or transport dead, dying, disabled, or diseased livestock or poultry or the products of such livestock or poultry that died otherwise than by slaughter unless in accordance with rules adopted under 81-9-302 to assure that such livestock or poultry or the unwholesome parts or products thereof will be prevented from being used for human food purposes.

(2) A person who violates 81-9-216 through 81-9-220 and 81-9-226 through 81-9-236 or rules adopted under 81-9-216 through 81-9-220 and 81-9-226 through 81-9-236 for which no other criminal penalty is provided is guilty of a misdemeanor and upon conviction is punishable by imprisonment for not more than 1 year or by a fine of not more than \$1,000, or both. If the violation involves intent to defraud or any distribution or attempted distribution of an article that is adulterated, such person is guilty of a felony and upon conviction is punishable by imprisonment for not more than 3 years or by a fine of not more than \$10,000, or both.

History: En. Sec. 13, Ch. 577, L. 1987.

81-9-235. Suspension or revocation of inspection service or establishment number — hearing — appeal. (1) Any license issued by the board or any state meat inspection service or establishment number may be suspended or revoked by the board for noncompliance with 81-9-216 through 81-9-220 and 81-9-226 through 81-9-236 or any rule adopted pursuant to 81-9-216 through 81-9-220 and 81-9-226 through 81-9-236.

(2) State meat inspection service or establishment numbers may be suspended or revoked only after a hearing before the board upon reasonable notice. Notice must be given the licensee by service of the complaint upon him.

(3) The decision of the board is final in any matter relating to renewal, suspension, or revocation of state meat inspection service or an establishment number unless the person aggrieved, within 10 days after the date of the decision, appeals to the district court of the district in which the licensed premises are located. The court shall hear and determine the matter within 10 days after the date of filing the appeal. After such decision, the person aggrieved may, in compliance with the statutory provisions relating thereto, appeal the decision of the district court to the supreme court of the state, but the suspension or revocation of state meat inspection service or an establishment number remains in effect pending the outcome of the appeal.

History: En. Sec. 14, Ch. 577, L. 1987.

Cross-References

Judicial review of contested cases, Title 2, ch. 4, part 7.

81-9-236. Injunction. In addition to remedies provided in 81-9-216 through 81-9-220 and 81-9-226 through 81-9-236, the board is authorized to apply to the district court for and the court shall have jurisdiction, upon hearing and for cause shown, to grant a temporary or permanent injunction restraining any person from violating a provision of 81-9-216 through 81-9-220 and 81-9-226 through 81-9-236, whether or not there exists an adequate remedy at law.

History: En. Sec. 15, Ch. 577, L. 1987.

Cross-References

Injunctions, Title 27, ch. 19.

Part 3

Rendering or Disposal Plants

81-9-301. Licensing of rendering or disposal plants. (1) It is unlawful to... this state a rendering or disposal plant...

ANIMAL FEEDING, SLAUGHTER AND DISPOSAL 32.6.712

(2) The contents of the paunch and other viscera may be deposited in a properly constructed manure pit, not nearer than 300 yards from the establishment, or by other means approved by the Montana department of livestock, animal health division. (History: Sec. 81-2-102 MCA; IMP, Sec. 81-2-102 MCA; Eff. 12/31/72.)

32.6.712 FOOD SAFETY AND INSPECTION SERVICE (MEAT, POULTRY)
The department of livestock hereby incorporates by reference 9CFR 301 through 9CFR 320.7; 9CFR 325 through 9CFR 325.21; 9CFR 329.1 through 9CFR 329.9; 9CFR 352 through 9CFR 362.5, 9CFR 381 through 9CFR 381.37; 9CFR 381.45 through 9CFR 381.95; 9CFR 381.115 through 9CFR 381.182; 9CFR 381.190; 9CFR 381.194; 9CFR 381.300 through 9CFR 381.311 which sets forth the federal rules on meat and poultry inspection with the following exceptions and clarifications thereto:

(1) Any reference to the "U.S. department of agriculture" will mean the "Montana department of livestock".

(2) Any reference to "U.S. inspected and passed" will mean "Montana inspected and passed".

(3) Any reference to "U.S. passed for cooking" will mean "Montana passed for cooking".

(4) Any reference to "U.S. passed for refrigeration" will mean "Montana passed for refrigeration".

(5) Any reference to "U.S. inspected and condemned" will mean "Montana inspected and condemned".

(6) Any reference to "U.S. retained" will mean "Montana retained".

(7) Any reference to "U.S. suspect" will mean "Montana suspect".

(8) Any reference to "U.S. condemned" will mean "Montana condemned".

(9) Any reference to "regional director" will mean the official in charge of the program within a particular region.

(10) Any reference to "U.S.D.A. food inspector" will mean "Montana meat inspector".

(11) Any reference to "U.S.D.A. approval for export" will mean "Montana approval for export".

(12) Any reference to "U.S.D.A. letterhead and seal" will mean the "state of Montana letterhead and seal".

(13) Any reference to "U.S. rejected" will mean "Montana rejected".

(14) Any reference to "U.S.D.A. inspection legend" will mean "Montana inspection legend".

(15) Any reference to the "standards and labeling division, meat and poultry inspection technical services, in Washington, D.C." will mean the "Montana department of livestock".

ADMINISTRATIVE RULES OF MONTANA

6/30/89

32-297

32.6.712

LIVESTOCK

(16) Any reference to "inspector in charge, meat & poultry inspection program, food safety & inspection service, U.S.D.A." will mean "chief inspector in charge, meat & poultry inspection program, Montana department of livestock."

(17) Any reference to "U.S. government seals" will mean "state of Montana seals".

(18) Any reference to the "department of agriculture or divisions thereof in Washington, D.C." will mean "Montana board of livestock acting through Montana department of livestock" in Helena, Montana.

(19) Any reference to "Compliance Staff, Meat & Poultry Inspection Field Operations, Food Safety & Inspection Service, U.S.D.A., Washington, D.C. 20250" will mean "Chief Inspector in Charge, Meat & Poultry Inspection Program, Montana Department of Livestock, Capitol Station, Helena, Montana 59620".

(20) Any reference to "federally inspected and passed" will mean "Montana inspected and passed".

(21) Any reference to "federal meat inspection" will mean "state meat inspection".

(22) Any reference to "treasurer of the United States" will mean "Montana department of livestock".

(23) Any reference to "general services administration" will mean "Montana department of livestock".

(24) Any reference to "secretary" will mean the "Montana board of livestock or its delegate".

(25) Any reference to "food safety and inspection service" will mean the "chief inspector in charge, meat & poultry inspection program, Montana department of livestock".

(26) Any reference to "overtime and holiday inspection service" shall be subject to those provisions set forth by the state of Montana for those individuals deemed to be "public employees".

(27) Any reference to "hearing clerk of the food safety and inspection service" will mean "chief inspector in charge, meat & poultry inspection program, Montana department of livestock".

(28) Any reference to the "U.S. court of appeals for the District of Columbia" will mean "district court of the state of Montana".

(29) Any reference to "imported into the United States" will mean "imported into the state of Montana".

(30) Copies of the above are on file with the department of livestock and may be reviewed at that office. In addition, copies of each document are available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402 for a fee by requesting the appropriate rule number(s).

(31) Any reference to the word "act" will mean the Montana "Meat and Poultry Inspection Act".

(32) Any reference to the term "administrator" will mean the "chief inspector in charge, Meat & poultry inspection program, Montana department of livestock".

32-298

3/31/88

ADMINISTRATIVE RULES OF MONTANA

ANIMAL FEEDING, SLAUGHTER, AND DISPOSAL 32.6.712

(33) Any reference to the term "program" will mean the Montana "Meat & Poultry Inspection Act".

(34) Any reference to the term "circuit supervisor" will mean the meat inspector designated to inspect meat in a particular "circuit" or "area".

(35) Any reference to specific provisions of federal law will mean specific provisions of corresponding laws of the state of Montana. (History: Sec. 81-9-220 MCA; IMP, Sec. 81-9-220 MCA; NEW, 1988 MAR p. 390, Eff. 2/26/88; AMD, 1989 MAR p. 612, Eff. 5/12/89.)

ADMINISTRATIVE RULES OF MONTANA

6/30/89

32-299

Appendix 13

FEDERAL STATE HEALTH AND SAFETY PERFORMANCE REQUIREMENTS FOR MEAT INSPECTION

Maine Meat Act Committee
Associated Laboratory Procedures
Presented by Linda Stahlnecker
October 16, 1995

✓ **FSIS Directive - Cooperative Inspections Programs (5720.2, Rev. 2, 7-24-92), State Performance Plan:**

7. In-Plant Reviews/Enforcement: c. The state must have an enforcement system for detecting violations, and investigating and enforcing State meat and poultry laws. Enforcement includes all activities to correct deficiencies inside and outside plants.

8. Specialty Programs: The State must have an adequate residue monitoring and control program. Also the State must have programs (protein-fat-free, species determination, etc.) which may be addressed through participation in the current USDA program or by developing and conducting its own specialty programs that are at least equal to USDA requirements:

- System for approving each specialty program such as residues and PFF.
- List Exceptions or additions to the "List of Proprietary Substances and Nonfood Compounds" used in meat or poultry plants.
- On-site tests used for disposition of carcasses or product must be identified.

9. Laboratories: The State must utilize laboratories with analytical capabilities comparable to those of FSIS laboratories. The laboratories must be able to perform tests to determine product wholesomeness and compliance with regulatory standards, and employ experts in the disciplines of chemistry, microbiology and pathology. Such laboratories may be:

- a. State Laboratories
- b. Private Laboratories (including laboratories accredited by FSIS)
- c. USDA Laboratories. State and private laboratories must be FSIS-accredited or participate in the check sample program conducted by FSIS or in chemistry check sample programs which may be approved by FSIS.

Modified FSIS Directive 10,240.1 Rev.1 (8/30/90) - A Guideline for State Cooperative Inspection Programs

- ✓ This is a microbiological monitoring program including sampling, testing procedures, and actions for *Listeria monocytogenes* and *Salmonella sp.* This directive requires that States provide pathogenic monitoring of sampling cooked, ready-to-eat meat and/or poultry products.

National Residue Program - FSIS Directive 10.530.1

- ✓ The National Residue Program is an essential part of the total inspection efforts to identify and control adulterants in meat and poultry supply. It is a cooperative program with FSIS, FDA, and/or EPA in order to control and eliminate violative concentrations of residues in meat and

poultry products. The FSIS Area Supervisor collaborates with States having inspection programs for selection of establishments to be sampled each month under the National Residue Monitoring Program. The inspector's responsibilities are:

1. Takes, prepares, and sends samples in accordance with standard operating procedures.
2. Issues refused entry notice on product which is found to be violative.
3. Releases product on hold that has passed laboratory analysis.
4. Retains any product from a lot still available in the import establishment for product having passed inspection and is subsequently found to be violative.

On-Site Residue Tests:

FAST: Fast Antimicrobial Screen Test

STOP: Swab Test On Premises

These tests are based on microbial inhibition of antibiotics found in animal tissue. The organism used is *Bacillus subtilis*, a harmless organism very susceptible to antibiotics. The STOP test takes 16-18 hours, while the FAST test takes only 6 hours. Connie Bacon mentioned that the plates used in these tests may be purchased through FSIS.



United States
Department of
Agriculture

Food Safety
and Inspection
Service

Washington, D.C.
20250

AUG 08 1995

Ms. Linda Stahlnecker
State House Station #28
Augusta, ME 04333

Dear Ms. Stahlnecker:

Enclosed are several FSIS Directives explaining the Agency's residue monitoring program and microbiological monitoring program. I have also included two self-instructional guides that explain two in-plant antibiotic residue testing systems used by FSIS. In the past FSIS utilized two separate tests, STOP and CAST, to test for antibiotic residues. The Agency is currently replacing both STOP and CAST with FAST, which gives more rapid and accurate results.

State programs are allowed to purchase the agar plates used in STOP, CAST, and FAST through and FSIS contract because FSIS requires rigid standards and quality assurance on each lot of plates it purchases. This arrangement exists because to purchase the same quality plates directly from the company would not be cost effective for an individual State because of the small volume.

If you have any additional questions, please contact me at (202) 720-6313.

Sincerely,

Connie L. Bacon, D.V.M.
Acting Director
Federal-State Relations Staff
Inspection Operations

Enclosures

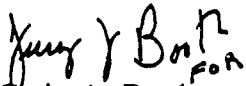


United States
Department of
Agriculture

Food Safety
and Inspection
Service

APR 04 1994

To: State Directors

From: 
Craig A. Reed
Deputy Administrator
Inspection Operations

Subject: Microbiological Monitoring and Recall Procedures for State Meat and Poultry Programs

In a letter dated November 15, 1993, Federal-State Relations Staff (FSRS) distributed draft copies of proposed guidelines for creating microbiological monitoring and recall procedures for State Meat and Poultry Inspection programs, for comment. FSRS has completed evaluation of the responses and has incorporated many of the suggestions into the enclosed guidelines. The guidelines are designed to bring the State Meat and Poultry Inspection programs into compliance with the provisions of FSIS Directive 10,240.1, Rev. 1, Microbiological Monitoring Program: Sampling Testing Procedures and Actions for Listeria monocytogenes and Salmonella, dated August 30, 1990, and FSIS Directive 8080.1, Rev. 1, Recall of Meat and Poultry Products, dated January 13, 1988.

In the past, Food Safety and Inspection Service (FSIS) has not issued requests for sampling products produced under State inspection in conjunction with the FSIS microbiological monitoring program. Sampling of State inspected product for these specific pathogens has been voluntary for State programs, and no clear guidelines have been given for compliance with FSIS Directive 10, 240.1. In light of the growing emphasis for microbiological monitoring, FSIS recognizes that adequate sample, test and hold procedures must also be required of State inspected product and that appropriate guidelines are needed to implement the procedures. To this purpose, FSRS has worked with Headquarters personnel and the State Directors to create the enclosed guidelines.

Under the "equal to" provisions of the Federal Meat Inspection Act (FMIA) and the Poultry Products Inspection Act (PPIA) the State Meat and Poultry Inspection programs must comply as follows: (1) State Performance Plans (SPP) must be modified to incorporate the minimum requirements listed in the enclosed guidelines, (2) the modifications must be submitted to FSRS for approval no later than August 1, 1994; and,

(3) the sampling program must be implemented no later than December 1, 1994. States may opt for increased sampling rates and/or to extend testing to other pathogens. Such efforts are encouraged and can easily be handled within the design and scope of the monitoring program.

If you have any questions or need additional technical support, please contact Dr. L. D. Nordyke, at (202) 720-6313.

Enclosure

FSIS DIRECTIVE 5720.2
REVISION 2
ATTACHMENT 2-6

7. IN-PLANT REVIEWS/ENFORCEMENT		YES	NO
a. Any Variation to Federal Format is Accurately Described	<input type="checkbox"/>	<input type="checkbox"/>	
b. The Format is Comparable	<input type="checkbox"/>	<input type="checkbox"/>	
c. Positions Responsible for Selecting, Scheduling and Correlating Plant Reviews are Accurately Identified	<input type="checkbox"/>	<input type="checkbox"/>	
d. Positions Responsible for Conducting In-plant Reviews are Accurately Identified.	<input type="checkbox"/>	<input type="checkbox"/>	
e. Described Review Frequency is Being Followed and is Adequate	<input type="checkbox"/>	<input type="checkbox"/>	
f. Program to Ensure Validity of Plant Reviews is Accurately Described and Adequate	<input type="checkbox"/>	<input type="checkbox"/>	
g. Recordkeeping System for Reviews is Accurately Described and Adequate	<input type="checkbox"/>	<input type="checkbox"/>	
h. Procedures for Follow-up and Corrective Action is Accurately Described and Adequate.	<input type="checkbox"/>	<input type="checkbox"/>	
i. Levels of Organization Responsible for Follow-up Action are Accurately Identified and Adequate	<input type="checkbox"/>	<input type="checkbox"/>	
j. Enforcement Plan for Noncompliance Within the Plant is Accurately Described and Adequate	<input type="checkbox"/>	<input type="checkbox"/>	
k. Description of In-Plant Enforcement System is Accurate and Adequate	<input type="checkbox"/>	<input type="checkbox"/>	
Custom-Exempt			
1. System for Monitoring Custom-Exempt Activities is Accurately Described and Adequate	<input type="checkbox"/>	<input type="checkbox"/>	
Outside of Plant Enforcement			
m. Variations to FSIS Directive 8070.1 are Accurately Described and Program is Comparable.	<input type="checkbox"/>	<input type="checkbox"/>	
n. Variations to Federal Enforcement Program are Accurately Described and Program is Comparable	<input type="checkbox"/>	<input type="checkbox"/>	
o. Recordkeeping System is Accurately Described and Adequate	<input type="checkbox"/>	<input type="checkbox"/>	
p. System to Respond to Product in Commerce is Accurately Described and Adequate.	<input type="checkbox"/>	<input type="checkbox"/>	
q. Outside of Plant Enforcement System is Accurately Described and is Adequate.	<input type="checkbox"/>	<input type="checkbox"/>	
8. SPECIALTY PROGRAMS			
a. System for Approving and Monitoring Specialty Program is Accurately Described and Adequate.	<input type="checkbox"/>	<input type="checkbox"/>	
b. Variations to the "List of Proprietary Substances and Non Food Compounds" is Accurately Described and Program is Comparable	<input type="checkbox"/>	<input type="checkbox"/>	
c. On-site Tests are Properly Identified; Tests are Being Conducted Correctly	<input type="checkbox"/>	<input type="checkbox"/>	
9. LABORATORIES			
a. Laboratories Accurately Identified	<input type="checkbox"/>	<input type="checkbox"/>	
b. Types of Analyses are Accurately Identified	<input type="checkbox"/>	<input type="checkbox"/>	
c. Methodology Used is Accurately Described	<input type="checkbox"/>	<input type="checkbox"/>	
d. Laboratories are (Check as Appropriate):			
State Laboratories			
e. On Approved Check Sample Program	<input type="checkbox"/>	<input type="checkbox"/>	
f. FSIS Accredited	<input type="checkbox"/>	<input type="checkbox"/>	
Private Laboratories			
g. On Approved Check Sample Program	<input type="checkbox"/>	<input type="checkbox"/>	
h. FSIS Accredited	<input type="checkbox"/>	<input type="checkbox"/>	
i. USDA Laboratories	<input type="checkbox"/>	<input type="checkbox"/>	
j. Quality Assurance Program is Accurately Described and Adequate.	<input type="checkbox"/>	<input type="checkbox"/>	
k. Recordkeeping Systems are Accurately Described and Adequate	<input type="checkbox"/>	<input type="checkbox"/>	
l. Procedures for Controlling Samples that may Result in Litigation are Accurately Described and Adequate.	<input type="checkbox"/>	<input type="checkbox"/>	

PAGE 2

FSIS DIRECTIVE 5720.2
REVISION 2
ATTACHMENT 2-7

FSIS 5720-9 (Reverse)

8. IMPLANT REVIEW (continued)

- C. The positions responsible for conducting State implant reviews are as described and are functioning properly? ☐ YES ☐ NO
- D. The frequency that each official plant will be reviewed is as described and is functioning properly? ☐ YES ☐ NO
- E. The internal system used to ensure the validity of official plant reviews is as described and is functioning properly? ☐ YES ☐ NO
- F. The recordkeeping system used for official plants and verification reviews is as described and is functioning properly? ☐ YES ☐ NO
- G. The procedure used for follow-up and corrective action is as described and is functioning properly? ☐ YES ☐ NO
- H. The levels of the organization responsible for the followup action are as described and are functioning properly? ☐ YES ☐ NO

9. CUSTOM EXEMPT

- A. The system for monitoring plants which are exempt from inspection requirements is as described and is functioning properly? ☐ YES ☐ NO
- B. The procedure used for follow-up and corrective action is as described and is functioning properly? ☐ YES ☐ NO

10. SPECIALTY PROGRAMS

- A. The following specialty programs are being carried out as described and are functioning properly?

1. Residue ☐ YES ☐ NO
2. PFF ☐ YES ☐ NO
3. Species ☐ YES ☐ NO
- 3 Other (specify): _____ ☐ YES ☐ NO
- 3 Other (specify): _____ ☐ YES ☐ NO

- B. The exceptions or additions to the "List of Proprietary Substances and Nonfood Compounds" used in meat and poultry plants are as described and are functioning properly? ☐ YES ☐ NO
- C. The identified on-site tests used for disposition of carcasses and / or product are as described and are functioning properly? ☐ YES ☐ NO

SERIAL NO.

ESTABLISHMENT NO.

38

ESTABLISHMENT NAME

BEST MEATS

REGION

02

AREA

03

CIRCUIT

06

STATE

AZ

[illegible]

FSIS FORM 6600-7 (REVERSE)

INTERPRETATION OF RESULTS		SPECIES CODES		REASON CODES: P = Primary S = Secondary			DISPOSITION CODES
6 HOURS	18 HOURS						
+ POSITIVE: Purple zone of inhibition around swab, surrounded by yellow area of bacterial growth	NOTE: <i>After overnight incubation, record zone of inhibition around swab regardless of color of plate</i>	01 Horse 11 Bull 12 Steer 13 Beef Cow 14 Heifer 15 Dairy Cow 21 Bob Veal 22 Formula 23 Non Formula 24 Heavy Calf 31 Mature Sheep 32 Lamb 40 Goat	51 Market Swine 52 Boar 53 Sow 54 Roaster Pig	01 Injection Site 02 Udder Infusion 03 History of Treatment 04 Bolus 05 Case Follow up 10 Downer/Splitter 11 Bruises/Injuries 12 Arthritis 13 Rectal/Vaginal Prolapse 14 Recent Surgery 20 Abdominal Abscess 21 Peritonitis 22 Pyemia/Septicemia	23 Enteritis 24 Metritis 25 Nephritis/Cystitis 26 Acute Mastitis 27 Chronic Mastitis 28 Traumatic Retikulitis Complex 30 Pneumonia 31 Pericarditis, Endocarditis 32 Lung Abscess 40 Other Abscess 41 Emaciation 42 Anemia	43 Neoplasia 44 Misc. Infection 45 General Misc. 47 Normal 48 Show Animals 49 Statistically Selected	40 Negative 50 FAST + Bob Veal 51 FAST + Lab Conf. (pending) 52 Pathology 53 By Official Est. 54 Other
- NEGATIVE: Entire plate is yellow, plate covered by bacterial growth							

DISTRIBUTION:

When FSIS Form 6600-7 if full or at the end of each Calendar month, whichever occurs first

Mail original to:
 DATA SERVICES CENTER
 USDA, FSIS, MPI
 210 Walnut Street, Rm. 791
 Des Moines, IA 50309

Mail first copy to Region/Area Office

File other copy in the inspection office.



United States
Department of
Agriculture

Food Safety
and Inspection
Service

FSIS Directive
10.530.1

NATIONAL RESIDUE PROGRAM

NATIONAL RESIDUE PROGRAM

TABLE OF CONTENTS

PART ONE -- BASIC PROVISIONS

TITLE	PAGE NO.
I. PURPOSE	1
II. (RESERVED)	1
III. REASON FOR ISSUANCE	1
IV. REFERENCES	1
V. ABBREVIATIONS	2
VI. POLICY	2

PART TWO -- SCIENCE PROGRAM RESPONSIBILITIES

I. OVERVIEW	5
II. RESPONSIBILITIES	
A. Deputy Administrator	5
B. Under Deputy Administrator	
1. Director, Chemistry Division	5
2. Director, Microbiology Division	5
3. Director, Pathology and Epidemiology Division	6
4. Director, Field Service Laboratories Division	6
5. Director, Mathematics and Statistics Division	6
6. Director, Residue Evaluation and Planning Division	7

PART THREE --MEAT AND POULTRY INSPECTION OPERATIONS RESPONSIBILITIES

I. OVERVIEW	9
II. RESPONSIBILITIES	
A. Deputy Administrator	9
B. Assistant Deputy Administrator, Regional Operations	9

1.	Director, Residue Operations Staff .	9
2.	Director, Emergency Programs Staff	11
3.	Field Personnel	11
C.	Assistant Deputy Administrator, Compliance Program.	13

PART FOUR -- INTERNATIONAL PROGRAMS RESPONSIBILITIES

I.	OVERVIEW	15
II.	RESPONSIBILITIES	
A.	Deputy Administrator	15
B.	Under Deputy Administrator	
1.	Director, Foreign Programs Division .	15
2.	Director, Import Analysis Staff .	16
3.	Director, Import Inspection Staff .	16
4.	Import Field Office	17
5.	Inspector	17

PART FIVE (RESERVED)

UNITED STATES DEPARTMENT OF AGRICULTURE
FOOD SAFETY AND INSPECTION SERVICE
WASHINGTON, D.C.

FSIS DIRECTIVE

10,530.1

8/11/87

NATIONAL RESIDUE PROGRAM

PART ONE -- BASIC PROVISIONS

I. PURPOSE

This directive identifies FSIS responsibilities in planning, evaluating, supporting, and implementing the National Residue Program which is designed to monitor, detect, reduce, and control residues of drugs, pesticides, and other chemicals and contaminants in meat and poultry products designated for human consumption.

II. (RESERVED)

III. REASON FOR ISSUANCE

The National Residue Program is an essential part of the total inspection efforts to identify and control adulterants in the meat and poultry supply. The effective implementation of the National Residue Program requires thorough planning and timely coordination among numerous FSIS units. This directive establishes and describes functions and relationships of these units.

IV. REFERENCES

Federal Meat Inspection Act
Poultry Products Inspection Act
Parts 309, 310, 311, 318, and 327 of the Federal meat inspection regulations
Section 354.130 of the voluntary inspection and certification regulations
Sections 381.60, 381.70-381.80, 381.91, 381.95, and 381.197 of the poultry products inspection regulations
FSIS Directives 8080.1, 8150.1, 9050.1, 10001.1, 10012.1, 10110.1, 10130.1, 10220.1, 10600.1, 10600.2, 10610.1, 10620.1, and 10625.1

DISTRIBUTION: All MPI Offices, T/A Inspectors, OPI: MP10
Plant Management, T/A Plant Management, Science
and Compliance Offices, IFO, AID, R&E, TRA, ABB

V. ABBREVIATIONS

The following will appear in their shortened form in this directive:

AIIS - Automated Import Information System
CD - Chemistry Division, SCI
CRS - Contamination Response System
EPA - Environmental Protection Agency
EPS - Emergency Programs Staff, MPIO
FDA - Food and Drug Administration
FPD - Foreign Programs Division, IP
FSL - Field Service Laboratories
FSLD - Field Service Laboratories Division, SCI
IAS - Import Analysis Staff, IP
IFO - Import Field Office, IP
IID - Import Inspection Division, IP
IP - International Programs
IRSP - Import Residue Sampling Plan
MARCIS - Microbiological and Residue Computer Information System
MD - Microbiology Division, SCI
MOU - Memorandum of Understanding
MPIO - Meat and Poultry Inspection Operations
MPITS - Meat and Poultry Inspection Technical Services
MSD - Mathematics and Statistics Division, SCI
NRP - National Residue Program
PED - Pathology and Epidemiology Division, SCI
POE - Port of entry
QA - Quality assurance
QC - Quality control
REPD - Residue Evaluation and Planning Division, SCI
ROS - Residue Operations Staff, MPIO
SCI - Science Program
SRC - Standing Residue Committee (IP)
SVMO - Supervisory Veterinary Medical Officer
VMO - Veterinary Medical Officer

VI. POLICY

FSIS is responsible for maintaining effective inspection and enforcement programs to assure consumers that domestic and imported meat and poultry products which are distributed to them are safe, wholesome, not adulterated, and properly labeled. An integral part of FSIS's inspection program is the National Residue Program (NRP) which includes monitoring, surveillance, and the Contamination Response System (CRS). Under the NRP, FSIS samples, detects, reduces, and controls residues of drugs, pesticides, and other potentially hazardous chemical adulterants in meat and poultry products. In addition to utilizing regulatory control measures, NRP promotes residue prevention through interagency programs for producer education and through incentives for producers and processors to develop residue quality assurance programs. Samples of meat and poultry are collected for analysis at federally inspected slaughtering establishments producing domestic products and at ports of entry receiving import shipments. The presence of violative residues leads

to the investigation and control of the movement of suspected and known adulterated product and to the identification of producers marketing animals with adulterating residues. When a potential or known residue crisis is identified under the NRP, CRS is activated. The CRS utilizes the resources of all relevant FSIS headquarters and field units through an interdisciplinary team whose goal is immediate action for problem resolution.

The NRP demands a concerted effort by all programs within FSIS. The following parts identify the responsibilities of FSIS units to assure that all aspects of the NRP are well managed and fully integrated.

**PART TWO--NATIONAL RESIDUE PROGRAM
SCIENCE PROGRAM RESPONSIBILITIES**

I. OVERVIEW

SCI provides the Agency with scientific guidance and planning for the NRP. Included in these functions is the development of the **Compound Evaluation and Analytical Capability; Annual Residue Plan** which ranks compounds that may be present in meat and poultry (including criteria and methods for setting priorities), lists analytical methods for detecting those compounds, and presents FSIS's sampling plans for the coming year. SCI's support services also include the analyses of meat and poultry samples, the reporting and interpreting of such analytical results, and collaboration with other agencies as defined in relevant MOUs.

II. RESPONSIBILITIES

A. The Deputy Administrator, SCI, has the overall responsibility for managing scientific activities within FSIS, including the planning, evaluation, and reporting of the domestic and import activities of the NRP.

B. Under the direction of the Deputy Administrator, SCI, the units listed below shall perform specific duties under the NRP.

1. The Director, CD:

a. Maintains technical capability of chemistry sections of FSLD.

b. Maintains accreditation program of FSIS accredited laboratories.

c. Develops new, expanded, or improved screening, confirmatory, and in-plant methodology.

d. In cooperation with REPD, ascertains and develops analytical capabilities for each year's annual plan.

e. Participates in IP's SRC.

f. Directs CD support activities involving CRS.

2. The Director, MD:

a. Maintains technical capability of microbiology sections of FSLD.

b. Develops new, expanded, or improved analytical, confirmatory, and in-plant methodology.

c. In cooperation with REPD, ascertains and develops analytical capabilities for each year's annual plan.

d. Participates in IP's SRC.

e. Directs MD support activities involving CRS.

3. The Director, PED:

a. Provides epidemiologic services in cooperation with REPD to investigate, characterize, and evaluate residue incidents in animals and products.

b. In cooperation with REPD, provides epidemiologic services necessary to develop plans for residue avoidance and control programs.

c. Provides epidemiologic services for CRS.

d. Participates in IP's SRC.

e. Directs PED support activities involving CRS.

4. The Director, FSLD:

a. Assures that all analyses are completed promptly and that results are transmitted to MARCIS within 30 days after sample collection.

b. Assures that REPD receives prompt, documented notification of laboratory results when violative or unusual findings occur in domestic or import samples.

c. Assures that all analyses for the year are completed and that the results are transmitted to MARCIS by January 31 of the following year.

d. Participates in IP's SRC.

e. Directs FSLD support activities involving CRS.

5. The Director, MSD:

a. Participates with REPD in planning and evaluating programs to assure that procedures are statistically consistent with program purposes.

b. Reviews monitoring and scheduling procedures for statistical accuracy and appropriateness.

c. Assists with the design of data QC procedures and implements these activities associated with MARCIS.

d. Participates in IP's SRC.

e. Directs MSD support activities involving CRS.

6. The Director, REPD:

a. Develops plans for and evaluates the results of residue programs designed to control and eliminate the presence of undesirable substances, the use or presence of prohibited substances, or quantities of authorized substances exceeding the permitted levels in meat and poultry products.

b. Encourages the development of effective residue control programs by States and private industry, both on a cooperative and independent basis, and interacts with FDA, EPA, and other Federal agencies in the development of programs to control and eliminate violative concentrations of residues in meat and poultry products.

c. In consultation with other SCI divisions, MPIO, and IP, designs the annual residue sampling plan and publishes the approved plan by December 15 of each year as the Compound Evaluation and Analytical Capability; Annual Residue Plan.

d. Routinely consults with MPIO on matters that could impact on the annual plan such as laboratory resources, methods development, staffing, and procurement of supplies and equipment.

e. Receives documented notification of laboratory results when violative findings occur in domestic and import samples.

f. In cooperation with MPIO, evaluates each residue violation incident both as an individual occurrence and for a possible pattern in time, geographic distribution, or species. Uses violation data to evaluate the effectiveness of the National Residue Program and to plan and develop new or improved portions of the program.

g. Upon receiving FSLD test results, immediately notifies, as appropriate, MPIO, IP, PED, and FDA and EPA of the occurrence of violative or unusual findings.

h. Serves as the focal point within FSIS for receiving, evaluating, and providing residue-related information and for giving scientific support to MPIO, IP, and MPITS regarding procedures, development, and training for residue control activities.

i. Periodically reviews residue control and sampling activities to assure that they provide adequate information for follow-up actions directed against violators and adulterated product.

j. Publishes the Residue Data Book and other reports, as appropriate.

k. Compiles and evaluates data with associated scientific rationale to support the development of a "systems" approach to residue control, including risk assessment, exposure assessment, and risk management decisions.

l. Participates in IP's SRC.

m. Directs REPD support activities involving CRS.

PART THREE--NATIONAL RESIDUE PROGRAM

MEAT AND POULTRY INSPECTION OPERATIONS RESPONSIBILITIES

I. OVERVIEW

MPIO is responsible for carrying out the inspection requirements specified in the FMIA and PPIA for domestic meat and poultry products and for administering compliance activities to assure regulatory standards are properly enforced at domestic meat and poultry operations. Cooperative interactions with other government agencies are defined in relevant MOUs. Under the NRP, MPIO directs, coordinates, and executes all field inspection activities to assure an effective residue control program for domestic meat and poultry products. In addition, MPIO coordinates the FSIS response under CRS to emergency situations where product is contaminated with residues and other adulterants affecting the wholesomeness and safety of such products.

II. RESPONSIBILITIES

A. The Deputy Administrator, MPIO, has the overall responsibility for managing all field operations, including the timely, effective, and uniform execution and maintenance of the NRP.

B. The Assistant Deputy Administrator, Regional Operations, provides guidance, through the Director, ROS, to the Regional Directors on directing and coordinating field inspection activities necessary to provide and execute effective monitoring, surveillance, and CRS functions under the domestic NRP. Under the direction of the Assistant Deputy Administrator, the units listed below shall perform specific duties in implementing the NRP.

1. The Director, ROS:

a. In consultation with REPD, provides guidance to MPIO field personnel to implement appropriate responses to residue contamination incidents and coordinates these actions with other FSIS units.

b. Participates with Extension Services (field representatives) and professional organizations to increase producer awareness of the need to include residue controls in their management programs.

c. Serves as liaison to SCI, Compliance Program, EPS, FDA, EPA, Packers and Stockyards Administration, and other FSIS programs or government agencies to establish lines of communication to assure implementation of an effective residue control program at the field level, in accordance with FSIS policy and interagency MOUs.

d. Receives information from Regional Directors on field residue problems requiring possible action and, in consultation with REPD and EPS, as applicable, determines the action necessary and notifies appropriate FSIS staffs if residue problems exist.

e. Notifies the Compliance Program of residue problems for possible investigative action.

f. Assures that MPIO staff and field personnel receive appropriate training to carry out their responsibilities in the residue control program.

g. Correlates with Regional Directors on residue-related issues.

h. Assures maintenance of complete and current information on residues within MPIO.

i. Manages procurement and distribution of supplies and materials to conduct inplant residue tests.

j. Prepares the monthly residue monitoring schedule in collaboration with a scheduling team including representatives from SCI and IP.

k. Monitors performance of field activities to assure uniform and consistent implementation of the residue control program.

l. Collaborates with SCI on long-range plans and reviews of the residue control program.

m. Distributes residue-related information to field personnel.

n. Analyzes operational data and information to keep abreast of current residue trends and related issues.

o. Verifies by management information systems the degree and level of application of the various residue-related activities being conducted at the in-plant level by interpreting and analyzing operational reports, information, and data for the purpose of effecting corrective actions in situations where program failure is indicated.

p. Implements a residue violation tracking system.

q. Conducts on-site correlation of residue activities with regional personnel.

- r. Provides support for CRS.
- s. Participates in IP's SRC.

2. The Director, EPS:

a. Maintains a permanent headquarters-based CRS Control Center.

b. Acts as focal point for reporting contamination problems that are identified by MPIO field personnel, other FSIS programs, other Federal and State government agencies, and industry.

c. Coordinates the FSIS response under CRS to emergency situations affecting the acceptability of meat and poultry products for human consumption.

d. Declares a CRS Residue Action Condition, with concurrence of the Administrator, for control, evaluation, and resolution of large scale chemical contamination emergencies.

e. Directs and coordinates the CRS Residue Action Condition Headquarters and Field Level Response teams which provide expertise in resolving emergency contamination problems and provides guidance to MPIO field personnel in determining the critical nature of contamination situations.

f. Focuses on situations where meat and poultry products are adulterated with drug or other chemical residues which would require the recall of affected products.

g. Manages and accounts for resources utilized in response to CRS and other emergency situations.

3. Field Personnel.

a. The Regional Residue Staff Officer:

(1) Correlates, coordinates, and monitors field activities to assure proper implementation of the residue control program.

(2) Monitors sample collection, supplies, equipment, and residue rates.

(3) Assesses field reports to determine appropriate action.

(4) Assures field personnel receive proper training in residue management.

(5) Conducts on-site assessment of residue programs and violation incidents through contacts including feedlots, farms, and auction markets, as necessary.

(6) Serves as FSIS liaison on residue issues with industry associations, schools, consumer groups, and other governmental agencies.

(7) Sets priorities for field personnel to assure adequate implementation of residue monitoring and surveillance activities.

(8) Communicates with the Director, ROS, as appropriate, to assure efficient and effective implementation of the NRP.

(9) Maintains current regulations, issuances, and other relevant material on residue control.

(10) Serves as a CRS field team member.

b. The Area Supervisor:

(1) Coordinates and implements residue program activities at in-plant level.

(2) Collaborates with States having inspection programs for selection of establishments to be sampled each month under the National Residue Monitoring Program.

(3) Collaborates with States, FDA, auction markets, and others, as appropriate, to detect residue violations.

(4) Monitors in-plant residue control performance of inspection personnel.

(5) Assures field personnel receive proper training in residue management.

(6) Determines in-plant staffing needs and sets priorities to assure adequate degree of residue monitoring and surveillance is undertaken.

(7) Maintains current regulations, issuances, and other relevant material on residue control.

(8) Directs support activities involving CRS.

c. The Circuit Supervisor:

(1) Monitors in-plant residue control performance of inspection personnel.

(2) Monitors in-plant staffing needs and sets priorities to assure adequate residue control system; provides feedback to the VMO/SVMO.

(3) Monitors and evaluates the appropriate maintenance and control of supplies, incubators, and other equipment at plant level.

(4) Maintains current material on residue control.

(5) Assures field personnel receive proper training in residue management.

(6) Provides support for CRS.

d. The VMO/SVMO:

(1) Implements and conducts in-plant residue control program, including CRS.

(2) Sets priorities to assure adequate residue monitoring and surveillance is undertaken.

(3) Assures inspectors and, when appropriate, establishment employees receive proper training in residue monitoring and control.

(4) Properly utilizes in-plant tests.

(5) Maintains current regulations, issuances, and other relevant material on residue control.

(6) Initiates sampling based on ante-mortem and post-mortem information and findings.

C. The Assistant Deputy Administrator, Compliance Program, is responsible for providing guidance, through Field Operations Division, to Compliance field area offices regarding direction and coordination of activities necessary to execute investigative action under the NRP. Under the direction of the Assistant Deputy Administrator, Compliance Program, the Director, Field Operations Division:

1. Conducts field investigations, including on-site reviews of violators referred by Regional Operations.

2. Directs the collection and documentation of evidence necessary to support legal actions against alleged violators by FDA or other agencies, including actions defined in interagency MOUs.

3. Directs support activities involving CRS.

4. Monitors compliance with the provisions of MOUs between FSIS and livestock or poultry producers with approved residue control systems.

PART FOUR -- NATIONAL RESIDUE PROGRAM

INTERNATIONAL PROGRAMS RESPONSIBILITIES

I. OVERVIEW

To be eligible for importation into the United States under the FMIA and PPIA, meat and poultry products must be prepared in certified establishments operating under inspection systems that ensure compliance with requirements at least equal to those applied to domestic establishments and their products. Therefore, imported meat and poultry products must, among other things, comply with applicable U.S. residue standards. Each eligible country is required to provide IP with an annual plan for controlling residues of drugs, pesticides, and other chemicals in products exported to the United States. The SRC, comprised of representatives from IP, SCI, MPIO, and FDA, reviews annual residue plans from eligible exporting countries. After review by the SRC and acceptance of the plan, IP conducts two broad sets of activities to assure that statutory requirements are met: (1) continuing on-site reviews of each inspection system and (2) reinspection of product upon arrival into the United States (POE).

Using the information contained in the country's annual plan, IP tailors on-site reviews to each country's residue status and planned activities. POE testing procedures are designed to verify the continuing successful operation of the country's residue program.

II. RESPONSIBILITIES

A. The Deputy Administrator, IP, manages all activities dealing with foreign inspection systems and exported and imported meat and poultry products. These activities include participation in the NRP which consists in general of cooperating with SCI in developing the annual IRSP for imported meat and poultry products, managing the implementation of the IRSP, reporting data generated by the IRSP, and initiating necessary actions to assure adequate residue control in foreign origin meat and poultry products.

B. Under the direction of the Deputy Administrator, IP, the units listed below shall perform specific duties in executing the NRP for imported products.

1. The Director, FPD, is responsible for the initial and continuing review of foreign inspection systems.

a. Obtains annual residue plans from each foreign inspection system.

b. Manages the review of the annual residue plans by the SRC.

c. Communicates with foreign inspection systems on all residue matters.

d. Conducts activities to assure maintenance in each country of "equal to" residue programs.

e. Consults with SCI on all residue results they report as "non-routine" (violative or unusual findings) to determine need for and extent of corrective action by foreign country.

f. Notifies foreign country of findings indicating a residue violation and requests report providing explanation and corrective action.

g. Evaluates country response and adjusts review activities as appropriate.

2. The Director, IAS, has analytic responsibility for implementing the IRSP.

a. Receives final IRSP from SCI and programs AIIS by January 1 each year to accomplish plan.

b. Develops and executes reports to permit analysis of:

(1) Progress on implementation of IRSP.

(2) Quality of data in AIIS data base.

(3) Laboratory resource demands.

(4) Country analytical performance.

c. Assures entry of all residue results into AIIS via operation of the MARCIS-AIIS data link, manual entry of laboratory data sent by SCI, or manual entry of non-routine data telecopied to SCI by FSL.

d. Notifies FPD and IID of non-routine residue sample results via telephone immediately upon receiving verified results from SCI.

e. Provides all residue result data to IID field locations via AIIS.

3. The Director, IID:

a. Assures that the IRSP is carried out as directed by this directive and the AIIS;

b. Provides EPS information on lots that have passed inspection when subsequent laboratory results demonstrate that they are in violation; and

c. Sends a copy of the laboratory sample results form to the appropriate IFO.

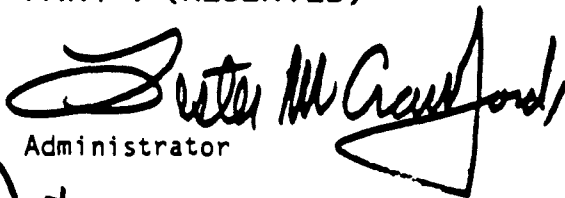
4. The IFO Supervisor:

- a. Immediately notifies inspectors of laboratory results for products on hold,
- b. Notifies IID headquarters and monitors the disposition of product which is refused entry because of residue violation,
- c. Assures that copies of the laboratory results forms received from headquarters are filed in the appropriate import case file, and
- d. Establishes a retrieval system for residue results data received via AIIS.

5. The inspector:

- a. Takes, prepares, and sends samples in accordance with standard operating procedures,
- b. Issues refused entry notice on product which is found to be violative,
- c. Releases product on hold that has passed laboratory analysis, and
- d. Retains any product from a lot still available in the import establishment for product having passed inspection and is subsequently found to be violative.

PART V (RESERVED)


Administrator
Acting.

Appendix 14

SURVEY OF VETERINARIAN INTEREST IN BECOMING CONTRACT VETERINARIANS UNDER A STATE MEAT INSPECTION PROGRAM

**MAINE DEPARTMENT OF AGRICULTURE, FOOD AND RURAL RESOURCES
DIVISION OF VETERINARY SERVICES
STATE HOUSE STATION 28
AUGUSTA, MAINE 04333-0028
TELEPHONE: (207)287-3701 FAX: (207)287-7548**

To: All Veterinarians
From: Chip Ridky, DVM
Re: Maine Meat Inspection Act
Date: August 4, 1995

The return of the Maine Meat Inspection Act is under consideration. This act would reestablish a USDA approved meat inspection program which would enable slaughter houses to slaughter and market animals within the state. (This inspection would not replace USDA inspection for interstate sales).

The inspection process, however, needs to equal that of USDA and in part requires a veterinarian condemn carcasses if called upon by a state inspector.

The discussion of veterinarians included the idea that private veterinarians be contracted by the state to answer that need. I've been asked to survey the veterinarians to determine if any interest exists. The only two questions I have are:

1. Are you (or your practice) at all interested in providing this service on a on-call basis? (I wish I could tell you how often you'd be called but we haven't gotten that far yet). More specifics will follow if you are interested.
2. If you are even remotely interested what would your best guess be regarding payment? States such as Montana pay by the carcass (\$25.00 for the first and \$10.00 for each thereafter). A rough figure or idea is helpful.

Any other thoughts you have would be considered.

If you are interested, even slightly, would you let me know by the first week in September.

Thanks!!

*If it involved chickens, I might be interested
some time in the future — not for a few years.
Eulham Greeneer DVM, Waterville, ME 04901*

John.

I had a farm call to make on Friday and missed the meat meeting as a result. This was what I was going to mention.

I think the most realistic responses are from Neal Watson and Scott Curtis.

Neal was a USDA inspector so knows the industry well. Scott is most realistic in what it will cost to have an on-call veterinarian. I'm afraid that Dr. Townsend from Rockport doesn't understand what he'd be in for. While \$25 per may be good in a plant slaughtering lots of animals in a day, a vet in practice can earn ^{\$}Hundreds in the time it would take to examine one carcass for 25.

Use these ^{letters} ~~reports~~ as necessary in your report and I'll talk to you if you need me.

Chub-

P.S. you didn't say anything about the Blaine House or the Senator Inn.

I'll have to get all the details next time.

Chip,

The whole idea of reviving the Me. meat inspection program is ridiculous. It was stopped because of cost & several other reasons. When the Federal Gov't took over the program there were only two inspectors that were really qualified to do the job; namely Bill Currier & Robin Henderson both of whom are still with the Dept. The remainder were impossible.

I am certain there are no qualified persons working for the State at present so they would have to be trained at tax payers expense.

As to the idea of having private practitioners do the final P.M. on downers & ret. carcasses I doubt if that would be practical. Your figure of 25.⁰⁰ per animal is laughable. No small animal veterinarian is going to spend several hours of travel time & waiting 1/2 day while a butcher prepares a downer for disposition all for 25.⁰⁰. Believe me I know the time it takes some of the small establishments with only 1 man on the hill floor. As for large animal practitioners doing the job I would suggest a very possible conflict of ~~interest~~ interest.

I could go on but time & paper doesn't permit if you are at any of the fairs where I am doing the track work come on over & we will talk more on the subject.

Sincerely
Neal H. Weston



ALL CREATURES VETERINARY HOSPITAL

881 WEST ST.
ROCKPORT, ME 04856

TELEPHONE: (207) 594-5039

Dr. Kiddy,

Sorry for the lateness in my correspondence. I am writing in regards to veterinary involvement in cooperation with the Maine Meat Inspection Act.

I would like to put myself on the list of interested veterinarians. I think providing this service on an on-call basis would be an excellent idea. I feel a price per carcass of 15-25 dollars would be acceptable.

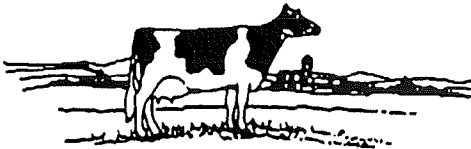
The only problem personally is that I am not presently fully licensed in Maine (only a temporary license - exam in December will be taken). I'm sure this will probably create a problem but I would be willing to start after being fully licensed if that is more appropriate.

Please keep me informed of further developments.

Sincerely

Matthew Townsend DVM

P.S. I can be reached at the above address
and phone #. m7



Scott K. Curtis, D.V.M.

DAIRY PRODUCTION CONSULTANTS of CENTRAL MAINE

Toll Free Phone:
823-COWS (2697)

25 Robert Street
Winslow, Maine 04801
Home Phone: (207) 872-7634

Mobile Phone:
(207) 877-1651

8/8/95

Chip Ridky, DVM
Maine Dept. of Agriculture
Augusta, ME 04333-0028

Dear Chip,

We received your letter stating that the Maine Meat Inspection Act (MMIA) may possibly be reinstated. Our practice would like to participate in this inspection process. As you know, we have 2 employed veterinarians-myself and Dr. Karen A. Murphy-and are 100% ambulatory.

Several questions and concerns arose following our discussion in our clinic regarding our proposed role in the inspection process under the MMIA. Some of these follow:

- 1-What is the MMIA specifically? We'd like a hard copy of the law and any amendments to the law that may be pending or expected.
- 2-We'd like to know the current role/responsibilities of the USDA inspector. In Maine, is there one per facility and what is his/her hours on the floor? Do all slaughter houses need a USDA inspector full-time under current law? Is the USDA inspector the same as the "state inspector" mentioned in your letter or will the State hire state inspectors in addition to any USDA inspectors that may be employed at a slaughter house? Who will call us-the USDA and/or state inspector(s), the owner of the slaughter house? We need clearly written job descriptions that explicitly describe the responsibilities of each person involved in the inspection process? We see the above questions as a very important prerequisite to us if employed by the State since now we will be serving many of our established clients in a new role-one that involves them making money (cutting some of their losses) or taking a heavier loss. This is a very volatile subject on all farms and hits the grapevine and spreads rapidly among farmers. We need to assure these folks that we did our job competently and followed the law and current standards in effect for meat inspection. We need to be open, consistent, fair, and honest or else our client base will be severely affected.
- 3-Will horses and other species than bovine be inspected?
- 4-Reimbursement:
 - a) our status as independent contractors seems most appropriate
 - b) need a written contract: a semi-annual retainer of \$2,500.00 should be paid due to the "on-call" req't.
 - c) mileage (\$1.50/mile, one-way) should be included since most vets are not "available" and are relatively more unavailable in the morning hours.
 - d) an hourly rate seems mandatory (\$80.00/hr) (max; \$40.00 per carcass).
- 5-Areas of the state to be covered? How many vets do you need?
- 6-I'd suggest making an applicant pool if many are interested and to set specific selection criteria to avoid allegations of discrimination in hiring (letters of rec. years in practice, capabilities of the practice to perform the duties....)

Kenneth H. Rockwood D.V.M.
RR 2, Box 2244
Farmington, ME 04938
207-778-2840

To: Chip Ridky, DVM

From:

Date: August 16, 1995

Subject: Maine Meat Inspection Act

=====

Hi Chip,

Just a note to express interest in the ME Meat Inspection Act described in your Aug.4, 1995 memo. Please keep me posted on future developments if they should occur.

Thank you,

Ken

Kenneth H. Rockwood DVM

P.S. Hope you are having a good summer.

Appendix 15

**DRAFT IMPLEMENTATION PLAN AND BUDGET FOR REINSTATING THE
MAINE MEAT INSPECTION PROGRAM**

An Operational Plan for Implementing a Maine Meat Inspection Program

TASK/DESCRIPTION OF ITEM BEING CONSIDERED	WHO'S RESPONSIBLE	TIMETABLE
Establish law following Montana Law, inserting references to Federal Law where appropriate.	Legislature	January-March, 1996
State Develop Performance Plan and submit to Federal Government. Contact: Peter Bridgeman (215) 597-3720	Department of Agriculture and USDA FSIS	March-June, 1996
Communicate facility and jurisdiction standards to industry. Contact: Mr. Ralph Thompson (203) 720-7377	Department of Agriculture	June-August, 1996
State to send inspectors for training. Contact: Dr. Travis Small (409) 260-9433 for timing of training Contact: Harry Springfield (215) 597-8475 for costs of training	Department of Agriculture and USDA FSIS	? Three week intensive training in Texas
Identify establishments wishing to be inspected and send out license applications	Department of Agriculture	After law enacted
Visitation Schedule:		
1. Slaughtering facilities doing intra- and interstate sales	USDA inspector every day slaughtering occurring	Daily
2. Slaughtering facility with intrastate sales only	DOA inspector every day slaughtering occurring.	Daily
3. Home food businesses with two storefronts and/or farmer's market	Exempt. DOA food establishment inspectors	Patrol
4. Non amenable species slaughter facility (must be kept separate from domestic)	Exempt. Falls under custom.	Quarterly
5. Custom establishments	DOA and/or USDA	Quarterly
6. Stores that retail only pre-packaged product	DOA food inspectors	Every Three Years
Program Evaluation	DOA and USDA FSIS	Yearly
Legislative Review	DOA and State Legislature	Every Two Years

An Operational Budget for Implementing a Maine Meat Inspection Program

Expenditures and Assumptions

Initial Training

Assume 4 food inspectors	\$11,440
Assume 1 veterinarian	\$ 2,860

Participation Survey (one time cost)	\$ 3,000
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Secretarial Duties

Assume one Clerk Typist II for 1/2 year	\$ 10,000
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Inspections

Assume 2 fulltime (\$30,000each) and 2 part-time inspectors(\$20,000each) \$100,000

1 slaughter plant, 2 days per week, 40 weeks per year	640
1 slaughter plant , 5 days per week, 40 weeks per year	1,600
1 slaughter plant, 1 day per week, 52 weeks per year	416
2 slaughter plants, 2 days per week, 52 weeks per year	1,664
1 slaughter plant, 1 day per week, 20 weeks per year	160

30 processing plants, one day per week per processor, 2 hour visit 30 weeks per year	1,800
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Development Training

Initial training 3 weeks per inspector (Assume 4 insp)	480
Yearly training, 1 week per inspector per year	160

6,920 hours

Associated costs of travel, supplies, incidentals	\$ 80,000
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Veterinarian (Assume hiring of one individual)	\$ 45,000
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Laboratory Testing Equipment and supplies (\$4,000 one time and \$500 yearly)	\$ 4,500
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TOTAL IDENTIFIED COSTS	\$256,800
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TOTAL COSTS TO THE STATE	\$128,400
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Appendix 16

MISCELLANEOUS CORRESPONDENCES AND NOTES



Governor
John R. McKernan, Jr.
Commissioner
Bernard W. Shaw

STATE OF MAINE
DEPARTMENT OF AGRICULTURE
FOOD AND RURAL RESOURCES

Division of Regulations
Clayton Davis, Director
State House Station 28
Augusta, Maine 04333
Tel (207)289-3841

April 11, 1993

The Maine Meat Inspection Act became Public Law in 1969. It was passed to the United States Department of Agriculture by action of the Audit and Review Committee of the Legislature in 1979 and ceased its inspection activities in May of 1980.

The Division of Regulations (Inspections), Maine Department of Agriculture, operated the program with fifteen personnel (twelve inspectors, two veterinarians and one clerical).

The Audit and Review Committee was urged by Commissioner Smith, Maine Department of Agriculture, to abolish the Maine Meat Inspection Act and use the money from the State of Maine's share as seed money to establish the Bureau of Food and Rural Resource within the department. The Meat Inspection Act operated with the U.S.D.A. under a fifty-fifty plan, that is fifty percent federal money, fifty percent state money. Maine's share in 1979 was one hundred thousand nine hundred (100,900) dollars - eighty three thousand personal services (83,000) seventeen thousand nine hundred - all other (17,900).

During the legislative hearings it was pointed out by a strong majority that the loss of the meat act would mean a loss to Maine's consumers and Maine's small meat processors. That point is now evident.

Vermont kept its meat act while many states were letting the U.S.D.A. assume their programs. The first state to bring back under its authority to inspect meat is the State of Montana.

The 1987 legislature of Montana passed such legislation because the Governor's Council of Economic Development concluded a state meat inspection program would be a strong economic development stimulant to the state.

State programs are more sensitive to small businesses' problems, concerns and needs, further it was felt federal inspectors do not care and plant owners must go through layers of supervision to answer a problem and there is not a consistent level of

interpretation of the rules or straight answers to problems. State programs can be more responsive to the concerns encountered by small local family oriented businesses in the slaughter and meat processing areas. These previous sentences in this last paragraph are in part from a letter written by the chief of the inspection program in Montana to other states considering the same issue.

The Nation Provisioner magazine in 1988 printed an article stating dozens of reasons why states should control their meat inspection programs. Reasons listed were, among other reasons: the cost of federal mark of inspection brands and labeling materials, uncertainty of operating schedules permitted by federal government, federal inspection is structured for more of the larger plants, costs are higher under federal inspection, that is, the smaller the business, the more significant that extra cost, meat inspection program includes benefits to the entire livestock industry and is a good customer to a variety of other businesses providing goods and services within the trade area, local plants provide local markets for meat and livestock, the equipment contributes to the local tax base, and since it is a labor intensive business it could offer more employment opportunities.

A meat inspection act in state must be at least equal to title I of the federal act, it would be solely for distribution within the state and the federal funds contributed would not exceed fifty (50) per cent of the estimated total cost of the cooperative program (Indirect costs allowance for state administration actually reduces the state's share to less than fifty percent (50%) on fifty-fifty percent (50%-50%) basis.

Montana appropriated one hundred thirty six thousand, nine hundred dollars (\$136,900.00) for its share of the program in 1989 to inspect four (4) official slaughter establishments, on hundred sixty (160) custom exempt plants, and worked to bring others under the program. Estimated cost for Maine's program might be approximately one quarter the cost of Montana's as existing personnel in the Division of Regulation are presently doing similar work with domesticated animal slaughter, further when a veterinarian is required for final determination of questionable slaughter, personnel from the Department's Animal Health Division could be utilized for the decision.

We experience in the division many calls from some of our home licensed food manufacturers who work with meat and poultry explaining their problems in marketing their products because of reasons previously mention in this article.

I feel Maine should again consider the "added value" concept of locally produced livestock meat and poultry. We can work with these home food manufacturers by helping them stay in business, grow and expand and possibly create new markets for locally produced livestock, and help local economies.

Recent outbreaks of bacterial contamination in meats points up that the federal meat inspection system needs help.

Subject: Identify and describe food safety issues that may result because of Maine having a meat inspection program and how we would resolve them.

Current concerns about pathogens, and insuring meat/ meat products are produced under sanitary conditions and are safe/unadulterated would all apply.

The public is more aware, after foodborne disease outbreaks such as E. coli 0157:H7, and are looking for more controls to assure the safety of their meats/meat products. Both industry and regulators need knowledge of food related risks from production through consumption (farm to table). Each food establishment identifies their risks and designs a HACCP program to resolve the risks. The regulator reviews the HACCP Plan for approval, and also determines during inspections whether the HACCP Plan is being followed.

To equal the food safety aspects of the Federal Program, the Maine Program would need to implement plan review, review of equipment, label review, veterinary support, laboratory services, and a Compliance Program.

There was no information about any pending rules that state accepted meat could be sold interstate. However, it was mentioned that the state of Hawaii has given up its meat program.

Subject: Identify and describe food safety issues that may result because of Maine having a meat inspection program and how we would resolve them.

Current concerns about pathogens, and insuring meat/ meat products are produced under sanitary conditions and are safe/unadulterated would all apply.

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There was no information about any pending rules that state accepted meat could be sold interstate. However, it was mentioned that the state of Hawaii has given up its meat program.

Subject: Are there any food safety or meat/food inspection changes pending in Congress, or on the horizon?

Results of researching FDA:

Congress is tied up with budget, domestic and foreign affairs, and there are no food safety issues pending.

Something is happening that may lead to combining FDA/USDA into one agency dealing with Food Safety. (a) Recently, two top FDA people resigned and accepted positions with USDA Food Safety and Inspection Service (FSIS). (b) There was a meeting of USDA Officials and State Epidemiologists in Washington, D.C. to discuss Food Safety and Federal-State relations, AND - FDA WAS NOT INVITED.

Results of researching USDA:

There are 160 pages of proposed rules published in the Federal Register, Part II, Department of Agriculture FSIS, 9CFR, Part 308. The title is "Pathogen Reduction Hazard Analysis Critical Control Point (HACCP) Systems: Proposed Rule".

Dr. Connie Bacon:

General consul has advised that the state must offer a comprehensive program. The state must then ask to be undesignated and show that it can offer personnel and funding for training.

Funding is 50% - 50% (indirect costs add to a little more than 50%)

When a state restores its meat act, then any facility that does only intrastate business must then go with state inspection. They have no choice. Those with interstate business remain federally inspected.

Presently home food businesses have the two-store and farmers market exemption.

Under Maine inspection the requirements for home kitchens would be the same as if under federal.. (FMIA)

Contact Mr. Ralph Thompson FSIS (facility standards) 203-720-7377

Non amenable species - can be sold in state - out of state, etc. under any law or regulation we choose - may use our own stamp

Conversations with FSIS indicates small cottage type industry may meet federal standards if certain procedures are followed that result in an end product that has been processed meeting sanitation standards. Example - time delay in handling raw, cooking and storage.

I believe it is true that state programs are easier for local processors to consul with the state about compliance. Avoidance of the usual Washington beauracy removes the discouraging aspect of creating small business.

Maine's program must be equal to or better than the U.S.D.A. program in place.

Peter Bridgeman, Philadelphia, PA 215-597-3720 USDA

Maine now has thirty plants under USDA inspection (approximately)

In a comparative study with other states of a similar size as far as USDA involvement, the cost of operating, including salary, training, travel and not considering startup costs is approximately five hundred thousand dollars annually.

In Maine we have: 2 GS12 - USDA veterinarians. Pay range \$43,700. to \$56,800.

1 GS11 - Supervisory Inspector. \$36,500 to \$47,300.

1 GS10 - Supervisory Inspector. \$33,200 to \$43,000.

15 GS9 - Inspectors of processing and/or slaughtering facilities \$30,200 to \$39,200

1 GS8 - Slaughtering facilities. \$27,300 to \$35,500.

These inspectors may cover two or more processing plants.

Dr. Travis Small, Texas A&M #409-260-9433

Schooling required for starting inspectors; GS5

Approximately three weeks intensive training at Texas A&M

Post mortem and pre mortem inspections, sanitation, microbiology,
and meat inspect act, etc...

or

If enough prospective students apply, the USDA will provide on-site training in Maine, although advance notice is required. USDA recommends attending school in Texas, although "in Maine" training would be acceptable.

After initial schooling there is one year evaluation period in the field, then back to school for further training.

There is no tuition required, although travel, lodging and food is our responsibility.

The USDA and the State split operating costs fifty-fifty.

Harry Springfield Training Costs 215-597-8475

If the Meat Act became a viable unit I would expect approximately two (2) slaughter establishments to require inspection on an average of two days per week (two hundred eight, 208 inspectional days .

Fifteen (15) food processors who indicated an interest in the program would be inspected on a patrol basis. Depending on location, area inspectors would spend four (4) days each month on patrol.

Custom establishments would be inspected when necessary or at least quarterly. (Herein may lie a problem--conditions are bad in some plants and there are many dirty carcasses sold throughout the state, plus down and dying critterres are taken to such operations.) Eighty five (85) percent failed inspection in early seventies. Twenty five (25) is an estimate of current custom operations.

Under the previous Maine Meat Act an average of six (6) slaughterhouses and twenty one (21) processing plants were under official inspection. Approximately forty six thousand eight hundred (46,800,000) pounds of meat was under inspection and an average of twenty six (26) carcasses and five thousand (5000) pounds of meat was condemned each year. Forty seven (47) custom houses were under inspection making a total of seventy four establishments under inspection.

Initially the first year would be spent working with Washington D.C. to determine if the Act as passed is sufficient to undesignate the state along with further legislative action to adopt the appropriate CFR concerning meat inspection regulations. Three weeks training would then be provided for one (1) Veterinarian and two (2) Consumer Food Inspectors.

The Veterinarian would be expected if necessary to provide training for private contract Veterinarians that might be needed for condemnation.

The food inspectors would provide further training for other food inspectors.

Sufficient inspection time in the beginning could be provided by:

1. Move the inspection of stores that retail only pre-packaged product from every year to every three years
exception: new license, emergency or complaint, saving in inspection

time, approximately 2168 hours per year, however these would be staggered years so a more accurate hour saving would be 1445 hours which should cover yearly slaughter time in two (2) slaughterhouses for a year.

2. Contract with private area Veterinarians for condemnation work at a set price per carcass (Example \$25.00 the first carcass, \$10.00 per carcass thereafter).
3. Certain stores considered dependable, visit time could be reduced.
4. Patrol of processing establishments would be by Consumer Food Inspectors, relieved some of bottle bill duties and feed, seed and fertilizer duties by Dairy Inspectors.

If the Act does not prove viable, then sunset after two (2) years of actual inspection however, as I originally stated, if the need is proven for a meat inspection program then as in other states, the Legislature must act responsibly and provide fiscal support in the future.

processors on a "patrol" basis; we understand from USDA that an inspector's presence is not needed at all times. We estimate the need for 1 or more visits per week per processor, for a total period of 2 hours.

8. We would ask our trained vet to train the other vets on staff, together with several private vets we would have on contract in various areas of the state. These vets would be available or "on call" to inspect and possibly condemn suspect carcasses.

9. We cannot absorb these duties within the existing staff of the consumer food program without ignoring other food safety work. This would create an unacceptable risk to public health and safety.

COSTS OF IMPLEMENTING A PROGRAM

Scenario 1:

Only two custom plants opt for the State program. These plants would serve 30 individual processors operating from facilities at or associated with their homes.

One-time cost of training 2 food inspectors	(5)	\$5720
One-time cost of training 1 vet	(in-house)	\$2860

One-time cost of surveying requests for program use and rental of state vehicles	\$3000
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Inspection of 2 slaughter plants, 2 days per week, 30 wks per year = $8 \times 2 = 16 \times 2 = 32$ hours x 30 wks = 960 hours per year	960hrs
---	--------

Inspection of 30 processing plants, one day per week per processor, 2 hour visit; 30 wks per year = $30 \times 2 \text{ hrs} = 60$ x 30 wks = 1800 hrs.	1800 hrs
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Time to receive training (3 weeks) and to provide training to other inspectors	<u>240 hrs</u>
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	total time	3000 hours per year
Cost to provide 3000 inspector hours is one full time and one part time inspector		\$60,000 +/-

Associate costs of travel, supplies, incidental	45,000
---	--------

Laboratory Testing

Scenario 1 (continued):

Vet time required for training (3 weeks) plus time to train other vets (3wks) plus call outs (1 week per year)	280 hours	
Associated travel, and incidental		\$1500
Contract costs for private vets		<u>\$10,000</u>

TOTAL COSTS IDENTIFIED \$128,080

**TOTAL COST TO MAINE, WITH 50% COST
SHARE: \$64,040**

commshr\legis\1469a

METHODOLOGY FOR DETERMINING FISCAL IMPLICATIONS OF REINSTATING THE MAINE MEAT ACT

Assumptions:

1. Maine must approach the Federal Government (USDA) with a proposal to "undesignate" the State of Maine, allowing for state-level inspection of slaughter and meat processing operations. The USDA must determine that Maine's legal authority and inspection program are sufficient to comply with federal standards. Discussions and negotiations with USDA leading up to the official "undesignation" of Maine are expected to take up to 7 months.
2. Once USDA has agreed to our proposal, we must provide for the training of appropriate personnel. This would include a member of our professional veterinarians' staff, and at least two members of the consumer food inspection staff. We understand that the USDA conducts training conferences annually, at sessions lasting 3 weeks. There is no charge to us for the training, but we must cover travel, room and board, etc. We understand that the staff members, once trained, can in turn train others to conduct inspections, condemn carcasses, etc.
3. "Undesignation" is an all or nothing proposition; it does not appear possible to undesignate only a portion of the state to conduct a pilot program.
4. Federal cost share is available on a 50% basis, plus a negotiable stipend for administrative overhead amounting to another 5% to 15%, roughly. However, this cost sharing arrangement assumes that there are no user fees charged by Maine to slaughter or processing plants.
5. Meat slaughtered and processed under the scrutiny of a Maine Meat Act could only be sold within Maine. Anyone with significant out-of-state markets would continue to use one of Maine's eight Federally inspected slaughter plants.
6. Maine inspectors would have to be present before and during the slaughter, and during the initial processing at any participating slaughter plant. There are currently 25 federally-licensed "custom slaughter" plants in Maine, a number of which could opt to become inspected under the Maine Meat Act. We do not know, or have any reliable means of estimating how many of the current custom plants would come on board. Slaughter activity at these plants is seasonal; we estimate the need to cover each slaughter plant an average of 2 days per week, for a period of 7 months per year.
7. Many of the users of the Maine Meat Act will be relatively small-scale producers who would process meat at a facility within, or associated with, their home. With the state meat act, these producers/processors could access local (in-state) wholesale markets. (Now, they may sell only to the consumer). This is where the economic development opportunity lies—new markets with local restaurants, grocery stores, etc. As with slaughter plants, it is impossible for us to know how many processors would opt to use the Maine Meat Act. We can inspect these