

Office of the Secretary

Larry Hogan, Governor Boyd K. Rutherford, Lt. Governor Joseph Bartenfelder, Secretary Steven A. Connelly, Deputy Secretary

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December 5, 2022

The Honorable Ben Barnes Appropriations Committee 121 Taylor House Office Building 6 Bladen Street Annapolis, MD 21401 The Honorable Guy Guzzone Budget and Taxation Committee 3 West Miller Senate Office Building 11 Bladen Street Annapolis, MD 21401

# **RE:** Reports Required by JCR Report 2022\_p87\_State Meat Processing Inspection Feasibility

Dear Chair Barnes and Chair Guzzone:

JCR Report 2022\_p87\_State Meat Processing Inspection Feasibility states, "The committees were interested in exploring the option of returning to state meat processing inspection. Therefore, it was the intent of the committees that the Maryland Department of Agriculture (MDA) establish and lead a Task Force to study the feasibility of returning to state meat processing inspection. The Task Force is requested to do the following:

- Study the feasibility of returning to State meat processing inspection;
- Make recommendations on implementing State meat processing inspection; and
- Advise on necessary rules and regulations relating to meat processing inspection and the establishment of production standards."

I have included the required report. I hope you find the information contained in this report useful. Should you have any questions, please do not hesitate to reach out to Cassie Shirk at <u>cassie.shirk@maryland.gov</u> or 443-534-5782.

Sincerely,

Josph Bartufeller

Joseph Bartenfelder Secretary Maryland Department of Agriculture

## Task Force to Study the Feasibility of Return to State Meat Process Inspection

Annapolis, MD December 2022

#### Background

The Task Force to Study the Feasibility of Return to State Meat Process Inspection (Task Force) was established by the Joint Chairmen's Report - Operating Budget, April 2022. The committees were interested in exploring the option of returning to state meat processing inspection. Therefore, it was the intent of the committees that the Maryland Department of Agriculture (MDA) establish and lead a Task Force to study the feasibility of returning to state meat processing inspection. The Task Force is requested to do the following:

- Study the feasibility of returning to State meat processing inspection;
- Make recommendations on implementing State meat processing inspection; and
- Advise on necessary rules and regulations relating to meat processing inspection and the establishment of production standards.

The Task Force held one meeting at which it discussed the charges and heard expert testimony from the Food Safety and Inspection Service (FSIS), an agency of the United States Department of Agriculture (USDA). This report provides background information, findings, and/or recommendations in response to each of the three charges.

#### **Task Force Membership**

- Steve Connelly, Deputy Secretary, Maryland Department of Agriculture
- Colby Ferguson, Director of Government & Public Relations, Maryland Farm Bureau
- Senator Jason Gallion
- Alvin Manger, President, Manger Packing Corporation
- Jenell Eck McHenry, Programs and Public Relations Director, Maryland Pork Producers
- Steve McHenry, Executive Director, Maryland Agricultural and Resource-Based Industry Development Corporation (MARBIDCO)
- Dr. Cliff Mitchell, Director, Environmental Health Bureau, Maryland Department of Health (MDH)
- Holly Porter, Executive Director, Delmarva Chicken Association (DCA)
- Bill Ruppersberger, President, Old Line Custom Meat Company, LLC
- Craig Sewell, Project Director, Southern Maryland Agricultural Development Commission (SMADC)
- Shelby Watson-Hampton, Director, SMADC

#### History of Meat Inspection Program in Maryland

The Maryland Wholesome Meat Act (MD Code, Agriculture, § 4-101 - 131), which was established in 1957, are laws related to licensing of slaughtering establishments, labeling of meat, and the state's humane slaughter provisions.

The Maryland Department of Agriculture (MDA) operated a state meat inspection program under the Maryland Wholesome Meat Act until May 1992 when the program was eliminated due to budgetary constraints. After that time, USDA assumed the inspection function of these plants in addition to plants already under USDA FSIS inspection.

### **USDA FSIS**

FSIS is given primary regulatory authority for oversight of meat and egg products that will be offered for sale. One of the main components of that oversight is the requirement that the slaughter of livestock and processing of meat products be subject to continuous inspection by government inspectors.

FSIS oversees four main food safety acts, including:

- 1. Federal Meat Inspection Act, which requires that all meat sold commercially be inspected and passed to ensure that it is safe, wholesome, and properly labeled
- 2. Poultry Products Inspection Act, which requires FSIS to inspect all domesticated birds when slaughtered and processed into products for human consumption
- 3. Egg Products Inspection Act, which requires FSIS to inspect egg products sold in interstate commerce and reinspects imported products to ensure they meet U.S. safety standards
- 4. Humane Methods of Slaughter Act, which requires humane treatment in the handling and slaughtering of livestock

#### **Meat Inspection Programs**

Establishments have the option to apply for federal or state inspection. States operate under a cooperative agreement with FSIS. States' programs must enforce requirements "at least equal to" those imposed under the federal Meat and Poultry Products Inspection Act and the Humane Methods of Slaughter Act of 1978. However, product produced under state inspection is limited to intrastate commerce, unless a state opts into an additional cooperative program, the Cooperative Interstate Shipment Program.<sup>1</sup>

There are currently 29 states operating meat and poultry inspection (MPI) programs in the U.S. The other states have delegated their meat or poultry inspection programs, or both. The USDA assumed the inspection function of these plants in addition to plants already under USDA inspection.

FSIS oversees 100 establishments in Maryland through three different programs. There are five programs that are available for inspection, each of them governed by FSIS:

• FSIS/pure federal inspection

<sup>&</sup>lt;sup>1</sup> fsis.usda.gov/inspection/state-inspection-programs

- Federal inspectors conduct federal inspections on a daily basis and at all times while the plant is in operation and inspection requirements are federal requirements. FSIS/Federally inspected meat and poultry products may be sold in interstate/international commerce.
- Federal-State Cooperative Inspection Program/Talmadge-Aiken (TA) facilities
  - TA facilities are meat and poultry plants in which state agency inspectors perform federal safety inspections. TA inspectors are employed by the state and paid with state funds, which, depending on the size of the program, can be up to 100% reimbursable by the federal government.
- Cooperative Interstate Shipment (CIS) program
  - The CIS program promotes the expansion of business opportunities for stateinspected meat and poultry establishments. Under CIS, state-inspected plants can operate as federally inspected facilities, under specific conditions, and ship their product in interstate commerce and may have the opportunity to export them to foreign countries, provided the CIS participating state has entered into a supplemental agreement that addresses the export of CIS inspected products. No states currently have a supplemental agreement for exporting products.
  - The CIS program is limited to plants located in the 27 states that have established a MPI and maintain "at least equal to" FSIS regulatory standards.<sup>2</sup>
- "At least equal to" Cooperative Agreement
  - Under an "at least equal to" cooperative agreement with FSIS, states may operate their own MPI programs if they meet and enforce requirements "at least equal to" those imposed under the Federal Meat Inspection Act, Poultry Products Inspection Act and Humane Methods of Slaughter Act of 1978. State-inspected meat and poultry products are limited to intrastate commerce only.<sup>3</sup>
- Custom Exempt
  - Custom exempt slaughter and processing is for animals being processed on behalf of the owner, which may then only be consumed by the owner, the owner's family, and non-paying guests. Custom exempt products may not be sold or donated. Due to the fact that the resulting products will not enter into the stream of commerce, the continuous inspection requirements, among others, do not apply. Instead, custom slaughter plants are inspected on a periodic basis, sometimes as infrequently as once a year. These plants are, however, expected to

<sup>&</sup>lt;sup>2</sup> fsis.usda.gov/inspection/state-inspection-programs/cooperative-interstate-shipping-program

<sup>&</sup>lt;sup>3</sup> fsis.usda.gov/inspection/state-inspection-programs

meet the same requirements for sanitation that USDA-inspected plants must meet, as well as keep certain specified records.<sup>4</sup>

Members of the task force asked FSIS if the decision was made to return to a state meat inspection program with state inspectors, and we wanted to be able to ship products in interstate commerce, which of the USDA programs would we need. Mr. Furey from FSIS stated it would be the CIS program. However, he noted that there are some restrictions as not all establishments can apply for CIS. CIS is intended for small facilities that don't have access to a slaughterhouse but would still like to move product across state lines.

#### Hazard Analysis and Critical Control Points (HACCP) Plans

HACCP plans are required for meat and poultry establishments to prevent or eliminate contamination of meat and poultry products with disease-causing (pathogenic) bacteria, as well as to prevent, or to reduce to an acceptable level, contamination with other biological, chemical, and physical hazards.

HACCP is a scientific system for process control that has long been used in food production. It prevents food safety problems by applying controls at identified points in a food production process at which hazards can be prevented, controlled, eliminated, or reduced to acceptable levels.<sup>5</sup>

Some members of the Task Force discussed how they felt like the Grant of Inspection and HACCP plan process was very cumbersome and difficult to navigate for new establishments. FSIS wants individuals to reach out and talk about issues they are having with HACCP plans, which includes communication issues with inspectors, etc. FSIS doesn't want there to be any misconceptions or hang-ups on the federal side. As previously described, there are multiple options for states to make sure that everyone has the ability to get inspected.

Bill Ruppersberger and Alvin Manger, who run meat processing establishments, discussed their interactions with FSIS and said they've never run across any significant communication issues. FSIS wants establishments to be successful and have made themselves available. Both of those establishments have been in business since the 1800s, and during that time have been under, no inspection, local inspection, state inspection and now federal inspection. They stated that the federal inspection is the best program they've operated under and would not suggest returning to a state meat inspection program. Both Ruppersberger and Manger don't think there really is much difference between state and federal inspection programs. If new establishments want to do business outside the state, then there will always be federal oversight.

<sup>&</sup>lt;sup>4</sup> uada.edu/for-policy-makers/DivisionWeb-Policy-CustomHarvesting.pdf

<sup>&</sup>lt;sup>5</sup> fsis.usda.gov/sites/default/files/media\_file/2020-08/93-016F\_0.pdf

#### Recommendations

After hearing from Todd Furey, District Manager of Field Operations with USDA FSIS, Bill Ruppersberger and Alvin Manger, the Task Force felt there was no benefit in returning to a state meat inspection program. Instead, the Task Force suggested the need for a state assistance program or establishing an ombudsman at MDA to assist new and existing meat and poultry harvest and processing businesses to navigate the regulatory process at the local, state and federal levels. This could include, but not limited to understanding local zoning, permitting for water and wastewater, writing HACCP and Standard Operating Procedures.