

# HOUSE BILL REPORT

## ESHB 1754

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**As Passed House:**

March 17, 2003

**Title:** An act relating to poultry.

**Brief Description:** Concerning the slaughter, preparation, and sale of certain poultry.

**Sponsors:** By House Committee on Agriculture & Natural Resources (originally sponsored by Representatives Eickmeyer, Schoesler, Sump, Hunt, Grant, Pettigrew, Haigh, McDermott, Blake, Quall, Rockefeller and Romero).

**Brief History:**

**Committee Activity:**

Agriculture & Natural Resources: 2/18/03, 3/5/03 [DPS].

**Floor Activity:**

Passed House: 3/17/03, 97-0.

**Brief Summary of Engrossed Substitute Bill**

- Under certain circumstances, exempts the slaughter and preparation of 1,000 or fewer poultry in a calendar year and their on-farm sale from the requirements of the state's custom slaughter laws and from state and local rules regulating food or food service establishments.
- Requires a special, temporary permit for this activity and sale under the state's Food Processing Act and establishes a \$75 permit fee.

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### HOUSE COMMITTEE ON AGRICULTURE & NATURAL RESOURCES

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 12 members: Representatives Linville, Chair; Schoesler, Ranking Minority Member; Holmquist, Assistant Ranking Minority Member; Kristiansen, Assistant Ranking Minority Member; Chandler, Eickmeyer, Grant, Hunt, McDermott, Orcutt, Quall and Sump.

**Minority Report:** Do not pass. Signed by 1 member: Representative Rockefeller, Vice Chair.

**Staff:** Kenneth Hirst (786-7105).

## **Background:**

### State Laws:

Food Processing. Under the state's Food Processing Act, it is unlawful for a person to operate a food processing plant or to process foods without obtaining a license from the Department of Agriculture (WSDA). For this purpose, "food processing" is defined broadly. It is the handling or processing of any food in any manner in preparation for sale for human consumption, but does not mean merely washing or trimming fresh fruit or vegetables that are being prepared or packaged for sale in their natural state.

Other provisions of the Act allow the WSDA to require a person who is processing food for retail sale to be licensed if the person is not subject to a local health permit, license, or inspection. These provisions also expressly allow the WSDA to waive the licensure requirement for a milk processing plant that is licensed under the milk laws in certain circumstances.

Custom Slaughter. The state's custom slaughter laws establish licensing and facility requirements for persons who slaughter and prepare uninspected meat as a service for the owner of the animal or meat. The meat animals covered by these laws are cattle, swine, sheep and goats, and ratites such as ostriches, emus, and rhea.

Food Service. State law directs the State Board of Health (State Board) to adopt rules controlling public health related to environmental conditions, including the sanitary facilities and cleanliness of food service establishments. The State Board's rules for food service allow local boards of health to adopt more stringent rules.

Food, Drug, and Cosmetics Act. For the protection of public health, the state's Food, Drug, and Cosmetics Act allows the WSDA to require the manufacturers, processors, or packers of a class of food to secure a permit under certain circumstances.

Federal Poultry Inspection Rules. Federal rules administered by the Food Safety and Inspection Service of the U. S. Department of Agriculture require the inspection of the processing of poultry products. Exempted from the federal inspection requirement is a poultry producer with respect to the poultry the producer raised on his or her own farm that is slaughtered by the producer. To qualify for the exemption, the producer cannot slaughter more than 1,000 poultry during a calendar year, the producer must not buy or sell the poultry products of others, and the poultry cannot move in interstate commerce.

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### **Summary of Engrossed Substitute Bill:**

A special, temporary permit, in lieu of a license, is required under the state's Food Processing Act for the slaughter, preparation, and sale of 1,000 or fewer pastured poultry

animals in a calendar year by the agricultural producer of the poultry for the sale of the whole raw poultry by the producer directly to the ultimate consumer at the producer's farm. The fee for the permit is \$75.

The WSDA must adopt by rule requirements for the permit which must be generally patterned after those established by rules of the State Board for temporary food service establishments, but must be tailored specifically to these activities. The requirements must include those for: cooling procedures, when applicable; sanitary facilities, equipment, and utensils; clean water; washing and other hygienic practices; and waste and wastewater disposal. The rules must also identify the length of time the permit is valid, which must be adequate to accommodate the seasonal nature of the permitted activities. In adopting rules, the WSDA must also carefully consider the economic constraints on the regulated activity.

The WSDA must conduct such inspections of the permitted activities as are reasonably necessary to ensure compliance with permit requirements.

These activities are exempted from the state's custom slaughter laws. They are also exempted from rules adopted by the State Board, the Department of Health, or a local health jurisdiction regulating food or food service establishments. Their rules may not be applied directly or indirectly to this activity or sale.

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**Appropriation:** None.

**Fiscal Note:** Not Requested.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.

**Testimony For:** (Original bill) 1) Shifting jurisdictions have caused problems for these small operations. This activity should be exempted from regulation until standards tailored to it are developed. 2) Minnesota has not had a problem with these small operations. The problem is not being able to have a local market. The price a farmer can sell the birds for is much lower than the price after they have gone to a processing plant.

**Testimony Against:** (Original bill) 1) Poultry was the leading cause of food-borne illness in the 1990s and the second leading cause in 2001. Exempting these operations creates a significant hole in requirements to protect public health. Basic sanitation requirements such as clean water and refrigeration are needed. 2) The bill does not address the hidden costs to vulnerable populations: the elderly, children, and those with immune suppressed systems. The farmer cannot tell if the poultry are contaminated with the bacteria that cause human disease; their presence in poultry does not cause any

symptoms in the birds. 3) The complete exemption provided by the bill prevents tracking of disease sources; an outbreak could be much worse than if its source could be identified. 4) The WSDA has documented cases of poultry and other animals being slaughtered and cut-up under insanitary conditions: no cleanable surfaces, dirt floors, no wash water available, and no refrigeration. These types of operations are currently illegal, but they would be made legal by the bill. 5) This bill applies to more than just chickens; it applies to turkeys, geese, and other poultry. 6) While local markets should not be overlooked, the bill could cause real problems for the poultry industry. If something goes wrong from one of these small operations, public fear could wipe out the entire industry.

**Testified:** (In support) (Original bill) Representative Eickmeyer, prime sponsor; and Dick Ducharme.

(Opposed) (Original bill) Jennifer Tibaldi, Department of Health; Dave Babcock, Marler Clark; Claudia Coles, Department of Agriculture; Jonathan Schleuter, Northwest Poultry Council; and Mike Kaiser, Washington Fryer Commission.