

HOUSE BILL REPORT

HB 1200

As Reported by House Committee On:
Agriculture & Natural Resources
General Government Appropriations & Oversight

Title: An act relating to establishing a state meat inspection program.

Brief Description: Establishing a state meat inspection program.

Sponsors: Representatives Taylor, Warnick, Short, Kretz, Chandler, Armstrong and McCune.

Brief History:

Committee Activity:

Agriculture & Natural Resources: 1/28/11, 2/4/11 [DPS];

General Government Appropriations & Oversight: 2/15/11, 2/16/11 [DP2S(w/o sub AGNR)].

Brief Summary of Second Substitute Bill

- Creates a fee-based state Meat Inspection Program.
- Creates the Meat Inspection Account.

HOUSE COMMITTEE ON AGRICULTURE & NATURAL RESOURCES

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 members: Representatives Blake, Chair; Stanford, Vice Chair; Chandler, Ranking Minority Member; Wilcox, Assistant Ranking Minority Member; Buys, Dunshee, Hinkle, Kretz, Lytton, Orcutt, Pettigrew, Rolfes and Van De Wege.

Staff: Jason Callahan (786-7117).

Background:

All meat for public sale is inspected by the United States Department of Agriculture (USDA) in compliance with the Federal Meat Inspection Act. The Washington State Department of Agriculture (WSDA) has been delegated authority to conduct meat inspections for certain facilities that only slaughter or prepare meat for consumption by the owner of the animal.

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

There are three types of facilities that slaughter or prepare meat for consumption by the owner of the animal:

- Custom meat facilities are facilities that process meat.
- Custom farm slaughterers are mobile slaughter units either at the animal owner's farm or an approved site.
- Custom slaughter establishments are fixed slaughter facilities.

All of the three types of custom facilities listed above are licensed by the WSDA.

Custom facilities may not sell any meat that is processed in the facility. Instead, custom facilities slaughter or process animals for end use by the owner of the animal. The custom facility owner is paid by the owner of the animal to slaughter the animal and prepare the meat. The meat may not be sold either wholesale or retail.

Summary of Substitute Bill:

A non-transferable state meat inspection license is created that allows the holder to operate a facility in which meat is prepared for intrastate consumption. It is unlawful to operate such a facility without the license. Only meat originating from livestock produced in Washington and consumed in Washington is eligible to be processed under the license. Livestock eligible to be processed under the license must either be meat food animals or meat food birds. These categories include mammals that are: bovine, porcine, ovine, equine, or hircine. The categories also include: ostriches, emus, rheas, chickens, and other birds.

The cost of a state meat inspection license must be developed in rule by the WSDA. The fee must be set at the minimum necessary amount per license applicant to fully reimburse the WSDA for all incurred expenses. Payment must accompany an application developed by the WSDA. The license and fee are annual. Licenses may be denied, suspended, or revoked if a licensee violates the requirements for license holders, including the failure to maintain required records or allowing access for inspections.

The WSDA is authorized to adopt rules regarding the license. Rules may specify sanitation requirements; identification requirements for slaughtered animals; requirements for the handling, storage, and labeling of carcasses; and other slaughtering and processing requirements. The Director of the WSDA (Director) may inspect facilities for compliance with the rules and it is unlawful for a person to interfere with the Director in the performance of his or her duties. Violations of any requirements may be investigated by the Director. Investigations may be aided with subpoenas issued by the Director to compel witness attendance or the production of documents.

All inspected meat and meat products prepared for public sale must be kept separate from meat processed for sale to a private individual.

Failure to comply with the terms of a license may result in a civil penalty of up to \$1,000 per violation per day. Any penalties collected must be deposited into the newly created Meat

Inspection Account (Account). The money in the Account may be used by the Director for implementing the state Meat Inspection Program (Program).

Cities and counties are expressly authorized to adopt ordinances that are more restrictive than the statewide provisions for state meat inspection. However, any federal restrictions on intrastate meat inspections are declared to be invalid.

Substitute Bill Compared to Original Bill:

The original bill set the cost of a meat inspection license at \$25. The substitute bill requires the state meat inspection to be full-fee supported with license costs set by the WSDA. The substitute bill also makes stylistic changes.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) Current slaughter facilities are few in number and not centrally located. There is plenty of local meat and supply to meet the demand. However, there are not enough processing facilities to allow supply to satisfy demand.

The USDA requires federal inspection of meat processing facilities for interstate commerce, but allows a state to inspect meat for intrastate commerce. Federal money is available to pay for a state Program. In addition, the industry is willing to supply money through fees.

(Opposed) None.

Persons Testifying: Representative Taylor, prime sponsor; Jack Field, Washington Cattlemen's Association; and Eddie Armstrong, Washington State Horse Council.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON GENERAL GOVERNMENT APPROPRIATIONS & OVERSIGHT

Majority Report: The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Agriculture & Natural Resources. Signed by 12 members: Representatives Hudgins, Chair; Miloscia, Vice Chair; McCune, Ranking Minority Member; Taylor, Assistant Ranking Minority Member; Ahern, Blake, Fitzgibbon, Ladenburg, Moscoso, Pedersen, Van De Wege and Wilcox.

Staff: Owen Rowe (786-7391).

Summary of Recommendation of Committee On General Government Appropriations & Oversight Compared to Recommendation of Committee On Agriculture & Natural Resources:

A null and void clause was added so that if funding is not included in the budget, the bill is not enacted.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Second Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed. However, the bill is null and void unless funded in the budget.

Staff Summary of Public Testimony:

(In support) The industry is very interested in opening opportunities for small businesses. This fiscal note is an example of an agency trying to kill a bill by overstating the impact. Add a null and void clause if necessary to keep this bill moving forward.

(Opposed) The Washington State Department of Agriculture (WSDA) is supportive of the concept of additional markets for Washington meat, but has serious concerns about funding. License costs could exceed \$40,000 per facility, and could be prohibitive to licensees. The WSDA is interested in continuing to work with stakeholders to develop additional funding options.

Persons Testifying: (In support) Representative Taylor, prime sponsor; and Jack Field, Washington Cattleman's Association.

(Opposed) Kirk Robinson, Washington State Department of Agriculture.

Persons Signed In To Testify But Not Testifying: None.