To amend the Poultry Products Inspection Act and the Federal Meat Inspection Act to support small and very small meat and poultry processing establishments, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. Thune (for himself, Mr. Merkley, Ms. Collins, and Mr. King) introduced the following bill; which was read twice and referred to the Committee on ____________

A BILL

To amend the Poultry Products Inspection Act and the Federal Meat Inspection Act to support small and very small meat and poultry processing establishments, and for other purposes.

1 Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,
3 SECTION 1. SHORT TITLE.
4 This Act may be cited as the “Strengthening Local
5 Processing Act of 2020”. 
SEC. 2. HACCP GUIDANCE AND RESOURCES FOR SMALLER AND VERY SMALL POULTRY AND MEAT ESTABLISHMENTS.

(a) POULTRY ESTABLISHMENTS.—The Poultry Products Inspection Act is amended by inserting after section 14 (21 U.S.C. 463) the following:

"SEC. 14A. SMALLER AND VERY SMALL ESTABLISHMENT GUIDANCE AND RESOURCES.

“(a) Definitions of Smaller Establishment and Very Small Establishment.—In this section, the terms ‘smaller establishment’ and ‘very small establishment’ have the meanings given those terms in the final rule entitled ‘Pathogen Reduction; Hazard Analysis and Critical Control Point (HACCP) Systems’ (61 Fed. Reg. 38806 (July 25, 1996)).

“(b) Database of Studies; Model Plans.—Not later than 18 months after the date of enactment of this section, the Secretary shall—

“(1) establish a free, searchable database of approved peer-reviewed validation studies accessible to smaller establishments and very small establishments subject to inspection under this Act for use in developing a Hazard Analysis and Critical Control Points plan; and

“(2) publish online scale-appropriate model Hazard Analysis and Critical Control Points plans
for smaller establishments and very small establish-
ments, including model plans for—

“(A) slaughter-only establishments;
“(B) processing-only establishments; and
“(C) slaughter and processing establish-
ments.

“(c) GUIDANCE.—Not later than 2 years after the
date of enactment of this section, the Secretary shall pub-
lish a guidance document, after notice and an opportunity
for public comment, providing information on the require-
ments that need to be met for smaller establishments and
very small establishments to receive approval for a Hazard
Analysis and Critical Control Points Plan pursuant to this
Act.”.

(b) MEAT ESTABLISHMENTS.—The Federal Meat In-
spection Act is amended by inserting after section 25 (21
U.S.C. 625) the following:

“SEC. 26. SMALLER AND VERY SMALL ESTABLISHMENT
GUIDANCE AND RESOURCES.

“(a) DEFINITIONS OF SMALLER ESTABLISHMENT
AND VERY SMALL ESTABLISHMENT.—In this section, the
terms ‘smaller establishment’ and ‘very small establish-
ment’ have the meanings given those terms in the final
rule entitled ‘Pathogen Reduction; Hazard Analysis and
Critical Control Point (HACCP) Systems’ (61 Fed. Reg. 38806 (July 25, 1996)).

“(b) DATABASE OF STUDIES; MODEL PLANS.—Not later than 18 months after the date of enactment of this section, the Secretary shall—

“(1) establish a free, searchable database of approved peer-reviewed validation studies accessible to smaller establishments and very small establishments subject to inspection under this Act for use in developing a Hazard Analysis and Critical Control Points plan; and

“(2) publish online scale-appropriate model Hazard Analysis and Critical Control Points plans for smaller establishments and very small establishments, including model plans for—

“(A) slaughter-only establishments;

“(B) processing-only establishments; and

“(C) slaughter and processing establishments.

“(c) GUIDANCE.—Not later than 2 years after the date of enactment of this section, the Secretary shall publish a guidance document, after notice and an opportunity for public comment, providing information on the requirements that need to be met for smaller establishments and very small establishments to receive approval for a Hazard
1 Analysis and Critical Control Points Plan pursuant to this
2 Act.”.

3 **SEC. 3. INCREASING MAXIMUM FEDERAL SHARE FOR EXPENSES OF STATE INSPECTION.**

4 (a) **POULTRY PRODUCTS.**—Section 5(a)(3) of the
5 Poultry Products Inspection Act (21 U.S.C. 454(a)(3)) is
6 amended in the second sentence by striking “50 per centum” and inserting “65 percent”.

7 (b) **MEAT AND MEAT FOOD PRODUCTS.**—Section
8 301(a)(3) of the Federal Meat Inspection Act (21 U.S.C.
9 661(a)(3)) is amended in the second sentence by striking
10 “50 per centum” and inserting “65 percent”.

11 **SEC. 4. COOPERATIVE INTERSTATE SHIPMENT OF POULTRY AND MEAT.**

12 (a) **POULTRY PRODUCTS.**—Section 31 of the Poultry
13 Products Inspection Act (21 U.S.C. 472) is amended—
14 (1) in subsection (b)—
15 (A) in paragraph (2), by striking “25 employees” each place it appears and inserting “50 employees”; and
16 (B) in paragraph (3)—
17 (i) in the paragraph heading, by striking “25” and inserting “50”; 
18 (ii) in subparagraph (A), by striking “25” and inserting “50”; and
(iii) in subparagraph (B)—

(I) in clause (i), by striking “more than 25 employees but less than 35 employees” and inserting “more than 50 employees but less than 70 employees”; and

(II) in clause (ii), by striking “subsection (i)” and inserting “subsection (j)”;

(2) in subsection (c), by striking “60 percent” and inserting “80 percent”;

(3) in subsection (c)(1), by striking “subsection (i)” and inserting “subsection (j)”;

(4) by redesignating subsections (f) through (i) as subsections (g) through (j), respectively; and

(5) by inserting after subsection (e) the following:

“(f) FEDERAL OUTREACH.—

“(1) IN GENERAL.—In each of fiscal years 2021 through 2024, for the purpose of State participation in the Cooperative Interstate Shipment program, the Secretary shall conduct outreach to, and, as appropriate, subsequent negotiation with, not fewer than 25 percent of the States that—
“(A) have a State poultry product inspection program pursuant to section 5; but

“(B) do not have a selected establishment.

“(2) REPORT.—At the conclusion of each of fiscal years 2021 through 2024, the Secretary shall submit a report detailing the activities and results of the outreach conducted during that fiscal year under paragraph (1) to—

“(A) the Committee on Agriculture of the House of Representatives;

“(B) the Committee on Agriculture, Nutrition, and Forestry of the Senate;

“(C) the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies of the Committee on Appropriations of the House of Representatives; and

“(D) the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies of the Committee on Appropriations of the Senate.”.

(b) MEAT AND MEAT FOOD PRODUCTS.—Section 501 of the Federal Meat Inspection Act (21 U.S.C. 683) is amended—

(1) in subsection (b)—
(A) in paragraph (2), by striking “25 employees” each place it appears and inserting “50 employees”; and

(B) in paragraph (3)—

(i) in the paragraph heading, by striking “25” and inserting “50”;

(ii) in subparagraph (A), by striking “25” and inserting “50”; and

(iii) in subparagraph (B)(i), by striking “more than 25 employees but less than 35 employees” and inserting “more than 50 employees but less than 70 employees”;

(2) in subsection (c), by striking “60 percent” and inserting “80 percent”; and

(3) in subsection (f), by adding at the end the following:

“(3) Federal outreach.—

“(A) In general.—In each of fiscal years 2021 through 2024, for the purpose of State participation in the Cooperative Interstate Shipment program, the Secretary shall conduct outreach to, and, as appropriate, subsequent negotiation with, not fewer than 25 percent of the States that—
“(i) have a State meat inspection program pursuant to section 301; but

“(ii) do not have a selected establishment.

“(B) REPORT.—At the conclusion of each of fiscal years 2021 through 2024, the Secretary shall submit a report detailing the activities and results of the outreach conducted during that fiscal year under paragraph (1) to—

“(i) the Committee on Agriculture of the House of Representatives;

“(ii) the Committee on Agriculture, Nutrition, and Forestry of the Senate;

“(iii) the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies of the Committee on Appropriations of the House of Representatives; and

“(iv) the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies of the Committee on Appropriations of the Senate.”
SEC. 5. PROCESSING RESILIENCE GRANT PROGRAM.
Subtitle A of the Agricultural Marketing Act of 1946 (7 U.S.C. 1621 et seq.) is amended by adding at the end the following:

“SEC. 210B. PROCESSING RESILIENCE GRANT PROGRAM.

“(a) DEFINITIONS.—In this section:

“(1) ELIGIBLE ENTITY.—The term ‘eligible entity’ means—

“(A) a smaller establishment or very small establishment (as those terms are defined in the final rule entitled ‘Pathogen Reduction; Hazard Analysis and Critical Control Point (HACCP) Systems’ (61 Fed. Reg. 33806 (July 25, 1996)));

“(B) a slaughtering or processing establishment subject to—

“(i) a State meat inspection program pursuant to section 301 of the Federal Meat Inspection Act (21 U.S.C. 661); or

“(ii) a State poultry product inspection program pursuant to section 5 of the Poultry Products Inspection Act (21 U.S.C. 454);

“(C) a person engaging in custom operations that is exempt from inspection under—
“(i) section 23 of the Federal Meat Inspection Act (21 U.S.C. 623); or

“(ii) section 15 of the Poultry Products Inspection Act (21 U.S.C. 464); and

“(D) a person seeking—

“(i) to establish and operate an establishment described in subparagraph (A) or (B); or

“(ii) to engage in custom operations described in subparagraph (C).

“(2) MINORITY-OWNED BUSINESS.—The term ‘minority-owned business’ means a for-profit business not less than 51 percent of which is owned by 1 or more Black American, Native American, Hispanic American, or Asian American individuals.

“(3) SECRETARY.—The term ‘Secretary’ means the Secretary of Agriculture, acting through the Administrator of the Agricultural Marketing Service.

“(b) GRANTS.—

“(1) IN GENERAL.—Not later than 60 days after the date of enactment of this section, the Secretary shall award competitive grants to eligible entities for activities to adapt production, processing, distribution, and sales systems to respond to and recover from the effects of the Coronavirus Disease
2019 (referred to in this section as ‘COVID–19’) pandemic, including activities that—

“(A) support the health and safety of meat and poultry plant employees, suppliers, and customers;

“(B) support increased processing capacity; and

“(C) otherwise support the resilience of the small meat and poultry processing sector.

“(2) MAXIMUM AMOUNT.—The maximum amount of a grant awarded under this section shall not exceed $500,000.

“(3) DURATION.—The term of a grant awarded under this section shall not exceed 3 years.

“(c) APPLICATIONS.—

“(1) IN GENERAL.—An eligible entity desiring a grant under this section shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

“(2) APPLICATIONS FOR SMALL GRANTS.—The Secretary shall establish a separate, simplified application process for eligible entities applying for a grant under this section of not more than $100,000.
“(3) Requirements.—The Secretary shall ensure that any application for a grant under this section is—

“(A) simple and practicable;
“(B) accessible online; and
“(C) available through local staff of the Department of Agriculture.

“(4) Notice.—Not later than 14 days before the date on which the Secretary begins to accept applications under paragraph (1), the Secretary shall publish a notice of funding opportunity with respect to the grants available under this section.

“(5) Reapplication.—If an application of an eligible entity under this subsection is denied by the Secretary, the eligible entity may submit a revised application.

“(6) Priority.—In reviewing applications submitted under this subsection, the Secretary shall give priority to proposals that will—

“(A) increase farmer and rancher access to animal slaughter options within a 200-mile radius of the location of the farmer or rancher;
“(B) support an eligible entity described in subsection (a)(1)(A); or
“(C) support an eligible entity that is a minority-owned business.

“(d) Use of Grant.—An eligible entity that receives a grant under this section shall use the grant funds to carry out activities in support of the purposes described in subsection (b)(1), including through—

“(1) the development and issuance of a Hazard Analysis and Critical Control Points plan for the eligible entity, which may be developed by a consultant;

“(2) the purchase or establishment, as applicable, of facilities, equipment, processes, and operations necessary for the eligible entity to comply with applicable requirements under the Federal Meat Inspection Act (21 U.S.C. 601 et seq.) or the Poultry Products Inspection Act (21 U.S.C. 451 et seq.);

“(3) the purchase of cold storage, equipment, or transportation services or equipment needed to respond to COVID–19 demand;

“(4) the purchase of test kits for COVID–19, temperature screening supplies, disinfectant, sanitation systems, hand washing stations, and other sanitizing supplies;

“(5) the purchase and decontamination of personal protective equipment;
“(6) the construction or purchase of humane handling infrastructure, including holding space for livestock prior to slaughter, shade structures, and knock box structures;

“(7)(A) the purchase of software and computer equipment for record keeping, production data, Hazard Analysis and Critical Control Points record review, and facilitation of marketing and sales of products in a manner consistent with the social distancing guidelines of the Centers for Disease Control and Prevention; and

“(B) the provision of guidelines and training relating to that software and computer equipment;

“(8) the provision of staff time and training for implementing and monitoring health and safety procedures;

“(9) the development of a feasibility study or business plan for, or the carrying out of any other activity associated with, establishing or expanding a small meat or poultry processing facility; and

“(10) other activities associated with expanding or establishing an eligible entity described in subsection (a)(1)(A), as determined by the Secretary.

“(e) OUTREACH.—During the period beginning on the date on which the Secretary publishes the notice under
subsection (c)(4) and ending on the date on which the Secretary begins to accept applications under subsection (c)(1), the Secretary shall perform outreach to States and eligible entities relating to grants under this section.

“(f) FEDERAL SHARE.—

“(1) IN GENERAL.—Subject to paragraph (2), the Federal share of the activities carried out using a grant awarded under this section shall not exceed—

“(A) 90 percent in the case of a grant in the amount of $100,000 or less; or

“(B) 75 percent in the case of a grant in an amount greater than $100,000.

“(2) FISCAL YEAR 2021.—An eligible entity awarded a grant under this section during fiscal year 2021 shall not be required to provide non-Federal matching funds with respect to the grant.

“(g) ADMINISTRATION.—The promulgation of regulations under, and administration of, this section shall be made without regard to—

“(1) the notice and comment provisions of section 553 of title 5, United States Code; and

“(2) chapter 35 of title 44, United States Code (commonly known as the ‘Paperwork Reduction Act’).
“(h) FUNDING.—

“(1) MANDATORY FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary of Agriculture shall use to carry out this section $10,000,000 for each of fiscal years 2021 through 2030.

“(2) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts made available under paragraph (1), there is authorized to be appropriated to the Secretary of Agriculture to carry out this section $15,000,000 for each of fiscal years 2021 through 2030.”.

SEC. 6. LOCAL MEAT AND POULTRY PROCESSING TRAINING PROGRAMS.

Title IV of the Agricultural Research, Extension, and Education Reform Act of 1998 is amended by inserting before section 404 (7 U.S.C. 7624) the following:

“SEC. 403. LOCAL MEAT AND POULTRY PROCESSING TRAINING PROGRAMS.

“(a) HIGHER EDUCATION CAREER TRAINING PROGRAMS.—

“(1) IN GENERAL.—The Secretary shall provide competitive grants to junior or community colleges, technical or vocational schools, and land-grant colleges and universities (as defined in section 1404 of
the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)) to es-
establish or expand career training programs relating to meat and poultry processing.

“(2) Authorization of Appropriations.—There is authorized to be appropriated to the Sec-
retary to carry out this subsection $10,000,000 for fiscal year 2021 and each fiscal year thereafter, to remain available until expended.

“(b) Processor Career Training Programs.—

“(1) In General.—The Secretary shall provide grants to smaller establishments and very small es-
establishments (as those terms are defined in the final rule entitled ‘Pathogen Reduction; Hazard Analysis and Critical Control Point (HACCP) Systems’ (61 Fed. Reg. 38806 (July 25, 1996))) and nongovern-
mental organizations to offset the cost of training new meat and poultry processors.

“(2) Authorization of Appropriations.—There is authorized to be appropriated to the Sec-
retary to carry out this subsection $10,000,000 for fiscal year 2021 and each fiscal year thereafter, to remain available until expended.”.