

Strengthening Local Processing Act

Food Safety Inspection Service (FSIS) Guidance and Assistance: FSIS inspects meat and poultry products sold for human consumption and requires processing facilities to establish and maintain Hazard Analysis and Critical Control Points (HACCP) plans, which outline plant-specific contamination prevention measures to help ensure the safety of meat and poultry products. HACCP plans are complex and require significant investments in time and resources to development.

This bill would require FSIS to establish a searchable database of peer-reviewed, publicly-available validation studies for HACCP plans for the various types of small and very small establishments. This would allow individuals developing a HACCP plan for the first time to review similar plans and should ultimately expedite the HACCP approval process.

State Inspection: FSIS allows states to create meat and poultry inspection (MPI) programs and requires these programs to be at least equal to federal MPI requirements. Currently, 27 states have FSIS-approved meat and/or poultry inspection programs. The federal government pays 50 percent of the state programs' costs, and the states pay the other 50 percent.

This bill would increase the federal government's cost share from 50 percent to 65 percent. This would help states with MPI programs cover costs and incentivize additional states to establish MPI programs.

Cooperative Interstate Shipment (CIS): Although state-inspected meat products meet or exceed federal requirements, these products cannot be sold across state lines. To address this, the CIS program was established to allow state-inspected facilities to operate as federally-inspected facilities and ship their product in interstate commerce and internationally. States with MPI programs must first reach a CIS agreement with the federal government. To date, only 8 states have established CIS programs.

This bill would require FSIS to conduct outreach with the states that have MPI programs but do not have CIS programs in an effort to get more CIS programs established. The bill would also require FSIS to submit an annual report to Congress detailing the outreach and the associated results. The bill would also address barriers to establishing CIS programs by increasing the federal government's CIS cost share from 60 percent to 80 percent and by increasing the small plant eligibility size from plants with 25 employees to plants with 50 employees.

Small Plant Grant Program: One of the major barriers to establishing and expanding meat processing capacity is the capital required for these projects. This bill would create a grant program to support small plants by providing reimbursement grants to help cover costs associated with meeting state or federal inspection guidelines, expanding infrastructure to establish or increase harvest and processing capacity, and adapting to the COVID-19 pandemic and future market needs.

These grants would be limited to not more than \$100,000 to cover 90 percent of eligible costs and \$500,000 to cover 75 percent of eligible costs. The cost-share requirements would be waived for grants awarded in FY 2021. The bill would provide \$10 million annually through 2030 in mandatory funding through the Commodity Credit Corporation. It would also authorize \$15 million annually in discretionary funding.

Training, Education, and Technical Assistance Grants: There is also a shortage of education and training in the meat processing industry. This bill would establish meat processing training grants to assist and train small plant operators, small plant employees, and the next generation of meat processors and butchers. The bill would authorize \$10 million annually each in discretionary funding for higher education career training and processor career training.