

117TH CONGRESS  
1ST SESSION

# S. 370

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.

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## IN THE SENATE OF THE UNITED STATES

FEBRUARY 23, 2021

Mr. THUNE (for himself, Mr. MERKLEY, Ms. COLLINS, Mr. KING, Mr. ROUNDS, Ms. SMITH, Mr. CRAMER, and Mr. CASEY) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

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## 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 2021”.

1 **SEC. 2. HACCP GUIDANCE AND RESOURCES FOR SMALLER**  
2 **AND VERY SMALL POULTRY AND MEAT ES-**  
3 **TABLISHMENTS.**

4 (a) POULTRY ESTABLISHMENTS.—The Poultry Prod-  
5 ucts Inspection Act is amended by inserting after section  
6 14 (21 U.S.C. 463) the following:

7 **“SEC. 14A. SMALLER AND VERY SMALL ESTABLISHMENT**  
8 **GUIDANCE AND RESOURCES.**

9 “(a) DEFINITIONS OF SMALLER ESTABLISHMENT  
10 AND VERY SMALL ESTABLISHMENT.—In this section, the  
11 terms ‘smaller establishment’ and ‘very small establish-  
12 ment’ have the meanings given those terms in the final  
13 rule entitled ‘Pathogen Reduction; Hazard Analysis and  
14 Critical Control Point (HACCP) Systems’ (61 Fed. Reg.  
15 38806 (July 25, 1996)).

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

19 “(1) establish a free, searchable database of ap-  
20 proved peer-reviewed validation studies accessible to  
21 smaller establishments and very small establish-  
22 ments subject to inspection under this Act for use  
23 in developing a Hazard Analysis and Critical Control  
24 Points plan; and

25 “(2) publish online scale-appropriate model  
26 Hazard Analysis and Critical Control Points plans

1 for smaller establishments and very small establish-  
 2 ments, including model plans for—

3 “(A) slaughter-only establishments;

4 “(B) processing-only establishments; and

5 “(C) slaughter and processing establish-  
 6 ments.

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

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

18 **“SEC. 26. SMALLER AND VERY SMALL ESTABLISHMENT**  
 19 **GUIDANCE AND RESOURCES.**

20 “(a) DEFINITIONS OF SMALLER ESTABLISHMENT  
 21 AND VERY SMALL ESTABLISHMENT.—In this section, the  
 22 terms ‘smaller establishment’ and ‘very small establish-  
 23 ment’ have the meanings given those terms in the final  
 24 rule entitled ‘Pathogen Reduction; Hazard Analysis and

1 Critical Control Point (HACCP) Systems’ (61 Fed. Reg.  
2 38806 (July 25, 1996)).

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

6 “(1) establish a free, searchable database of ap-  
7 proved peer-reviewed validation studies accessible to  
8 smaller establishments and very small establish-  
9 ments subject to inspection under this Act for use  
10 in developing a Hazard Analysis and Critical Control  
11 Points plan; and

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

16 “(A) slaughter-only establishments;

17 “(B) processing-only establishments; and

18 “(C) slaughter and processing establish-  
19 ments.

20 “(c) GUIDANCE.—Not later than 2 years after the  
21 date of enactment of this section, the Secretary shall pub-  
22 lish a guidance document, after notice and an opportunity  
23 for public comment, providing information on the require-  
24 ments that need to be met for smaller establishments and  
25 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 EX-**  
4 **PENSES OF STATE INSPECTION.**

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

9 (b) MEAT AND MEAT FOOD PRODUCTS.—Section  
10 301(a)(3) of the Federal Meat Inspection Act (21 U.S.C.  
11 661(a)(3)) is amended in the second sentence by striking  
12 “50 per centum” and inserting “65 percent”.

13 **SEC. 4. COOPERATIVE INTERSTATE SHIPMENT OF POUL-**  
14 **TRY AND MEAT.**

15 (a) POULTRY PRODUCTS.—Section 31 of the Poultry  
16 Products Inspection Act (21 U.S.C. 472) is amended—

17 (1) in subsection (b)—

18 (A) in paragraph (2), by striking “25 em-  
19 ployees” each place it appears and inserting  
20 “50 employees”; and

21 (B) in paragraph (3)—

22 (i) in the paragraph heading, by strik-  
23 ing “25” and inserting “50”;

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

1 (iii) in subparagraph (B)—

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

7 (II) in clause (ii), by striking  
8 “subsection (i)” and inserting “sub-  
9 section (j)”;

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

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

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

16 (5) by inserting after subsection (e) the fol-  
17 lowing:

18 “(f) FEDERAL OUTREACH.—

19 “(1) IN GENERAL.—In each of fiscal years  
20 2021 through 2024, for the purpose of State partici-  
21 pation in the Cooperative Interstate Shipment pro-  
22 gram, the Secretary shall conduct outreach to, and,  
23 as appropriate, subsequent negotiation with, not  
24 fewer than 25 percent of the States that—

1 “(A) have a State poultry product inspec-  
 2 tion program pursuant to section 5; but

3 “(B) do not have a selected establishment.

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

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

11 “(B) the Committee on Agriculture, Nutri-  
 12 tion, and Forestry of the Senate;

13 “(C) the Subcommittee on Agriculture,  
 14 Rural Development, Food and Drug Adminis-  
 15 tration, and Related Agencies of the Committee  
 16 on Appropriations of the House of Representa-  
 17 tives; and

18 “(D) the Subcommittee on Agriculture,  
 19 Rural Development, Food and Drug Adminis-  
 20 tration, and Related Agencies of the Committee  
 21 on Appropriations of the Senate.”.

22 (b) MEAT AND MEAT FOOD PRODUCTS.—Section  
 23 501 of the Federal Meat Inspection Act (21 U.S.C. 683)  
 24 is amended—

25 (1) in subsection (b)—

1 (A) in paragraph (2), by striking “25 em-  
 2 ployees” each place it appears and inserting  
 3 “50 employees”; and

4 (B) in paragraph (3)—

5 (i) in the paragraph heading, by strik-  
 6 ing “25” and inserting “50”;

7 (ii) in subparagraph (A), by striking  
 8 “25” and inserting “50”; and

9 (iii) in subparagraph (B)(i), by strik-  
 10 ing “more than 25 employees but less than  
 11 35 employees” and inserting “more than  
 12 50 employees but less than 70 employees”;

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

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

17 “(3) FEDERAL OUTREACH.—

18 “(A) IN GENERAL.—In each of fiscal years  
 19 2021 through 2024, for the purpose of State  
 20 participation in the Cooperative Interstate Ship-  
 21 ment program, the Secretary shall conduct out-  
 22 reach to, and, as appropriate, subsequent nego-  
 23 tiation with, not fewer than 25 percent of the  
 24 States that—

1 “(i) have a State meat inspection pro-  
2 gram pursuant to section 301; but

3 “(ii) do not have a selected establish-  
4 ment.

5 “(B) REPORT.—At the conclusion of each  
6 of fiscal years 2021 through 2024, the Sec-  
7 retary shall submit a report detailing the activi-  
8 ties and results of the outreach conducted dur-  
9 ing that fiscal year under paragraph (1) to—

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

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

14 “(iii) the Subcommittee on Agri-  
15 culture, Rural Development, Food and  
16 Drug Administration, and Related Agen-  
17 cies of the Committee on Appropriations of  
18 the House of Representatives; and

19 “(iv) the Subcommittee on Agri-  
20 culture, Rural Development, Food and  
21 Drug Administration, and Related Agen-  
22 cies of the Committee on Appropriations of  
23 the Senate.”.

1 **SEC. 5. PROCESSING RESILIENCE GRANT PROGRAM.**

2 Subtitle A of the Agricultural Marketing Act of 1946  
3 (7 U.S.C. 1621 et seq.) is amended by adding at the end  
4 the following:

5 **“SEC. 210B. PROCESSING RESILIENCE GRANT PROGRAM.**

6 “(a) DEFINITIONS.—In this section:

7 “(1) ELIGIBLE ENTITY.—The term ‘eligible en-  
8 tity’ means—

9 “(A) a smaller establishment or very small  
10 establishment (as those terms are defined in the  
11 final rule entitled ‘Pathogen Reduction; Hazard  
12 Analysis and Critical Control Point (HACCP)  
13 Systems’ (61 Fed. Reg. 33806 (July 25,  
14 1996)));

15 “(B) a slaughtering or processing estab-  
16 lishment subject to—

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

20 “(ii) a State poultry product inspec-  
21 tion program pursuant to section 5 of the  
22 Poultry Products Inspection Act (21  
23 U.S.C. 454);

24 “(C) a person engaging in custom oper-  
25 ations that is exempt from inspection under—

1 “(i) section 23 of the Federal Meat  
2 Inspection Act (21 U.S.C. 623); or

3 “(ii) section 15 of the Poultry Prod-  
4 ucts Inspection Act (21 U.S.C. 464); and

5 “(D) a person seeking—

6 “(i) to establish and operate an estab-  
7 lishment described in subparagraph (A) or  
8 (B); or

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

11 “(2) MINORITY-OWNED BUSINESS.—The term  
12 ‘minority-owned business’ means a for-profit busi-  
13 ness not less than 51 percent of which is owned by  
14 1 or more Black American, Native American, His-  
15 panic American, or Asian American individuals.

16 “(3) SECRETARY.—The term ‘Secretary’ means  
17 the Secretary of Agriculture, acting through the Ad-  
18 ministrator of the Agricultural Marketing Service.

19 “(b) GRANTS.—

20 “(1) IN GENERAL.—Not later than 60 days  
21 after the date of enactment of this section, the Sec-  
22 retary shall award competitive grants to eligible enti-  
23 ties for activities to adapt production, processing,  
24 distribution, and sales systems to respond to and re-  
25 cover from the effects of the Coronavirus Disease

1       2019 (referred to in this section as ‘COVID–19’)  
2       pandemic, including activities that—

3               “(A) support the health and safety of meat  
4               and poultry plant employees, suppliers, and cus-  
5               tomers;

6               “(B) support increased processing capac-  
7               ity; and

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

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

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

15              “(c) APPLICATIONS.—

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

21               “(2) APPLICATIONS FOR SMALL GRANTS.—The  
22               Secretary shall establish a separate, simplified appli-  
23               cation process for eligible entities applying for a  
24               grant under this section of not more than \$100,000.

1           “(3) REQUIREMENTS.—The Secretary shall en-  
 2           sure that any application for a grant under this sec-  
 3           tion is—

4                     “(A) simple and practicable;

5                     “(B) accessible online; and

6                     “(C) available through local staff of the  
 7           Department of Agriculture.

8           “(4) NOTICE.—Not later than 14 days before  
 9           the date on which the Secretary begins to accept ap-  
 10          plications under paragraph (1), the Secretary shall  
 11          publish a notice of funding opportunity with respect  
 12          to the grants available under this section.

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

17          “(6) PRIORITY.—In reviewing applications sub-  
 18          mitted under this subsection, the Secretary shall  
 19          give priority to proposals that will—

20                     “(A) increase farmer and rancher access to  
 21                     animal slaughter options within a 200-mile ra-  
 22                     dius of the location of the farmer or rancher;

23                     “(B) support an eligible entity described in  
 24                     subsection (a)(1)(A); or

1           “(C) support an eligible entity that is a  
2           minority-owned business.

3           “(d) USE OF GRANT.—An eligible entity that receives  
4 a grant under this section shall use the grant funds to  
5 carry out activities in support of the purposes described  
6 in subsection (b)(1), including through—

7           “(1) the development and issuance of a Hazard  
8           Analysis and Critical Control Points plan for the eli-  
9           gible entity, which may be developed by a consultant;

10          “(2) the purchase or establishment, as applica-  
11          ble, of facilities, equipment, processes, and oper-  
12          ations necessary for the eligible entity to comply  
13          with applicable requirements under the Federal  
14          Meat Inspection Act (21 U.S.C. 601 et seq.) or the  
15          Poultry Products Inspection Act (21 U.S.C. 451 et  
16          seq.);

17          “(3) the purchase of cold storage, equipment, or  
18          transportation services or equipment needed to re-  
19          spond to COVID–19 demand;

20          “(4) the purchase of test kits for COVID–19,  
21          temperature screening supplies, disinfectant, sanita-  
22          tion systems, hand washing stations, and other sani-  
23          tizing supplies;

24          “(5) the purchase and decontamination of per-  
25          sonal protective equipment;

1           “(6) the construction or purchase of humane  
2           handling infrastructure, including holding space for  
3           livestock prior to slaughter, shade structures, and  
4           knock box structures;

5           “(7)(A) the purchase of software and computer  
6           equipment for record keeping, production data, Haz-  
7           ard Analysis and Critical Control Points record re-  
8           view, and facilitation of marketing and sales of prod-  
9           ucts in a manner consistent with the social  
10          distancing guidelines of the Centers for Disease Con-  
11          trol and Prevention; and

12          “(B) the provision of guidelines and training re-  
13          lating to that software and computer equipment;

14          “(8) the provision of staff time and training for  
15          implementing and monitoring health and safety pro-  
16          cedures;

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

21          “(10) other activities associated with expanding  
22          or establishing an eligible entity described in sub-  
23          section (a)(1)(A), as determined by the Secretary.

24          “(e) OUTREACH.—During the period beginning on  
25          the date on which the Secretary publishes the notice under

1 subsection (c)(4) and ending on the date on which the Sec-  
 2 retary begins to accept applications under subsection  
 3 (c)(1), the Secretary shall perform outreach to States and  
 4 eligible entities relating to grants under this section.

5 “(f) FEDERAL SHARE.—

6 “(1) IN GENERAL.—Subject to paragraph (2),  
 7 the Federal share of the activities carried out using  
 8 a grant awarded under this section shall not ex-  
 9 ceed—

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

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

14 “(2) FISCAL YEARS 2021 AND 2022.—An eligible  
 15 entity awarded a grant under this section during fis-  
 16 cal year 2021 or 2022 shall not be required to pro-  
 17 vide non-Federal matching funds with respect to the  
 18 grant.

19 “(g) ADMINISTRATION.—The promulgation of regula-  
 20 tions under, and administration of, this section shall be  
 21 made without regard to—

22 “(1) the notice and comment provisions of sec-  
 23 tion 553 of title 5, United States Code; and

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

4 “(h) FUNDING.—

5 “(1) MANDATORY FUNDING.—Of the funds of  
6 the Commodity Credit Corporation, the Secretary of  
7 Agriculture shall use to carry out this section  
8 \$10,000,000 for each of fiscal years 2021 through  
9 2030.

10 “(2) AUTHORIZATION OF APPROPRIATIONS.—In  
11 addition to amounts made available under paragraph  
12 (1), there is authorized to be appropriated to the  
13 Secretary of Agriculture to carry out this section  
14 \$15,000,000 for each of fiscal years 2021 through  
15 2030.”.

16 **SEC. 6. LOCAL MEAT AND POULTRY PROCESSING TRAINING**  
17 **PROGRAMS.**

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

21 **“SEC. 403. LOCAL MEAT AND POULTRY PROCESSING TRAIN-**  
22 **ING PROGRAMS.**

23 “(a) HIGHER EDUCATION CAREER TRAINING PRO-  
24 GRAMS.—

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

9           “(2) AUTHORIZATION OF APPROPRIATIONS.—  
 10          There is authorized to be appropriated to the Sec-  
 11          retary to carry out this subsection \$10,000,000 for  
 12          fiscal year 2021 and each fiscal year thereafter, to  
 13          remain available until expended.

14          “(b) PROCESSOR CAREER TRAINING PROGRAMS.—

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

23               “(2) AUTHORIZATION OF APPROPRIATIONS.—  
 24               There is authorized to be appropriated to the Sec-  
 25               retary to carry out this subsection \$10,000,000 for

- 1       fiscal year 2021 and each fiscal year thereafter, to
- 2       remain available until expended.”.

○