

Support the PRIME Act

S.907/ H.R. 2814, the Processing Revival and Intrastate Meat Exemption (PRIME) Act, would remove the federal ban on the intrastate sale of meat from custom processors. Passage of the PRIME Act would support small farmers who currently lack reasonable access to processing facilities, helping to re-localize food systems, build more resilient supply chains, and improve consumer access to locally raised meat.

Under the current law, meat from a custom facility cannot be sold. Instead, it can go only to the individual(s) who own the animal at the time the slaughter took place. This means that the customer(s) must buy the whole animal while it is still alive, which is not feasible for most consumers.

Custom slaughterhouses must meet federal regulations and are subject to inspection by state authorities. They must meet specific standards for their facilities, equipment, and processes. The key differences are that they do not have to have an approved HACCP or have an inspector on-site during processing. Their track record for safety is excellent; in response to a FOIA request seeking information on any outbreaks since 2012, USDA's response was that no outbreaks have been reported.

In order to *sell* meat, even at a farmers' market, farmers must use a slaughterhouse that meets expensive USDA requirements and has an inspector on-site during processing. State inspection programs must use the same standards as the federal; the only real difference is who employs the inspectors.

Because of the lack of such facilities, farmers nationwide may have to haul their animals several hours, increasing farmer expenses, consumer prices, and stress on the animals. Some farmers face up to a 2-year waiting period to get a slot at the nearest inspected facility. (Note that custom slaughterhouses are regulated and inspected, but are not referred to as "inspected facilities" because they do not have an inspector on-site during processing.)

The lack of inspected facilities is due to the current one-size-fits-all regulations that benefit the large operations that dominate the meat industry. Four companies control processing of over 80% of the country's beef, and four companies control 2/3 of the country's pork. The consolidation has led to most meat being processed at massive plants where as many as 400 cattle are slaughtered per hour. The consolidation has led to most meat being processed at massive plants where as many as 400 cattle are slaughtered per hour.

In contrast, because custom slaughterhouses handle a tiny fraction of the number of animals, they can provide greater quality control. Custom slaughterhouses are, and will continue to be, regulated under federal law. Under the PRIME Act, states could set additional requirements as needed, creating "right-sized" regulation. Sales would be limited to intrastate only, and either direct-to-consumer or to restaurants and retailers who in turn directly sell or serve to consumers.

S.907/ H.R. 2814 is a bipartisan solution to address the barriers for small-scale producers seeking access to local, affordable processing. The House Judiciary Subcommittee on the Administrative State, Regulatory Reform, and Antitrust held a hearing on June 13, 2023, with extensive testimony about the bill:

https://judiciary.house.gov/committee-activity/hearings/wheres-beef-regulatory-barriers-entry-and-competition-meat-processing

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What About Food Safety?

• Custom slaughterhouses are already operating safely across the country.

- o Hundreds of custom slaughterhouses are safely operating all over the country. iii They process meat for hunters and for homesteaders' household consumption.
- o USDA has stated that it has no records of any foodborne illnesses resulting from meat processed at custom slaughterhouses between 2012 and 2020. iv
- This is a stark contrast to the numerous, almost daily, recalls from USDA-inspected and
 equivalent state facilities. Small custom plants, operating with a few employees at a slower
 rate, can provide equal or greater safety measures to the inspected facilities.

• Custom slaughterhouses are already, and will remain, subject to federal regulation.

- o Custom processors are regulated under 9 C.F.R. §303.1 and cannot sell an adulterated product.
- They must comply with 9 C.F.R. §§416.1-416.6, addressing establishment grounds and facilities, equipment and utensils, sanitary operations, employee hygiene, and tagging insanitary operations (except for water reuse and inspection during processing).
- O They must also comply with 9 C.F.R. §§318.5, 318.6, and 424.21, addressing procedures, ingredients, and other articles used in preparation of products.
- O They are inspected by state health departments, but the inspector does not need to be present during processing. This is analogous to the way *most* food in this country is regulated (i.e. subject to standards and inspection, but the inspector isn't there at all times).

Local, small-scale distribution provides transparency and accountability.

- o The PRIME Act is limited to intrastate sales to consumers and to restaurants or retailers who themselves sell to consumers. The farmer is never more than one step away from the consumer.
- Contrast that with the conventional system, in which a single slaughterhouse may process thousands of animals per day and ship meat all over the country under numerous different labels and via complex distribution chains.

Why PRIME?

- COVID has revealed the pre-existing problems with the conventional meat supply:
 - Massive slaughterhouses process animals at high speed under dangerous and unsanitary conditions.
 - A handful of operations process a large percentage of the nation's meat supply on a "just in time" model that is vulnerable to any disruption.
 - Many farmers have only one potential buyer, so that if the plant closes or even just slows, they
 have nowhere to go with their animals.
- While there is no "silver bullet," the PRIME Act is an important step to expand access to safe, small-scale processors and build a more resilient food system.
- While each plant is small, the combined impact of hundreds of plants being able to process meat for sale (rather than just household consumption) would be significant for both farmers and consumers.

ⁱ Heffernan, W. & Hendrickson, M. (2007). Concentration of agricultural markets. University of Missouri, Department of Rural Sociology. Posted online at http://www.foodcircles.missouri.edu/07contable.pdf.

ii GRACE Communications Foundation. Food Processing & Slaughterhouses. 2015. Quoting Schlosser, E. (2002). Fast Food Nation: The Dark Side of the All-American Meal. New York, NY: Houghton Mifflin Company. Posted online at http://www.sustainabletable.org/279/food-processing-slaughterhouses. iii See USDA Livestock Slaughter 2019 Summary (April 2020) at p.62 (showing 1,938 livestock slaughter plants in the U.S. that are not under federal inspection; the majority of these are custom exempt operations).

iv USDA, FOIA response, 2020-FSIS_00397-F (June 25, 2020)