



# Meat Processing and Inspection Program

The Oregon Department of Agriculture (ODA) has received authorization from the USDA-FSIS to operate a State Meat Inspection Program. This information sheet provides background on the federal and state regulatory system for meat sales, describes the elements of a state meat inspection program, and identifies the benefits of an Oregon program.

## BACKGROUND

Farmers and ranchers in Oregon raise and sell livestock for a variety of local, regional, and international markets. Processing and inspection are necessary steps connecting farms to consumers.

Federal law requires that meat sold for retail/wholesale markets be processed at an inspected facility. For a state to participate under federal law a cooperative inspection program must be in place. Currently 29 states have cooperative inspection programs that is at least equal to federal requirements, including Oregon. This means that participating facilities in Oregon may now sell meat to retail/wholesale markets within Oregon after they meet program requirements.

The ODA State Meat Inspection Program (SMI) requirements are separate, yet complementary, to those of the ODA Food Safety Program. Food Safety licenses all food processors, including meat processing that occurs under USDA FSIS and State Meat inspection. For a firm to participate in the State Meat Inspection Program there requires an additional application process and compliance with 'at least equal to FSIS' regulations found in ODA's regulation ([603-029](#)). Participation in the SMI is not mandatory and firms that choose to continue to operate under a retail or custom exemption may continue to do so.

## INSPECTION IN OREGON

### Federal Inspection

- Federal USDA-FSIS inspectors check the health and physical integrity of each animal at the time of slaughter. Oregon has 13 USDA inspected facilities located throughout the state. Federal inspection personnel must be present at all times when livestock are slaughtered and processed. These meat products must be inspected and approved for human consumption. Inspected facilities must maintain and follow written Sanitation Standard Operating Procedures (SSOP) and Hazard Analysis and Critical Control Point (HACCP) plans. Meat products inspected at a USDA facility may be sold locally and outside of Oregon.

### EXEMPTIONS:

#### When a federal inspection is not required.

#### Retail Exempt Processing

- Retail establishments such as grocery stores may process meat to sell at their own storefronts that have the same owner as long as the original meat product was processed under federal inspection.
- A retail-exempt processor can also sell a limited amount of product to hotel, restaurant or institutional customers as long as the product

has not been cooked, smoked, rendered or refined. These hotel, restaurant or institutional customers may only use these products to make foods for immediate consumption, not further distribution.

#### Personal/Individual Use Exemption

- Under certain conditions, a person may slaughter/ prepare livestock of his/her own raising for the exclusive personal use by the owner, family or non-paying guests without benefit of inspection. Product produced under this exemption cannot enter commerce.

#### Custom Slaughter and Processing Facilities

- Oregon has 16 stationary custom-exempt slaughter and processing facilities. Custom-exempt facilities may only slaughter and process livestock for the exclusive use of the owners of the livestock. The custom-exempt facility provides a service for the livestock owner; it is not producing commercial products for sale. Custom-exempt facilities are reviewed periodically by ODA's Meat Inspection Program to verify facilities are maintained and operate in a manner that produces a safe, clean wholesome meat food product. They are licensed and routinely inspected by state authorities.

## WHAT IS A STATE MEAT INSPECTION PROGRAM?

States may apply and enter into a cooperative agreement with the USDA, FSIS to operate a State Meat Inspection Program that is at least equal to the USDA, FSIS federal inspection program. Meat processed and inspected under a State Meat Inspection program may be sold within the state. The federal Cooperative Interstate Shipment Program allows state-inspected meats from qualifying plants to be shipped across state lines and the state program must meet the higher USDA, FSIS standard or same as.

## DOES OREGON HAVE A STATE MEAT INSPECTION PROGRAM?

In 1971, the prior Oregon State Meat Inspection Program ended due to budget constraints. In 2020, the Oregon Department of Agriculture submitted a plan to the USDA to create a State program of meat inspection that is at least equal to the USDA FSIS. With that authorization the state has now established an Oregon State Meat Inspection Program.

## BENEFITS OF A STATE MEAT INSPECTION PROGRAM IN OREGON

Food safety is the number one priority for meat inspection in Oregon. The Oregon State Meat Inspection Program is not meant to compete with USDA facilities. A State Meat Inspection Program provides technical assistance to help additional facilities be able to sell to retail or wholesale markets, generally focused on supporting smaller, regional solutions. These additional facilities will boost Oregon's processing capacity with the assistance of a State Meat Program by:

- Supporting local, direct to consumer meat sales
- Give producers greater control over the price they receive for livestock
- Diversify processing options and reduce risk of processing bottlenecks
- Help to increase processing capacity
- Allow producers to find a local facility to slaughter and process livestock in remote locations across Oregon
- Reduce transportation time and costs for producers
- Support producers' ability to donate locally produced meat to food banks and other community assistance programs

- Provide wholesale options for value-added meat processors
- Improve inspection options for producers of non-amenable species (e.g. bison, elk, yak)

## BUDGET

The Oregon Department of Agriculture was allocated, by the 2020 special session of the Oregon Legislature, \$926,195 and 3 FTE for the startup of the program. This includes the work with USDA, Oregon producers and processors, and industry partners, and bringing on a core group of staff trained in the elements of inspection, veterinary support, and laboratory methods. To maintain a fully functioning program, ODA estimates an additional amount of approximately \$600,000-\$800,000 in the first year of the full inspection program that includes bringing facilities into the State Meat Inspection framework.

Now that USDA has approved Oregon's cooperative agreement, 50% of the inspection costs will be supported by USDA funding going forward.

## INFRASTRUCTURE

In 2021, the Oregon Legislature allocated \$2 million in a competitive grant program to improve the infrastructure and operating capacity of Oregon meat processors. The program allowed for requests of up to \$500,000 for equipment, physical improvements, technical assistance, processing hardware/software, on-site waste handling and education/training. In response to this grant offer the ODA received 44 grant applications requesting a total of \$14 million in upgrades and expansions. The six grant awardees represent federal and state inspected facilities and a mix of harvested livestock species from all over the state. ODA estimates that the combined increased meat processing capacity of improvements in meat processing from the six grantees will make an additional 3 million pounds of local meat available to Oregonians or an estimated 68,500 pounds per week each year.

Additional funding is being considered in the 2023 legislative session to assist facilities with infrastructure costs to meet the facility requirements. If approved, this funding would further enhance local market access, potentially assist producers with market development activities and promotions, and the development of infrastructure to support responsible byproduct handling.