

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1919 Session of
2021

INTRODUCED BY SNYDER, PASHINSKI, LONGIETTI, JAMES, STAMBAUGH,
KENYATTA, HARKINS, GUENST, SCHLOSSBERG, BERNSTINE, DELLOSO,
ZIMMERMAN, MALAGARI AND PISCIOTTANO, SEPTEMBER 27, 2021

REFERRED TO COMMITTEE ON AGRICULTURE AND RURAL AFFAIRS,
SEPTEMBER 27, 2021

AN ACT

1 Amending Title 3 (Agriculture) of the Pennsylvania Consolidated
2 Statutes, providing for extensive amendments to the very
3 small meat processor Federal inspection reimbursement grant
4 program.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. Chapter 101 heading and sections 10101, 10102,
8 10103, 10104, 10105 and 10106 of Title 3 of the Pennsylvania
9 Consolidated Statutes are amended to read:

10 CHAPTER 101

11 VERY SMALL MEAT AND POULTRY PROCESSOR [FEDERAL INSPECTION]

12 REIMBURSEMENT GRANT PROGRAM

13 § 10101. Short title of chapter.

14 This chapter shall be known and may be cited as the Very
15 Small Meat and Poultry Processor [Federal Inspection]
16 Reimbursement Grant Program.

17 § 10102. Legislative intent.

18 It is the intent of the General Assembly [that very small

1 meat processors be offered] to support the development and
2 expansion of current or future very small meat and poultry
3 processing operations in this Commonwealth by offering
4 reimbursement grants to cover the costs associated with [meeting
5 Federal inspection and certification guidelines during the
6 planning and start-up periods for these operations.]:

7 (1) A grant of inspection from the USDA Food Safety and
8 Inspection Service.

9 (2) Opening a new very small meat and poultry processing
10 operation.

11 (3) Expanding the capacity of a current very small meat
12 and poultry processing operation.

13 (4) A combination of paragraphs (1), (2) or (3).

14 § 10103. Definitions.

15 The following words and phrases when used in this chapter
16 shall have the meanings given to them in this section unless the
17 context clearly indicates otherwise:

18 "Applicant." A person applying for a reimbursement grant
19 under section 10104 (relating to grant program).

20 "Grant cycle." The period of time from when the department
21 solicits applications for grants under section 10104 (relating
22 to grant program) to when applicants spend grant funds awarded.
23 This period shall be no more than two fiscal years.

24 "Grant of inspection." An inspection by the USDA certifying
25 that products at a very small meat and poultry processing
26 operation are produced in accordance with Federal law.

27 "Person." An individual, partnership, association, firm,
28 corporation or any other legal entity.

29 "USDA." The United States Department of Agriculture.

30 ["Very small meat processor." A person subject to Federal

1 meat inspection that meets the United States Department of
2 Agriculture's definition of a "very small processor," having
3 fewer than 10 employees or annual sales of less than
4 \$2,500,000.]

5 "Very small meat and poultry processing operation." A person
6 operating under a grant of inspection that meets the definition
7 of "very small establishment" as described in 9 CFR 381.65(g) (1)
8 (i) (relating to operations and procedures, generally).

9 § 10104. Grant program.

10 (a) Availability.--Grants under this chapter shall only be
11 offered [in a fiscal year in which and] to the extent that
12 funding is made available to the department. The following shall
13 apply:

14 (1) In the event funding is exhausted or otherwise
15 unavailable, the department shall be under no obligation to
16 provide grants under this chapter.

17 (2) Grant money may be prorated or offered as a
18 percentage of actual costs, as determined by the department
19 and set forth in an order by the secretary, to spread
20 available money to a larger number of eligible applicants.
21 The secretary shall transmit notice of an order issued under
22 this chapter to the Legislative Reference Bureau for
23 publication in the Pennsylvania Bulletin.

24 (b) Reimbursement grants.--A grant under this chapter shall
25 be a reimbursement grant. The following shall apply:

26 (1) The amount of reimbursement shall be based on actual
27 eligible costs submitted by an approved applicant [during a
28 fiscal year in which grants are offered] within the grant
29 cycle.

30 (2) Grant reimbursement money shall only be available

1 for the eligible costs [of obtaining a Federal certification
2 to allow the sale of meat by a very small meat processor.

3 (c) Eligibility.--A very small meat processor may apply to
4 receive reimbursement for the cost of meeting Federal inspection
5 guidelines during the planning and start-up periods for the
6 operations. The applicant must be in compliance with all
7 applicable Federal licensure, recordkeeping and slaughter
8 requirements.] associated with:

9 (i) Meeting the requirements to obtain a grant of
10 inspection.

11 (ii) Opening a new very small meat and poultry
12 processing operation.

13 (iii) Expanding the capacity of a current very small
14 meat and poultry processing operation.

15 (iv) A combination of subparagraphs (i), (ii) or
16 (iii).

17 (c.1) Eligibility.--An applicant may apply to receive
18 reimbursement for eligible costs under section 10105 (relating
19 to eligible costs) if the applicant is a very small meat and
20 poultry processing operation and is either:

21 (1) currently operating under USDA Federal inspection;
22 or

23 (2) upon completion of the approved project, the
24 applicant will obtain a grant of inspection.

25 (c.2) Attestation.--

26 (1) An applicant shall attest to the eligibility
27 requirements under subsection (c.1).

28 (2) The attestation shall be made under penalty of law
29 and subject to 18 Pa.C.S. Ch. 49 (relating to falsification
30 and intimidation).

1 (3) If a statement or material fact on the application
2 is found to be false, grant money received by the applicant
3 shall be returned to the department within 30 days of
4 notification of the finding.

5 (d) Application procedure.--An applicant who desires to
6 receive a [very small meat processor Federal inspection]
7 reimbursement grant under this section shall submit a grant
8 application on a form provided by the department. The
9 application shall contain the following information
10 demonstrating and attesting to:

11 (1) The applicant's name, the organization name, a
12 business address and a telephone number.

13 (2) A list of corporate officers.

14 (3) The applicant's eligibility[, setting forth
15 information evidencing and attesting that the applicant meets
16 the definition of a "very small meat processor."] under
17 subsection (c.1).

18 (4) A detailed plan [outlining], including the process
19 being undertaken to [apply for and obtain Federal
20 certification as a meat processor.

21 (5) The estimated] meet the requirements necessary to
22 obtain a grant of inspection from the USDA Food Safety and
23 Inspection Service as a very small meat and poultry
24 processing operation. The plan shall outline the overall
25 project and materials being requested, including a line item
26 proposed budget, individual tasks required to complete the
27 project, a detailed timeline for completion of project tasks
28 and, if applicable, detailed descriptions of equipment or
29 supplies required to complete the project, training,
30 consulting, technical support, other services utilized.

1 (5) A detailed list of costs, including training and
2 equipment costs, for which reimbursement is sought.

3 (6) An attestation signed by the applicant and subject
4 to 18 Pa.C.S. Ch. 49 stating the applicant is in [good
5 standing with all Federal licensure, recordkeeping and
6 slaughter requirements, including the Federal Hazard Analysis
7 Critical Control Point standards.] compliance, or will be in
8 compliance after the approved project, with the Federal Meat
9 Inspection Act (Public Law 90-201, 21 U.S.C. § 601 et seq.)
10 or the Poultry Products Inspection Act (Public Law 85-172, 21
11 U.S.C. § 451 et seq.) to maintain a grant of inspection.

12 (e) Evaluation of application.--The department shall
13 evaluate an application on the basis of:

14 (1) The ability of the applicant to complete the stated
15 project within the stated timeline.

16 (2) The ability of the applicant to provide a detailed
17 description of the project and project costs as required by
18 subsection (d).

19 (3) The potential of the project to provide slaughter or
20 meat or poultry processing capacity and services to this
21 Commonwealth's livestock and poultry producers.

22 (4) The potential of the project to provide availability
23 of Pennsylvania-produced meat or poultry products to
24 consumers.

25 § 10105. Eligible costs.

26 The following costs, incurred during the term of the grant
27 cycle in which the grant is awarded, shall be eligible for
28 reimbursement:

29 [(1) Invoiced costs directly incurred for the initial
30 compliance inspection.]

1 (1.1) Consulting or other technical support services
2 that directly support the development and maintenance of
3 programs required to operate under USDA Federal Inspection.

4 (2) [A one-time reimbursement for the cost, not
5 including man hours, directly incurred in producing the
6 required Federal Hazard Analysis Critical Control Point
7 plan.] Professional employee training and educational
8 services and programs that support the development and
9 maintenance of programs to operate under USDA Federal
10 Inspection. If a professional consultant is utilized [to
11 develop the Federal Hazard Analysis Critical Control Point
12 plan], reasonable costs may be reimbursed, as determined by
13 the department.

14 (3) Up to [50%] 85% of the actual costs of [a first-
15 time] the purchase of meat or poultry slaughter or processing
16 equipment [necessary for compliance with the Federal Hazard
17 Analysis Critical Control Point plan.] or supplies. This
18 paragraph does not include reimbursement of the cost of
19 planning, erection, repair or modification of a structure or
20 building or repair or installation of roofing or other
21 physical structure improvement.

22 (4) The purchase of equipment or supplies directly
23 related to employee safety.

24 § 10106. Final reimbursement.

25 (a) Required submission.--Reimbursement shall be based on
26 the approved applicant's timely completion of the project and
27 submission of the final costs [of obtaining the required Federal
28 certification for which grant money was sought] related to
29 expenses and materials in the applicant's approved grant
30 project. The submission shall include:

1 [(1) The date of the inspection.
2 (2) The name of the Federal inspector or veterinarian in
3 charge of the inspection.
4 (3) A document signed by the Federal inspector or
5 veterinarian in charge evidencing that the approved
6 applicant's establishment passed the inspection.]

7 (4) Documentation of actual [costs for which
8 reimbursement is sought and payment of the costs.]
9 expenditures for eligible costs approved in the grant
10 application and invoices evidencing payment of the costs. The
11 documentation may include invoices for hours of training or
12 consultation.

13 (5) Documentation of the completion of the approved
14 project. The documentation may include pictures and dates of
15 training and equipment installation.

16 (6) Documentation demonstrating the very small meat and
17 poultry processing operation is operating under a grant of
18 inspection.

19 (7) A written report related to:
20 (i) The completed project.
21 (ii) The expansion of meat or poultry processing
22 capability.
23 (iii) Expanded services to this Commonwealth's
24 livestock and poultry producers.
25 (iv) An increase to the availability of this
26 Commonwealth's meat or poultry products to consumers.

27 (b) Distribution of final reimbursement.--Distribution of
28 grant money to the approved applicant will occur upon the
29 following:

30 (1) Submission and receipt of the information required

under subsection (a).

(2) Final review and approval for completeness of the required submission and the eligible costs.

(3) A completed grant agreement between the department and an approved applicant.

(c) Assignment of grant money.--Grant money may only be distributed to the owner of the eligible establishment. The department may not assign grant money to a lessee, operator or person other than the owner of the eligible very small meat [processing establishment] and poultry processing operation.

Section 2. This act shall take effect immediately.