

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1236 Session of 2022

INTRODUCED BY VOGEL, SCHWANK, DUSH, GORDNER, MENSCH AND STEFANO, MAY 18, 2022

SENATOR VOGEL, AGRICULTURE AND RURAL AFFAIRS, AS AMENDED, MAY 24, 2022

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:

CHAPTER 101

VERY SMALL MEAT AND POULTRY PROCESSOR [FEDERAL INSPECTION]
REIMBURSEMENT GRANT PROGRAM

§ 10101. Short title of chapter.

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

§ 10102. Legislative intent.

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) and (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 to when <--
22 applicants spend grant funds awarded. This period shall be no
23 more than two fiscal years. FINAL REIMBURSEMENT. <--

24 "Grant of inspection." An inspection by the USDA FOOD SAFETY <--
25 AND INSPECTION SERVICE certifying that products at a very small
26 meat and poultry processing operation are produced in accordance
27 with Federal law.

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

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

1 ["Very small meat processor." A person subject to Federal
2 meat inspection that meets the United States Department of
3 Agriculture's definition of a "very small processor," having
4 fewer than 10 employees or annual sales of less than
5 \$2,500,000.]

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

10 § 10104. Grant program.

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

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

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

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

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

1 (2) Grant reimbursement money shall only be available
2 for the eligible costs [of obtaining a Federal certification
3 to allow the sale of meat by a very small meat processor.

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

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

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

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

16 (iv) A combination of subparagraphs (i), (ii) and
17 (iii).

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

22 (1) currently operating under ~~USDA Federal inspection A~~ <--
23 GRANT OF INSPECTION; or

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

26 (c.2) Attestation.--

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

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

1 and intimidation).

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

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

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

14 (2) A list of corporate officers.

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

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

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

1 consulting, technical support and other services utilized.

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

4 (6) An attestation signed by the applicant and subject
5 to 18 Pa.C.S. Ch. 49 stating the applicant is in [good
6 standing with all Federal licensure, recordkeeping and
7 slaughter requirements, including the Federal Hazard Analysis
8 Critical Control Point standards.] compliance, or will be in
9 compliance after the approved project, with the Federal Meat
10 Inspection Act (Public Law 59-382, 21 U.S.C. § 601 et seq.)
11 or the Poultry Products Inspection Act (Public Law 85-172, 21
12 U.S.C. § 451 et seq.) to maintain a grant of inspection.

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

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

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

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

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

26 § 10105. Eligible costs.

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

30 [(1) Invoiced costs directly incurred for the initial

1 compliance inspection.]

2 (1.1) Consulting or other technical support services
3 that directly support the development and maintenance of
4 programs required to operate under ~~USDA Federal Inspection A~~ <--
5 GRANT OF INSPECTION.

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

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

24 (4) The purchase of equipment or supplies directly
25 related to employee safety.

26 § 10106. Final reimbursement.

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

1 expenses and materials in the applicant's approved grant project
2 WITHIN THE GRANT CYCLE. The submission shall include: <--

3 [(1) The date of the inspection.]

4 [(2) The name of the Federal inspector or veterinarian in
5 charge of the inspection.]

6 [(3) A document signed by the Federal inspector or
7 veterinarian in charge evidencing that the approved
8 applicant's establishment passed the inspection.]

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

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

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

21 [(7) A written report related to:

22 [(i) The completed project.

23 [(ii) The expansion of meat or poultry processing
24 capability.

25 [(iii) Expanded services to this Commonwealth's
26 livestock and poultry producers.

27 [(iv) An increase to the availability of this
28 Commonwealth's meat or poultry products to consumers.

29 (b) Distribution of final reimbursement.--Distribution of
30 grant money to the approved applicant will occur upon the

1 following:

2 (1) Submission and receipt of the information required
3 under subsection (a).

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

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

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

13 Section 2. This act shall take effect immediately.