

118TH CONGRESS  
1ST SESSION

# S. 354

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 9, 2023

Mr. THUNE (for himself, Mr. BROWN, Mr. MERKLEY, Mr. ROUNDS, Mr. CRAMER, Ms. SMITH, and Mr. KING) 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 2023”.

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 “(d) DATA CONFIDENTIALITY.—In carrying out sub-  
16 sections (b) and (c), the Secretary shall not publish con-  
17 fidential business information, including a Hazard Anal-  
18 ysis and Critical Control Points plan of an establish-  
19 ment.”.

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

1 **“SEC. 26. SMALLER AND VERY SMALL ESTABLISHMENT**  
2 **GUIDANCE AND RESOURCES.**

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

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

13 “(1) establish a free, searchable database of ap-  
14 proved peer-reviewed validation studies accessible to  
15 smaller establishments and very small establish-  
16 ments subject to inspection under this Act for use  
17 in developing a Hazard Analysis and Critical Control  
18 Points plan; and

19 “(2) publish online scale-appropriate model  
20 Hazard Analysis and Critical Control Points plans  
21 for smaller establishments and very small establish-  
22 ments, including model plans for—

23 “(A) slaughter-only establishments;

24 “(B) processing-only establishments; and

25 “(C) slaughter and processing establish-  
26 ments.

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

9       “(d) DATA CONFIDENTIALITY.—In carrying out sub-  
10 sections (b) and (c), the Secretary shall not publish con-  
11 fidential business information, including a Hazard Anal-  
12 ysis and Critical Control Points plan of an establish-  
13 ment.”.

14 **SEC. 3. INCREASING MAXIMUM FEDERAL SHARE FOR EX-**  
15 **PENSES OF STATE INSPECTION.**

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

20       (b) MEAT AND MEAT FOOD PRODUCTS.—Section  
21 301(a)(3) of the Federal Meat Inspection Act (21 U.S.C.  
22 661(a)(3)) is amended in the second sentence by striking  
23 “50 per centum” and inserting “65 percent”.

1 **SEC. 4. COOPERATIVE INTERSTATE SHIPMENT OF POUL-**  
2 **TRY AND MEAT.**

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

5 (1) in subsection (b)—

6 (A) in paragraph (2), by striking “25 em-  
7 ployees” each place it appears and inserting  
8 “50 employees”; and

9 (B) in paragraph (3)—

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

12 (ii) in subparagraph (A), by striking  
13 “25” and inserting “50”; and

14 (iii) in subparagraph (B)—

15 (I) in clause (i), by striking  
16 “more than 25 employees but less  
17 than 35 employees” and inserting  
18 “more than 50 employees but less  
19 than 70 employees”; and

20 (II) in clause (ii), by striking  
21 “subsection (i)” and inserting “sub-  
22 section (j)”;

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

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

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

3           (5) by inserting after subsection (e) the fol-  
4 lowing:

5           “(f) FEDERAL OUTREACH.—

6           “(1) IN GENERAL.—In each of fiscal years  
7 2023 through 2028, for the purpose of State partici-  
8 pation in the Cooperative Interstate Shipment pro-  
9 gram, the Secretary shall conduct outreach to, and,  
10 as appropriate, subsequent negotiation with, not  
11 fewer than 25 percent of the States that—

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

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

15           “(2) REPORT.—At the conclusion of each of fis-  
16 cal years 2023 through 2028, the Secretary shall  
17 submit a report detailing the activities and results of  
18 the outreach conducted during that fiscal year under  
19 paragraph (1) to—

20                   “(A) the Committee on Agriculture of the  
21 House of Representatives;

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

24                   “(C) the Subcommittee on Agriculture,  
25 Rural Development, Food and Drug Adminis-

1           tration, and Related Agencies of the Committee  
2           on Appropriations of the House of Representa-  
3           tives; and

4           “(D) the Subcommittee on Agriculture,  
5           Rural Development, Food and Drug Adminis-  
6           tration, and Related Agencies of the Committee  
7           on Appropriations of the Senate.”.

8           (b) MEAT AND MEAT FOOD PRODUCTS.—Section  
9   501 of the Federal Meat Inspection Act (21 U.S.C. 683)  
10 is amended—

11           (1) in subsection (b)—

12           (A) in paragraph (2), by striking “25 em-  
13           ployees” each place it appears and inserting  
14           “50 employees”; and

15           (B) in paragraph (3)—

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

18           (ii) in subparagraph (A), by striking  
19           “25” and inserting “50”; and

20           (iii) in subparagraph (B)(i), by strik-  
21           ing “more than 25 employees but less than  
22           35 employees” and inserting “more than  
23           50 employees but less than 70 employees”;

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



1           (3) in subsection (f), by adding at the end the  
2 following:

3           “(3) FEDERAL OUTREACH.—

4           “(A) IN GENERAL.—In each of fiscal years  
5 2023 through 2028, for the purpose of State  
6 participation in the Cooperative Interstate Ship-  
7 ment program, the Secretary shall conduct out-  
8 reach to, and, as appropriate, subsequent nego-  
9 tiation with, not fewer than 25 percent of the  
10 States that—

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

13           “(ii) do not have a selected establish-  
14 ment.

15           “(B) REPORT.—At the conclusion of each  
16 of fiscal years 2023 through 2028, the Sec-  
17 retary shall submit a report detailing the activi-  
18 ties and results of the outreach conducted dur-  
19 ing that fiscal year under paragraph (1) to—

20           “(i) the Committee on Agriculture of  
21 the House of Representatives;

22           “(ii) the Committee on Agriculture,  
23 Nutrition, and Forestry of the Senate;

24           “(iii) the Subcommittee on Agri-  
25 culture, Rural Development, Food and

1 Drug Administration, and Related Agen-  
 2 cies of the Committee on Appropriations of  
 3 the House of Representatives; and

4 “(iv) the Subcommittee on Agri-  
 5 culture, Rural Development, Food and  
 6 Drug Administration, and Related Agen-  
 7 cies of the Committee on Appropriations of  
 8 the Senate.”.

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

10 Subtitle A of the Agricultural Marketing Act of 1946  
 11 (7 U.S.C. 1621 et seq.) is amended by adding at the end  
 12 the following:

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

14 “(a) DEFINITIONS.—In this section:

15 “(1) BUSINESS ENTERPRISE OWNED AND CON-  
 16 TROLLED BY SOCIALLY AND ECONOMICALLY DIS-  
 17 ADVANTAGED INDIVIDUALS.—The term ‘business en-  
 18 terprise owned and controlled by socially and eco-  
 19 nomically disadvantaged individuals’ has the mean-  
 20 ing given the term in section 3002 of the State  
 21 Small Business Credit Initiative Act of 2010 (12  
 22 U.S.C. 5701).

23 “(2) ELIGIBLE ENTITY.—The term ‘eligible en-  
 24 tity’ means—

1           “(A) a smaller establishment or very small  
2 establishment (as those terms are defined in the  
3 final rule entitled ‘Pathogen Reduction; Hazard  
4 Analysis and Critical Control Point (HACCP)  
5 Systems’ (61 Fed. Reg. 33806 (July 25,  
6 1996)));

7           “(B) a slaughtering or processing estab-  
8 lishment subject to—

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

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

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

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

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

22           “(D) a person seeking—

23                 “(i) to establish and operate an estab-  
24 lishment described in subparagraph (A) or  
25 (B); or

1                   “(ii) to engage in custom operations  
2                   described in subparagraph (C).

3                   “(3) SECRETARY.—The term ‘Secretary’ means  
4                   the Secretary of Agriculture, acting through the Ad-  
5                   ministrators of the Agricultural Marketing Service.

6                   “(b) GRANTS.—

7                   “(1) IN GENERAL.—Not later than 60 days  
8                   after the date of enactment of this section, the Sec-  
9                   retary shall award competitive grants to eligible enti-  
10                  ties for activities to increase resiliency and diver-  
11                  sification of the meat processing system, including  
12                  activities that—

13                  “(A) support the health and safety of meat  
14                  and poultry plant employees, suppliers, and cus-  
15                  tomers;

16                  “(B) support increased processing capac-  
17                  ity; and

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

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

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

25                  “(c) APPLICATIONS.—

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

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

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

13                   “(A) simple and practicable;

14                   “(B) accessible online; and

15                   “(C) available through local staff of the  
16           Department of Agriculture.

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

22           “(5) REAPPLICATION.—If an application of an  
23           eligible entity under this subsection is denied by the  
24           Secretary, the eligible entity may submit a revised  
25           application.

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

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

7                   “(B) support an eligible entity described in  
8           subsection (a)(2)(A); or

9                   “(C) support an eligible entity that is a  
10          business enterprise owned and controlled by so-  
11          cially and economically disadvantaged individ-  
12          uals.

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

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

20                   “(2) the purchase or establishment, as applica-  
21          ble, of facilities, equipment, processes, and oper-  
22          ations necessary for the eligible entity to comply  
23          with applicable requirements under the Federal  
24          Meat Inspection Act (21 U.S.C. 601 et seq.) or the

1 Poultry Products Inspection Act (21 U.S.C. 451 et  
2 seq.);

3 “(3) the purchase of cold storage, equipment, or  
4 transportation services;

5 “(4) the purchase of temperature screening  
6 supplies, testing for communicable diseases, dis-  
7 infectant, sanitation systems, hand washing stations,  
8 and other sanitizing supplies;

9 “(5) the purchase and decontamination of per-  
10 sonal protective equipment;

11 “(6) the construction or purchase of humane  
12 handling infrastructure, including holding space for  
13 livestock prior to slaughter, shade structures, and  
14 knock box structures;

15 “(7)(A) the purchase of software and computer  
16 equipment for record keeping, production data, Haz-  
17 ard Analysis and Critical Control Points record re-  
18 view, and facilitation of marketing and sales of prod-  
19 ucts in a manner consistent with the social  
20 distancing guidelines of the Centers for Disease Con-  
21 trol and Prevention; and

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

1           “(8) the provision of staff time and training for  
2           implementing and monitoring health and safety pro-  
3           cedures;

4           “(9) the development of a feasibility study or  
5           business plan for, or the carrying out of any other  
6           activity associated with, establishing or expanding a  
7           small meat or poultry processing facility;

8           “(10) the purchase of equipment that enables  
9           the further use or value-added sale of coproducts or  
10          byproducts, such as organs, hides, and other rel-  
11          evant products; and

12          “(11) other activities associated with expanding  
13          or establishing an eligible entity described in sub-  
14          section (a)(2)(A), as determined by the Secretary.

15          “(e) OUTREACH.—During the period beginning on  
16          the date on which the Secretary publishes the notice under  
17          subsection (c)(4) and ending on the date on which the Sec-  
18          retary begins to accept applications under subsection  
19          (c)(1), the Secretary shall perform outreach to States and  
20          eligible entities relating to grants under this section.

21          “(f) FEDERAL SHARE.—

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



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

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

5           “(2) FISCAL YEARS 2023 AND 2024.—An eligible  
6           entity awarded a grant under this section during fis-  
7           cal year 2023 or 2024 shall not be required to pro-  
8           vide non-Federal matching funds with respect to the  
9           grant.

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

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

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

18          “(h) AUTHORIZATION OF APPROPRIATIONS.—There  
19         is authorized to be appropriated to the Secretary of Agri-  
20         culture to carry out this section \$20,000,000 for each of  
21         fiscal years 2023 through 2028.”.

1 **SEC. 6. LOCAL MEAT AND POULTRY PROCESSING TRAINING**  
 2 **PROGRAMS.**

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

6 **“SEC. 403. LOCAL MEAT AND POULTRY PROCESSING TRAIN-**  
 7 **ING PROGRAMS.**

8 “(a) INSTITUTIONAL CAREER TRAINING PRO-  
 9 GRAMS.—

10 “(1) IN GENERAL.—The Secretary shall provide  
 11 competitive grants to junior or community colleges,  
 12 technical or vocational schools, nonprofit organiza-  
 13 tions, worker training centers, and land-grant col-  
 14 leges and universities (as defined in section 1404 of  
 15 the National Agricultural Research, Extension, and  
 16 Teaching Policy Act of 1977 (7 U.S.C. 3103)) to es-  
 17 tablish or expand career training programs relating  
 18 to meat and poultry processing.

19 “(2) APPLICATIONS FOR SMALL GRANTS.—The  
 20 Secretary shall establish a separate, simplified appli-  
 21 cation and reporting process for entities described in  
 22 paragraph (1) applying for a grant under this sub-  
 23 section of not more than \$100,000.

24 “(3) AUTHORIZATION OF APPROPRIATIONS.—  
 25 There is authorized to be appropriated to the Sec-

1       retary to carry out this subsection \$10,000,000 for  
2       each of fiscal years 2023 through 2028.

3       “(b) PROCESSOR CAREER TRAINING PROGRAMS.—

4               “(1) IN GENERAL.—The Secretary shall provide  
5       grants to smaller establishments and very small es-  
6       tablishments (as those terms are defined in the final  
7       rule entitled ‘Pathogen Reduction; Hazard Analysis  
8       and Critical Control Point (HACCP) Systems’ (61  
9       Fed. Reg. 38806 (July 25, 1996))) and nongovern-  
10      mental organizations to offset the cost of training  
11      new meat and poultry processors.

12              “(2) APPLICATIONS FOR SMALL GRANTS.—The  
13      Secretary shall establish a separate, simplified appli-  
14      cation and reporting process for entities described in  
15      paragraph (1) applying for a grant under this sub-  
16      section of not more than \$100,000.

17              “(3) AUTHORIZATION OF APPROPRIATIONS.—  
18      There is authorized to be appropriated to the Sec-  
19      retary to carry out this subsection \$10,000,000 for  
20      each of fiscal years 2023 through 2028.”.

○