

State of Wisconsin Governor Scott Walker

Department of Agriculture, Trade and Consumer Protection

Ben Brancel, Secretary

DATE:

September 1, 2017

TO:

Board of Agriculture, Trade and Consumer Protection

FROM:

Jeff Lyon, Interim Secretary/
Steve Ingham, Division of Food and Recreational Safety Administrator Alow Ingham

SUBJECT:

ATCP 55, Meat and Meat Food Products

PRESENTED BY: Steve Ingham

REQUESTED ACTION:

At the September 21, 2017, Board meeting, the Department will ask the Board to authorize public hearings on a proposed rule, ch. ATCP 55 (copy attached), related to meat and poultry products. This rule modifies regulations for the slaughter and processing of animals and poultry for human consumption.

SUMMARY:

The Department of Agriculture, Trade, and Consumer Protection's state meat and poultry inspection program is governed by ch. 97, Stats., Food, Lodging and Recreation. Wisconsin operates the nation's largest state meat and poultry inspection program, with approximately 260 meat establishments.

Currently, a licensed meat establishment is required to pay a \$200 annual license fee or an annual license fee of \$80 if the owner is solely engaged in custom processing at that establishment. After consultation with industry, this rule will replace the \$200 annual fee with a new fee structure based on the activities done at the licensed meat establishment. The 260 official establishments each now pay \$200. Under the proposed rule, 76 establishments would still pay \$200, 88 establishments would pay \$150, 5 establishments would pay \$100, and 91 establishments would pay \$50. Based on the establishments listed in the 2016-2017 Meat Establishment Directory (subtracting two establishments which have gone out of business), licensing fees charged to official establishments, industry-wide, would decrease by \$18,550. This rule also:

- Eliminates slaughter inspection fees for alpaca, bison, and llama producers who previously had to pay for voluntary inspection of slaughter.
- Legalizes the on-premises slaughter of rabbits by creating a no-cost license category for the slaughter of 3,000 or fewer rabbits annually and instituting baseline sanitation and recordkeeping requirements to adequately safeguard public health while allowing low-volume rabbit producers to develop their businesses.
- Ensures that exemptions from the requirement in rule to hold a meat establishment license are consistent with those created by 2015 Wisconsin Act 243.
- Clarifies the retail meat and poultry products formula and package labeling exemptions

- Aligns the list of exemptions related to custom processing with statutes, including defining custom processing to include both slaughter and processing of meat or poultry products.
- Adds the Martin Luther King, Jr. Day holiday to the list of holidays for the purposes of scheduling inspection.
- Incorporates 9 CFR 412, which relates to labeling requirements.
- Replaces the term "meat and meat food products" with "meat and poultry products" throughout the rule.
- Makes other revisions to update terminology and adds definitions to improve clarity.

Background

The Department operates the nation's largest state meat and poultry inspection program with approximately 300 meat establishments. State meat and poultry inspection programs operate under a cooperative agreement with United States Department of Agriculture ("USDA") Food Safety and Inspection Service ("FSIS"). State meat and poultry inspection programs provide unique and scale-appropriate services to small meat and poultry establishments. This rule is necessary to match regulations with statutory provisions and federal regulations, and to respond to stakeholder concerns that the Department has gathered over the last several years.

Rule Content

Revised Fee Structure

Currently, a licensed meat establishment is required to pay a \$200 annual license fee or an annual license fee of \$80 if the owner is solely engaged in custom processing at that establishment. After consultation with industry, the Department is replacing the \$200 annual fee with a fee structure based on the activities done at the licensed meat establishment. The maximum fee for any single licensed meat establishment will not exceed \$200 in a year. Fees will not increase for any licensed meat establishment and may decrease for most establishments under the new fee structure.

- A person who is solely engaged in custom processing will continue to pay an \$80 annual license fee.
- A licensed meat establishment will pay annual fees, not to exceed \$200, of:
 - o \$100 for processing cooked meat or poultry products or processing shelf-stable uncooked meat or poultry products,
 - o \$100 for the slaughter of livestock other than poultry or rabbits,
 - o \$50 for processing not shelf stable uncooked meat or poultry products,
 - o \$50 for the slaughter of poultry unless exempt from the license fee, and/or
 - o \$25 for the slaughter of more than 3,000 rabbits annually. All rabbit slaughter establishments must be licensed, but there shall be no charge for the slaughter of 3,000 or fewer rabbits annually.

Definition of Livestock

2015 Wisconsin Act 243 broadened the range of animals for which slaughter inspection is provided without fee by the department. Alpacas, bison, llamas, and rabbits are now considered "livestock" and the slaughter inspection fees are eliminated for alpaca, bison, and llama producers who previously had to pay for voluntary inspection of slaughter.

The Department recently learned that rabbit slaughter, done in uninspected facilities (often on-farm) rather than under voluntary for-fee inspection, has been fairly common practice in Wisconsin. This practice had uncertain legality before the passage of 2015 Wisconsin Act 243, and is now clearly prohibited by a statutory requirement that rabbits be slaughtered in a licensed establishment.

This rule legalizes the slaughter of rabbits for entry into commerce by creating a no-cost license category for the slaughter of 3,000 or fewer rabbits annually and instituting baseline sanitation and recordkeeping requirements to adequately safeguard public health while allowing low-volume rabbit producers to develop their businesses. The rule exempts low-volume rabbit slaughter from slaughter inspection requirements, provided the rabbits are slaughtered at the same premises where raised, and recordkeeping and licensing requirements are met.

Retail Food Exemptions

This rule revision ensures that exemptions from the requirement in rule to hold a meat establishment license are consistent with those created by 2015 Wisconsin Act 243. The exemptions affect a greater number of retail food establishments than were previously considered exempt, making the statutory and rule language consistent with USDA regulations.

Many licensed meat establishments operate a retail food establishment on the same premises. These licensed meat establishments may manufacture some meat products solely for the retail food establishment part of their business. The packages containing these products are not required to bear the inspection legend that is required for meat products being sold wholesale. However, the existing rule has long been interpreted as requiring that the formula and label of each of these products must be pre-approved by the Department before retail sale. Some business operators have questioned the fairness of this interpretation, as there are no such requirements for other, non-meat, potentially hazardous foods made for retail sale (i.e., fish sausage). In addition, retail food establishments not linked to a meat establishment commonly make and sell meat items without formula (recipe) or label approval, e.g. rotisserie chicken. This rule clarifies the retail meat and poultry products formula and labeling packaging exemptions.

Other Revisions

The rule makes other revisions to update terminology and add definitions to improve clarity. Some revisions are made to align the rule terminology with recent changes in state and federal law. Among these revisions are the following:

- The rule aligns the list of exemptions related to custom processing with statutes. The definition of custom processing is clarified to include both slaughter and processing of meat or poultry products. Currently, meat or poultry may be used for the owner's own consumption, consumption by members of the owner's immediate household, and nonpaying guests. The rule was revised to reflect statutory language that allows consumption by the owner, members of the owner's household, and the owner's nonpaying guests and employees.
- The rule adds the Martin Luther King, Jr. Day holiday to the list of holidays for the purposes of scheduling inspection.

- The rule incorporates 9 CFR 412, which relates to labeling requirements.
- The rule replaces the term "meat and meat food products" with "meat and poultry products" throughout to reflect modification of this definition.

Fiscal Impact

This rule change is anticipated to decrease costs for producers of alpacas, bison, and llamas; reduce license fees for most meat establishments and several retail food establishments; and decrease procedural barriers for meat establishment operators running a retail food establishment on the same premises. While rabbit producers may face a slight increase in costs, the ability to slaughter rabbits in an on-farm licensed facility may increase their ability to sell rabbit to restaurants and other retail food establishments. By increasing the number of animal species that can be slaughtered in Wisconsin under no-fee inspection, as opposed to under voluntary for-fee inspection, the rule enhances the economic position of farmers producing alpacas, bison, and llamas.

The rule will not have an economic impact on local governmental units or public utility taxpayers. No new staff will be required for DATCP to enforce the proposed rule.

Business Impact

The Department believes the changes being presented will have a beneficial impact on the license holder because of a potential reduction in fees based on product and process risk. The Department included provisions in order to make the rule more flexible and equitable for small rabbit processing establishments. In addition, several elements of the rule regarding retailing of meat and meat products may reduce the regulatory burden on some of the establishments that have these operations. As the Department concurrently revises ATCP 70 (Food Processing Plants) and ATCP 75 (Retail Food Establishments) to coordinate food business licensing requirements, some establishments may be required to obtain a retail food establishment license instead of or in addition to a meat establishment license. Retail food establishment license fees vary according to the scope and nature of processing done at the establishment. Finally, the rule is revised to ensure consistent inspection service to custom meat establishments.

A draft of the proposed ATCP 55 was posted for public comment on economic impact from June 23 to July 22, 2017. No comments were submitted.

Environmental Impact

This rule will have no environmental impact.

Federal and Surrounding State Programs

State meat inspection programs operate under a cooperative agreement with the USDA FSIS. Under this agreement, state meat inspection programs are required to adopt regulations that are "at least equal to" federal meat and poultry inspection regulations. In addition, Wisconsin is one of four states participating in the Cooperative Interstate Shipment (CIS) program allowing certain selected state-inspected meat establishments to ship their products in interstate commerce. States in the CIS program must adopt regulations that are the "same as" federal meat inspection regulations.

The proposed rule will ensure Wisconsin's state meat inspection program is consistent with federal regulations and expectations for inspection and enforcement procedures, as well as exemptions from inspection, and suspension of inspection.

Michigan currently does not operate a state meat and poultry inspection program and is not eligible to participate in the CIS program. Minnesota, Iowa, and Illinois operate state meat inspection programs similar to Wisconsin's program.

Illinois' state meat inspection program includes USDA's Federal-State Cooperative program (formerly known as the "Talmadge-Aiken" program). Under this program, state inspectors conduct federal inspections, and the inspected establishments are thereby allowed to sell their products in interstate commerce.

Next Steps

If the Board authorizes public hearings on this rule, the Department will refer a copy to the Legislative Council Rules Clearinghouse which will publish a hearing notice in the Wisconsin Administrative Register. DATCP will hold public hearings on the dates and at locations to-be-determined that will be specified in the hearing notice. Hearings are anticipated in multiple locations in late October 2017.

Following the public hearings, the Department will prepare the final draft rule and present it to the Board. If approved, it will then be transmitted to the Governor for written approval and afterward to the Legislature for review by the appropriate legislative committees. If the Legislature takes no action to stop the rule, the Secretary will sign the final rulemaking order and transmit it for publication.

PROPOSED ORDER OF THE WISCONSIN DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION ADOPTING RULES

The Wisconsin department of agriculture, trade and consumer protection hereby proposes the following rule to repeal ATCP 55.02 (6) (Note), (21), and 55.03 (2) (e) 3. (Note); to amend ATCP 55 (Title), 55.01 (1), (2) (a) and (c), 55.02 (1), (1m), (2), (3), (5) and (5) (Note), (14), (16) to (20), (23) to (25), 55.03 (1), (2) (b), (c), (d) (intro.), (d) 1. to 3., (e) (intro.), (e) 1. to 3., (2) (e) 4., 5. and 6., (4) (intro.), (11) (a), (b) 2. and 4. to 7., (12) (title), (a), (b) 1. to 3., (c) (intro.) and (Note), and (d), 55.04 (Title), (1) (a), (1) (a) (Note) and (1) (c) 1. to 3., (1m), (2), (3) (a) 2., (4) (title) and (b), (5) (title), (6), and (8), 55.06 (2), (4) and (5) (a), (e), (f) and (g), 55.07 (Title), (1), (2) (Title) and (a) to (e), (3) (Title), (a), and (b), (4), (5), (6) (intro.), (d) and (Note), (9)(b), (e) 2., (Note), (10)(b), (d) and (e), 55.08 (Title), (1) (intro.), (d), (d) (Note) and (e), (1) (f) to (h), (2) (a) and (Note), (2) (c) and (3) (a) (intro.), 55.09 (Title), (1), (2) (a), (3) (a) and (b), (4) to (6), and (8) (b), 55.10 (1), (2), (3) (a), (b), and (d)1., 3., and Note, (4), and (5) (a) and (b), (6), (7) (a) to (c) and (f), 55.11, 55.12 (6) (a), 55.13 (1), (3) and (4), 55.14 (2), (3), (5), and (6) (Title), and 55.15 (1) (b); to repeal and recreate ATCP 55.02 (6), (29), and (31); and to create ATCP 55.01 (2) (d), 55.02 (1g), (4g), (19m), (25m), 55.03 (4) (a) and (b), 55.04 (1) (d), (9), 55.06 (5) (k), 55.08 (1) (e) (Note), 55.10 (5) (d), and 55.13 (6) (f) relating to meat and poultry products, and affecting small business.

Analysis Prepared by the Department of Agriculture, Trade and Consumer Protection

The Department of Agriculture, Trade and Consumer Protection ("Department") operates the nation's largest state meat and poultry inspection program, with approximately 260 meat establishments. State meat and poultry inspection programs operate under a cooperative agreement with United States Department of Agriculture ("USDA") Food Safety and Inspection Service ("FSIS"). State meat and poultry inspection programs provide unique and scale-appropriate services to small meat and poultry establishments.

Statutes Interpreted

Statute Interpreted: Wis. Stat. § 97.42

Statutory Authority

Statutory Authority: Wis. Stat. §§ 97.42 (4), 97.09 (4), and 93.07 (1).

Explanation of Statutory Authority

The Department has specific authority under Wis. Stat. § 97.42 (4), to establish rules to regulate the slaughter and processing of animals and poultry for human consumption. The Department also has general authority under Wis. Stat. § 97.09 (4), to adopt rules specifying standards to protect the public from the sale of adulterated or misbranded foods. Additionally, the Department has general authority, under Wis. Stat. § 93.07 (1), to adopt rules to implement programs under its jurisdiction.

Related Statutes and Rules

Wisconsin's state meat and poultry inspection program is governed by Wis. Stat. ch. 97, Food, Lodging and Recreation, which includes Wis. Stat. § 97.42, compulsory inspection of livestock or poultry, and meat or poultry products. Wis. Admin. Code ch. ATCP 55 interprets and implements Wis. Stat. ch. 97, as it relates to Meat and Meat Food Products.

State meat and poultry inspection programs operate under a cooperative agreement with the USDA FSIS to provide inspection services to meat establishments not engaged in interstate commerce. These establishments are generally very small in size. State meat and poultry inspection programs were established by the Wholesome Meat Act of 1967 and the Wholesome Poultry Products Act of 1968, which amended the Federal Meat Inspection Act ("FMIA") to create 21 USC 661 and the Poultry Products Inspection Act ("PPIA") to create 21 USC 454. Section 11015 of Title XI of the Food, Conservation, and Energy Act of 2008 (the 2008 "Farm Bill"), enacted on June 18, 2008, amended FMIA and PPIA to establish a new voluntary program allowing certain selected state-inspected meat establishments to sell their products in interstate commerce.

Title 9, Animal and Animal Products, of the Code of Federal Regulations ("CFR") interprets and implements the federal FMIA and PPIA. Wis. Stat. § 97.42 (4m) and Wis. Admin. Code ATCP 55.06 (2), (3), (4), and (5)(d), and 55.07 (1), (2), and (3), currently adopt certain relevant sections of Title 9, relating specifically to inspection of meat and meat food products, meat and poultry and food products, the cooperative interstate shipment program, and poultry and poultry products inspection. Effective April 1, 2018, Wis. Stat. § 97.42(4m) will no longer cite the specific federal regulations. Instead, all specific federal regulations will be incorporated by reference in Wis. Admin. Code ch. ATCP 55.

Plain Language Analysis

Wisconsin operates the nation's largest state meat and poultry inspection program, with approximately 260 meat establishments. Twenty-seven states currently operate state meat and poultry inspection programs. All state-inspected Wisconsin meat and poultry establishments are very small (as defined by USDA) and fill an important niche in the State's economy. According to USDA, state meat and poultry inspection programs provide unique services to these very small establishments by "providing more personalized guidance to establishments in developing their food safety oriented operations." USDA provides half of the funding for state meat and poultry inspection programs.

State meat and poultry inspection programs operate under a cooperative agreement with USDA FSIS. Under this agreement, states must provide inspection services "at least equal to" federal meat and poultry inspection. Each state program conducts a self-assessment annually and USDA FSIS conducts an on-site audit every three years to determine whether the program meets federal "at least equal to" requirements. Wisconsin's program currently meets these "at least equal to" standards and has met them since the program's inception.

Revised Fee Structure

Currently, a licensed meat establishment is required to pay a \$200 annual license fee or an annual license fee of \$80 if the owner is solely engaged in custom processing at that establishment. After consultation with industry, the Department is replacing the \$200 annual fee with a new fee structure based on the activities done at the licensed meat establishment. The 260 official establishments each now pay \$200. The maximum fee for any single licensed meat establishment will not exceed \$200 in a year. Fees will not increase for any licensed meat establishment and may decrease for most establishments under the new fee structure.

- A person who is solely engaged in custom processing will continue to pay an \$80 annual license fee.
- A licensed meat establishment will pay annual fees, not to exceed \$200, of:
 - o \$100 for processing cooked meat or poultry products or processing shelf-stable uncooked meat or poultry products,
 - o \$100 for the slaughter of livestock other than poultry or rabbits,
 - o \$50 for processing not shelf stable uncooked meat or poultry products,
 - o \$50 for the slaughter of poultry unless exempt from the license fee, and/or
 - o \$25 for the slaughter of more than 3,000 rabbits annually. All rabbit slaughter establishments must be licensed, but there shall be no charge for the slaughter of 3,000 or fewer rabbits annually.

Under the proposed rule, 76 establishments would still pay \$200, 88 establishments would pay \$150, 5 establishments would pay \$100, and 91 establishments would pay \$50. Based on the establishments listed in the 2016-2017 Meat Establishment Directory (subtracting two establishments which are no longer in business), licensing fees charged to official establishments, industry-wide, would decrease by \$18,550.

Definition of Livestock

2015 Wisconsin Act 243 broadened the range of animals for which slaughter inspection is provided without fee by the department. Alpacas, bison, llamas, and rabbits are now considered "livestock" and the slaughter inspection fees are eliminated for alpaca, bison, and llama producers who previously had to pay for voluntary inspection of slaughter.

The Department recently learned that rabbit slaughter, done in uninspected facilities (often on-farm) rather than under voluntary for-fee inspection, has been fairly common practice in Wisconsin. This practice had uncertain legality before the passage of 2015 Wisconsin Act 243, and is now clearly prohibited by a statutory requirement that rabbits be slaughtered in a licensed establishment.

This rule legalizes the slaughter of rabbits for entry into commerce by creating a no-cost license category for the slaughter of 3,000 or fewer rabbits annually and instituting baseline sanitation and recordkeeping requirements to adequately safeguard public health while allowing low-volume rabbit producers to develop their businesses. The rule exempts low-volume rabbit slaughter from slaughter inspection requirements, provided the rabbits are slaughtered at the same premises where raised, and recordkeeping and licensing requirements are met.

Retail Food Exemptions

This rule revision ensures that exemptions from the requirement in rule to hold a meat establishment license are consistent with those created by 2015 Wisconsin Act 243. The exemptions affect a greater number of retail food establishments than were previously considered exempt, making the statutory and rule language consistent with USDA regulations.

Many licensed meat establishments operate a retail food establishment on the same premises. These licensed meat establishments may manufacture some meat products solely for the retail food establishment part of their business. The packages containing these products are not required to bear the inspection legend that is required for meat products being sold wholesale. However, the existing rule has long been interpreted as requiring that the formula and label of each of these products must be pre-approved by the Department before retail sale. Some business operators have questioned the fairness of this interpretation, as there are no such requirements for other, non-meat, potentially hazardous foods made for retail sale (i.e., fish sausage). In addition, retail food establishments not linked to a meat establishment commonly make and sell meat items without formula (recipe) or label approval, e.g. rotisserie chicken. This rule clarifies the retail meat and poultry products formula and labeling packaging exemptions.

Other Revisions

The rule makes other revisions to update terminology and add definitions to improve clarity. Some revisions are made to align the rule terminology with recent changes in state and federal law. Among these revisions are the following:

- The rule aligns the list of exemptions related to custom processing with statutes. The definition of custom processing is clarified to include both slaughter and processing of meat or poultry products. Currently, meat or poultry may be used for the owner's own consumption, consumption by members of the owner's immediate household, and nonpaying guests. The rule was revised to reflect statutory language that allows consumption by the owner, members of the owner's household, and the owner's nonpaying guests and employees.
- The rule adds the Martin Luther King, Jr. Day holiday to the list of holidays for the purposes of scheduling inspection.
- The rule incorporates 9 CFR 412, which relates to labeling requirements.
- The rule replaces the term "meat and meat food products" with "meat and poultry products" throughout to reflect modification of this definition.

Summary of, and Comparison with, Existing or Proposed Federal Statutes and Regulations

The FMIA and the PPIA gave USDA FSIS the responsibility for ensuring the safety and wholesomeness of meat and poultry distributed in commerce for use as human food. FSIS conducts ante mortem and post mortem slaughter inspection and inspection of meat and poultry food products and inspection of basic sanitation practices. FSIS also ensures that meat and poultry businesses follow labeling and humane handling procedures during slaughter, as required by federal law. The agency also reviews Hazard Analysis and Critical Control Point ("HACCP") systems. HACCP is a system employed by each establishment to ensure the safety of meat and poultry products.

Wisconsin's state meat and poultry inspection program operates under a cooperative agreement with FSIS. The Wholesome Meat Act of 1967 and the Wholesome Poultry Products Act of 1968 created state meat inspection programs under the authority of FSIS. FSIS ensures that state programs meet inspection standards that are "at least equal to" federal meat inspection standards. FSIS provides 50 percent of Wisconsin's program funding.

Until 2008, only meat and poultry establishments inspected by FSIS were allowed to sell products in interstate commerce. The 2008 Farm Bill authorized FSIS to create the Cooperative Interstate Shipment ("CIS") Program, allowing selected state-inspected meat and poultry establishments to sell their products in interstate commerce. FSIS published final rules for the voluntary program in May 2011 and Wisconsin participates in the program. FSIS provides states with 60 percent of the cost for inspecting those establishments that participate in the program.

Comparison with Rules in Adjacent States

Michigan currently does not operate a state meat and poultry inspection program and is not eligible to participate in the CIS program. Minnesota, Iowa, and Illinois operate state meat inspection programs similar to Wisconsin's program.

Illinois' state meat inspection program includes USDA's Federal-State Cooperative program (formerly known as the "Talmadge-Aiken" program). Under this program, state inspectors conduct federal inspections, and the inspected establishments are thereby allowed to sell their products in interstate commerce.

Summary of Factual Data and Analytical Methodologies

Input and analysis was provided by Department experts, but no other data collection was conducted. The Department reviewed statutory provisions and federal regulations and has gathered information over the last several years from stakeholders. This information was used in developing this rule. The Department solicited information from industry about the potential economic impact of the rule, but no comments were submitted.

Analysis and Supporting Documents used to Determine Effect on Small Business

The Department held a series of industry meetings in the recent past and collected information on the services provided by the Department. Many comments came from small, licensed establishments and the Department used those comments in developing this rule.

Effect on Small Business

The Department believes the changes being presented will have a beneficial impact on the license holder because of a potential reduction in fees based on product and process risk. The Department included provisions in order to make the rule more flexible and equitable for small rabbit processing establishments. In addition, several elements of the rule regarding retailing of meat and meat products may reduce the regulatory burden on some of the meat establishments that have these retail operations. As the Department concurrently revises ATCP 70 (Food Processing Plants) and ATCP 75 (Retail Food Establishments) to coordinate food business licensing requirements, some establishments may be required to obtain a retail food establishment license instead of, or in addition to, a meat establishment license. Retail food establishment license fees vary according to the scope and nature of processing done at the establishment. Finally, the rule is revised to ensure consistent inspection service to custom meat establishments.

The Department solicited information about the potential economic impact of the rule from June 23 to July 22, 2017, and did not receive any comments.

DATCP Contact

Cindy Klug, Director Bureau of Meat and Poultry Businesses Department of Agriculture, Trade and Consumer Protection P.O. Box 8911 Madison, WI 53708-8911

Telephone: (608) 220-3054

Email: Cindy.Klug@Wisconsin.gov

Where and When Comments May Be Submitted

Questions and comments related to this this rule may be directed to:

Cindy Klug, Director Bureau of Meat and Poultry Businesses Department of Agriculture, Trade and Consumer Protection P.O. Box 8911 Madison, WI 53708-8911 Telephone: (608) 220-3054

Email: Cindy.Klug@Wisconsin.gov

Comments will be accepted up to two weeks after the last public hearing is held on this rule. Hearing dates will be scheduled after this hearing draft rule is approved by the Board of Agriculture, Trade and Consumer Protection.

SECTION 1. ATCP 55 (Title) is amended to read:

- 2 ATCP 55 (Title) MEAT AND MEAT FOOD POULTRY PRODUCTS
- 3 **SECTION 2.** ATCP 55.01 (1), (2) (a) and (c) are amended to read:
- 4 ATCP 55.01 (1) GENERAL. Except as provided in sub. (2), this chapter applies to persons
- 5 who slaughter livestock, poultry, captive game animals, captive game birds, or other food
- 6 animals for human consumption, who submit <u>livestock</u>, <u>poultry</u>, <u>captive game animals</u>, <u>captive</u>
- 7 game birds, or other food animals for slaughter for human consumption, or who process, store,
- 8 transport, sell, or distribute meat or meat food poultry products or edible food made from captive
- 9 game animals, captive game birds, or other food animals for human consumption. This chapter
- applies to slaughter and other processing establishments, mobile eustom-slaughterers and
- processors, food warehouses and locker plants, meat distributors and transporters, meat brokers,
- food retailers, and central restaurant commissaries that engage in activities covered by this
- 13 chapter.

- (2) (a) A restaurant, vending machine commissary, or catering establishment licensed and
- 2 inspected by the department of health services or its agent, provided that <u>all</u> the following apply:
- 1. The establishment processes no meat or poultry products other than state or federally
- 4 inspected meat or poultry products previously subjected to state or federal inspection.
- 5 2. The establishment sells meat <u>or poultry products</u> only as part of a meal.
- 3. Meat processing Any processing of meat or poultry products is confined to the premises
- where the meat or poultry product is served as part of a meal or, in the case of a vending machine
- 8 commissary or catering establishment, to the premises where <u>ready-to-eat</u> meals are prepared for
- 9 catered service or vending machine service to individual consumers.
- 10 (c) An individual slaughtering or transporting his or her own animals, or processing or
- transporting his or her own meat, for his or her own the owner's consumption or consumption by
- members of the owner's household and the owner's nonpaying guests and employees. An
- individual's own consumption may include consumption by the individual's immediate family,
- immediate household, and nonpaying guests and employees.
- SECTION 3. ATCP 55.01 (2) (d) is created to read:
- ATCP 55.01 (2) (d) An individual processing poultry products who is exempted under 21
- USC 464 (c)(1)(A) to (D) and 21 USC 464 (c)(4), which exempts certain personal and custom
- poultry slaughter and processing from federal regulations.
- SECTION 4. ATCP 55.02 (1) is amended to read:
- 20 ATCP 55.02 (1) "Adulterated" has the meaning given in 9 CFR 301.2 (2)(i) 9 CFR 301.2.
- SECTION 5. ATCP 55.02 (1g) is created to read:
- 22 ATCP 55.02 (1g) "Amenable to inspection" means subject to mandatory inspection under 21
- USC 451 to 695 or this chapter.

- SECTION 6. ATCP 55.02 (1m), (2), and (3) are amended to read:
- 2 ATCP 55.02 (1m) "Ante mortem inspection" means a pre-slaughter inspection of a-live food
- 3 animal animals and birds.
- 4 (2) "Captive game animals" means bison, white-tailed deer and other animals of a normally
- 5 wild type that are produced in captivity for slaughter and consumption. "Captive game animals"
- does not include farm-raised deer, ratites, captive game birds, fish, or animals kept solely for
- 7 hunting purposes at a hunting preserve.
- 8 (3) "Captive game birds bird" means birds a bird of a normally wild type, such as pheasants
- 9 <u>including pheasant</u>, quail, wild turkeys turkey, or migratory wildfowl, and exotic birds, that are is
- produced in captivity for slaughter and consumption. "Captive game birds" does do not include
- poultry, ratites, or birds kept solely for hunting purposes in a hunting preserve.
- SECTION 7. ATCP 55.02 (4g) is created to read:
- 13 ATCP 55.02 (4g) "Community supported agriculture business" means a farm with which
- individuals contract to regularly receive two or more different agricultural products, which may
- include uncooked poultry products, originating from the farm.
- SECTION 8. ATCP 55.02 (5) and (5) (Note) are amended to read:
- 17 ATCP 55.02 (5) "Custom processing" means slaughtering a food animal or processing meat
- products as a custom service for an individual who owns that the animal or those meat products,
- and who uses all the resulting meat or meat food products for his or her own consumption. An
- 20 individual's own consumption may include consumption by the individual's immediate family
- owner, immediate household members of the owner's household, and the owner's nonpaying
- 22 guests and employees. "Custom processing" includes mobile custom processing.

- **Note:** A provider of custom slaughtering services does not "sell" the slaughtered food animal or the resulting meat, but merely provides a service to the meat owner. An owner's nonpaying guests may
- 3 include nonpaying immediate family members.
- 5 **SECTION 9.** ATCP 55.02 (6) is repealed and recreated to read:
- 6 ATCP 55.02 (6) "Denature" means to intentionally make an item unfit for human
- 7 consumption by adding a substance to it to alter the item's appearance or other natural
- 8 characteristics.

2

- 9 **SECTION 10.** ATCP 55.02 (6) (Note) is repealed.
- SECTION 11. ATCP 55.02 (14) and (16) to (19) are amended to read:
- 11 ATCP 55.02 (14) "Livestock" means domesticated food animals other than poultry.
- 12 Livestock includes bison, alpacas, llamas, and rabbits.
- 13 (16) "Meat broker" means a person who, without taking title to meat or meat food poultry
- products, <u>purchases</u>, <u>sells</u>, <u>or</u> arranges the purchase or sale of meat or meat food <u>poultry</u>
- 15 products.
- 16 (17) "Meat distributor" means a person who distributes meat or meat food poultry products
- 17 at wholesale.
- 18 (18) "Meat establishment" means a permanent or mobile plant or fixed premises used to
- slaughter food animals for human consumption, or to process where meat or meat food poultry
- 20 products for human consumption are processed for entering commerce or where meat or poultry
- 21 processing services are provided.
- 22 (19) "Meat food or poultry product" means any edible product derived in whole or in
- 23 substantial and definite part from meat parts, including the viscera, of slaughtered livestock or
- 24 poultry that are capable of use for human food.
- 25 SECTION 12. ATCP 55.02 (19m) is created to read:

- ATCP 55.02 (19m) "Misbranded" has the meaning given in 9 CFR 301.2.
- 2 **SECTION 13.** ATCP 55.02 (20) is amended to read:
- 3 ATCP 55.02 (20) "Mobile custom processing" means conducting slaughter or otherwise
- 4 custom processing meat or poultry products for another person at that person's premises.
- 5 **SECTION 14.** ATCP 55.02 (21) is repealed.
- 6 **SECTION 15.** ATCP 55.02 (23) to (25) are amended to read:
- 7 ATCP 55.02 (23) "Post mortem inspection" means the post-slaughter inspection of a
- 8 slaughtered food animal's carcass and parts thereof.
- 9 (24) "Poultry" means domesticated fowl commonly used for human food, birds including
- domesticated chickens, turkeys, geese, ducks, guinea fowl, and guineas squab. "Poultry" does
- 11 not include captive game birds or ratites.
- 12 (25) "Process" means to slaughter a food animal, cut, grind, manufacture, compound,
- intermix, or otherwise prepare meat or meat food poultry products.
- SECTION 16. ATCP 55.02 (26m) is created to read:
- (26m) "Retail" means selling meat or poultry products directly to any consumer only for
- 16 consumption by the consumer or the consumer's immediate family or non-paying guests.
- SECTION 17. ATCP 55.02 (29) is repealed and recreated to read:
- ATCP 55.02 (29) "Specified risk materials" means tonsils and the distal ileum of the small
- intestine from cattle of any age. For cattle 30 months of age or older, specified risk materials also
- 20 means the skull, brain, trigeminal ganglia (nerves attached to the brain), eyes, spinal cord,
- vertebral column (excluding the vertebrae of the tail, the transverse processes of the thoracic and
- 22 lumbar vertebrae, and the wings of the sacrum), and dorsal root ganglia (nerves attached to the
- 23 spinal cord).

- SECTION 18. ATCP 55.02 (31) is repealed and recreated to read:
- ATCP 55.02 (31) "Wholesale" means the sale of any meat or poultry product to a person or
- 3 commercial entity who will either re-sell it or use it as an ingredient in a product that will be then
- offered for sale. Wholesale includes meat or poultry products transported from the point of
- 5 production to another location for sale, even if the other location is located adjacent to the point
- of production, if the processor relinquishes control of the product.
- 7 **SECTION 19.** ATCP 55.03 (1), (2) (b), (c), (d) (intro.), (d) 1. to 3., (e) (intro.) and (e) 1. to 3.
- 8 are amended to read:
- 9 ATCP 55.03 (1) ANNUAL LICENSE REQUIRED. Except as provided in sub. (2), no person may
- operate a meat establishment without a current annual license from the department. A license
- expires on June 30 of each year. A person who operates more than one meat establishment shall
- hold a current annual license for each meat establishment. Each slaughter The license, for each
- licensed meat establishment license conducting slaughter, shall bear a livestock premises code
- issued under s. ATCP 17.02 (7). A license may not be transferred between persons or meat
- 15 establishments.
- 16 ATCP 55.03 (2) (b) Mobile custom slaughter or mobile custom processing operations.
- 17 (c) The custom slaughter or custom processing of captive game animals or captive game
- 18 birds.
- 19 (d) A person slaughtering and otherwise processing poultry produced on that person's farm
- 20 <u>premises</u>, provided that all the following apply:
- 21 1. The person slaughters and otherwise processes no more than 1,000 poultry per year
- 22 annually.

- 2. The person slaughters, <u>otherwise</u> processes, and sells the poultry at the <u>farm</u> <u>premises</u>
- where they are produced.
- 3. The person clearly and conspicuously labels each package or container of poultry meat
- 4 with the person's processor's name and address and the words "NOT INSPECTED."
- 5 (e) A retail food establishment licensed under s. 97.30 (2), Stats., that processes meat or
- 6 meat food poultry products primarily for sale to individual consumers at the retail food
- 7 establishment, provided that all the following apply:
- 1. The retail food establishment is not engaged in slaughter operations that are amenable to
- 9 <u>inspection</u>.
- 2. The retail food establishment sells the processed meat and meat food or poultry products
- only to individual consumers at the retail <u>food</u> establishment, or to <u>hotels</u>, restaurants, or
- institutions for use in meals served at those hotels, restaurants, or institutions.
- 3. The retail food establishment's gross annual value of sales of its processed meat and meat
- 14 food poultry products to hotels, restaurants, or institutions do does not exceed \$28,800 annually,
- the adjusted dollar limits published by the United States department of agriculture in 9 CFR
- 16 303.1 (d) (2) (iii) (b) and 9 CFR 381.10 (d)(2)(iii)(b) or 25% by dollar volume of all meat sales
- from the retail establishment, whichever is less. No person exempt from licensure under this
- paragraph may sell any cured, smoked, canned, or cooked meat or poultry products produced by
- 19 the person to hotels, restaurants, or institutions.
- 20 **SECTION 20.** ATCP 55.03 (2) (e) 3. (Note) is repealed.
- 21 **SECTION 21**. ATCP 55.03 (2) (e) 4., 5. and 6., and (4) (intro.) are amended to read:

- ATCP 55.03 (2) (e) 4. The retail <u>food</u> establishment receives meat only from meat
- 2 establishments licensed under this section or inspected by the United States department of
- agriculture under 21 USC 451 to 695.
- 5. The operator of the retail food establishment does not sell, to any person other than an
- 5 individual consumer, any meat or meat food product that is cured, smoked, seasoned, canned, or
- 6 cooked at the retail establishment.
- 7 6. The operator of the retail <u>food</u> establishment does not sell, to any person other than an
- 8 individual consumer, any meat food product made by combining meat from different animal
- 9 species at the retail establishment.
- 10 (4) LICENSE FEES. A person shall pay a \$200 an annual license fee for each licensed meat
- establishment, except that the person shall pay an annual license fee of \$80 if the person is solely
- 12 engaged in custom slaughtering or custom processing operations at that meat establishment. as
- 13 <u>follows:</u>
- SECTION 22. ATCP 55.03 (4) (a) and (b) are created to read:
- ATCP 55.03 (4) (a) A person shall pay an annual license fee of \$80 if the person is solely
- engaged in custom processing operations.
- (b) A person shall pay an annual license fee for each of the following activities up to a
- 18 maximum of \$200:
- 1. \$100 for processing cooked meat or poultry products or processing shelf-stable uncooked
- 20 meat or poultry products.
- 2. \$100 for the slaughter of livestock other than poultry or rabbits.
- 3. \$50 for processing not shelf stable uncooked meat or poultry products.
- 4. \$50 for the slaughter of poultry unless exempt under ATCP 55.03 (2)(d).

- 5. \$25 for the slaughter of more than 3,000 rabbits annually. A rabbit slaughter
- 2 establishment shall be licensed except there shall be no license fee for the slaughter of 3,000 or
- 3 fewer rabbits annually.
- SECTION 23. ATCP 55.03 (11) (a), (b) 2. and 4. to 7., (12) (title), (a), (b) 1. to 3., (c) (intro.) and (Note), and (d) are amended to read:

- ATCP 55.03 (11) (a) Except as provided in par. (b), no person may slaughter or otherwise
- 8 process any animals other than food animals at a meat establishment.
- 9 (b) 2. The operator accepts only clean and apparently wholesome unadulterated wild game
- 10 carcasses for custom processing.
- 4. The operator custom processes wild game only at times when the operator is not engaged
- in slaughtering or processing food animals. The operator shall thoroughly clean and sanitize
- equipment and utensils used to process wild game before using the same equipment or utensils to
- slaughter <u>food animals</u> or <u>otherwise</u> process food animals or the meat of food animals.
- 5. The operator keeps wild game and wild game products separate from all other meat and
- 16 meat food or poultry products in the meat establishment.
- 6. The operator clearly labels wild game products, so they cannot be confused with other
- meat or meat food poultry products. Wild game products shall be clearly identified by species.
- 7. The operator handles, processes, and stores wild game and wild game products in a
- 20 manner that prevents contamination of other meat and meat food or poultry products.
- 21 (12) SLAUGHTER AND OTHER PROCESSING SCHEDULE. (a) A person applying for a meat
- 22 establishment license shall include, with the license application, a proposed schedule for
- 23 slaughter and other processing schedule. A meat establishment operator need not include a
- schedule with a license renewal application if there has been no change in the schedule last
- 25 established for the meat establishment under this subsection.

- (b) A schedule under par. (a) shall specify the days of each week, and the hours of each day,
- during which the applicant proposes to engage in each of the following activities at the meat
- 3 establishment:
- 1. Slaughter food animals to produce meat or meat food poultry products for sale.
- 5 2. Process, by means other than slaughtering, meat or meat food poultry products for sale.
- 6 3. Custom slaughter food animals, or <u>otherwise</u> custom process meat or <u>meat food poultry</u>
- 7 products.
- 8 (c) The department may require a change in a <u>schedule for slaughtering</u> and <u>other</u> processing
- 9 sehedule-under this subsection if any of the following apply:
- Note: A meat establishment operator may not engage in custom slaughter or other custom processing
- operations while the operator is simultaneously otherwise slaughtering food animals for sale, or
- simultaneously processing the meat of food animals for sale. There are exceptions for *inspected* custom
- operations, and for simultaneous operations that are physically separated to prevent cross-contamination
- 14 and commingling. The department may disapprove a simultaneous schedule if these exceptions do not
- 15 apply. See s. ATCP 55.08 (3).
- (d) A meat establishment operator may not deviate from a schedule established under this
- subsection, without prior written department approval.
- SECTION 24. ATCP 55.04 (Title), (1) (a), (1) (a) (Note) and (1) (c) 1. to 3. are amended to
- 20 read:

- 21 ATCP 55.04 (Title) Slaughter and other processing inspection; general.
- (1) (a) Except as provided in par. (b) or (c) to (d), no person may sell any meat from any food
- 23 animal for human consumption unless the department or the United States department of
- 24 agriculture has conducted a slaughter inspection of that food animal. The slaughter inspection
- 25 shall include an ante mortem inspection of the live food animal, and a post mortem inspection of
- the food animal carcass.
- Note: Slaughter inspection is not required for custom slaughtered animals, because there is no sale of
- 28 meat. Federal Except as allowed under the cooperative interstate shipment program, federal law prohibits

- the interstate sale of meat from animals slaughtered under state (rather than federal) inspection. But this federal prohibition does not apply to meat from farm-raised deer, captive game animals, or-captive game
- 3 birds, bison, alpacas, llamas, or rabbits.

- 5 (c) Paragraph (a) does not apply to a person selling meat from not more than 1,000 poultry
- 6 per year annually, provided that all the following apply:
- 7 1. The person produces all of those poultry on his or her farm premises.
- 2. The person slaughters, <u>otherwise</u> processes, and sells the poultry at the farm-premises
- where they are produced or directly to consumers contracting with the person's community
- 10 supported agriculture business, or has them slaughtered and otherwise processed at a licensed
- 11 meat establishment.
- 3. The person clearly and conspicuously labels each package or container of poultry meat
- with the person's processor's name and address and the words "NOT INSPECTED."
- 14 **SECTION 25.** ATCP 55.04 (1) (d) is created to read:
- ATCP 55.04 (1) (d) Par. (a) does not apply to a person selling meat from rabbits, provided
- that all the following apply:
- 1. The person only slaughters and otherwise processes rabbits produced on that person's
- 18 premises.
- 2. The person slaughters and otherwise processes not more than 3,000 rabbits annually.
- 3. The person keeps a record of the number of rabbits slaughtered, retains that record for at
- least 3 years, and makes the record available for inspection and copying by the department upon
- 22 request.
- 4. The person slaughtering and otherwise processing rabbits complies with the requirements
- 24 of s. ATCP 55.07 (4).
- 5. The person holds an establishment license under s. 55.03.

- SECTION 26. ATCP 55.04 (1m), (2), (3) (a) 2., (4) (title) and (b), (5) (title), (6), and (8) are
- 2 amended to read:
- 3 ATCP 55.04 (1m) Processing inspection required. (a) No person operating a licensed meat
- 4 establishment may sell any meat food or poultry product unless that meat food or poultry product
- 5 is labeled as provided in s. ATCP 55.10 (3).
- 6 (b) Paragraph (a) does not apply to meat food or poultry products processed at a retail food
- establishment licensed under s. 97.30, Stats., and sold only to individual consumers at that
- 8 establishment.
- 9 (2) SLAUGHTER AND OTHER PROCESSING INSPECTION PROVIDED TO LICENSED MEAT
- 10 ESTABLISHMENTS.
- 11 (a) The department shall provide <u>required</u> ante mortem and post mortem slaughter inspection
- services and processing inspection services to operators of meat establishments licensed under s.
- 13 ATCP 55.03. The department shall specify the minimum frequency at which custom slaughter
- and other custom processing activities in a licensed meat establishment are to be inspected. This
- inspection frequency shall be at least once every three months during which custom processing
- 16 <u>activities or transactions occur.</u> The department may not provide slaughter or <u>other</u> processing
- inspection services to other persons.
- (b) A meat establishment operator requesting slaughter or other processing inspection
- services shall submit the request to the department in writing, and shall specify a proposed
- schedule of slaughter or other processing schedule according to s. ATCP 55.03 (12) (b). The
- department may require a different schedule, as provided in s. ATCP 55.03 (12) (c). The meat
- 22 establishment operator may not deviate from the specified schedule without prior department
- 23 approval, as provided in s. ATCP 55.03 (12) (d).

- 1 (3) (a) 2. Apparently healthy domesticated food animals livestock, if special circumstances
- 2 prevent the transportation of those animals to a licensed meat establishment for ante mortem
- 3 inspection.
- 4 (4) SLAUGHTER-INSPECTION CHARGES; WHEN REQUIRED.
- 5 (b) The department performs the inspection on any of the following days, or at any of the
- 6 following times:
- 1. Days or times not included in the normal schedule of slaughter or other processing
- 8 schedule-under sub. (2).
- 9 2. Before 6:00 a.m. or after 6:00 p.m.
- 3. Any inspection time in excess of 40 hours in any calendar week.
- 11 4. Saturday or Sunday.
- 5. The holidays of New Year's Eve, New Year's Day, Martin Luther King, Jr. Day,
- 13 Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Eve, or Christmas
- Day. If any of these holidays falls on Sunday, the following Monday is considered the holiday.
- 6. Any day that is an official holiday for state employees.
- 16 **(5)** SLAUGHTER-INSPECTION CHARGES; AMOUNT.
- 17 (6) SLAUGHTER AND <u>OTHER PROCESSING INSPECTION PROCEDURES</u>. Slaughter and <u>other</u>
- processing inspection procedures shall comply with this chapter, including ss. ATCP 55.05 to
- 55.07 and applicable federal requirements as specified in 9 CFR 305, 309, 310, 316, 318, 321,
- 20 329, 332, 416, 417, and 500, and 9 CFR 381, Subparts E, J, K,M, O, R, U, Y, and Z Chapter III,
- 21 Subchapters A and E.
- 22 (8) WITHDRAWING SLAUGHTER INSPECTION. The department may, upon written notice,
- 23 withdraw inspection of slaughter or other processing inspection-for cause, including violations of

- this chapter. No person may conduct slaughter operations for which department inspection is
- 2 required under this chapter while those services are withdrawn.
- 3 SECTION 27. ATCP 55.04 (9) is created to read:
- 4 ATCP 55.04 (9) INSPECTION EFFICIENCY. All animal slaughter or other processing shall be
- 5 conducted with sufficient staffing to attain a reasonable rate of operation, considering the meat
- 6 establishment's size and scope of operations. Ante mortem and post mortem inspection shall be
- 7 conducted continuously throughout slaughter with one lunch period of between 30 and 45
- 8 minutes beginning between four and five hours after slaughter operations begin.
- 9 **SECTION 28.** ATCP 55.06 (2), (4) and (5) (a), (e), (f) and (g) are amended to read:
- 10 ATCP 55.06 (2) DOMESTICATED FOOD ANIMALS. Post mortem inspections of domesticated
- food animals, other than poultry, shall comply with 9 CFR 310. Post mortem inspection
- procedures for farm-raised deer shall be the same as for sheep.
- 13 ATCP 55.06 (4) CAPTIVE GAME ANIMALS, RABBITS, ALPACAS, AND LLAMAS. The department
- may specify post mortem inspection procedures for captive game animals, rabbits, alpacas, and
- 15 llamas. Post mortem inspections of captive game animals, rabbits, alpacas, and llamas shall
- comply with 9 CFR 310, as applicable. Post mortem inspection procedures for bison shall be the
- 17 same as for cattle.
- 18 (5) (a) The Except as produced under par. (k), the department shall apply official inspection
- marks to each carcass that the department finds, after post mortem inspection, to be wholesome
- 20 <u>unadulterated</u> and fit for human food. The department shall mark each primal part of the carcass,
- each detached organ and each detached part that the department finds to be wholesome
- 22 unadulterated and fit for use as human food.

- (e) If the department finds upon post mortem inspection that any part of a carcass is
- 2 <u>unwholesome-adulterated</u> or unfit for human food, the department shall mark that part "WIS.
- 3 INSPECTED AND CONDEMNED." If space is limited, the phrase may be abbreviated "WIS.
- 4 INSP'D AND CONDEMNED."
- 5 (f) If the department finds that further inspection is needed to determine whether any part of
- a carcass is wholesome unadulterated and fit for human food, the department may tag that part
- 7 "WIS. RETAINED." The tagged part is deemed to be covered by a department holding order
- 8 under s. ATCP 55.14 (2). The department may specify retention conditions, including
- 9 refrigeration requirements. No person may discard, process or sell any of the affected meat for
- 10 human consumption unless the department completes its inspection and passes the meat.
- (g) The department may stamp carcass parts with the appropriate marks under pars. (a) to
- (e). If an organ or other carcass part is not susceptible to suitable for stamping, the department
- may apply the mark by other means such as tagging.

- SECTION 29. ATCP 55.06 (5) (k) is created to read:
- ATCP 55.06 (5) (k) The official inspection mark shall be applied to the label of packages
- 16 containing rabbit carcasses or rabbit meat processed under required or voluntary inspection.
- SECTION 30. ATCP 55.07 (Title), (1), (2) (Title) and (a) to (e), (3) (Title), (a), and (b), (4),
- 18 (5), (6) (intro.), (d) and (Note), (9) (b), (e) 2., (Note), (10) (b), (d) and (e) are amended to read:
- 20 ATCP 55.07 Slaughter and other processing standards; general. (1) SLAUGHTER AND
- 21 OTHER PROCESSING STANDARDS; DOMESTICATED FOOD ANIMALS LIVESTOCK. (a) A meat
- 22 establishment operator who does any of the following shall comply with applicable federal
- 23 standards under 9 CFR 307, 309, 310, 311, 313 to 315, 317, 318, 319, to 320, 325, 412, 416 to,
- 24 417, 418, 424, 430, 441, 442, and 500 Chapter III, Subchapters A and E:

- 1. Slaughters domesticated food animals <u>livestock</u>, other than poultry, for human
- 2 consumption.
- 2. Processes the meat of domesticated food animals <u>livestock</u>, other than poultry, for human
- 4 consumption.
- 5 (b) Paragraph (a) does not apply to mobile custom slaughter or mobile custom processing.
- 6 (2) SLAUGHTER AND OTHER PROCESSING STANDARDS; POULTRY AND CAPTIVE GAME BIRDS.
- 7 (a) A meat establishment operator who does any of the following shall comply with applicable
- 8 requirements under 9 CFR 416, 417, 418, 424, 430, 441, 442, and 500, and 9 CFR 381, Subparts
- 9 G, I, J, K, L, N, O, P, Q, R, S, X, Y, and Z Chapter III, Subchapters A and E.
- 1. Slaughters poultry or captive game birds for human consumption.
- 2. Processes Otherwise processes the meat of poultry or captive game birds for human
- 12 consumption.
- (b) Paragraph (a) does not apply to mobile custom slaughter or mobile custom processing.
- (c) Paragraph (a) does not apply to a person slaughtering and otherwise processing not more
- than 1,000 poultry per year annually, provided that all the following apply:
- 1. The person produces all of those poultry on his or her farm premises.
- 2. The person slaughters, otherwise processes, and sells the poultry at the farm premises
- where they are produced or directly to consumers contracting with the person's community
- 19 supported agriculture business.
- 3. The person clearly and conspicuously marks each package or container of poultry meat
- with the person's name and address, and the words "NOT INSPECTED."
- 22 **Note:** See ss. 97.42 (4m) and 97.42 (11), Stats.

- 1 (3) SLAUGHTER AND OTHER PROCESSING STANDARDS: RATITES. (a) A meat establishment
- 2 operator who does any of the following shall comply with applicable requirements under 9 CFR
- 3 416, 417, 418, 424, 430, 441, 442, and 500, and 9 CFR 381, Subparts G, I, J, K, L, N, O, P, Q,
- 4 R, S, X, Y, and Z Chapter III, Subchapters A and E:
- 5 1. Slaughters ratites for human consumption.
- 2. Processes Otherwise processes the meat of ratites for human consumption.
- 7 (b) Paragraph (a) does not apply to mobile custom slaughter or mobile custom processing.
- 8 (4) SLAUGHTER AND OTHER PROCESSING STANDARDS; RABBITS AND CAPTIVE GAME ANIMALS.
- 9 (a) A person slaughtering <u>rabbit or a captive game animal for human consumption shall do so in</u>
- a humane and sanitary manner. If the department provides ante mortem and post mortem
- slaughter inspection, the person shall comply with procedures specified by the department. The
- procedures shall be consistent with <u>applicable</u> procedures specified by the United States
- 13 department of agriculture.
- 14 (5) CUSTOM SLAUGHTER AND PROCESSING; STANDARDS. Custom slaughter and custom
- processing operations shall comply with applicable requirements under this section and ss.
- 16 ATCP 55.08 and 55.09.
- 17 (6) ANIMALS THAT ARE DISEASED, INJURED, OR WILL YIELD AN ADULTERATED CARCASS;
- 18 GENERAL. No person may slaughter a food animal for human consumption, or submit a food
- animal for slaughter for human consumption, if the person knows or has reason to know that the
- animal is diseased, injured, or will yield an adulterated a carcass that is adulterated as defined in 9
- 21 <u>CFR 301.2 (2) (i)</u>. This subsection does not prohibit any of the following:
- 22 (d) The slaughter of an animal presented by a producer listed in the U.S. department of
- 23 Agriculture agriculture Residue Repeat Violator List for Use by Livestock Markets and

- 1 Establishments if the producer, in collaboration with a licensed veterinarian, provides to the
- 2 department written evidence of enrollment and completion of a course on proper administration
- of animal medications, approved by the department. Certification of course enrollment and
- 4 completion shall be provided on a form prescribed by the department. Enrollment in the course
- shall occur not more than 30 days after the producer is listed on the U.S. department of
- 6 agriculture Residue Repeat Violator List for Use by Livestock Markets and Establishments, and
- 7 completion of the course shall occur not more than 180 days after enrollment.
- Note: The U.S. department of Agriculture agriculture Residue Repeat Violator List for Use by
 Livestock Markets and Establishments may be accessed at the following website:
- 10 http://www.fsis.usda.gov/wps/portal/fsis/topics/data-collection-and-reports/chemistry/residue-chemistry
- and selecting the link to the USDA Residue Repeat Violator List for Use by Livestock Markets and
- 12 Establishments.
- 13
- (9) (b) A meat establishment operator may not receive, into any processing or storage area,
- any unclean or apparently unwholesome adulterated carcass or meat. The operator shall handle,
- store, and prepare carcasses and meat to prevent contamination of other carcasses, meat and
- 17 food.
- (e) 2. A licensed practicing veterinarian performed an ante mortem and post mortem
- inspection on the slaughtered animal, and certified in writing that the carcass was wholesome
- 20 unadulterated and free of disease.
- Note: The department may retain or condemn unwholesome, adulterated or misbranded meat or meat
- food products, including those produced by custom slaughter or processing (see s. ATCP 55.14). If the
- 23 department inspects a custom slaughter, the department will follow applicable inspection procedures under
- 24 this chapter.
- 25
- 26 (10) (b) No person may slaughter, for human consumption, any food animal that the
- 27 department has condemned as being unwholesome <u>adulterated</u> or unfit for human consumption.
- 28 The animal owner or meat establishment operator shall dispose of the condemned animal in a
- 29 manner directed by the department.

- (d) No person may process for human consumption, or sell or distribute for human
- 2 consumption, any meat that the department has condemned as being unwholesome or unfit for
- 3 human consumption adulterated. The meat establishment operator shall denature or de-
- 4 characterize the condemned meat so that the meat is no longer naturally edible by humans.
- 5 Containers used for condemned meat shall be conspicuously marked "INEDIBLE."
- 6 (e) If the department orders a meat establishment operator to trim any carcass to remove
- 7 unfit or unwholesome adulterated meat, the operator shall complete the trimming before placing
- 8 the carcass in a cooler.

- 9 SECTION 31. ATCP 55.08 (Title), (1) (intro.), (d), (d) (Note) and (e) are amended to read:
- ATCP 55.08 Custom slaughter and processing. (1) GENERAL. A person providing a
- custom slaughter or custom processing service shall do all the following:
- (d) Mark or label all the resulting meat and meat food products "NOT FOR SALE," and all
- the resulting poultry products "NOT INSPECTED" as provided in sub. (2). A person providing
- a custom slaughter or custom processing service shall keep the service recipient's meat and meat
- 15 food poultry products separate from all other food that the service provider holds for others or
- offers for sale. The person may not sell any of the service recipient's meat or meat food poultry
- products, or commingle them with any food that the person holds for others or sells.
- Note: For example, a person providing custom slaughter or custom processing services may not
- 19 combine saved carcass parts, such as head meat, tongues, hearts, fat, or trimmings, with meat or meat
- 20 food poultry products processed for other service recipients or purchasers.
- (e) Return all of the resulting meat and meat food poultry products to the service recipient.
- 23 The service recipient may use them only for the service recipient's personal consumption, which
- 24 may include consumption by members of the service recipient's immediate family, immediate
- 25 household, and the service recipient's nonpaying guests and employees.
- 26 **SECTION 32.** ATCP 55.08 (1) (e) (Note) is created to read:

- Note: An owner's nonpaying guests may include nonpaying immediate family members.
- 2 **SECTION 33.** ATCP 55.08 (1) (f) to (h), (2) (a) and (Note), (2) (c) and (3) (a) (intro.) are
- 3 amended to read:
- 4 ATCP 55.08 (1) (f) Comply with s. ATCP 55.09 if the person engages in mobile custom
- 5 slaughter or mobile custom processing.
- 6 (g) Conduct custom slaughter and processing operations in a sanitary manner.
- 7 (h) Keep complete and accurate records of all custom slaughter and processing transactions.
- 8 The service provider shall keep the records for at least 3 years, and shall make the records
- 9 available to the department for inspection and copying upon request.
- 10 (2)(a) A person providing a custom slaughter or custom processing service shall mark or
- label the resulting meat and meat food poultry products with all the following information:
- 1. The words "NOT FOR SALE" for meat products or "NOT INSPECTED" for poultry
- 13 products in block letters at least $\frac{3}{8}$ " high.
- 2. The name or commonly recognized trade name of the person providing the custom
- 15 slaughter or custom processing service. If the person performs the service at a meat
- establishment licensed under s. ATCP 55.03, the person may use the meat establishment number
- assigned under s. ATCP 55.03 (10) instead of the person's name. If the person provides the
- service as a mobile custom slaughter or mobile custom processing service, the person may use
- the registration number assigned under s. ATCP 55.09 (2) (g) instead of the person's name.
- Note: The following examples illustrate possible label formats under par. (a):
- 21 NOT FOR SALE
- NOT FOR SALE
- NOT INSPECTED

22 XYZ Market

- WIS 000
- ABC FARMS
- 24 (c) A person providing a custom processing service shall apply the label under par. (a) to all packages and containers of custom processed meat and meat food poultry products when that

- 1 meat or those meat food or poultry products are packaged or placed in those containers. The
- person shall individually label sausages that have a diameter of more than $1^{1}/_{2}$ " if those sausages
- are individually packaged, or if they are shipped or stored in unsealed containers.
- 4 (3)(a) Except as provided in par. (b), a meat establishment operator may not engage in
- 5 custom slaughter or eustom other processing operations at a meat establishment while the
- 6 operator is simultaneously doing any of the following at that establishment:
- 7 SECTION 34. ATCP 55.09 (Title), (1), (2) (a), (3) (a) and (b), (4) to (6), and (8) (b) are
- 8 amended to read:
- 9 ATCP 55.09 Mobile custom slaughter and processing. (1) GENERAL. A person engaged
- in mobile custom slaughter or mobile custom processing shall comply with ss. ATCP 55.07 and
- 11 55.08 and this section.
- (2) (a) No person may receive any compensation, other than bartered services, for providing
- mobile custom slaughter or mobile custom processing services unless that person holds a current
- annual registration certificate from the department. No registration certificate is required if the
- person holds a meat establishment license under s. ATCP 55.03.
- 16 (3) (a) Mobile custom slaughter and mobile custom processing operations shall be conducted
- 17 under clean and sanitary conditions.
- (b) Vehicles and facilities used in mobile custom slaughter and mobile custom processing
- operations shall be designed and constructed so they can be kept that clean and sanitary
- 20 conditions are maintained.
- 21 (4) EQUIPMENT AND UTENSILS. Equipment and utensils used in mobile custom slaughter and
- 22 mobile custom processing operations shall be of sanitary design and construction, and shall be
- 23 kept clean and sanitary. Meat or poultry product contact surfaces of equipment and utensils shall

- be cleaned and sanitized after each use, and more frequently as necessary, to keep them clean
- 2 and sanitary.
- 3 (5) Personnel engaged in mobile custom slaughter or mobile custom
- 4 processing operations shall wear clean and washable outer clothing, and shall wash and rinse
- 5 their hands sufficiently during the operations to prevent contamination of carcasses, and meat,
- 6 and meat food or poultry products.
- 7 (6) WATER SUPPLY. Potable water shall be available for all mobile custom slaughter and
- 8 mobile custom processing operations. There shall be enough water for thorough cleaning of all
- 9 carcasses, equipment, and utensils. Water shall be available during all slaughtering, other
- 10 processing, and cleanup operations.
- (8) (b) The number and type of animals slaughtered for each service recipient, including
- indication of whether cattle are less than 30 months of age or 30 months of age or greater, and if
- the specified risk materials were removed.
- SECTION 35. ATCP 55.10 (1), (2), (3) (a), (b) and (d) 1., 3., and Note, (4), and (5) (a) and (b)
- are amended to read:
- ATCP 55.10 (1) GENERAL. Meat and meat food or poultry products sold in this state shall
- be labeled according to this chapter and ch. ATCP 90. No person may sell any misbranded meat
- or meat food poultry products, or make any false, deceptive, or misleading representation in
- connection with the sale of meat or meat food poultry products.
- 20 (2) MEAT LABELS; GENERAL. No person may sell any meat or meat food poultry product
- 21 unless that meat or meat food poultry product is clearly labeled with all the following:
- 22 (a) The name of the meat or meat food poultry product.
- 23 (b) The net weight of the meat or meat food poultry product.

- 1 (c) The name and address of the person who last processed the meat or poultry product, or
- the name and address of the legally responsible distributor for whom the meat or poultry product
- 3 was last processed.
- 4 (d) An inspection legend if required under sub. (3), or 9 CFR 317.2, or 9 CFR 381.96.
- 5 (e) An ingredient statement if the product contains 2 or more ingredients. The ingredient
- 6 statement shall contain the word "INGREDIENTS:" followed by a listing of ingredients in order
- 7 of <u>decreasing predominance by</u> weight.
- 8 (f) Safe handling instructions if required under 9 CFR 317.2(l) or 9 CFR 381.125.
- 9 (g) One of the following statements if the meat or meat food poultry product is being sold at
- 10 retail and is perishable:
- 11 1. "Perishable."
- 12 2. "Keep refrigerated."
- 3. "Keep under refrigeration."
- 4. "Keep frozen."
- 15 (3) INSPECTION LEGEND. (a) Except as provided in par. (b), a license holder under s. ATCP
- 55.03 who processes meat or meat food poultry products from meat inspected and passed by the
- department shall label that processed meat and those processed those meat food or poultry
- products with a state inspection legend. The legend shall appear be clearly visible to prospective
- purchasers on all packages and containers of processed meat and meat food or poultry products.
- 20 so that it is clearly visible to prospective purchasers.
- 21 (b) Paragraph (a) does not apply to meat and meat food or poultry products processed at a
- retail establishment and sold only to individual consumers at that establishment.

- 1 (d) 1. The meat or <u>poultry</u> meat food product contains meat from farm-raised deer, captive
- 2 game animals, or captive game birds.
- 3. Meat fat Fat from domesticated food animals and ratites constitutes less than 30% of the
- 4 product by weight.
- Note: Federal law does *not* prohibit the sale, in other states, of state-inspected meat from farm-raised deer,
- 6 captive game animals, or captive game birds (meat required to bear a triangular inspection legend under par. (d)).
- 7 alpacas, bison, llamas, or rabbits. The following is an illustration of the state inspection legend described in par. (d):
- 8 (4) STANDARDS OF IDENTITY. Labeling of meat and meat food poultry products shall comply
- 9 with applicable standards of identity in 9 CFR 319 and 9 CFR 381 Subpart P. No person may
- misrepresent the identity of any meat or meat food poultry product.
- 11 **(5)** FORMULA APPROVAL. (a) No person may manufacture any meat food or poultry product
- bearing the mark of inspection in a meat establishment licensed under s. ATCP 55.03 unless the
- department first approves the product formula for compliance with applicable labeling and food
- safety requirements, including applicable standards of identity under sub. (4).
- (b) To obtain the department's approval under par. (a), a person shall submit the product
- formula on a form provided by the department. The form shall identify the meat, chemical, and
- other all meat and non-meat ingredients in the product, and shall include any other information
- required by the department.
- 19 **SECTION 36.** ATCP 55.10 (5) (d) is created to read:
- ATCP 55.10 (5) (d) No department formula approval under this chapter is required for meat
- and poultry products that are made in a licensed meat establishment for sale to individual
- 22 consumers if all the following apply:
- 1. The products are produced under a retail food establishment license in accordance with s.
- 24 97.30, Wis. Stats.

- 2. Operation of the retail food establishment meets the requirements of ch. ATCP 75 and 75
- 2 Appendix.
- 3 **SECTION 37.** ATCP 55.10 (6), (7) (a) to (c) and (f) are amended to read:
- 4 ATCP 55.10 (6) LABEL APPROVAL. No person may sell any of the following meat or meat
- 5 food poultry products intended for sale at wholesale unless the department first approves the
- 6 labeling of that meat or those meat food products:
- 7 (a) Meat or meat food poultry products bearing labels that make health, quality, or
- 8 nutritional claims.
- 9 (b) Meat from farm-raised deer, captive game animals, or captive game birds, or meat food
- products made from that meat.
- (c) Meat or meat food poultry products bearing labels that make claims related to
- organizational membership or organizational standards.
- 13 (7) PROHIBITED LABELING PRACTICES. (a) No person may apply, to any meat or meat food
- poultry product, any mark, legend, or label that is false, deceptive, or misleading.
- (b) No person may misrepresent that the department has inspected meat or poultry products,
- or misrepresent the department's inspection findings related to meat or poultry products.
- (c) No person may misrepresent that any meat or meat food poultry product has been
- processed at a licensed meat establishment, or is derived from meat inspected and passed by the
- 19 department.
- 20 (f) No person may sell, transport, or store any meat or meat food poultry product that is not
- 21 marked, labeled, or identified according to this chapter.
- SECTION 38. ATCP 55.11 is amended to read:

- 1 ATCP 55.11 Transporting meat. (1) GENERAL. A person transporting meat or poultry
- 2 products for human consumption shall do so in a manner that keeps the meat or poultry products
- 3 wholesome and unadulterated. Meat and meat food or poultry products for human consumption
- shall be refrigerated maintained at 41° F (5° C) or cooler during transport if they are perishable,
- or if they are labeled "Keep Refrigerated" or "Keep Frozen." The internal temperature of the
- 6 refrigerated products may not exceed 41° F (5° C) at the time of delivery.
- 7 (2) VEHICLES AND FACILITIES. Vehicles and facilities used to transport meat and meat food
- 8 or poultry products shall be constructed and maintained to ensure that the meat and meat food or
- 9 poultry products arrive at their destination in a wholesome and an unadulterated condition.
- Vehicles and facilities shall be adequately equipped to ensure compliance with sub. (1).
- (3) UNWRAPPED MEAT OR POULTRY PRODUCTS. Unwrapped meat and meat food or poultry
- products shall be transported in enclosed vehicles equipped with tight fitting doors, and shall be
- protected from contamination from the vehicle.
- 14 **SECTION 39.** ATCP 55.12 (6) (a) is amended to read:
- ATCP 55.12 (6) RECORDS. (a) A meat broker or meat distributor shall keep all of the
- following records related to transactions in which the meat broker or meat distributor is involved
- as a buyer, seller, or broker of meat or meat food poultry products:
- 18 1. The name and address of the seller.
- 19 2. The name and address of the buyer.
- 20 3. The date and location of sale.
- 4. The types and amounts of meat or meat food poultry products sold.

- 5. If the meat broker or meat distributor takes physical custody of the meat or meat food
- 2 poultry products, complete records related to the receipt, storage, and disposition of that meat or
- 3 those meat food <u>or poultry products</u>.
- 4 **SECTION 40.** ATCP 55.13 (1), (3) and (4) are amended to read:
- 5 ATP 55.13 (1) Process or sell, for human consumption, any unwholesome, adulterated or
- 6 misbranded meat or poultry product.
- 7 (3) Process, store, handle, transport, or sell, under unsanitary conditions, meat or meat food
- 8 poultry products for human consumption under conditions that may render the meat or poultry
- 9 products adulterated.
- 10 (4) Slaughter any food animal for human consumption, or otherwise process any meat or
- meat food poultry products for human consumption, at a place other than a meat establishment
- licensed under s. ATCP 55.03. This prohibition does not apply to slaughter or processing
- operations that are exempted from licensing under s. ATCP 55.03 (2).
- 14 **SECTION 41.** ATCP 55.13 (6) (f) is created to read:
- ATCP 55.13 (6) (f) Concealing records, ingredients, meat or poultry products, labels,
- packaging materials, or any other item that may be observed pursuant to 97.12 (1), Stats.
- SECTION 42. ATCP 55.14 (2), (3), (5), and (6) (Title) are amended to read:
- ATCP 55.14 (2) MEAT HOLDING HOLDING ORDER. (a) The department may issue a holding
- order to prohibit the sale or movement of any meat or meat food poultry product if the
- 20 department has reasonable grounds to suspect that the meat or meat food poultry product is
- 21 unwholesome; adulterated, or misbranded, or otherwise fails to meet the standards or
- requirements of this chapter or ch. 97, Stats. The department may issue a holding order pending
- 23 further examination or analysis to determine whether the meat or meat food poultry product is

- unwholesome, adulterated, or misbranded, or otherwise fails to meet the standards or
- 2 requirements of this chapter or ch. 97, Stats.
- 3 (b) The department shall serve a holding order by delivering a copy to the owner or
- 4 custodian of the meat or meat food poultry products, or by placing a copy in a conspicuous place
- on or near the meat or meat-food poultry products. A "WIS. RETAINED" tag applied under s.
- 6 ATCP 55.06 (5) (f) has the effect of a holding order served under this subsection.
- 7 (c) A holding order remains in effect for 14 days unless the department withdraws it earlier.
- 8 The department may extend a holding order for one additional 14-day period by re-serving the
- order or by leaving the "WIS. RETAINED" tag on the meat or poultry product.
- (d) No person may sell, move, or alter any meat or meat food poultry product under holding
- order, except with the department's <u>written</u> permission. The department may authorize the
- owner or custodian to take appropriate corrective action.
- (e) The department may release a holding order if the department finds that the suspect meat
- or meat food poultry product is not unwholesome, adulterated, or misbranded, or that the
- violation has been corrected.
- 16 (3) MEAT CONDEMNATION CONDEMNATION ORDER. (a) If the department finds that a meat
- or a meat food poultry product is unwholesome, adulterated, misbranded, not inspected and
- approved according to this chapter or s. 97.42, Stats., or not processed according to this chapter
- or s. 97.42, Stats., the department may order the owner or custodian to do any of the following:
- 1. Correct the violation within a reasonable time period in a manner specified by the
- 21 department in writing.
- 22 2. Dispose of the meat or meat food poultry product, in a manner specified by the
- 23 department. The department may order disposal of a meat or a meat food poultry product if a

- violation cannot be corrected, or if the owner or custodian fails to correct the violation within the
- 2 time specified under subd. 1. Returning meat to the recipient of a custom slaughter or custom
- 3 processing service does not correct a violation.
- 4 (b) The department shall serve an order under par. (a) by delivering a copy to the owner or
- 5 custodian of the meat or meat food poultry products, or placing a copy in a conspicuous place on
- or near the meat or meat food poultry products. An order takes effect when served. A "WIS.
- 7 INSP'D and CONDEMNED" mark applied under s. ATCP 55.06 (5) (e) has the effect of a meat
- 8 condemnation order served under this subsection.
- 9 (c) No person may sell, move, or alter any meat or meat food poultry product covered by the
- department's order except as directed by this chapter or by the department.
- 11 (5) REJECTED FACILITIES, EQUIPMENT OR UTENSILS. The department may issue an order
- prohibiting the use of unsanitary facilities, equipment, or utensils that may contaminate meat or
- meat food poultry products. The department may issue an order under this subsection by
- applying a "REJECTED" tag to the facilities, equipment, or utensils. A person may not use the
- equipment or utensils until the violation is corrected and the department withdraws its order.
- 16 (6) MEAT INSPECTION INSPECTION STAFF AUTHORIZED TO ISSUE ORDERS. An authorized
- department employee may issue orders under this section.
- 18 **SECTION 43.** ATCP 55.15 (1) (b) is amended to read:
- 19 ATCP 55.15 (1) (b) Ante mortem or post mortem inspection findings affecting the
- 20 disposition of animals, carcasses, or meat or poultry products.
- 21 **EFFECTIVE DATE.** This rule takes effect on the first day of the month following publication
- in the Wisconsin administrative register, as provided under s. 227.22(2) (intro.).

Date	d this	day of	, 2017.	
			ENT OF AGRICULTURE ER PROTECTION	∃,
Ву	Jeff Lyon	, Interim Secreta	urv	

Wisconsin Department of Agriculture, Trade and Consumer Protection

Initial Regulatory Flexibility Analysis

Rule Subject:

Meat and Poultry Products

Adm. Code Reference:

ATCP 55

Rules Clearinghouse #: Not yet assigned

DATCP Docket #:

16-R-04

Rule Summary

Revised Fee Structure

Currently, a licensed meat establishment is required to pay a \$200 annual license fee or an annual license fee of \$80 if the owner is solely engaged in custom processing at that establishment. After consultation with industry, the Department is replacing the \$200 annual fee with a fee structure based on the activities done at the licensed meat establishment. The maximum fee for any single licensed meat establishment will not exceed \$200 in a year. Fees will not increase for any licensed meat establishment and may decrease for most establishments under the new fee structure.

- A person who is solely engaged in custom processing will continue to pay an \$80 annual license fee.
- A licensed meat establishment will pay annual fees, not to exceed \$200, of:
 - o \$100 for processing cooked meat or poultry products or processing shelfstable uncooked meat or poultry products,
 - o \$100 for the slaughter of livestock other than poultry or rabbits,
 - o \$50 for processing not shelf stable uncooked meat or poultry products,
 - o \$50 for the slaughter of poultry unless exempt from the license fee, and/or
 - o \$25 for the slaughter of more than 3,000 rabbits annually. All rabbit slaughter establishments must be licensed, but there shall be no charge for the slaughter of 3,000 or fewer rabbits annually.

Definition of Livestock

2015 Wisconsin Act 243 broadened the range of animals for which slaughter inspection is provided without fee by the department. Alpacas, bison, llamas, and rabbits are now considered "livestock" and the slaughter inspection fees are eliminated for alpaca, bison, and llama producers who previously had to pay for voluntary inspection of slaughter.

The Department recently learned that rabbit slaughter, done in uninspected facilities (often on-farm) rather than under voluntary for-fee inspection, has been fairly common practice in Wisconsin. This practice had uncertain legality before the passage of 2015 Wisconsin Act 243, and is now clearly prohibited by a statutory requirement that rabbits be slaughtered in a licensed establishment.

This rule legalizes the slaughter of rabbits for entry into commerce by creating a no-cost license category for the slaughter of 3,000 or fewer rabbits annually and instituting baseline sanitation and recordkeeping requirements to adequately safeguard public health while allowing low-volume rabbit producers to develop their businesses. The rule exempts low-volume rabbit slaughter from slaughter inspection requirements, provided the rabbits are slaughtered at the same premises where raised, and recordkeeping and licensing requirements are met.

Retail Food Exemptions

This rule revision ensures that exemptions from the requirement in rule to hold a meat establishment license are consistent with those created by 2015 Wisconsin Act 243. The exemptions affect a greater number of retail food establishments than were previously considered exempt, making the statutory and rule language consistent with USDA regulations.

Many licensed meat establishments operate a retail food establishment on the same premises. These licensed meat establishments manufacture some meat products solely for the retail food establishment part of their business. The packages containing these products are not required to bear the inspection legend that is required for meat products being sold wholesale. However, the existing rule has long been interpreted as requiring that the formula and label of each of these products must be pre-approved by the Department before retail sale. Some business operators have questioned the fairness of this interpretation, as there are no such requirements for other, non-meat, potentially hazardous foods made for retail sale (i.e., fish sausage). In addition, retail food establishments not linked to a meat establishment commonly make and sell meat items without formula (recipe) or label approval, e.g. rotisserie chicken. This rule clarifies the retail meat and poultry products formula and labeling packaging exemptions.

Other Revisions

The rule makes other revisions to update terminology and add definitions to improve clarity. Some revisions are made to align the rule terminology with recent changes in state and federal law. Among these revisions are the following:

- The rule aligns the list of exemptions related to custom processing with statutes. The definition of custom processing is clarified to include both slaughter and processing of meat or poultry products. Currently, meat or poultry may be used for the owner's own consumption, consumption by members of the owner's immediate household, and nonpaying guests. The rule was revised to reflect statutory language that allows consumption by the owner, members of the owner's household, and the owner's nonpaying guests and employees.
- The rule adds the Martin Luther King, Jr. Day holiday to the list of holidays for the purposes of scheduling inspection.

- The rule incorporates 9 CFR 412, which relates to labeling requirements.
- The rule replaces the term "meat and meat food products" with "meat and poultry products" throughout to reflect modification of this definition.

Small Business Affected

This rule will have a generally positive impact on meat and poultry related businesses. The modifications are anticipated to decrease costs for producers of alpacas, bison, and llamas; reduce license fees for most meat establishments and several retail food establishments; and decrease procedural barriers for meat establishment operators running a retail food establishment on the same premises. While rabbit producers may face a slight increase in costs, the ability to slaughter rabbits in an on-farm licensed facility may increase their ability to sell rabbit to restaurants and other retail food establishments. By increasing the number of animal species that can be slaughtered in Wisconsin under no-fee inspection, as opposed to under voluntary for-fee inspection, the rule enhances the economic position of farmers producing alpacas, bison, and llamas.

A draft of the proposed ATCP 55 was posted for public comment on economic impact from June 23 to July 22, 2017. No comments were submitted.

Reporting, Bookkeeping, and other Procedures

This rule legalizes the slaughter of rabbits for entry into commerce by creating a no-cost license category for the slaughter of 3,000 or fewer rabbits annually and instituting baseline sanitation and recordkeeping requirements to adequately safeguard public health while allowing low-volume rabbit producers to develop their businesses. This record keeping requirement is consistent with existing requirements for other animal slaughter and processing. There are no other reporting, bookkeeping, or other procedures in the proposed rule for small businesses.

Professional Skills Required

The proposed rule does not specifically regulate professional skills required for any small businesses.

Accommodation for Small Business

Many of the businesses affected by this rule are "small businesses." This rule does not make special exceptions for small businesses because it applies to meat establishment businesses of all sizes.

This rule includes provisions that will benefit large and small businesses alike. For example:

- This rule is anticipated to decrease costs for producers of alpacas, bison, and llamas. By increasing the number of animal species that can be slaughtered in Wisconsin under no-fee inspection, as opposed to under voluntary for-fee inspection, the rule enhances the economic position of farmers producing alpacas, bison, and llamas.
- The rule also reduces license fees for most meat establishments and several retail food establishments, and decreases procedural barriers for meat establishment operators running a retail food establishment on the same premises.
- While rabbit producers may face a slight increase in costs, the ability to slaughter rabbits in an on-farm licensed facility may increase their ability to sell rabbits to restaurants and other retail food establishments.

Conclusion

This rule will generally benefit affected businesses, including "small businesses." Negative effects, if any, will be few and limited. This rule will not have a significant adverse effect on "small business," and is not subject to the delayed "small business" effective date provided in s. 227.22(2)(e), Stats.

Dated this	, day of, 20
	STATE OF WISCONSIN DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION
	By Steve Ingham, Administrator Division of Food and Recreational Safety

STATE OF WISCONSIN DEPARTMENT OF ADMINISTRATION DOA-2050 (CO4/2012) DIVISION OF EXECUTIVE BUDGET AND FINANCE 101 EAST WILSON STREET, 10TH FLOOR P.O. BOX 7864 MADISON, WI 53707-7864 FAX: (608) 267-0372

EXISTING ADMINISTRATIVE RULESFiscal Estimate & Economic Impact Analysis

Type of Estimate and Analysis Repeal	
2. Administrative Rule Chapter, Title and Number Ch. ATCP 55, Meat and Meat Food Products	
3. Date Rule promulgated and/or revised; Date of most recent Evaluation	
Last revised May 2015, Register No. 713	

4. Plain Language Analysis of the Rule, its Impact on the Policy Problem that Justified its Creation and Changes in Technology, Economic Conditions or Other Factors Since Promulgation that alter the need for or effectiveness of the Rule.

The Department of Agriculture, Trade, and Consumer Protection's state meat and poultry inspection program is governed by ch. 97, Stats., Food, Lodging and Recreation. Wisconsin operates the nation's largest state meat and poultry inspection program, with approximately 260 meat establishments.

Currently, a licensed meat establishment is required to pay a \$200 annual license fee or an annual license fee of \$80 if the owner is solely engaged in custom processing at that establishment. After consultation with industry, this rule will replace the \$200 annual fee with a new fee structure based on the activities done at the licensed meat establishment. The 260 official establishments each now pay \$200. Under the proposed rule, 76 establishments would still pay \$200, 88 establishments would pay \$150, 5 establishments would pay \$100, and 91 establishments would pay \$50. Based on the establishments listed in the 2016-2017 Meat Establishment Directory (subtracting two establishments which have gone out of business), licensing fees charged to official establishments, industry-wide, would decrease by \$18,550. This rule also:

- Eliminates slaughter inspection fees for alpaca, bison, and llama producers who previously had to pay for voluntary inspection of slaughter.
- Legalizes the slaughter of rabbits for entry into commerce by creating a no-cost license category for the slaughter of 3,000 or fewer rabbits annually and instituting baseline sanitation and recordkeeping requirements to adequately safeguard public health while allowing low-volume rabbit producers to develop their businesses.
- Exempts low-volume rabbit slaughter from slaughter inspection requirements, provided the rabbits are slaughtered at the same premises where raised, and recordkeeping and licensing requirements are met.
- Ensures that exemptions from the requirement in rule to hold a meat establishment license are consistent with those created by 2015 Wisconsin Act 243.
- Clarifies the retail meat and poultry products formula and package labeling exemptions.
- Aligns the list of exemptions related to custom processing with statutes, including defining custom processing to include both slaughter and processing of meat or poultry products.
- Adds the Martin Luther King, Jr. Day holiday to the list of holidays for the purposes of scheduling meat inspection.
- Incorporates 9 CFR 412, which relates to labeling requirements.
- Replaces the term "meat and meat food products" with "meat and poultry products" throughout the rule.
- Makes other revisions to update terminology and add definitions to improve clarity.

5. Describe the Rule's Enforcement Provisions and Mechanisms

The Department has specific authority under s. 97.42 (4), Stats., to establish rules to regulate the slaughter and processing of animals and poultry for human consumption, and ch. 97, Stats., includes authority for compulsory inspection of animals, poultry, and carcasses. Wis. Admin. Code ch. ATCP 55 interprets and implements Wis. Stat. ch. 97, as it relates to Meat and Meat Food Products. Wisconsin's meat and poultry inspection program operates under a cooperative agreement with the US Department of Agriculture (USDA) to provide inspection services to meat establishments not engaged in interstate commerce and those enrolled in the Cooperative Interstate Shipment program. The USDA ensures that state programs meet inspection standards that are "at least equal to" federal meat inspection

STATE OF WISCONSIN DEPARTMENT OF ADMINISTRATION DOA-2050 (C04/2012) DIVISION OF EXECUTIVE BUDGET AND FINANCE 101 EAST WILSON STREET, 10TH FLOOR P.O. BOX 7864 MADISON, WI 53707-7864 FAX: (608) 267-0372

EXISTING ADMINISTRATIVE RULESFiscal Estimate & Economic Impact Analysis

standards.				
6. Repealing or Modifying the Rule Will Impact the Following (Check All That Apply) State's Economy Local Government Units	☑ Specific Businesses/Sectors☐ Public Utility Rate Payers☑ Small Businesses			
7. Summary of the Impacts, including Compliance Costs, identifying Business to conduct their Affairs. This rule change is anticipated to decrease costs for producer meat establishments and several retail food establishments; a operators running a retail food establishment on the same pre costs, the ability to slaughter rabbits in an on-farm licensed fa and other retail food establishments. By increasing the number under no-fee inspection, as opposed to under voluntary for-fee farmers producing alpacas, bison, and llamas.	rs of alpacas, bison, and llamas; reduce license fees for most and decrease procedural barriers for meat establishment emises. While rabbit producers may face a slight increase in acility may increase their ability to sell rabbit to restaurants er of animal species that can be slaughtered in Wisconsin			
The rule will not have an economic impact on local governm unaware of any burdens the rule would place on the ability for				
 List of Small Businesses, Organizations and Members of the Pub Summary of their Comments. A draft of the proposed ATCP 55 was posted for public comments were submitted. 	lic that commented on the Rule and its Enforcement and a			
 9. Did the Agency consider any of the following Rule Modifications to reduce the Impact of the Rule on Small Businesses in lieu of repeal? ☑ Less Stringent Compliance or Reporting Requirements ☐ Less Stringent Schedules or Deadlines for Compliance or Reporting ☐ Consolidation or Simplification of Reporting Requirements ☐ Establishment of performance standards in lieu of Design or Operational Standards ☐ Exemption of Small Businesses from some or all requirements ☑ Other, describe: New Ticence fee structure based on product and process risk 				
10. Fund Sources Affected ☐ GPR ☐ FED ☐ PRO ☐ PRS ☐ SEG ☐ SEG-S	11. Chapter 20, Stats. Appropriations Affected			
12. Fiscal Effect of Repealing or Modifying the Rule ☑ No Fiscal Effect ☐ Increase Existing Revenues ☐ Indeterminate ☐ Decrease Existing Revenues	☐ Increase Costs ☐ Could Absorb Within Agency's Budget ☐ Decrease Cost			
13. Summary of Costs and Benefits of Repealing or Modifying the F This rule change is anticipated to decrease costs for producer meat establishments and several retail food establishments; a operators running a retail food establishment on the same precosts, the ability to slaughter rabbits in an on-farm licensed fand other retail food establishments.	rs of alpacas, bison, and llamas; reduce license fees for most and decrease procedural barriers for meat establishment emises. While rabbit producers may face a slight increase in			
The Department believes the changes being presented will hat potential reduction in fees based on product and process risk rule more flexible and equitable for small rabbit processing e	The Department included provisions in order to make the			

STATE OF WISCONSIN DEPARTMENT OF ADMINISTRATION DCA-2050 (C04/2012) DIVISION OF EXECUTIVE BUDGET AND FINANCE 101 EAST WILSON STREET, 10TH FLOOR P.O. BOX 7864 MADISON, WI 53707-7864 FAX: (608) 267-0372

EXISTING ADMINISTRATIVE RULESFiscal Estimate & Economic Impact Analysis

regarding retailing of meat and meat products may reduce the regulatory burden on some of the establishments that have these operations. As the Department concurrently revises ATCP 70 (Food Processing Plants) and ATCP 75 (Retail Food Establishments) to coordinate food business licensing requirements, some establishments may be required to obtain a retail food establishment license instead of, or in addition to, a meat establishment license. Retail food establishment license fees vary according to the scope and nature of processing done at the establishment. Finally, the rule is revised to ensure consistent inspection service to custom meat establishments.

ensure consistent inspection service to custom meat establishments.					
14. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form)					
☐ Yes ⊠ No					
15. Long Range Implications of Repealing or Modifying the Rule					
This rule modification implements provisions of 2015 Wisconsin Act 243. The long range benefits of modifying ATCP)				
55 include clarification of requirements for affected businesses as well as services provided by the Department. The					
revised fee structure for meat establishment licenses will support a range of business types, and clarification of					
terminology, formula and labeling requirements, and exemptions will benefit meat establishments for long-term planning	ng				
and business development.					
16. Compare With Approaches Being Used by Federal Government					
State meat inspection programs operate under a cooperative agreement with the USDA Food Safety and Inspection					
Service (FSIS). Under this agreement, state meat inspection programs are required to adopt regulations that are "at least					
equal to" federal meat and poultry inspection regulations. In addition, Wisconsin is one of four states participating in the Cooperative Interstate Shipment (CIS) program allowing certain selected state-inspected meat establishments to ship	ie				
their products in interstate commerce. States in the CIS program must adopt regulations that are the "same as" federal					
meat inspection regulations.					
The proposed rule will ensure Wisconsin's state meat inspection program is consistent with federal regulations and					
expectations for inspection and enforcement procedures, as well as exemptions from inspection, and suspension of					
inspection.					
17. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)					
Michigan currently does not operate a state meat and poultry inspection program and is not eligible to participate in the					
CIS program. Minnesota, Iowa, and Illinois operate state meat inspection programs similar to Wisconsin's program.					
Illinois' state meat inspection program includes USDA's Federal-State Cooperative program (formerly known as the					
"Talmadge-Aiken" program). Under this program, state inspectors conduct federal inspections, and the inspected					
establishments are thereby allowed to sell their products in interstate commerce.					
18. Contact Name 19. Contact Phone Number					

This document can be made available in alternate formats to individuals with disabilities upon request.