

SENATE BILL NO. 410INTRODUCED BY Burnett

A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING THE STATE MEAT AND POULTRY INSPECTION PROGRAM; AMENDING SECTION 81-2-102, MCA; REPEALING SECTIONS 81-9-216, 81-9-217, 81-9-218, 81-9-219, 81-9-220, 81-9-226, 81-9-227, 81-9-228, 81-9-229, 81-9-230, 81-9-231, 81-9-232, 81-9-233, 81-9-234, 81-9-235, AND 81-9-236, MCA; AND PROVIDING AN EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 81-2-102, MCA, is amended to read:

"81-2-102. Powers of department. (1) The department may:

(a) supervise the sanitary conditions of livestock in this state, under the provisions of the constitution and statutes of this state and the rules adopted by the department. The department may quarantine a lot, yard, land, building, room, premises, enclosure, or other place or section in this state ~~which that~~ is or may be used or occupied by livestock and ~~which that~~ in the judgment of the department is infected or contaminated with an infectious, contagious, communicable, or dangerous disease or disease-carrying medium by which the disease may be communicated. The department may quarantine livestock in this state when the livestock is affected with or has been exposed to disease or disease-carrying medium. The department may prescribe treatments and enforce sanitary rules ~~which that~~ are necessary and proper to circumscribe, extirpate, control, or prevent the disease.

(b) foster, promote, and protect the livestock industry in this state by the investigation of diseases and other subjects related to ways and means of prevention, extirpation, and control of diseases or to the care of livestock and its products and to this end may establish and maintain a laboratory, may make or cause to be made biologic products, curatives, and preventative agents, and may perform any other acts and things as may be necessary or proper in the fostering, promotion, or protection of the livestock industry in this state;

(c) impose and collect ~~such~~ fees as ~~that~~ the department considers appropriate for the tests and services performed by it at the laboratory or elsewhere and for biologic products, curatives, and preventative agents made or caused to be made by the department. In fixing these fees, the department

1 shall take into consideration the costs, both direct and indirect, of the tests, services, products, curatives,
2 and agents. All fees ~~shall~~ must be deposited in the state special revenue fund for the use of the animal
3 health functions of the department.

4 (d) adopt rules and orders ~~which~~ that it considers necessary or proper to prevent the introduction
5 or spreading of infectious, contagious, communicable, or dangerous diseases affecting livestock in this state
6 and to this end may adopt rules and orders necessary or proper governing inspections and tests of livestock
7 intended for importation into this state before it may be imported into this state;

8 (e) adopt rules and orders ~~which~~ that it considers necessary or proper for the inspection, testing,
9 and quarantine of all livestock imported into this state;

10 (f) adopt rules and orders ~~which~~ that it considers necessary or proper for the supervision,
11 inspection, and control of the standards and sanitary conditions of slaughterhouses, ~~meat depots, meat and~~
12 ~~meat food products,~~ dairies, milk depots, milk and its byproducts, barns, dairy cows, factories, and other
13 places and premises where ~~meat or meat foods, milk or its products, or any byproducts thereof~~ intended
14 for sale or consumption as food are produced, kept, handled, or stored. An authorized representative of the
15 department may take samples of a product ~~so~~ produced, kept, handled, or stored for analysis or testing by
16 the department. The records of the samples and their analysis and test, when identified as to the sample
17 by the oath of the officer taking it and verified as to the analysis or test by the oath of the chemist or
18 bacteriologist making it, are prima facie evidence of the facts set forth in them when offered in evidence
19 in a prosecution or action at law or in equity for violation of part 1, 2, or 3 of this chapter, 81-9-201,
20 81-20-101, 81-21-102, 81-21-103, or a rule or order of the board ~~adopted thereunder~~. These standards,
21 insofar as they relate to dairies or milk and its byproducts, may not include standards of weight or
22 measurement.

23 (g) adopt rules and orders ~~which~~ that seem necessary or proper for the supervision and control of
24 manufactured and refined foods for livestock and the manufacture, importation, sale, and method of using
25 a biologic remedy or curative agent for the treatment of diseases of livestock. However, as far as
26 practicable, the standards approved by the United States department of agriculture shall must be adopted.

27 ~~(h) install an adequate system of meat inspection in accordance with 81-9-216 through 81-9-220~~
28 ~~and 81-9-226 through 81-9-236 which shall provide ways and means for shipping home grown and~~
29 ~~home killed meats into any city in this state. As far as practicable, the rules shall conform with the~~
30 ~~meat inspection requirements of the United States department of agriculture.~~

1 ~~(h)~~ slaughter or cause to be slaughtered any livestock in this state known to be affected with or
2 ~~which that~~ has been exposed to an infectious, contagious, communicable, or dangerous disease, when ~~such~~
3 the slaughter is necessary for the protection of other livestock, and destroy or cause to be destroyed ~~at~~
4 the barns, stables, sheds, outbuildings, fixtures, furniture, or personal property infected with ~~any such an~~
5 infectious, contagious, communicable, or dangerous disease when they cannot be thoroughly cleaned and
6 disinfected and the destruction is necessary to prevent the spreading of the disease;

7 ~~(i)~~ indemnify the owner of ~~any~~ property destroyed by order of the department or pursuant to any
8 rules adopted by the department under part 1, 2, or 3 of this chapter, 81-20-101, 81-21-102, 81-21-103;

9 ~~(j)~~ require persons, firms, and corporations engaged in the production or handling of meat, meat
10 food products, dairy products, or ~~any~~ byproducts ~~thereof~~ to furnish statistics of the quantity and cost of
11 the food and food products produced or handled and the name and address of persons supplying them any
12 of the products.

13 (2) When in the exercise of its powers or the discharge of its duties it becomes necessary for
14 employees of the department to investigate facts and conditions, they may administer oaths, take affidavits,
15 and compel the attendance and testimony of witnesses."

16

17 NEW SECTION. **Section 2. Reduction of appropriation.** The appropriation to the department of
18 livestock for the operation of the meat and poultry inspection program, as specified in House Bill No. 2,
19 except for the appropriation from the state special revenue fund for the department of health and
20 environmental sciences' meat inspection contract for meat inspection at the retail level, is reduced by the
21 total amount appropriated for the biennium beginning July 1, 1995, and ending June 30, 1997.

22

23 NEW SECTION. **Section 3. Repealer.** Sections 81-9-216, 81-9-217, 81-9-218, 81-9-219,
24 81-9-220, 81-9-226, 81-9-227, 81-9-228, 81-9-229, 81-9-230, 81-9-231, 81-9-232, 81-9-233, 81-9-234,
25 81-9-235, and 81-9-236, MCA, are repealed.

26

27 NEW SECTION. **Section 4. Effective date.** [This act] is effective July 1, 1995.

28

-END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for SB0410, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

An act eliminating the state meat and poultry inspection program; and providing an effective date.

ASSUMPTIONS:

1. The Executive Budget recommendation serves as the starting point from which to calculate the fiscal impact of this proposed legislation.
2. The bill would eliminate the state Meat and Poultry Inspection Program and relieve the Department of Livestock from any requirement to inspect meat and poultry products.
3. The program is funded with 50% federal revenues and 50% state match.
4. In addition to the direct program revenue, \$22,000 in FY96 and \$33,067 in FY97 of federal special revenue is budgeted in the Centralized Services Program. This would be replaced with state special revenue because the federal reporting requirements workload has been absorbed by ongoing staff.
5. Meat inspection services would be provided by the U. S. Department of Agriculture (USDA).

FISCAL IMPACT:

| | <u>FY96</u> | <u>FY97</u> |
|--|-------------------|-------------------|
| | <u>Difference</u> | <u>Difference</u> |
| Meat & Poultry Program: | | |
| <u>Expenditures:</u> | | |
| FTE | (14,50) | (14,50) |
| Personal Services | (408,730) | (410,771) |
| Operating Expenses | <u>(127,206)</u> | <u>(128,209)</u> |
| Total | (535,936) | (538,980) |
| <u>Funding:</u> | | |
| General Fund (01) | (261,968) | (263,490) |
| Animal Health (02) | (6,000) | (6,000) |
| Meat/Poultry Inspection (03) | <u>(267,968)</u> | <u>(269,490)</u> |
| Total | (535,936) | (538,980) |
| Centralized Services Program: | | |
| <u>Funding:</u> | | |
| State Special (02) | 22,000 | 33,067 |
| Federal Special (03) | (22,000) | (33,067) |
| <u>Revenues:</u> | | |
| Federal Meat Inspection (03) | (289,968) | (302,557) |
| <u>Net Impact on General Fund Balance:</u> | | |
| General Fund Savings (01) | 261,968 | 263,490 |

(Continued)

Dave Lewis 2-27-95
 DAVE LEWIS, BUDGET DIRECTOR DATE
 Office of Budget and Program Planning

Jim Burnett 2/27/95
 JIM BURNETT, PRIMARY SPONSOR DATE
 Fiscal Note for SB0410, as introduced

SB 410

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

The USDA will be responsible for all meat and poultry inspections within the state. This will be an expansion of their current responsibilities for the inspection of approximately 40 slaughter/processing plants.

Although USDA will be doing the meat and poultry inspections, some processing establishments may not or cannot qualify for federal inspections. This could cause some businesses to revert back to custom exempt plants that only process meat and poultry for personal use by the owner of the animals being processed because products can not be used for retail sales. Some businesses, especially small family-run businesses, may close.

TECHNICAL NOTES:

New Section 2. The portion of this section that refers to a contract with the Department of Health and Environmental Sciences for meat inspection at the retail level is unnecessary as the contract is not budgeted for the 1997 biennium.