1	INTRODUCED BY
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4	A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING THE STATE MEAT AND POULTRY INSPECTION
5	PROGRAM; REQUIRING INSPECTION OF CUSTOM SLAUGHTERHOUSES BY LOCAL HEALTH OFFICERS;
6	AMENDING SECTIONS 50-2-118 AND 81-2-102, MCA; REPEALING SECTIONS 81-9-216, 81-9-217,
7	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,
8	81-9-233, 81-9-234, 81-9-235, AND 81-9-236, MCA; AND PROVIDING AN EFFECTIVE DATE."
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10	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
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12	Section 1. Section 50-2-118, MCA, is amended to read:
13	"50-2-118. Powers and duties of local health officers. (1) Local health officers or their authorized
14	representatives shall:
15	(a) make inspections for sanitary conditions, including inspections of custom slaughterhouses in
16	the county;
17	(b) as directed by the local board, issue written orders for the destruction and removal of filth
18	which that might cause disease;
19	(c) with written approval of the department, order buildings or facilities where people congregate
20	closed during epidemics;
21	(d) on forms provided by the department, report communicable diseases to the department each
22	week;
23	(e) before the first day of January, April, July, and October, give a report to the local board of
24	sanitary conditions in the county, city, city-county, or district, together with a detailed account of his the
25	local health officer's activities, on forms and containing information required by the department;
26	(f) before the 10th day after the report is given to the local board, send a copy of the report
27	required by subsection (1)(e) of this section to the department;
28	(g) as prescribed by rules adopted by the department, establish and maintain quarantines;
29	(h) as prescribed by rules adopted by the department, supervise the disinfection of places at the
30	expense of the local board when a period of quarantine ends;





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(i) notify the department of his the local health officer's appointment and changes in membership 1 2 of the local board; 3 (j) file a complaint with the appropriate court if this chapter or rules adopted by the local board or 4 state department under this chapter are violated; (k) validate state licenses issued by the department in accordance with chapters 50 through 53 5 6 of this title. 7 (2) With approval of the department, local health officers may forbid persons to assemble in a place 8 if the assembly endangers public health. 9 (3) A local health officer who is a physician may be placed in charge of a communicable disease hospital, but a local health officer who is a physician is not required to act as a physician to the indigent. 10 (4) A local health officer who is not a physician shall may not act as a physician to anyone." 11 12 Section 2. Section 81-2-102, MCA, is amended to read: 13 14 "81-2-102. Powers of department. (1) The department may: 15 (a) supervise the sanitary conditions of livestock in this state, under the provisions of the 16 constitution and statutes of this state and the rules adopted by the department. The department may 17 quarantine a lot, yard, land, building, room, premises, enclosure, or other place or section in this state 18 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 19 20 disease-carrying medium by which the disease may be communicated. The department may quarantine 21 livestock in this state when the livestock is affected with or has been exposed to disease or 22 disease-carrying medium. The department may prescribe treatments and enforce sanitary rules which that 23 are necessary and proper to circumscribe, extirpate, control, or prevent the disease. 24 (b) foster, promote, and protect the livestock industry in this state by the investigation of diseases 25 and other subjects related to ways and means of prevention, extirpation, and control of diseases or to the 26 care of livestock and its products and to this end may establish and maintain a laboratory, may make or 27 cause to be made biologic products, curatives, and preventative agents, and may perform any other acts 28 and things as may be necessary or proper in the fostering, promotion, or protection of the livestock industry 29 in this state;

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(c) impose and collect such fees as the department considers appropriate for the tests and services



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

6 (d) adopt rules and orders which that it considers necessary or proper to prevent the introduction 7 or spreading of infectious, contagious, communicable, or dangerous diseases affecting livestock in this state 8 and to this end may adopt rules and orders necessary or proper governing inspections and tests of livestock 9 intended for importation into this state before it may be imported into this state;

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

12 (f) adopt rules and orders which that it considers necessary or proper for the supervision, 13 inspection, and control of the standards and sanitary conditions of slaughterhouses, meat depote, meat and 14 meat food products, dairies, milk depots, milk and its byproducts, barns, dairy cows, factories, and other 15 places and premises where most or most foods, milk or its products, or any byproducts thereof intended 16 for sale or consumption as food are produced, kept, handled, or stored. An authorized representative of the 17 department may take samples of a product so produced, kept, handled, or stored for analysis or testing by 18 the department. The records of the samples and their analysis and test, when identified as to the sample 19 by the oath of the officer taking it and verified as to the analysis or test by the oath of the chemist or 20 bacteriologist making it, are prima facie evidence of the facts set forth in them when offered in evidence in a prosecution or action at law or in equity for violation of part 1, 2, or 3 of this chapter, 81-9-201, 21 22 81-20-101, 81-21-102, 81-21-103, or a rule or order of the board adopted thereunder. These standards, 23 insofar as they relate to dairies or milk and its byproducts, may not include standards of weight or 24 measurement.

(g) adopt rules and orders which that seem necessary or proper for the supervision and control of
manufactured and refined foods for livestock and the manufacture, importation, sale, and method of using
a biologic remedy or curative agent for the treatment of diseases of livestock. However, as far as
practicable, the standards approved by the United States department of agriculture shall must be adopted.
(h) install an adequate system of most inspection in accordance with 81-9-216 through 81-9-220
and 81-9-226-through 81-9-236 which shall provide ways and means for shipping home grown and

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1	home killed meats into any city in this state. As far as practicable, the rules shall conform with the
2	meat inspection requirements of the United States department of agriculture.
3	(i) slaughter or cause to be slaughtered any livestock in this state that are known to be affected
4	with or which has that have been exposed to an infectious, contagious, communicable, or dangerous
5	disease, when such slaughter is necessary for the protection of other livestock, and destroy or cause to
6	be destroyed all the barns, stables, sheds, outbuildings, fixtures, furniture, or personal property infected
7	with any such an infectious, contagious, communicable, or dangerous disease when they cannot be
8	thoroughly cleaned and disinfected and the destruction is necessary to prevent the spreading of the disease;
9	(j)(i) indemnify the owner of any property destroyed by order of the department or pursuant to any
10	rules adopted by the department under part 1, 2, or 3 of this chapter, 81-20-101, 81-21-102, 81-21-103;
11	(k)(j) require persons, firms, and corporations engaged in the production or handling of meat, meat
12	food products, dairy products, or any byproducts thereof to furnish statistics of the quantity and cost of
13	the food and food products produced or handled and the name and address of persons supplying them any
14	of the products.
15	(2) When in the exercise of its powers or the discharge of its duties it becomes necessary for
16	employees of the department to investigate facts and conditions, they may administer oaths, take affidavits,
17	and compel the attendance and testimony of witnesses."
18	
19	<u>NEW_SECTION.</u> Section 3. Repeater. Sections 81-9-216, 81-9-217, 81-9-218, 81-9-219,
20	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,
21	81-9-235, and 81-9-236, MCA, are repealed.
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23	NEW SECTION. Section 4. Effective date. [This act] is effective July 1, 1997.
24	-END-

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Fiscal Note for SB0218, introduced

DESCRIPTION OF PROPOSED LEGISLATION:

An act eliminating the state Meat and Poultry Inspection Program and requiring inspection of custom slaughterhouses by local health officers.

ASSUMPTIONS:

Department of Livestock:

- 1. The Executive Budget recommendation for the 1999 biennium is the basis for the calculation in this fiscal note which includes present law base adjustments and new proposals.
- 2. This bill would eliminate the Meat and Poultry Inspection Program at the Department of Livestock.
- The program is funded with 50% federal and 50% state match.
- Meat inspection services would be provided by local health officers and USDA federal inspectors.
- 5. This legislation would eliminate the cooperative agreement the State of Montana has with the USDA. As provided in the federal Meat Inspection Act and the federal Poultry Product Inspections Act, the USDA Food and Safety Inspection Service would assume the entire program if the state program were eliminated.
- 6. A loss of \$10,573 in FY98 and \$10,573 in FY99 would occur in the Centralized Services program budget for administrative overhead. Because there will still be ongoing federal reporting requirements, these funds would be replaced with state special revenue.

Department of Public Health and Human Services:

7. The department is unable to develop assumptions that would indicate the fiscal impact.

FISCAL IMPACT:

Meat and Poultry Inspection Program:

Mut and rourory improved	FY98	EY99
Expenditures:	Difference	Difference
FTE	(16.50)	(16.50)
Personal Services	(506,757)	(507,586)
Operating Expenses	(119,971)	(113,862)
Equipment	(1,217)	(1,217)
Debt Service	<u>(31,740</u>)	<u>(42,600</u>)
Total	(659,685)	(665,265)
<u>Funding:</u>		
General Fund (01)	(328,957)	(331,692)
State Special (02)	(1,634)	(1,681)
Federal Special (03)	<u>(329,094</u>)	<u>(331,892)</u>
Total	(659,685)	(665,265)
Centralized Services Program:		
Funding Switch:		
Federal Funds (03)	(10,573)	(10,573)
State Special Revenue (02)	10,573	10,573_
Revenue:	(220, 224)	(221, 000)
Federal Meat Inspection (03)	(329,094)	(331,892)
Net Impact on Fund Balance: (R		331,692
General Fund (01)	328,957	331,692
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DAVE LEWIS, BUDGET DIRECTOR	DATE / JIM BURN	IETT, PRIMARY SPONSOR
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Fiscal Note Request, <u>SB0218, as introduced</u> Page 2 (continued)

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

The local health authorities will assume meat inspection responsibilities. Federal inspections outside a cooperative agreement will occur and there will be duplicate inspections.

The Montana Association of Counties (MAC) estimates costs to local government health departments will be about \$400,000 annually.

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

The USDA will be responsible for all meat and poultry inspections within the state, expanding their current responsibilities for the inspection of approximately 35 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 cannot be used for retail or wholesale sales. Some businesses, especially small family-run businesses, may close.

The cost of federal inspections is two to three times higher than state inspections. These costs will be passed on to the federal taxpayer.