

**DEPARTMENT OF FOOD AND AGRICULTURE
MEAT, POULTRY AND EGG SAFETY BRANCH
ECONOMIC IMPACT ASSESSMENT**

Subject Matter of Proposed Regulations

Custom Livestock Slaughterhouses

Section(s) Affected

Adopt sections 901.12, 901.13 and 908.12; Amend sections 900 and 904.15

Business Impact

The Department of Food and Agriculture (Department) has determined that this regulatory proposal will not have any impact on the creation of jobs or businesses or the elimination of jobs or existing businesses or the expansion of businesses in California.

The Department has made an initial determination that the proposed regulatory action will have no significant, statewide adverse economic impact directly affecting California businesses including the ability of California businesses to compete with businesses in other states.

The Department has made an initial determination that this regulatory proposal will impact the Custom Livestock Slaughter industry, including plant personnel, Licensed Meat Inspectors. The Department's proposal affects small businesses.

The Department is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

These determinations are based on the fact that this proposal augments the safe handling procedures of meat and poultry at Custom Livestock Slaughterhouses in accordance with sections 407, 18693, 18735, 18960, 18961 and 19014 of the Food and Agricultural Code.

Persons/Businesses affected by this proposal:

- There are approximately 38 licensed Custom Livestock Slaughterhouses in California. In Fiscal Year 2012/13 approximately 112,384 head of livestock were slaughtered that weighed a total of approximately 22,127,014 pounds.
- There are approximately 119 Livestock Meat Inspectors licensed by the Department who conduct ante-mortem and post-mortem inspections at Custom Livestock Slaughterhouses in California.

Anticipated compliance requirements as a result of this proposal:

- *Paperwork requirement:* Under this proposal, safe handling instructions are to be provided to customers by authorized plant personnel after the meat is cut, packaged, labeled and released to the customer. The instructions can be a part of the label, or a separate flyer provided to the customer. The instructions are to outline the proper refrigeration of raw meat, and the cooking and reheating temperatures to prevent the growth of harmful bacteria that could cause food borne illnesses, as specified in this proposal. The Department believes the cost to businesses is minimal to insignificant, as labeling of the product is an existing requirement under section 909.9 (Custom Prepared Products) of Title 3 of the California Code of Regulations.

Benefits of the proposed regulation to the health and welfare of California residents, worker safety, and the State's environment

This proposal will enhance the health and welfare of California residents, worker safety, and the State's environment by implementing pathogen reduction measures at Custom Livestock Slaughterhouses. The proposal contains cleaning and sanitizing requirements to ensure worker safety at slaughterhouses and the safety of licensed Livestock Meat Inspectors who conduct ante-mortem and post-mortem inspections of carcasses and meat from carcasses that is intended for human consumption. The proposal is intended to reduce any potential disease outbreaks from harmful bacteria, such as, Salmonella, which is the most common form of food poisoning. This proposal also requires consumer education on the safe handling of fresh raw meat that might have pathogenic material on it and the need to refrigerate, handle and cook meat in a way that will protect consumers from food-borne illness. Implementing pathogen reduction intervention measures will make meat safer and will prolong shelf life of product. When handled properly, such meat and poultry products are safe and wholesome for human consumption.

The above determinations are based on the fact that the proposed regulations are needed to implement additional sanitation, pathogen reduction, and consumer education procedures at Custom Livestock Slaughterhouses in accordance with sections 407, 18693, 18735, 18960, 18961 and 19014 of the Food and Agricultural Code.

This proposal benefits the public and the Custom Livestock industry. The purpose is to augment the sanitation, pathogen reduction and consumer education procedures at Custom Livestock Slaughterhouses due to recent Salmonella outbreaks associated with these State-licensed and inspected slaughter facilities. The proposed requirements will serve to ensure that meat and poultry products are clean, safe and wholesome for human consumption. Custom Livestock Slaughterhouses are defined in section 18946 of the Food and Agricultural Code, to mean a licensed establishment where (a) cattle, sheep, swine, or goats are slaughtered and prepared for the owners of the livestock, and (b) fallow deer are slaughtered and prepared for transportation and/or sale. Conditions at slaughter facilities must be sanitary, as defined in section 18948 of the Food and Agricultural Code, which states that "sanitary" means free from dirt, filth, and contamination and free from any other substance or organisms which are known to be injurious to human health or which would render the product adulterated. If meat and poultry at slaughter are not properly handled, packaged, and labeled to describe safe handling of the raw meat could cause contamination of the products. If the meat is not refrigerated and cooked properly, it could cause food borne illnesses, such as Salmonella, which is the most common form of food poisoning. This proposal also requires that safe handling statements must be provided to customers which are meant to educate customers that meat might have pathogenic bacteria on it and they need to refrigerate, handle and cook meat in a way that will protect them from food-borne illness.

Economic Impact Assessment Conclusion

The Department has made an initial determination that the proposed regulatory action will not have any significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states by making it more costly to produce goods or services, and that it will not create or eliminate jobs or occupations. The proposal does not affect the creation of new businesses or the elimination of existing businesses within the State of California, and does not affect the expansion of businesses currently doing business within the State of California. The proposed regulation benefits human health, worker safety, and the environment by implementing pathogen reduction intervention measures that will make meat safer and will prolong shelf life of product. This proposal also

requires that safe handling statements must be provided to customers which are meant to educate customers that meat might have pathogenic bacteria on it and they need to refrigerate the meat and handle and cook meat in a way that will protect them from food-borne illness. When handled properly, such meat and poultry products are safe and wholesome for human consumption. This proposal benefits the custom livestock slaughter industry and the public by implementing additional sanitation, pathogen reduction, and consumer education procedures at Custom Livestock Slaughterhouses in accordance with sections 407, 18693, 18735, 18960, 18961 and 19014 of the Food and Agricultural Code.