

LFC Requester: _____

**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

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SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original Amendment
Correction Substitute

Date 02/02/2024

Bill No: HB 162

Sponsor: Jimmy Mason
Susan K. Herrera
Harlan Vincent
Short Title: Meat Inspection Act

Agency Name and Code: NMDA-199
Number: _____
Person Writing: Jeff Witte
Phone: 575-646-5063 Email: Hrickner@nmda.nmsu.edu

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: SJC Sub for SB 37
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

The House Judiciary Committee Substitute for HB 162 directs the New Mexico livestock board (NMLB) to adopt rules necessary to establish a state meat inspection program for the inspection, processing and sale of meat and poultry products that meets or exceeds the standards and requirements under the Federal Meat Inspection Act, the federal Poultry Products Inspection Act, and the Humane Methods of Slaughter Act of 1978, and also include rules to: license meat and poultry processing and manufacturing facilities; deem horse slaughter for human consumption as adulterated; establish fees and license requirements; and provide inspection services.

NMLB will coordinate with federal authorities to ensure alignment with and approval of the state meat inspection program. Upon federal approval, NMLB will only administer and enforce the meat inspection program.

Unless a person acted in good faith, violation of rules adopted by NMLB will be considered a misdemeanor. Providing a guilty verdict is rendered, sentencing provisions include up to one year imprisonment in county jail and a one thousand dollars (\$1000.0) fine.

FISCAL IMPLICATIONS

None to the New Mexico department of agriculture (NMDA).

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

SIGNIFICANT ISSUES

A state-level meat and poultry inspection program would help ensure access to inspection personnel who are geographically located throughout the state and can inspect livestock animals processed in-state in a timely fashion to increase the efficiency of our value-added meat industry and improve food safety measures. State grocery retailers, foodservice distributors and institutional

buyers are eager to see more local buying opportunities for local meat. Small to mid-size producers across the state have expressed interest in selling direct for public consumption.

State-run meat inspection programs help support local agriculture by adding value and improved economic opportunities for New Mexico agricultural producers and processors while supporting our local economies. Producer and handler investments in livestock are a significant and crucial element of the state's rural economy.

According to the USDA FSIS, seven (7) livestock slaughter facilities currently have a federal grant of inspection, allowing for public sale and human consumption. NMDA is aware of an additional twenty-three (23) facilities operating within the state as custom-exempt livestock slaughter operations. A custom-exempt operation can only slaughter and process livestock for the exclusive use of the livestock owner(s). This product cannot be sold to the public and is for immediate consumption. Custom exempt facilities are subject to periodic, risk-based inspection by USDA FSIS and/or state regulatory authorities.

Meat inspection services for those state processing businesses that wish to sell for public consumption are currently provided by USDA FSIS.

The House Judiciary Committee Substitute for HB 162 directs NMLB adopt rules necessary to conform to federal law, for the possible future petition of United States Department of Agriculture (USDA), Food Safety and Inspection Service (FSIS) for said concurrence and funding assistance. Upon USDA FSIS endorsement, the state's meat and poultry inspection program would receive up to 50% cost share for operation of the program.

PERFORMANCE IMPLICATIONS

N/A

ADMINISTRATIVE IMPLICATIONS

N/A

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

TECHNICAL ISSUES

Administration and enforcement of a state meat inspection program by the NMLB is predicated on the federal government's approval. The federal government authority for state meat inspection is the USDA FSIS.

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Should HJC Sub for HB 162 not be enacted, the NMLB would not adopt rules required to establish, administer, and enforce a state meat and poultry inspection program for the inspection, processing and sale of meat and poultry products that meet or exceed standards set forth by the federal government. State meat and poultry slaughtering establishments, processors or manufacturers who are, or wish to sell meat products for public consumption and ensure the safety and quality of meat for human consumption must utilize the USDA FSIS meat and poultry inspection service.

AMENDMENTS

N/A