

## IDEA



## Meat Regulations in Illinois

Initiative for the Development of Entrepreneurs in Agriculture

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## Introduction

Direct sales of meat by farmers to consumers present a profitable opportunity for Illinois farmers who want to move a few steps up the value added chain in order to make greater returns on their product. However, unsanitary meat poses serious risks in terms of severity and frequency of injury. This means that potentially a lot of people could become ill, and their illnesses might be serious or fatal. So, federal, state and local governments closely scrutinize and highly regulate the processing and sale of meat. This article concisely examines essential points that farmers interested in selling meat and poultry directly to consumers should know. Meat enterprises require careful legal and business analysis beyond the coverage of this article. Further, any business requires careful planning regarding financial liability--this particularly applies to anything in which food is sold directly to consumers. For example, meat sellers should also contemplate forming limited liability entities, familiarize themselves with the broad requirements of Hazard Analysis and Critical Control Point plans (HAACP) and other sanitary protocols. Further, any business venture should be adequately insured and this point most definitely applies to meat processing.

## Processing Options

Generally, where the meat will ultimately be sold determines how it must be processed. In addition, there are only so many meat processing plants in Illinois so geography also plays an important role. For example, there currently are not many plants available for small farmers who want to process poultry, so the availability of processing may determine what marketing options exist. Depending on where their farms are located in relation to processing plants, Illinois farmers may have several processing options or few to none. These options are as

follows: USDA inspected, State inspected, Freezer meat or type II plant (not inspected) on farm processing for poultry.

## USDA Inspection

If an animal is processed at a USDA inspected plant, while a federal meat inspector is present, that meat may be sold anywhere in the United States. This meat bears the stamp of the USDA, and each plant has an establishment number which appears on their stamp. It may be sold across state lines, it may be sold at farmers markets subject to public health requirements and the rules of the farmer's market. This is truly the gold standard of meat sales. This meat goes anywhere including out of state and everybody will accept the inspection. However, meat sales are also regulated at the local level. For example, just because the meat is federally inspected does not mean a local municipality or farmers market has to permit it to be sold at the farmers market. Anyone planning on selling meat at a farmers market should carefully look at the rules of the market to find out if meat sales are approved at that market.

## Illinois Inspected

The gold standard for Illinois would be meat processed at an Illinois state inspected facility when an Illinois meat inspector was present. This meat would be like USDA inspected meat for the State of Illinois. Providing the farmers market allowed it and it was located in Illinois, it could be sold at a farmers market. It could also be sold to a grocery store. While Illinois state inspected meat and poultry may not be sold across state lines, it could freely be sold across the width and breadth of Illinois from Cairo to Rockford.

## Freezer Meat (Type 2 Plant) Illinois

Another option exists in the form of freezer meat. Freezer meat is meat processed in the State

of Illinois at a type 2 meat plant. This meat is inspected at neither the state nor federal level. A sale of type 2 or freezer plant meat is technically not a meat sale to a consumer because in this case this meat is not really offered for retail sale in Illinois. Instead, the consumer is sold the live animal and as a service, the animal is processed. As such this meat may not be sold at the retail level anywhere in Illinois or any other state. In addition, the meat must not have the Illinois or USDA seal of approval on it, and it must be wrapped in opaque white paper and stamped "not for sale." These are the regulations as they apply to cattle, sheep and hogs.

### Poultry On Farm Processing Exemption Illinois

Illinois offers small poultry producers an exemption to the requirement that their meat be inspected. It is important to note that while this is an exemption from inspection it is not an exemption from hygiene. The meat must be processed in a safe and wholesome manner. Persons seeking poultry processing exemptions are not required to have HACCP (hazard analysis and critical control point plan) plans in place. Basically, this exemption allows a person who meets the requirements and applies for the exemption, to slaughter and sell up to 5,000 poultry animals per calendar year without having them inspected. The poultry farmers must not buy or sell poultry products other than those produced on their farm or premises. The poultry must be sold or delivered to the consumer on or from the premises for which the exemption is given. The slaughter or processing must be done in a sanitary manner. Department personnel may periodically inspect the processing area. Application for this exemption must be made in writing to the Department. If approved, then the exemption goes into effect when the person receives written notice from the Department. Unless it is revoked, an exemption is in effect for 2 years. The exempt person must keep adequate records to prove that no more than 5,000 exempted poultry were slaughtered or processed in one calendar year. The exemption applies to 5,000 total animals, so all classes of poultry count toward the quota of 5,000 total animals. Processors may not process 5,000

chickens and 5,000 ducks for example. The records must be kept for one year following the termination of each exemption. If the exempt poultry raiser advertises, then the advertisement must show the fact of the exemption so as not to mislead the consumer. Producers should not give the impression through labeling or advertising that the poultry has been inspected under the Meat and Poultry Inspection Act.

For Illinois farmers, selling meat directly to consumers can be a winning proposition for all parties. Farmers are able to move up a rung on the value added chain which allows them to keep more profit on the farm. Consumers can buy fresh meat with a unique taste from people they know. The beginning and essential first step is to know the rules regulations and requirements of meat processing in Illinois. Any one contemplating the sale of meat to consumers should strongly consider consulting with an attorney before beginning such a venture.

Below is a simple chart that illustrates options in Illinois:

Operation	Animal	Labeling	State	Retail
USDA inspection		Labeled USDA inspected with USDA seal	Yes	At farm- ers markets directly to consum- ers
Illinois State Inspection		Illinois Department of Ag seal	Any- where in State	Yes, Stores, Farmers
Type 1 Plant				Markets or con- sumers
Illinois State Type 2 Plant		Must be labeled not for sale	May not be shipped across state lines	May not be sold at retail
On Farm Poultry Exemption		Not for sale plain white paper	In Illinois	May not be sold at retail, stores or farmers markets

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