

# Q&A: Custom exempt slaughter and processing

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## What is custom exempt slaughter and processing?

To protect the safety of the food supply, the Federal Meat Inspection Act, or FMIA, imposes specific requirements on companies that slaughter and process livestock and poultry for sale to the public. In addition to storage, sanitation and building requirements, there is also a requirement that the plant be under "continuous inspection" at all times during which animals are being slaughtered and processed.

One exemption to the FMIA, typically called "custom exempt", is for animals being processed on behalf of the owner, which may then only be consumed by the owner, the owner's family and non-paying guests. Custom exempt products may not be sold or donated. Because the resulting products will not enter into the stream of commerce, the continuous inspection requirements, among others, do not apply. Instead, custom slaughter plants are inspected on a periodic basis, sometimes as infrequently as once a year. These plants are, however, expected to meet the same requirements for sanitation that USDA-inspected plants must meet, as well as keep certain specified records.

### Who can perform this function?

Inspectors with the United States Department of Agriculture, Food Safety and Inspection Service (USDA-FSIS) are ultimately responsible for making sure FMIA requirements are met. However, in some states, USDA-FSIS has entered into cooperative agreements with state agencies that agree to impose requirements "at least equal to" those enforced by the federal guidelines. Those cooperative agreements allow for state-paid inspectors to conduct the continuous inspection required of products that will be sold into commerce. In those states without such a program, USDA-FSIS is responsible for all inspected products.

In states with cooperative agreements, products from plants that are inspected under these guidelines by state inspectors are eligible to be sold within that state. There are a few specific situations in which state-inspected products may be sold across state lines, but they are the exception rather than the rule. On the other hand, products processed in facilities that are inspected by federal inspectors (whether or not there is a state program) may be sold throughout the country and even into international markets.

Arkansas does not have a state inspection program, and as a result USDA-FSIS is the agency in charge of supervision of all inspected slaughter facilities. Further, USDA-FSIS is also in charge of conducting the periodic inspections of custom facilities.

#### What regulatory agencies cover this practice?

For both custom and inspected slaughter, USDA-FSIS is responsible for ensuring compliance, and does so in partnership with state agencies (where applicable). For a state-by-state breakdown of the agencies responsible for each component, please visit the National Agricultural Law Center's site <u>here</u>.

Can livestock producers sell live animals direct-to-consumer?

Under certain circumstances, yes. A producer can sell a live animal to a consumer (or half an animal to one consumer, and a quarter of the animal to each of two additional consumers, or something similar). At this point, the consumer becomes the owner of the animal. The producer then delivers the animal to a custom slaughter facility on behalf of the owner/consumer, and the owner/consumer works directly with the custom slaughter facility to determine what types of cuts should be processed. The processed meat is then stamped "not for sale," and the owner may not sell or give it away. It may only be consumed by the owner, the owner's family, and non-paying guests. The consumer is responsible for payment to both the producer (for the live animal) and the processor (for the slaughter/processing).

## Can livestock producers sell processed meat from their animals direct-to-consumer?

Under certain circumstances, yes. In order to comply with federal law, all meat that will be offered for sale or donation must be from animals that have been slaughtered and processed in an inspected plant. In addition to having the animals slaughtered and processed at an inspected facility, the producer is still responsible for fulfilling any storage and/or sanitation requirements that the health department may have regarding its retail sale.