

## INTERSTATE SHIPMENT OF MEAT AND STATE MEAT INSPECTION

**ISSUE:** The formation and implementation of an interstate compact for the purpose of shipping red meat across state lines.

**OVERVIEW:** In the 2021 South Dakota Legislative Session, House Bill 1219 was introduced to form an interstate compact for the purpose of shipping red meat across state lines. South Dakota had been working with the Food Safety and Inspection Service to implement a Cooperative Interstate Shipment (CIS) program to allow participating facilities located within South Dakota to ship meat and meat products interstate. Approval of the South Dakota CIS program was received in June of 2021.

Currently, 34 South Dakota facilities participate in state meat inspection and will now be eligible to meet the additional standards to allow interstate shipment of their products. Additionally, state inspectors will be trained to apply the federal inspection stamp to products from those facilities to transport them across state lines. Furthermore, it is important to notice that there are currently three types of meat inspection available: State-federal, state, and custom. The participation in the CIS program will not jeopardize these three forms.

South Dakota now joins eight other states: Indiana, Iowa, Massachusetts, Missouri, North Dakota, Ohio, Vermont, and Wisconsin are CIS approved states. This federal approval allows qualified facilities to ship their products to any and all 50 states. Ohio, North Dakota, and Wisconsin have been the first states to receive approval for their CIS programs in 2012 and 2013.

### CONSIDERATIONS:

1. The Interstate Compact Proposal does not meet federal standards and is not in compliance with the Federal Meat Inspection Act. Supporters of HB 1219 favored suing the federal government over this issue and using HB 1219 as the basis.

2. The loss of the federally approved state meat inspection would have placed 34 existing businesses in jeopardy, and it would have ended the pursuit of the CIS proposal.
3. The only other state to consider the Interstate Compact Proposal is Montana. Additionally, the Montana bill passed in a severely amended form.
4. The most recent state to give up their state meat inspection program was New Mexico. When New Mexico eliminated its program, 60% of the businesses who were using state meat inspection closed their operations and ceased to perform business.

**SDFB POLICY:** SDFB holds policy for the continuance of the state inspection for meat locker facilities and products.

**DISCUSSION:**

1. Should SDFB support the continuation of the state meat inspection program?
2. Should SDFB support the CIS program and prefer it to an interstate compact program?
3. What impact would this change have on meat processing facilities, specifically those that operate in South Dakota?
4. For the CIS program to continue, South Dakota will need to continue its state meat inspection program. South Dakota pays for approximately one-half of the cost of state meat inspection and the federal government contributes the remainder of the \$2 million program. What financial implications would occur if South Dakota were to eliminate its state meat inspection program?