

Date: March 9, 2010

To: Bryan Hurlburt, Vice Chair
Legislative Committee
Connecticut General Assembly

From: Gary Proctor, Chairman
Connecticut Poultry Association

Re: Raised Bill No. 5419
An Act Concerning Farms, Food, and Jobs

On behalf of the Connecticut Poultry Association, I would like to thank you for including language addressing poultry processing in Connecticut. We are very excited about the opportunities that exist in Connecticut to market locally grown poultry. With the rise of consumer interest in locally grown foods in recent years, there is a strong demand for locally grown poultry in Connecticut. There are poultry farmers in CT interested in meeting this demand. However, current rules limit the sale and marketing of locally grown poultry here in Connecticut.

Benefits of this Proposed Legislation:

1. CT JOBS AND ECONOMY – There is significant consumer interest to buy locally grown poultry. Likewise, there is significant farmer interest in growing local poultry. Considering the multiplier effect of direct sales, the economic impact to jobs and the economy would be very significant. For example, Massachusetts already has rules similar to what is being proposed here. This allows for direct marketing of local poultry. For example, comparing just turkey production in MA (70,000 birds/yr) compared to CT (5,000 birds/yr). If CT increased to MA production levels, the following conservative impact on revenue and jobs would result:

Added direct sales of turkeys to consumers -	\$4,000,000/yr
Added feed sales to turkey farms -	\$ 800,000
Added payroll at 25% of above sales -	<u>\$ 1,200,000</u>
Added local economic impact -	\$6,000,000
Added \$40,000 per year jobs -	30 jobs

This is just turkeys! Strong potential for chickens, capons, waterfowl, pheasants, and related products etc. also exists.

2. TOURISM – Retail and value added farms contribute significantly to Connecticut's tourism appeal. Removing roadblocks to marketing local poultry will give rise to more retail farm stands that can begin offering poultry products.
3. FOOD SECURITY - Benefits food security in Connecticut since more food being produced locally means less travel and distribution where interruption of transportation or adulteration of the product could occur.
4. ENVIRONMENT - Benefits the environment because poultry grown locally does not need to be trucked potentially thousands of miles from the farm, to the processing facility, to a distribution center, to the retail store, and finally to the consumers table.

5. CONSUMERS - Benefits the consumers in Connecticut that are looking for locally grown poultry and currently finding it difficult to find.
6. FARMERS – Provides entrepreneurial opportunity to CT farmers interested in developing poultry enterprises.
7. CT AG VIABILITY – By opening up a new market opportunity (value added poultry) to Connecticut's farms, the opportunity to diversify and grow will add to the viability of Connecticut's farms.
8. FARMLAND PRESERVATION – Expanded agricultural market opportunity and improved farm viability will support more demand for farmland in Connecticut (pastured poultry needing pasture, and corn land to grow grain to feed local poultry).

Current Situation:

1. Farmers raising poultry for meat in CT have no options to have their poultry processed at government inspected facilities.
 - a) State inspected facilities do not exist in CT. The Connecticut Department of Agriculture does not provide an inspection program for poultry processing facilities. All of our neighboring States (New York, Rhode Island, & Massachusetts) do provide State inspection for their poultry farm processing facilities. State inspection is only applicable to farms in that state, as poultry processed at State inspected facilities may be sold only inside of that state. Inter-state sale would require Federal USDA Inspection.
 - b) There are no USDA inspected poultry processing facilities in New England that provide custom processing of another farm's poultry. The closest facilities offering this service are in Maryland, Virginia, and Pennsylvania, and even those have limited capacity that would result in scheduling problems, especially for farms growing birds for holiday markets (such as Thanksgiving turkeys). Most of the USDA poultry processing in the US is controlled by large corporate processors or by family farms that have grown large enough to build their own USDA inspected processing facility. These facilities typically process only their own birds. (Note: USDA inspected poultry are processed: in facilities that are USDA inspected AND with a USDA inspector on hand during processing to conduct individual bird by bird inspection).
2. The Federal USDA Food Safety & Inspection Service (FSIS) has existing regulations exempting small farms and processors of poultry from the full requirements of USDA inspection in the United States.

These exemptions were created for two reasons;

- a) Small processor's (under 20,000 birds per year as defined in the regulations) do not process enough birds to justify the USDA inspection staff to be present during processing. This staff is provided at no cost to the processor, and if all small processor's required inspection, one can only imagine the number of inspectors that would have to be hired to visit many small farms all over the countryside.
- b) The infrastructure requirements of a USDA plant are very costly to construct and would be financially unfeasible for small farmers/processors. Since the intent was not to prevent small farms and enterprises from being able to operate in a feasible manner, these

exemptions were implemented. This allows small businesses an opportunity to get started and grow within the limits of the exemption. If they expand beyond the limits, then they must invest in the infrastructure necessary to meet USDA inspection (at which time they have the critical mass to do so in a feasible manner).

“Exempt” birds must be labeled as such, may not be sold in “inter-state commerce”, but CAN BE sold to consumers, restaurants, stores, institutions, and food establishments within the state that that are processed.

3. Connecticut does not recognize these FSIS poultry exemptions. Only one “custom exemption” that applies to all meat and poultry in recognized in Connecticut.
 - a) This allows the owner of livestock and poultry to hire a “custom processor” to process their livestock or poultry for their exclusive personal use.
 - b) Therefore, when a farmer sells beef, pork, lamb, or poultry, etc. to a customer, they are technically selling the live animal to the customer, and the customer is hiring the custom processor to process the meat or poultry for their “exclusive personal use”.
 - c) This results in a significant restriction to the marketing of poultry in CT. Meat producers have options, as there are several USDA inspected plants in Southern New England that can process meat. As noted, these options do not exist for poultry producers.
 - d) The FSIS exemptions referred to in #2 above are unique to poultry processing. USDA’s FSIS rules allow poultry processed at exempt facilities that meet sanitary standards to be sold intra-state to restaurants, stores, institutions, hotels, and food establishments.

Our Objective:

1. Establish USDA’s FSIS Exemption rules as being applicable in Connecticut.
2. Establish State of Connecticut poultry processing facility inspection to be completed by the Connecticut Department of Agriculture. Passing state inspection supports that the facility meets “sanitary standards” as is required under FSIS rules.
3. Establish qualifying exempt facilities in CT that receive and pass CT Department of Agriculture facility inspection as being approved sources for dressed poultry to restaurants, stores, institutions, hotels, and food establishments.

Suggested Language:

(respectfully submitted as our suggestion in order to provide a clear and simple intent)

1. Eliminate the changes being proposed in Section 6 of Raised Bill 5419. These refer to custom processing of livestock (which are not poultry). We support the existing custom exemption for livestock and poultry, where the owner of the animal can have the animal custom processed for their “exclusive personal use” should not be changed so that existing protocols for this market continues unchanged.
2. Replace existing language in the New Section 7 to Raised Bill 5419 with the following:

“The commissioner of Agriculture shall be the state official in charge of poultry processing facility inspections. Poultry processing facilities that meet the applicable criteria for Federal Food Safety and Inspection (FSIS) exemption and have passed Connecticut Department of Agriculture facility inspection shall be designated as approved sources for restaurants, stores, institutions, hotels, and food establishments within the State of Connecticut.”

Thank you for your consideration of our thoughts and input on this very important topic concerning the future of CT agriculture. If you have any questions please do not hesitate to contact me (my cell phone is 860-716-9064).

Sincerely,

A handwritten signature in cursive script that reads "Gary L. Proctor".

Gary Proctor

Chairman

Connecticut Poultry Association