

Economic Impact Statement

LSA Document #10-122

IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses

1. Description of the Rule

The rules update requirements governing the slaughter of livestock and poultry and processing of meat and poultry products including:

- a. Amending [345 IAC 9-2-1](#), [345 IAC 9-7-4](#), and [345 IAC 9-7-5](#) to clarify scheduling procedures for state provided inspection.
- b. Amending [345 IAC 9-2.1-1](#) and [345 IAC 10-2.1-1](#) to update federal regulations incorporated by reference.
- c. Adding [345 IAC 9-17-20](#) and [345 IAC 10-14-27](#) concerning quantity of contents labeling and requirements for accurate weights to be consistent with federal requirements.
- d. Makes other changes in the law governing the slaughter of livestock and poultry and the processing of meat and poultry products.

2. Description of Affected Industry

The Indiana State Board of Animal Health (BOAH) provides inspection services to 129 meat and poultry slaughter and processing establishments, including custom exempt establishments, in the state.

3. Reporting, Record Keeping, and Other Administrative Costs

State inspected meat and poultry slaughtering and processing businesses are currently required to comply with the meat and poultry inspection rules. The proposed changes will impose requirements on small businesses but will not substantially increase their reporting, record keeping, or other administrative costs.

The proposed rule adds [345 IAC 9-17-20](#) that requires meat plant operators to use only scales that meet certain requirements and requires that the scales be inspected for accuracy. This provision was added to maintain consistency with federal meat inspection regulations (9 CFR Part 442). The Indiana State Department of Health in conjunction with local government currently inspects scales and other measurement devices under the state weights and measures program. [IC 24-6-3](#) and [410 IAC 12-1](#). The proposed rule recognizes these existing programs, standards, permits and inspections as sufficient to meet the meat inspection rule requirements.

4. Estimated Total Annual Economic Impact on Small Businesses

The BOAH does not anticipate increased costs to small businesses as a result of adopting the updated standards as compared to the current standards.

5. Justification for Costs

The BOAH is required by state and federal law to maintain meat and poultry inspection rules that are at least equal to the standards in the federal Meat Inspection Act (21 U.S.C. 601 et seq.) and the federal Poultry Products Inspection Act (21 U.S.C. 451 et seq.). [IC 15-2.1-24](#) and 21 U.S.C. 661(a)(1). The proposed rule changes are required to maintain equal to status.

6. Regulatory Flexibility Analysis

The requirements in the proposed rule changes are no more stringent than federal standards. State and federal law prohibits standards that are less stringent than federal standards. 21 U.S.C. 601 et seq., 21 U.S.C. 451 et seq., and [IC 15-2.1-24](#). Therefore, alternative methods were not selected.

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An [html](#) version of this document.