Meat and Food Advisory Committee Meeting Agenda (DRAFT)

January 30, 2013

10:30 a.m.-12:30 p.m.

Room 365 Haecker Hall, St Paul Campus, U of MN

Wayne Martin, University of Minnesota Extension

Mike Phillips, Three Sons Meat Co.

Paul Hugunin, Minnesota Grown, Minnesota Department of Agriculture

Jane Jewett, MISA, University of Minnesota

Doug Peterson, Minnesota Farmers Union

Colleen Paulus, Minnesota Department of Health, Environmental Health

Sarah Leach, Minnesota Department of Health

Megan O’Hara, Homegrown Minneapolis

Jan Joannides, Renewing the Countryside

Jennifer Stephes, Minnesota Department of Agriculture

Nikki Neeser, Minnesota Department of Agriculture

Ryan Cox, University of Minnesota

John Mesko, Sustainable Farming Association

Kathy Zeman, Minnesota Farmers Market Association

Jon Christensen, Erdman’s County Market (MAMP representative)

Pat Neily, Just Food Co-op

Absent: Katherine Waters, University of Minnesota Extension

+1.    Introduction of participants (Wayne Martin)

Members of the committee introduced themselves

2.    Background information. How we got here and why this discussion was started. (Jane Jewett)

A subset of the current committee began meeting in September 2012, but the path here has been in process for some time. When Wayne Martin worked for MISA (before he moved to Extension), he and Jane regularly discussed issues they were hearing in the field in regards to meat processing.

The issues came into further focus in the fall of 2011, when Jan Joannides moved into the role of Endowed Chair in Agricultural Systems at MISA, with a focus on processing, and particularly, meat processing. Jan’s work included surveying farmers who direct market meat products and surveying consumers. One of the findings was that there was confusion around the regulations and a frustration that information provided to farmers seemed inconsistent.

Then, the Sustainable Farming Association received a Farmers Market Promotion Program grant to explore opportunities and barriers of local meat sales and local meat processing, specifically in Northern Minnesota. John Mesko at SFA brought MISA on board to help with this project. This led to further discussion between Jane, Wayne, John and Jan, who decided that we needed to develop a space to have these discussions.

This small group approached the Dairy and Food Inspection division at MDA, and Nicole Neeser agreed to meet with this group. We expanded the group for the preliminary meetings. Participants included Wayne Martin, Jane Jewett, Jan Joannides, Jennifer Stephes, Nikki Neeser, Ryan Cox, John Mesko, and Kathy Zeman.

We began meeting in September 2012 to hash out what this group would look like and what its scope would be. Those meetings led to some preliminary documents and a decision to expand the committee and bring in other stakeholders.

Issues - Which Rules?

Kathy Zeman noted that at the Farmers Market Association in the fall of 2012, there were presenters from MDA and MDH addressing rules that producers and farmers markets must follow. It quickly became apparent that things are quite confusing and even the regulators had difficulty articulating who regulates what and where and when certain rules apply.

Colleen explained that the MDA and MDH share the Minnesota Food Code (in Minnesota Rules Chapter 4626). Typically, MDA regulates farmers, processors, and grocery store sales; and MDH regulates restaurants, schools, other food service, and special event stands.

Things get further complicated because in some cases, MDA and MDH delegate their regulating authority to other agencies (e.g. cities or counties).

MDA has 8 delegations

MDH has 34 delegations

In these cases, the delegated authority has, at a minimum, to adopt the statute and rules from the state. But they can choose to have stricter rules than the state’s rules, so it is complicated. MDH and MDA work with the delegated entities to try and have consistency. They conduct evaluations every five years to ensure that they are following state statues and rules. (Copies of the delegation agreement and evaluation materials for MDH are their website).

To further complicate things, there are also federal agencies (USDA and FDA) that regulate some parts of the system.

An example of the complexity: A farmer who sells at several farmers markets may have to follow three different set of rules depending on who the regulatory authority is for each city. And in addition to food safety laws, communities can also have local ordinances that may apply.

And Then There’s Meat

There are areas where authority is never delegated. For example, meat inspection and dairy inspection are never delegated to a local level. That inspection always happens at the state level or above (i.e. USDA). Minnesota has about 60 E2-inspected meat plants and a little over 200 USDA-inspected plants. Inspected plants are not just traditional slaughter companies. For example, a pizza maker who puts pepperoni on a pizza and sells it across state lines would need to be USDA inspected. Size of entities that are inspected run from the very small to a business like Hormel that processes 19,000 pigs a day.

Additionally, there are custom-exempt plants (i.e. plants who process animals for the owner, but not for resale). Some plants do custom-exempt processing some days of the month and E2 or USDA on other days. And some of these businesses also have retail counters. Businesses that do multiple things may have multiple permits, but they would only have one license from the state – which would be based on what their primary business is.

Enough Inspectors?

MDA was asked if they have enough inspectors to meet the needs of businesses. Neeser noted that they are in pretty good shape right now, but a year or two ago they were turning plants away. If the state can’t provide an inspector, they send them to USDA, because USDA has to provide an inspector to plants that meet the criteria. The state generally only provides inspection for slaughter to each processor a maximum of 3 days a week. If they need more than that, MDA has them talk with USDA.

Balancing the supply and demand is a constant challenge. The state needs a plant to be in compliance before they can guarantee an inspector, and businesses often don’t want to invest in getting to that point if they aren’t guaranteed an inspector. And some plants struggle with not having enough volume, so they call and cancel the inspector for the week.

Where the plants are located also can be a challenge. If a single plant wants inspection just a day or two a week, and they are located 4 hours from the nearest inspector, it becomes an expensive proposition for the state. Currently there is not an inspector stationed in the southeast or the southwest.

Another problem is that issues that affect inspectors have a ripple effect. If an inspector is sick, or their car breaks down, then the processor is stuck because he has farmers who have set aside that day to bring in their animals, etc. There may not be an easy solution to this issue, but it is a reality.

There are no fees charged to businesses for inspection – either USDA or E2 – as long as you process “amenable” species. USDA changes by the hour for non-amenable species – which include bison, elk, and deer. MDA does not charge for these. There is the standard licensing fee for these businesses.

Slaughter Plants

There was some discussion of the availability of slaughter plants. Phillips noted that there is a deficit in plants that do the sorts of processing that some chefs are now looking for – such as scalding pigs.

It was also noted that the investment for a small-scale slaughter facility is very large. Cox noted that a stand alone slaughter plant is not a profit center and will run in the red, and that these businesses are only able to make it by doing further processing.

Peterson asked about mobile processing. It was noted that there is useful information on the NMPAN website. Generally, these have been funded by grant funds and the long-term viability of them isn’t clear. Zeman indicated that SARE did a review, and very few of these have survived after the grant funding. These facilities also have to have an inspector if the product is going to be sold (except in the case of poultry, there are some exceptions).

Funds Available

Hugunin announced that grant funds are available through the state’s new Minnesota Value Added grant program. A priority area this fiscal year is meat processors. The grant provides up to 25% of the cost, and a maximum of $70,000 to processors for equipment purchases or physical improvements; and 50% of costs, up to $30,000 for business planning, feasibility studies, succession planning.

Paulus applauded this effort to try and come together to reduce confusion and work towards more consistency across the system. She noted that if we can articulate what it is that we need to fix and what we need to work towards, then we can work together to resolve issues. We need to be able to discuss issues so we can be sure that we find resolutions that work.

It was noted that this structure provides a place where issues can be discussed without fear of retribution. We will provide a means for people to bring up issues anonymously.

Scope of Work - Jan

The scope of work was reviewed.

The language suggests that MDA has signed on to be a stakeholder in the process, and Paulus asked if there are other government agencies who should be included. Would it be too broad to say “Minnesota Government agencies”?

Stephes noted that it would be good to have it broader, as we’ll see the complexity of issues by having input from multiple agencies. Hopefully, that will help move us towards clear and consistent answers.

Paulus indicated that the Department of Health could make a commitment to be a stakeholder in the process. They also have ways they communicate with various audiences, like the food safety partnership program Leach coordinates. They send info out to 3,000 people, do video forums, and have people stream meetings. They also have a website. The video forum has been very successful in reaching a broad group, and as MDH is co-located with MDA, they would be willing to work together on some of these.

Recommendation was to change first line to: “Help State of Minnesota to achieve its goals …, instead of help “MDA to achieve its goals.” Then name both MDA and MDH as the two agency partners who are integral to this (instead of just MDA).

Also, issues are happening at the delegated authority level – this group can bring this to MDH and MDA so they can get additional information and work out the issues.

In terms of FDA – there are working relationships between MDA and FDA, but this generally would not affect small producers. FDA does work with MDA if there is an outbreak. MDH met with an FDA consultant to be sure they were interpreting the food code correctly. In some cases, FDA and MDH or MDA people will go out and do inspections side-by-side.

Sales Across Borders

Petersen asked where things were on the legislation that opened up the possibility for sales across state borders. Neeser reported that the legislation was passed and it is in Title 5: Cooperative Interstate Shipment of Inspection of Meat. However, the hurdles to operate under this title are such that MN has decided not to pursue it at this time. It would be very costly for the state because the state Equal-to program would have to be exactly like the USDA-inspected program, meaning that inspectors would have to go to every USDA training (currently MDA does its own), the department would have to shift from their current computers and software to federal computers. There would be regular USDA audits. Neeser says they just haven’t had enough interest from plants to make it worth considering seriously.

Committee Mission and Parameters of Activity (Jane Jewett)

Jewett reassured the group that for those who don’t have a burning interest in the world of meat, the committee will go beyond that. It will address a broad range of topics including: farmers’ markets issues; sale of produce to retail; to restaurants; to schools.

This committee will provide a non-adversarial space – so we can do problem solving around issues. Also, the committee members should remember that MDA and MDH do not make the laws, and they don’t change the laws. We can discuss what needs to be changed, but need to understand that if policy change needs to happen, that will need to happen outside of the committee.

Neeser noted that in some cases agency staff can influence laws, but generally they have laws dictated to them and they have to abide by those laws.

Paulus noted that currently the Food Code is open for comment, so if there is anything that needs to be recommended – now is the time to have an influence. Once they get the code back from the revisor’s office, it will go out to stakeholders for comment.

Also, statute changes can be done as an agency initiative. This begins in August and has to go through the governor’s office. Statute changes can also be proposed by external groups. With this path, someone would bring a statute change to the legislature and it would go through the legislative process.

Jewett noted we want this to be a forum – rather than put the responsibility on committee members to take on governance. Martin, Jewett and Joannides will take on the staffing role. The Steering Committee will come up with the agendas, but welcomes input from the larger committee.

Petersen noted that there may be policies that need tweaking, and if this group can bring up where the impediments are, that could serve as advisory info to those figuring out what the parameters are.

O’Hara asked if there was a way to focus on different sectors at different meetings, such as farmers’ markets, farm to school, restaurants …

Phillips asked why anyone would select MDA E2 over USDA. Are there advantages or disadvantages? He is working on getting a USDA inspected facility up and running and have found USDA people helpful, as well as Joellen Feirtag at U of MN, who is helping write HACCP plans and validating and doing testing.

Stephes noted that some processors like to stay local. They might have a good relationship with their current inspector, and find it easy to get their questions asked. They don’t want to broaden beyond the local market, so don’t need USDA inspection.

Others see the big picture right away and think they may expand in the future to want to do out of state sales, so then USDA is definitely the way for those to go.

Christensen said he was USDA in 70s and 80s, but then opted out and went to state-inspected, which he prefers. He found USDA could be difficult because of some of the rules and because everything had to be validated.

Phillips noted that might be a role for the state for those who want to go USDA – to help with HACCP plans and providing validation.

Mesko noted there will be a session at the SFA conference. Some members of this group will be there – - this will provide an opportunity for this committee to launch and be recognized – and to receive input. Mesko noted that until we have input, it may be difficult to set up protocols on how to deal with that input.

It was agreed that as we receive comments, we will sort through them here and see how to go about addressing them.

Zeman noted that farmers’ markets are particularly tricky because they cross a lot of lines. The MN Farmers Market Association is in the process of writing a farmers’ market certification – to help them be sure that they understand all the rules – that will include MDH, MDA. Would like to push that forward for this committee.

There was interest in having a road map to the agencies. Start with something basic that is something like a flowchart to help people figure out what they need to know.

We need to identify expectations:

Respond to emails in timely manner

Respond to phone calls

We’re going to be developing specific protocols as we go–how we respond.

We want to help and we want to serve. Can have a win for everybody.

Question: Does it make sense to apply for a SARE PDP grant to do training of professionals in this area?