

Economic Impact Statement
LSA Document #12-108

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 9-2.1-1](#) and [345 IAC 10-2.1-1](#) to update federal regulations incorporated by reference.
- b. Authorizing the agency to participate in a cooperative program with the United States Department of Agriculture (USDA) for interstate shipment of state-inspected meat and meat products and poultry and poultry products under 9 CFR Part 332 and 9 CFR 381, Subpart Z.
- c. Making 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 130 meat and poultry slaughter and processing establishments in the state that are regulated by the proposed rules.

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.

Provisions that authorize participation in the cooperative program for interstate shipment of state-inspected products are optional for meat and poultry establishments.

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 15-17-5](#) and 21 U.S.C. 661(a)(1). The proposed rule changes are required to maintain the state program's "equal to" status.

Rule changes that authorize participation in the cooperative program for interstate shipment of state-inspected products are optional for meat and poultry establishments. Therefore, meat and poultry establishments may avoid all costs associated with this program by choosing to not participate.

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 15-17-5](#). Therefore, alternative methods were not selected.

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