ATTRA Sustainable Agriculture



By Ann Baier, NCAT Agriculture Specialist Published Oct. 2021 ©NCAT IP610 This publication describes legal approaches to processing poultry in California and is intended to be read alongside ATTRA's publication *Approaches to Processing Poultry Meat for Sale: Navigating Regulations across the United States.*

Producer and processor networks can be invaluable resources for practical knowledge and industry experience to help you plan and sustain a successful poultry enterprise, especially as you learn to navigate the regulations.

American Pastured Poultry Producers Association (APPPA)

Niche Meat Processor Assistance Network (NMPAN)

Contents

Approaches to
Processing Poultry
Meat for Sale in
California1

Practices for
Processing of
Poultry with
USDA and State
Inspection
Exemptions4

Choose a Safe	
and Sound	
Approach that	
Fits your Farm	5

Further Resources 5

This publication is produced by the National Center for Appropriate Technology through the ATTRA Sustainable Agriculture program, under a cooperative agreement with USDA Rural Development. ATTRA.NCAT.ORG.



Broiler carcasses exiting an automated feather-picking machine. Photo: Mark Freeman



Appropriate equipment, such as this small-scale plucker, facilitate on-farm processing. Photo: Ann Baier, NCAT

Approaches to Processing Poultry Meat for Sale in California

Poultry producers in California can process birds and sell poultry meat through one of four different legal approaches to poultry inspection, or through exemption from inspection. The best approach for your farm depends on your current scale of operations and marketing strategies, as well as your farm and family priorities. Inspected poultry products from an "Approved Source" have broader marketing options.

- 1. USDA Inspected
- 2. CDFA Licensed + USDA Exempt Uninspected Poultry not from an "Approved Source" may be sold directly to consumers only (see CDFA's Exempt Poultry Slaughter Guidelines, with links to regulations and forms).
- 3. Not Registered + USDA Exempt +CDFA Exempt USDA-Inspected Plant
- 4. CDFA Registered Custom Exempt + USDA Exempt + CDFA Exempt

Related ATTRA Poultry Resources ATTRA.NCAT.ORG

Small-Scale Poultry Processing

Meat Plants: Improving Profitability in Small Operations

Working with your Meat Processor

Database of Small Poultry Processing Plants and Services

Podcast Episode 83. Poultry Processing

Podcast Episode 98. Poultry Processing Strategies

1. USDA-Inspected Plant

For more details on USDA inspection and exemption, refer to the ATTRA publication *Approaches to Processing Poultry Meat for Sale: Navigating Regulations across the United States.* Poultry processed at a federally inspected USDA plant may be sold directly to consumers or to retail or wholesale customers, and it may be sold within the state or enter interstate commerce. Facilities operate with daily birdby-bird inspection by an inspector of the U.S. Department of Agriculture's Food Safety and Inspection Service (USDA-FSIS), as mandated by the Poultry Products Inspection Act (PPIA). Provided they qualify, products are labeled and sold as "USDA inspected and passed."

One of the main challenges to this approach is that, although there are many USDA plants, the ones that will do fee-for-service processing for independent producers are few and far between. NMPAN's Find a Processor list currently lists just three such plants in California. Is there one that is reasonably accessible to your farm location?

An advantage to processing in an existing USDA plant, in addition to the expansive marketing opportunities for poultry products, is the relatively low capital investment. The cost of equipment needed to take birds to be processed (crates and transportation) is small compared to the costs of setting up an acceptable (state-licensed or exempt) poultry-processing facility and the time required to develop an adequate set of operating procedures. The day of processing in a USDA plant involves the work of crating birds the night before, driving them to where they will be processed, and waiting to pick them up. Compare this to carrying out the work of doing your own processing, cleaning and sanitation, recordkeeping, and waste-water and offal management.

2. CDFA-Licensed Plant + USDA Exemption

California is a "designated" state, one of several States Without Inspection Programs. Its meat and poultry inspection program is not "equal to" USDA inspection. Because it is not USDA inspected, poultry processed in a CDFA or California state-licensed facility must qualify for a USDA Exemption. Poultry meat inspected in a CDFA-licensed plant may be sold to any retail customer within California, including hotels, restaurants, and institutions, according to the criteria of the USDA exemption under which the producer is operating in the calendar year. Products may not be sold wholesale (for resale), and may not enter interstate commerce.

CDFA does not place a limit on the number of birds that can be processed in a state-inspected facility. However, each USDA exemption specifies a limit on the number of birds that may be processed and includes other sales restrictions. The poultry operation must keep records to document compliance with the federal inspection exemption under which they operate each calendar year, whether Producer/ Grower, Producer/Grower or Other Person, Small Business Enterprise, or Retail Exemption.

In California, plants are licensed by the California Department of Food and Agriculture (CDFA). Procedures for Obtaining State Meat or Poultry Inspection describes the necessary steps to establish a poultry plant and obtain a Poultry Plant License. One of the requirements is licensing a qualified on-site Poultry Meat Inspector (PMI) who is responsible for daily bird-by-bird inspections. With appropriate training, the producer, or his or her employee, may obtain a Poultry Meat Inspector (PMI) license. All application forms, as well as inspection manuals, are on the CDFA's Meat and Poultry Division: 916-900-5004.

Definitions of Poultry

Poultry are species that fall under the USDA definition of Poultry in 9 CFR 381.1 as any domesticated bird ("chickens, turkeys, ducks, geese, guineas, ratites, or squabs, also termed young pigeons from one to about thirty days of age"). Poultry may be processed in either a federally inspected or state-licensed plant. Species that are not included in the list in the federal definition of poultry (e.g., pheasant, quail) are referred to as non-amenable species. Non-amenable species (including rabbits, which are considered poultry under CDFA regulations) can be processed either at USDA-inspected, or USDA-exempt/CDFA-licensed facilities. Because USDA inspection is voluntary for non-amenable species, the producer must pay inspection costs. There is no annual limit on the number of rabbits processed under CDFA licensing.

3. Not Registered + USDA Exempt + CDFA Exempt

Poultry producers who qualify for a USDA Exemption and meet the criteria for one of the two California Exemptions from inspection may slaughter and sell up to 1,000 birds per year directly to consumers within the state, without formal registration. Paraphrased, CDFA inspection exemptions allow for poultry to be processed either of two ways:

- a) with only immediate family labor: may be sold to consumers on-farm, or off-farm at customers' homes or in a farmers market (provided it is allowed by local regulations); or
- b) with employees when the entire production is sold directly from the farm (not for resale).Exempt products are not considered to be from an "approved source"; may not be sold

to hotels, restaurants, or institutions (HRI). USDA exemptions limit sales from exempt, unregistered processing to <1,000 birds per year. Please note that all poultry operations are subject to inspection and periodic review.

4. CDFA Registered Exempt Poultry Establishment + USDA Exempt + CDFA Exempt

In order to sell more than 1,000 birds per year, a business must register with CDFA as a USDA Exempt Poultry Establishment by completing and submitting an Exempt Poultry Establishment Registration Form. The limit on the number of birds per year that an exempt operation may slaughter for sale is specified by the federal exemption under which the business operates

Exemption from USDA Inspection

The Poultry Products Inspection Act (PPIA) mandates poultry inspection by the U.S. Department of Agriculture's Food Safety and Inspection Service (USDA-FSIS). Poultry not federally inspected must qualify for one of the exemptions from inspection described in the PPIA. Operations that qualify for exemption from federal inspection must comply with all other federal, state, and local laws applicable to poultry processing. Criteria common to all federal exemptions include but are not limited to: a) Poultry are healthy when slaughtered; b) Processing is sanitary, producing products fit for human consumption (not adulterated); and c) Product is properly labeled with the owner's name and address (responsibility statement), safe-handling instructions, and identified as exempt product with the statement Exempt P.L. 90-492. A business may operate under only one exemption in a calendar year and must keep records to document practices and production. Exempt product may not move in interstate commerce but may be sold only within the state, territory, or District of Columbia where it was produced. Read the regulations carefully! Each exemption includes detailed criteria and limitations with respect to customers, number of birds, equipment, or facilities. Sale of product is not allowed under Personal Use or Custom processing. Producer/Grower; Producer Grower or Other Person; and Small Business Enterprise exemptions limit sales to a maximum of 20,000 birds per year. Retail exemption limits production weight and/or dollar amounts.

Exemption from California State Inspection

Poultry not inspected in a state-licensed facility, in addition to qualifying for federal inspection exemption, must also meet the criteria to qualify for one of the exemptions from California state (CDFA) inspection requirements. The Food and Agriculture Code (FAC) specifies that USDA Exempt/CDFA-Exempt poultry may be sold either:

- a) per FAC section 24713, directly to the consumer at their homes, at a retail stand operated by the producer on their farm, or in a farmers market (if allowed by local regulations), if they use only immediate family labor; or
- b) per FAC section 24714, by selling the entire poultry production directly from the farm (not for resale), with employees allowed. Products that are neither USDA-inspected or processed in a CDFA-licensed facility are considered not to be from an approved source, and may not be sold to hotels, restaurants, or institutions.

In summary, a poultry operation that meets one of the exemptions from federal inspection (per USDA's FSIS), and one of the California state (CDFA) exemptions from inspection may process poultry without daily bird-bybird inspection by a licensed poultry meat inspector. All operations, however, are subject to periodic review of exempt poultry plants, which CDFA performs for the USDA (under Cooperative Agreement), and to investigations by local agencies. during that calendar year. As with a statelicensed poultry facility, a Registered Custom Exempt* Poultry Establishment is exempt from federal bird-by-bird inspection requirements only; poultry processors must comply with all other relevant federal requirements for inspection, namely 9 CFR 303 and 381, and recordkeeping requirements. Any establishment can claim only one exemption per calendar year; no establishment can claim two or more exemptions at a time.

*Note that the term "Custom Exempt" used in this context is distinct from the "Custom Processing" exemption associated with federal inspection, in which livestock is processed for an owner's personal use, and whose meat may not be sold.

State inspectors are contracted by the USDA to perform custom exempt reviews, which take place at least once a year. Requirements to operate with a USDA Custom Exempt Poultry Establishment Registration are described in CDFA's document *Exempt Poultry Slaughter Operations*, which includes links to key regulations and guidelines for poultry slaughter, best management practices (BMP), and a community supported agriculture (CSA) flowchart.

Practices for Processing of Poultry with USDA and State Inspection Exemptions

Consistent quality control ensures wholesome food, worker health and safety, and viable business practices. Reliable resources include ATTRA's *Small-Scale Poultry Processing*, NMPAN's *A Best-Practices Guide to Open-Air Poultry Slaughter*, Butte County Environmental

Table 1. Four Approaches to Processing Poultry Meat for Sale in California

(California is a designated state, meaning California's meat and poultry inspection program is not "equal to" USDA inspection)

Approach	Inspection or Exemption	Marketing Options	Limitations on Volume	Limitations on Species	Proper Labeling*	
Products from an "Approved Source" include poultry processed in a USDA-inspected or CDFA-licensed plant, and these have broader marketing options.						
1. USDA-Inspected Plant	Daily bird-by-bird inspection by USDA poultry inspector	Any customer (retail or wholesale); In-state or Interstate commerce	No limit on number of birds.	Poultry "amenable species" per USDA definition of poultry ****	"USDA inspected and passed"	
2. CDFA Licensed Facility; USDA Exempt	USDA Exemption + Inspection by a CDFA-licensed Poultry Meat Inspector	Any retail customer within the state of California. Limited HRI sales. No wholesale.	Per USDA Exemption, slaughter <1,000 or <20,000 birds ***	Poultry or non- amenable species (also rabbits, per CDFA regulations)	"Exempt PL 90-492" + "Inspected for Wholesomeness Under Supervision California Dept. Of Food and Agriculture Plant No"	
Not from an "approved source." Exempt products may be sold directly to consumers; not to hotels, restaurants, or institutions (HRI).						
3. USDA Exempt CDFA Exempt Not Registered	Subject to periodic review and USDA/CDFA investigations	Sales <1,000 birds per year, directly to consumers	<1,000 birds/year	Poultry or non- amenable species	"Exempt PL 90-492" * (recommended)	
4. USDA Exempt CDFA Exempt CDFA Registered	State inspects processing set-up and procedures 1-4X/year	Must register to sell >1,000 birds/ year, directly to consumer.	<1,000 or <20,000 or more birds per year, per the USDA Exemption claimed	Poultry or non- amenable species	"Exempt PL 90-492" * (required)	

*Name and address of processor and safe-handling instructions are always required. Additional information is required depending on exemption type and/or approach. **See On-farm Poultry Meat Processing with United States Department of Agriculture (USDA) Exemption https://ucanr.edu/sites/CESonomaAgOmbuds/Poultry_Processing_ Exemptions

***Voluntary USDA inspection of non-amenable species can be done at the producer's expense.

****Under Retail Exemption: Unlimited direct sales; Sales to HRIs limited to 25% of poultry product sales and dollar-amount limit per year, set by FSIS.

Health's On-Farm Poultry Slaughter Guidelines, and Tennessee's detailed guide Managing Risks of On-Farm Poultry Processing. These resources outline essential processing steps, practical sanitation materials and dilutions, required recordkeeping, and key components of a Hazard Analysis and Critical Control Point (or HACCP) Plan, including Standard Operating Procedures (SOPs) for quality control in cleaning and sanitizing. Grown in Marin provides links to guides on processing waste water and managing offal (through rendering or composting poultry waste on-farm).

Choose a Safe and Sound **Approach that Fits** your Farm

No matter which regulatory pathway you chooseh—USDA plant, CDFA-licensed facility, or processing yourself on-farm or in your own facility (under USDA and CDFA inspection exemptions), the underlying goals are the same: Ensure quality standards (healthy birds, sanitary processing, proper labeling) to produce wholesome food, please your customers, and keep them safe and healthy. Remember that all operations are subject to periodic inspection and must comply with all other federal, state, and local regulations as they apply to poultry production, processing, recordkeeping, and business management.

Producers must comply with all applicable regulations. Steps to find, understand, and comply with regulations take time, patience, and perseverance! Please refer directly to agencies responsible for regulations on poultry production and processing businesses. In addition to national and state rules, local regulations come into play with respect to everything from building codes to sale of products. Look up your local health department, municipality, farmers market board, or other bodies with marketing authority.

Upcoming Event Listings and Recorded Learning Opportunities NCAT/ATTRA NCAT.ORG/EVENTS Food Animal Concerns Trust (FACT) • UC Davis ucanr.edu/sites/poultry/events

- UCCE Ombudsman (Marin) growninmarin.org/index.cfm?calendar=yes&g=31137
- foodanimalconcernstrust.org/webinars
- APPPA apppa.org/events
- NMPAN nichemeatprocessing.org/nmpan-webinars

Further Resources

Producer and Processor Networks, Education, and Mentoring Resources

American Pastured Producers Association (APPPA): nonprofit trade organization for the pastured poultry industry, apppa.org

- Membership: apppa.org/join-us
- "Ask APPPA" Q&A calls: apppa.org/about
- Poultry processing regulations: apppa.org/regulations

Niche Meat Processors Assistance Network (NMPAN), nichemeatprocessing.org - A national Extension project and processors network

- · Poultry specific resources: nichemeatprocessing.org/poultry-specific-resources
- Links to the PPIA: fsis.usda.gov/wps/portal/fsis/topics/rulemaking/poultry-products-inspection-acts
- Sample HACCP plan:
- fsis.usda.gov/wps/wcm/connect/e9465d08-b602-4fd0-b617-3598d3922b63/HACCP-5.pdf?MOD=AJPERES
- · Mobile slaughter units, and guides to planning for profitability
- Research to Assess Meat Processing Options:
- nichemeatprocessing.org/testing-the-idea-using-existing-research-to-assess-meat-processing-options
- Planning a New Facility or Expansion
- Four-part course with modules on Plant Design, Business Planning, Workforce Management, and Financing Options
- Poultry Processing Regulations and Exemptions: nichemeatprocessing.org/poultry-processing-regulationsand-exemptions
- A Best-Practices Guide to Open-Air Poultry Slaughter: catalog.extension.oregonstate.edu/em9273

Food Animal Concerns Trust (FACT), foodanimalconcernstrust.org - Resources including producer/processor grants, mentorships, and webinars.

Further Resources

Farmers Caleb Barron of Fogline Farm and Gary Roberts of Zentner's Fogbound Farm shared their experience in the ATTRA podcast, Poultry Processing Strategies. They explained how they make their decisions about processing birds. Caleb became skilled and efficient at on-farm processing. However, as he clarified his priorities, he concluded that it made sense to take his birds to be processed at a USDA plant so he could grow his business to more than 20,000 birds per year and market poultry meat to restaurants and other markets. Gary explained how California inspection exemptions are more restrictive than federal regulations with respect to the number of birds that can be slaughtered.

California State Agencies and Regulations	 -California Department of Food and Agriculture: Meat, Poultry and Egg Safety Branch, cdfa.ca.gov/AHFSS/MPES -Poultry Guidelines: cdfa.ca.gov/ahfss/mpes/pdfs/PoultryGuidelines.pdf -Forms and Applications: cdfa.ca.gov/ahfss/mpes/MPES_Forms_Applications.html -Food & Agriculture Code (FAC): Poultry Meat Inspection section, leginfo.legislature.ca.gov/faces/ codes_displayText.xhtml?lawCode=FAC&division=12.&title=∂=1.&chapter=3.&article=3 -California Health and Safety Code: eginfo.legislature.ca.gov/faces/codesTOCSelected.xhtml?tocCode=HSC -California Food Retail Code: cdph.ca.gov/Programs/CEH/DFDCS/CDPH Document Library/FDB/ FoodSafetyProgram/MEHKO/CALIFORNIA RETAIL FOOD CODE 2019.pdf -Q & A CDFA regarding USDA-Exempt Mobile Slaughter Units and Open-Air Processing: cdfa.ca.gov/ahfss/MPES/pdfs/ExemptPoultryQuestionCDFAtoUSDA.pdf
University of California Cooperative Extension (UCCE), ucanr.edu/ Focus Areas/Sonoma Ombusdman •Grown in Marin, ucanr. edu/sites/Grown_in_ Marin/For_Farmers_ and_Ranchers •Foothill Farming, ucanr. edu/sites/placernevada smallfarms	 -Poultry Resources: statewide, diagnostic laboratories and specialists in the field, ucanr.edu/sites/poultry, youtube.com/channel/UCP_1xWyE9U3JxjpsL9W-Crg -On-farm Poultry Meat Processing with USDA Exemption: Explanation of regulatory approaches and links by the Sonoma County Agricultural Ombudsman, ucanr.edu/sites/CESonomaAgOmbuds/Poultry_Processing_Exemptions/#ov -On-Farm Poultry Processing: Information and links compiled by Grown in Marin, including business, regulations, food safety, and best practices, growninmarin.org/For_Farmers_and_Ranchers/Poultry_and_Eggs/On-Farm_Poultry_Processing -Processing Waste Water: ucanr.edu/sites/Grown_in_Marin/files/277229.pdf -Composting Poultry Waste: ucanr.edu/sites/Grown_in_Marin/files/277228.pdf -Foothill Farming, Pasture-Based Poultry: Provides information on the integration of pastured poultry enterprises, including information and instructional videos on the Mobile Poultry Processor, ucanr.edu/sites/placernevadasmallfarms/Livestock/Poultryupdated
Butte County Environmental Health buttecounty.net/ publichealth/ Environmental-Health	- On-Farm Poultry Slaughter Guidelines : Provides an overview of best practices for exempt poultry processing and development of HACCP plans, buttecounty.net/Portals/21/Env_Health/Food/PoultrySlaughterGuidelines.pdf

Notes

Processing Poultry Meat for Sale in California

By Ann Baier, NCAT Agriculture Specialist Published October 2021 © NCAT Tracy Mumma, Editor • Amy Smith, Production This publication is available on the Web at: ATTRA.NCAT.ORG

IP610 Slot 637 Version 101421



Contact Us! ATTRA.NCAT.ORG • Toll-free: 800-346-9140 • Email: askanag@ncat.org