

Approaches to Processing Poultry Meat for Sale: Navigating Regulations

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Processing Poultry Regulations: Choosing an Approach for your Farm

What is the most appropriate approach for your farm to process poultry meat for sale? Does it make sense to process your birds on-farm, take them to a USDA-inspected processing plant, or establish a licensed facility? The approach that is right for your farm depends on the species you raise, your location, scale of production and intended customers. To consider your options, you need to understand the regulations, as well as the costs and advantages of each approach. Your poultry enterprise needs to fit your land, farm and family priorities; your approach to production and processing may change with the scale of your production, markets, and human resources.

You can process a modest number of birds under USDA exemption for direct sale to consumers. Processing your poultry in a USDA-inspected plant provides the greatest range of options to diversify your marketing strategies and increase your production. Options for state-licensed facilities fall all over the map. This publication provides a rudimentary overview of the options, and a resource table with links to facilitate access to government regulations and agencies, cooperative extension and non-profit resources, and practical guidance from producer and processor networks for pastured poultry producers and niche meat processors industries.

USDA Inspection or USDA Exemption

Two main approaches to processing poultry meat for sale with respect to federal regulations are: A) USDA inspected, or B) Exempt from USDA inspection. The latter can take place either on your own farm, or in a state-licensed facility. (See further explanation in the section on the variety of state-licensed facilities below). The fundamental goal is the same no matter where you process: to ensure that poultry products are “wholesome, not adulterated, and properly marked, labeled, and packaged”, as described in the Poultry Products Inspection Act (PPIA). Processing needs to be legal, sanitary, humane, practical and economically viable for your business.

Approaches to Processing Poultry Meat for Sale

Approach	Inspection	Marketing	Limitations	Labeling*
USDA Inspected	“Continuous” bird-by-bird inspection conducted by a USDA inspector	Any customer Intrastate sales or Interstate commerce	No limit on number of birds. “Amenable species” per the USDA definition of “Poultry” include chickens, turkeys, ducks, ratites, squabs (young pigeons).	“USDA inspected and passed”
Exempt from USDA Inspection (on-farm, or state-licensed)	Exemption from inspection only; meet other provisions of the PPIA, state and local regulations	No interstate commerce; Customer limitations depend on the exemption.	Operate under one exemption per year. Maximum number of birds a producer or business may <i>slaughter</i> is 20,000/year. State and local regulations may be more restrictive.	“Exempt PL-492”

*Name and address of processor and safe handling instructions are always required. Additional information is required depending on exemption type and/or approach.

USDA Inspection

Processing poultry in a USDA plant provides the greatest flexibility for marketing. You can sell an unlimited number of birds and poultry products to any type of customer, anywhere within your state, district or territory, as well as across state lines in interstate commerce. Continuous bird-by-bird inspection is done by a USDA poultry meat inspector. Compliant products are labeled “USDA inspected and passed.” USDA defines “poultry” or “amenable species”) as “any domesticated bird: chickens, turkeys, ducks, geese, guineas, ratites, or squabs, also termed young pigeons.” Non-amenable species such as pheasant, quail, and captive raised waterfowl, are under voluntary inspection. They may be processed in a USDA plant, but the inspection costs are paid by the producer.

Steps to Processing in a USDA Plant

First, identify a USDA-inspected plant that will process your birds. Talk to people with direct experience in your producer or processor networks, such as The American Pastured Poultry Producers Association ([APPPA](#)), and Niche Meat Processors Association Network ([NMPAN](#)). Of the many USDA plants listed in the [Food Safety Inspection Service \(FSIS\)’s Meat, Poultry and Egg Product Inspection Directory](#), only a few do fee-for service processing for independent producers. Find these in NMPAN’s [Find a Processor](#) list. NCAT’s database [Small Poultry Processing Plants and Services](#) includes all types of plants, is self-listing, and would be more complete if you list yours!

NCAT’s publication, [Working with your Meat Processor](#) focuses on building an effective relationship. Understand services and requirements for clear expectations about type of processing, whether they provide packaging, cost and volume. Do you produce a sufficient and predictable number of birds? Some plants will process small numbers; others prefer or require regular batches of several hundred birds. Transporting birds can be time-consuming and stressful to both birds and people. Plan your schedule ahead. Withhold feed at least twelve hours prior to processing, and crate birds the night before. Transport live birds to the plant early in the morning. Show up on time! Wait for birds to be processed, then pick-up, store, and deliver poultry to your markets and customers.

The costs of processing in an existing USDA plant include initial investment in transport equipment, including crates and to deliver birds to processing, coolers or truck to pick them up, store and deliver them, as well as time to find a processor and work out arrangements. Costs for processing each batch of birds include per-bird processing fees, as well as trip-related expenses of preparation and transport time, mileage and expenses. The processing plant is responsible for many details such as cleaning, sanitation and waste management, which saves labor compared to on-farm processing. Consider your options, all the upsides and downsides; and compare [economics of on-farm vs. inspected processing](#) in the context of your farm production and marketing goals.

Exemption from USDA Inspection

The Poultry Products Inspection Act (PPIA) requires inspection, yet provides certain exemptions. When you meet the criteria for an exemption from USDA Inspection, you can process either on-farm, or in a state-licensed facility (in those states that do not operate a meat and poultry inspection program; see details below under State-Licensed Facilities). You may operate under only one exemption each calendar year. Exemption is from inspection only; operations must comply with all other applicable federal, state and local regulations, many of

which are more limiting than federal exemptions. Federal, state, local regulations address many additional areas of regulation such as zoning, building codes, facilities, workers, food safety, labeling, water and waste management.

Criteria in the PPIA that are common to all USDA federal inspection exemptions include:

- A. Slaughter only healthy poultry;
- B. Use sanitary slaughter and processing practices to produce a wholesome product; and
- C. Properly label your production: PL 90-492 Exempt". All poultry labels must include, at a minimum, the name and address of processor (responsibility statement) and safe handling instructions.

Exemptions are described in [Guidance for Determining Whether a Poultry Slaughter or Processing Operation is Exempt from Inspection Requirements of the Poultry Products Inspection Act](#). Read these regulations carefully; each exemption includes detailed criteria and notes. USDA Exemptions commonly chosen by producers include:

- Producer/Grower exemption allows for slaughter of up to 1000 or 20,000 birds per year for direct sale to consumers.
- Producer, Grower or Other Person (PGOP) allows for distribution to consumers or businesses for preparation of meals in hotels, restaurants and institutions (HRI). (Note: Check your state regulations; many states allow uninspected poultry to be sold directly to the consumer only).
- Small Business Enterprise 20,000 bird limit
- Retail exemption allows poultry that have already passed USDA or state inspection, to be further cut, seasoned and packaged for direct sale (no resale). An unlimited quantity of product may be sold directly to consumers for their own use. Product may be sold to HRI according to the limitations specified in the Criteria: 25% of total poultry sales or no more than the dollar amount specified by FSIS for the given year (\$56,000 in 2020).

State-Licensed Facilities (with USDA Exemption)

[Some states](#) operate their own Meat and Poultry Inspection (MPI) program that is considered equivalent to USDA Inspection. If you live in one of those states, you need not concern yourself with this section. If your state does not operate its own MPI program, poultry processed in a state-licensed facility must also qualify for a USDA inspection exemption. Be aware that states have not uniformly adopted USDA exemptions. The Farm-to-Consumer Legal Defense Fund offers a [State-by-State* Review of On-Farm Poultry Processing Laws, Poultry Map and Chart](#) and details about the legality of slaughter and sale of poultry meat processed under USDA exemption. Processing poultry in a state-licensed facility may allow you to sell products direct to consumers or retail customers, within your state, territory or district; not interstate commerce. Learn more about your state's poultry processing and marketing regulations by contacting your State Department of Food and Agriculture, reading relevant regulations such as Food and Agricultural Code, Health and Safety Code, Food Retail Code, County Health Departments (agency names may vary by state), and other agencies. NMPAN's [State Poultry Processing Regulations](#) can help identify agencies in your state.

Expanding legal marketing options enables you to grow your farm business within the limits of the USDA exemptions. If your marketing strategy works within these limitations, a state licensed facility may be an appropriate approach to process your poultry, and also any "[non-amenable](#)" species you raise, such as pheasant, quail or waterfowl. Verify your state's regulations on processing and inspecting poultry. State-licensed facilities may not do fee-for-

service processing for other producers. You would you need to establish your own state-licensed plant to process your poultry production. States may specify criteria for the allowability of state-licensed plants for producers using mobile processing units.

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Starting a Processing Plant

Farms with sufficient volume of production, may consider establishing your own processing plant to be a reasonable option. Contact your state department of agriculture for information on developing a state-licensed poultry processing plant, and becoming a poultry meat inspector. State-licensed processing with intrastate sales may provide sufficient market options for producers in large states, whereas producers in smaller states with markets across state borders may need USDA inspection so their products can enter interstate commerce. Starting a state-licensed plant could be could be an end in itself, or a decisive step toward later establishment of a USDA facility. In one of many informative webinars presented by the [Food Animal Concerns Trust](#), Farmer Bruce Hennessy of Maple Wind Farm highlighted the importance of processing approaches to decisions about [Scaling Up Pastured Poultry Production](#). Beginning with a state-licensed facility (using a prefabricated processing “Plant in a Box”), Maple Wind Farm now operates a USDA-inspected facility as a farm enterprise to process birds for other farms in addition to their own farm’s poultry production. You can learn from the experience of other producers across the country through [NMPAN’s Testing The Idea: Using Existing Research to Assess Meat Processing Options](#). Assess the best fit for your farm by thoroughly researching different approaches.

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On-Farm Poultry Processing (under USDA and State Inspection Exemptions)

On-farm processing can be appropriate when you produce a relatively small number of birds, and sell poultry meat directly to consumers. To sell poultry products that you process on farm, you must qualify for both USDA and state inspection exemptions. While state regulations vary with respect to their inspection exemption requirements, many are more restrictive than federal exemptions. Producers must comply with the most restrictive regulations. Processing on site where poultry are raised has several potential advantages, including reducing the time and stress of long-distance transport. Nevertheless, processing requires skill and hard work, and a commitment to food safety, quality control and essential recordkeeping.

The work of processing poultry includes pre-slaughter preparations, immobilizing, killing and bleeding, blood recovery, scalding, plucking, eviscerating, cooling, packaging and labeling, storage and transporting/delivery to customers. On-farm processing involves an investment of time and money to plan and set up your processing facility, purchase equipment, and develop protocols for food safety and environmental health. To become proficient in processing, there is no substitute for hands-on learning with an experienced practitioner, and practice.

Consistent quality control procedures ensure 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](#) and Butte County Environmental Health’s [On-Farm Poultry Slaughter Guidelines, and Managing Risks in On-Farm Poultry Processing](#). These outline essential processing steps, practical sanitation materials and dilutions, required recordkeeping, key components of a Hazard Analysis and

Critical Control Point or [HACCP](#) Plan including Standard Operating Procedures (SOPs) for quality control in cleaning, sanitizing. Grown in Marin provides links to guides on [processing waste water](#), and managing offal (through rendering or [composting poultry waste on farm](#)). These are essential tasks of processing, whether you process on-farm, or take your birds to be processed in a USDA-inspected plant or state-licensed facility. Either you pay a processing facility to do the work, or commit to the responsibility of doing it yourself.

Organizations with Poultry Processing Resources

Organization / Website	Useful Links
United States Department of Agriculture (USDA) Food Safety Inspection Service (FSIS) https://www.fsis.usda.gov/ Food and Drug Administration (FDA)	Poultry Products Inspection Act (PPIA) Meat and Poultry Inspection Plant Directory Guidance for Determining Whether a Poultry Slaughter or Processing Operation is Exempt from Inspection Requirements of the Poultry Products Inspection Act Non-amenable species FDA HACCP Principles & Application Guidelines
National Center for Appropriate Technology (NCAT), ATTRA Sustainable Agriculture Information Service https://attra.ncat.org/	Poultry Resources: https://attra.ncat.org/attra-pub/poultry/ 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, Terrill Spencer Podcast Episode 98. Poultry Processing Strategies
The American Pastured Producers Association (APPPA) http://apppa.org/	A non-profit trade organization for the pastured poultry industry. Membership: https://www.apppa.org/join-us "Ask APPPA" Q&A calls https://www.apppa.org/about Poultry Processing Regulations
Niche Meat Processors Association Network (NMPAN) https://www.nichemeatprocessing.org/ A national extension project and processors network	Join the Listserve (active information exchange) Poultry Specific Resources Research to Assess Meat Processing Options Planning a New Facility or Expansion Poultry Processing Regulations and Exemptions A Best-Practices Guide to Open-Air Poultry Slaughter The New Livestock Farmer: The Business of Raising and Selling Ethical Meat (book)
University of California Cooperative Extension UCCE Sonoma Ombudsman Grown in Marin Foothill Farming	Poultry Resources (statewide, all topics) Youtube channel On-farm Poultry Meat Processing with USDA Exemption: explanation of regulatory approaches & useful links On-Farm Poultry Processing: business, regulations, food safety, and best practices: facility construction, processing waste water & composting poultry waste Foothill Farming, Pasture-Based Poultry
Butte County Environmental Health	On-Farm Poultry Slaughter Guidelines
Farm to Consumer Legal Defense Fund	Open-Air Poultry Slaughter map and guidance

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**Four Approaches to Processing Poultry Meat for Sale in California,
(An example of a state that does not operate its own meat and poultry inspection program)**

Approach	Inspection	Marketing Options	Limitations on volume / species	Proper Labeling*
Poultry processed in a USDA-inspected or CDFA-licensed plant are considered to be from an “Approved Source” to sell Products may be sold to any type of customer.				
A. USDA Inspected	Daily bird-by-bird inspection by USDA poultry inspector	Any type of customer (retail or wholesale), Intrastate sales or Interstate commerce ok	No limit on number of birds. Poultry “amenable species” per USDA definition.	“USDA inspected and passed”
B. USDA Exempt / CDFA Licensed	Federal Exemption + Inspection by a state-licensed Poultry Meat Inspector	Any <u>retail</u> customer within the state of California. No wholesale. No interstate. commerce	Per USDA Exemption <1000 or < 20,000 birds <u>or</u> under Retail Exemption: unlimited direct sales; sales to HRIs limited to 25% of poultry product sales, or dollar amount per year set by FSIS (\$56K in 2020). Poultry or non-amenable species.	“Exempt PL-492” + “INSPECTED FOR WHOLESOMENESS UNDER SUPERVISION CALIFORNIA DEPT. OF FOOD and AGRICULTURE PLANT NO. ___”
Poultry producers who qualify for USDA Exemptions and meet CDFA California Exemptions may sell products directly to consumers. CDFA inspection exemptions specify that poultry processed 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 if the entire production is sold directly from the farm (not for resale). Exempt products are <u>not</u> considered to be from an “approved source”; may <u>not</u> be sold to hotels, restaurants, or institutions (HRI). Limits: <20,000 birds if CDFA registered; < 1000 birds if not.				
C. USDA Exempt CDFA Exempt CDFA Registered	State inspects processing and procedures 1-4X/year	Must Register to sell >1000 birds/year, directly to consumer.	<1,000 to <20,000 birds per year, depending on the USDA Exemption	“Exempt PL-492” * (required)
D. USDA Exempt CDFA Exempt Not Registered	All operations are subject to USDA / CDFA investigations and periodic review.	Sales <1000 birds per year, directly to consumers	<1,000 birds/year	“Exempt PL-492” * (recommended)

*Name and address of processor and safe handling instructions are always required. Additional information is required depending on exemption type and/or approach.

Please refer directly to the agencies and regulations applicable to poultry production and processing businesses, including, but not limited to:

- [California Department of Food and Agriculture – Meat, Poultry and Egg Safety Branch](#)
- [Food & Agriculture Code \(FAC\), section on Poultry Meat Inspection](#)
 - [Poultry Guidelines \(explains regulations\)](#)
 - [Forms and Applications](#)
 - [Q & A with USDA / FSIS: Exempt & Open-air Processing](#)
- California Health and Safety Code
- California Food Retail Code
- County Health Departments
- Municipalities
- Farmer's Market Boards, or other marketing bodies.

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