



Meat and Poultry Inspection

Poultry Exemptions

Exempt Poultry Slaughter and Processing Guidelines

Summary of Poultry Exemptions in Kansas K.S.A. 65-6a31 and 65-6a44 9 CFR 381.10	
↓Exemption	Criteria →
<p>Personal Use 9 CFR 381.10(a)(3)</p>	<ul style="list-style-type: none"> • slaughter and processing performed by the owner, for private use of owner, owner's household, and owner's nonpaying guests and employees • No limit on the number of birds slaughtered • Poultry is healthy when slaughtered, and slaughtered and processed under sanitary conditions and practices that result in poultry products that are sound and fit for human food (not adulterated) • Poultry is not sold or donated for use as human food • Shipping containers* bear: producer's name, producer's address, and the statement, Exempt P.L. 90-492 • Registration with the agency is not required <p><i>*product cannot be sold, can be transported for use by owner, members of his household, and non-paying guests and employees.</i></p>
<p>Custom Slaughter/ Processing 9 CFR 381.10 (a)(4) & (d)</p>	<ul style="list-style-type: none"> • a business or person who slaughters/ processes poultry belonging to someone else. • A custom slaughterer provides a service to a customer and does not engage in the business of buying or selling poultry products capable of use as human food. • No limit • Poultry for private use of owner, owner's household, and owner's nonpaying guests and employees • poultry is healthy when slaughtered • poultry is slaughtered and processed under sanitary conditions and practices that result in poultry products that are sound and fit for human food (not adulterated) • exempt poultry is not sold or donated for use as human food • shipping containers bear: owner's name, owner's address, and the statement, Exempt P.L. 90-492 <p>Selling live poultry to a customer does not disqualify a business from the Custom Slaughter Exemption. For example, a custom slaughterer may sell live poultry to a person and then custom slaughter the bird. However, a person who custom slaughters poultry may not buy or sell poultry products used for human food.</p> <p>A person operating under a Custom Slaughter Exemption may slaughter and process poultry of his or her own raising provided such slaughtered poultry is for his or her exclusive consumption, or consumption by members of his or her household, nonpaying guests, and employees.</p> <p>A person who is a custom slaughterer and who is also a poultry grower may raise and sell his or her live poultry to poultry businesses not associated with his or her custom slaughter business.</p> <p>A custom slaughter business may use a mobile slaughter/ processing unit to custom slaughter and process poultry. There is compliance with the requirements of the Act and regulations when the owner of poultry delivers poultry to a mobile slaughter/processing unit operated by a custom slaughterer provided the slaughtered or processed poultry is for the personal use of the owner of the poultry. The owner of the poultry may deliver the poultry to the mobile</p>

	<p>slaughter/processing unit located at his or her own premises or any other person's premises.</p> <p>Ostrich and other poultry can be custom slaughtered and processed in an official red meat establishment that is subject to the regulatory requirements of the Federal Meat Inspection Act, provided the establishment does not engage in the business of buying and selling poultry products. Also, carcasses or parts of ostrich or poultry not slaughtered at the red meat establishment may be delivered by the owner for custom processing provided the poultry has been previously inspected, passed, and identified as such in accordance with the requirements of the Poultry Products Inspection Act or has been inspected and passed by an equivalent State inspection.</p>	
<p>Producer/Grower 9 CFR 381.10(c)</p>	<p>1,000 Limit Exemption</p>	<ul style="list-style-type: none"> • Grower only slaughters birds raised by grower • for sale <u>from the farm</u>, no restriction on who selling to • poultry grower does not engage in buying or selling poultry products other than those produced from poultry raised on his or her own farm • Slaughter or processing is not done at a facility used for slaughter or processing poultry by another person • Registration with the agency is not required • There are no labeling requirements <p>While there is no regulatory requirement to keep records, KDA encourages the best practice of keeping records indicating how many birds are sold per calendar year and to whom the birds are sold. Keeping these records may assist the producer/grower in the event that KDA investigates a complaint, or a customer contracts a food borne illness.</p>
<p>Producer/Grower 9 CFR 381.10(a)(5) and (b)(1) & (2)</p>	<p>20,000 Limit Exemption</p>	<ul style="list-style-type: none"> • grower slaughters and processes, on his or her own premises, no more than 20,000 poultry, raised by him or her, in a calendar year • grower sells, in a calendar year, only poultry or poultry products he or she prepares according to the criteria for the Producer/Grower – 20,000 Limit Exemption; he or she may not buy or sell poultry products prepared under another exemption in the same calendar year in which he or she claims the Producer/Grower– 20,000 Limit Exemption [PPIA Section (464)(c)(1) last sentence before (c)(2)] • poultry products are distributed solely by the grower and only within the State in which the poultry product is produced • poultry is healthy when slaughtered • slaughter and processing at the producer/grower's premises are conducted using sanitary standards, practices, and procedures that produce poultry products that are sound, clean, and fit for use as human food (not adulterated) • producer only distributes poultry products he or she produced under the Producer/Grower Exemption • facility used to slaughter or process the poultry is not used to slaughter or process another person's poultry unless the Administrator of FSIS grants an exemption [PPIA Section 464(c)(3); Title 9 CFR 381.10b)(2)] • shipping containers bear: producer's name, producer's address, and the statement, Exempt P.L. 90-492 (Instead of the Federal law, a State law may be cited when operations are exempted under the authority of a State law and the operations are reviewed by a State Agency.) <p>Product may be sold intrastate to: other businesses for resale as meat or meals, including a</p>

		distributor, hotel, restaurant, retail store, institution, or small enterprise when the product is produced under a Federal or a State exemption.
Producer/Grower or Other Person (PGOP) 9 CFR 381.10(a)(6) & (b)	20,000 Limit Exemption	<ul style="list-style-type: none"> • An owner (either grower or purchaser) who slaughters poultry • for sale directly to household consumers, restaurants, hotels, and boarding houses to be used in those homes and dining rooms for the preparation of meals served or sold directly to customers intrastate • poultry processed by a PGOP is poultry that the PGOP slaughtered • poultry products are distributed solely by the processor and only within the State in which the poultry product is produced • PGOP does not engage in the business of buying or selling poultry or poultry products prepared under other exemptions in the same calendar year he or she claims the Producer/Grower Exemption [PPIA Section 464(c)(1) last paragraph before (c)(2)] • slaughter and processing at the PGOP's facility is conducted in a manner that results in the preparation of poultry products that are wholesome, sound, clean, and fit for human food (not adulterated) • facility used to slaughter and process poultry is not used to slaughter or process another person's poultry unless the Administrator of FSIS grants an exemption [PPIA Section 464(c)(3); Title 9 CFR 381.10b)(2)] • shipping containers bear: processor's name, processor's address, and the statement, Exempt P.L. 90-492 (Instead of the Federal law, a State law may be cited when operations are exempted under the authority of a State law and the operations are reviewed by a State Agency.) <p>May not slaughter or process poultry owned by another person</p> <p>May not sell to a retail store, or other producer grower</p>
Small Enterprise Exemption 9 CFR 381.10(a)(7) & (b)	20,000 Limit Exemption	<ul style="list-style-type: none"> • Processing of Federal or State inspected or exempt poultry product is limited to the cutting up of carcasses • facility operates and is maintained in a manner that prevents the creation of insanitary conditions and ensures that the product is not adulterated [PPIA Section 464(c)(2); and Title 9 CFR 381.10(a)(7) and 416.2-416.5) • facility used to slaughter or process poultry is not used to slaughter or process another person's poultry unless KDA grants an exemption [PPIA Section 464(c)(3); Title 9 CFR 381.10(b)(2)] • poultry products are distributed solely by the processor and only within the State in which the poultry product is produced • product is not misbranded, label must include: product name; ingredient statement; net quantity; manufacturer name and address; handling statement; safe handling instruction; pack date; <p>not required to have slaughtered the poultry it cuts up under a Small Enterprise Exemption. The small enterprise may purchase Federal or State inspected and passed poultry for its cut up operation and from exempt businesses that are allowed to sell to a small enterprise.</p> <p>may handle "pass through" product and may cut exempt</p>

		<p>product produced under the Producer/Grower Exemption, or Federal or State inspection</p> <p>may slaughter or cut up poultry for sale to household consumers, HRI, and retail stores</p> <p>may sell live poultry to a customer and then slaughtering, dressing, and cutting up the poultry for the customer. Selling live poultry is not the same as selling buying or selling poultry products’ one of the criteria that prevents a business from claiming as “Custom Slaughter/Processing Exemption.”</p> <p>may not cut up and distribute poultry products to businesses operating under the Producer/Grower or PGOP, Retail Dealer, or Retail Store exemption</p>
<p>Retail Exemption 9 CFR 381.10(a)(1) and (d)(2)(vi), and 381.10(d)(1) and (d)(2)(i), (ii) and (iii)</p>	<p>(Store/Dealer/Restaurant) A retail business is a facility where poultry products are sold to a customer (household consumers and hotels, restaurants, and similar institutions) at the retail business and the amount purchased by the customer is considered to be a normal amount for a retail purchase.</p>	<ul style="list-style-type: none"> • Only poultry carcasses and parts derived from federally inspected and passed poultry are transported in interstate commerce [Title 9 CFR §381.10(a)(1)] • Poultry products used in the preparation of meals at a restaurant are derived from federally or state inspected and passed poultry products, or poultry products from exempt operations that may sell to restaurants [§381.10(d)(2)(iv)(2)] • retail business does not custom slaughter poultry delivered by the owner • retail business does not prepare exempt products that the business sells to another retail store or a distributor of poultry products • The only poultry slaughtered at a retail store is poultry that is purchased live by the customer, at the retail store, and then the poultry product is prepared according to the customer’s instructions and delivered back to the customer • retail business may custom process poultry delivered by the owner provided that the poultry is from an acceptable source, Federal or State inspected and passed, or exempt poultry) • facility operates and is maintained in a manner that prevents the creation of insanitary conditions and ensures that the product is not adulterated • Operations of types traditionally and usually conducted at retail stores are conducted in the store and include boning, cutting up, stuffing, smoking, rendering, or salting • No canning operation is conducted in the retail store • Product sold in intrastate commerce is not misbranded- all requirements of an official label except the inspection legend. Label must include: product name; ingredient statement; net quantity; manufacturer name and address; handling statement; safe handling instruction; pack date; explanatory statement why legend not on package (suggested phrase: “Retail Exemption from Inspection) • Sales of poultry and poultry products are in normal retail quantities or served to consumers at the retail store (normal retail quantities are 75 pounds or less to household consumers and 150 pounds or less to hotels, restaurants, and similar institutions) • Sales to hotels, restaurants, and similar institutions do not exceed either one of two limits: 25 percent of the dollar value of total poultry product sales, and the calendar year dollar limit for retail stores set by the Administrator of FSIS (does not include pass-through

		<p>products derived from USDA inspected and passed poultry that is not further processed at the retail store)</p> <p>If the retail store takes orders for dressed poultry before the arrival of the customer, and slaughters several birds at one time, the birds must be identified throughout the process, so that the customer receives the same bird selected for/by the customer.</p>
Religious dietary	<p>Available by application exemption from certain requirements of the PPIA and the regulations is granted only if the purposes of the Act or regulations are met</p> <p>Poultry prepared in accordance with a religious dietary law under a religious exemption does not bear the official inspection legend but must meet all inspection and regulatory requirements not specifically listed on the submitted application (FSIS Form 5200-1) and exempted on the exemption certificate issued by FSIS</p>	

What does exempt mean? The term “exempt” means that certain types of poultry slaughter and processing operations qualify to operate without the benefit of Federal or state inspection on a daily basis, and a grant of inspection is not required. Such operations are exempt from continuous bird-by-bird inspection and the presence of inspectors during the slaughter of poultry and processing of poultry products. These products cannot bear the inspection legend. However, a facility operating under such an exemption is not exempt from all requirements of the Act. All businesses slaughtering or processing poultry for use as human food, including exempt operations, can only slaughter healthy birds, and must produce poultry product that is not adulterated or misbranded.

“**Exempt P.L. 90-492**” identifies the product as product produced under an exemption from the Act, Public Law 90-492. Instead of the **Federal law 90-492, a State law may be cited** when the inspection of the slaughter and processing of poultry is exempted under the authority of a State law and the operations are reviewed by a State Agency.

How is Adulteration Defined? Both the PPIA and the supporting Federal regulations define the circumstances and conditions that would render poultry products adulterated. Simply put, a product is adulterated if it bears or contains a substance that makes it injurious to health, or if it has been held, packed or produced under insanitary conditions. To qualify for any one of the poultry exemptions, a business must slaughter poultry or process poultry products under sanitary conditions using procedures that produce sound, clean poultry products fit for human food.

How is Misbranded Defined? Exempt poultry products cannot bear the official mark of inspection. In addition, there is specific labeling or identification requirements for exempt product to meet in lieu of bearing all required elements of a label. The information that shipping containers or packages of exempt poultry products must bear varies depending on the exemption. The specific information required on the shipping containers or packages of exempt products is presented later in discussions for each type of exemption.

What is Intrastate Commerce? Intrastate Commerce is the exchange or transportation of poultry products between entities within the state of Kansas.

What is Slaughter? The term slaughter refers to the act of killing poultry for use as human food.

What is Processed or Processing? The terms “processed” and “processing” refer to operations in which the carcasses of slaughtered poultry are defeathered, eviscerated, cut-up, skinned, boned, canned, salted, stuffed, rendered, or otherwise manufactured or processed.

How many exemptions may a person or business claim when slaughtering or processing poultry? A person or business may slaughter or process poultry under an exemption if the operation qualifies for the exemption. However, a slaughterer or processor of poultry may not simultaneously operate under more than one exemption. When FSIS or a State reviews a business to determine compliance with the Act and regulations, FSIS or the State inspectors must be informed of which exemption the business is claiming. FSIS or State inspectors will determine compliance based on only one exemption. A business may not simultaneously claim or operate under more than one exemption.

The selection of either the Producer/Grower Exemption or the Producer/Grower or Other Person Exemption is for the calendar year. In the same calendar year, a poultry producer or other person producing product under either the Producer/Grower Exemption or the Producer/Grower or Other Person Exemption may not produce product under another exemption. In addition, a poultry business that slaughters or processes poultry operating under a Custom Slaughter or Small Enterprise Exemption may not operate under the Producer/Grower or Producer/Grower or Other Person exemption in the same calendar year.

A facility or business may house more than one exempt operation if there is complete financial and structural autonomy of each operation. A true and complete separation must exist between the business records and the physical structures (rooms and equipment) of the two operations.

A facility or business producing product under a Custom Slaughter, Small Enterprise, or Retail Store Exemption may operate under another one of these three exemptions in the same calendar when there is financial and temporal autonomy of each operation. For example, a person using a facility for a custom slaughter business may close the custom slaughter business and open a retail store or small enterprise business at the facility in the same calendar year.

Who determines whether an operation qualifies for an exemption? KDA personnel are authorized to make inspections in accordance with the law to ascertain whether any of the provisions of the Act or the regulations applying to producers, retailers, or other persons purporting to be exempt from and requirements (criteria) of the Act have been violated. [Code of Federal Regulations Title 9 Section 381.14]

In States that operate a poultry inspection program equivalent to the Federal inspection program, a State Agency conducts inspections and reviews of exempted operations.

Suspension or termination of exemptions. KDA may, by order, in accordance with the applicable rules of practice [Code of Federal Regulations Title 9 Part 500] suspend or terminate any exemption with respect to any person whenever FSIS finds that such action will aid in effectuating the purposes of the Act. Failure to comply with the conditions (criteria) of the exemption including but not limited to failure to process poultry and poultry products under clean and sanitary condition may result in termination of an exemption, in addition to other penalties [Code of Federal Regulations Title 9 Section 318.13].

If your operation does not meet the exemption requirements, you should contact our office to discuss the requirements for inspection.

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