

## LEGISLATIVE BILL 324

Approved by the Governor May 24, 2021

Introduced by Brandt, 32; Blood, 3; Brewer, 43; Briese, 41; Cavanaugh, J., 9; Day, 49; Dorn, 30; Erdman, 47; Gragert, 40; Halloran, 33; Hansen, B., 16; Lindstrom, 18; Linehan, 39; Lowe, 37; Pansing Brooks, 28; Slama, 1; Walz, 15; Wayne, 13; Williams, 36; Wishart, 27; Hansen, M., 26.

A BILL FOR AN ACT relating to the Nebraska Meat and Poultry Inspection Law; to amend sections 54-1901, 54-1902, 54-1903, 54-1908, 54-1909, 54-1911, 54-1912, 54-1913, and 54-1915, Reissue Revised Statutes of Nebraska; to define a term and alphabetize terms; to provide for animal share sales as prescribed; to create the Independent Processor Assistance Program; to provide powers and duties for the Department of Agriculture; to harmonize provisions; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. Section 54-1901, Reissue Revised Statutes of Nebraska, is amended to read:

54-1901 Sections 54-1901 to 54-1915 and sections 10 and 11 of this act shall be known and may be cited as the Nebraska Meat and Poultry Inspection Law.

Sec. 2. Section 54-1902, Reissue Revised Statutes of Nebraska, is amended to read:

54-1902 For purposes of the Nebraska Meat and Poultry Inspection Law, unless the context otherwise requires:

(1) Adulterated shall apply to any livestock product or poultry product under one or more of the following circumstances:

(a) If it fails to conform to the requirements established by the Nebraska Pure Food Act;

(b) If it has been subjected to radiation, unless the use of the radiation was in conformity with a regulation or exemption in effect pursuant to section 409 of the Federal Food, Drug, and Cosmetic Act approved June 25, 1938, (52 Stat. 1040) and acts amendatory thereof or supplementary thereto; or

(c) If it is margarine containing animal fat and any of the raw material used therein consists in whole or in part of any filthy, putrid, or decomposed substance;

(2) Animal share means an ownership interest in an animal or herd of animals created by a written contract between an informed end consumer and a farmer or rancher that includes a bill of sale to the consumer for an ownership interest in the animal or herd and a boarding provision under which the consumer boards the animal or herd with the farmer or rancher for care and processing and the consumer is entitled to receive a share of meat from the animal or herd;

(3) Capable of use as human food shall apply to any wholesome livestock or poultry carcass or part or product of any such carcass, unless it is denatured or otherwise identified as required by rules and regulations prescribed by the director to preclude its use as human food or it is naturally inedible by humans;

(4) Container or package shall mean any box, can, tin, cloth, plastic, or other receptacle, wrapper, or cover;

(5) Department shall mean the Department of Agriculture;

(6) ~~(1)~~ Director shall mean the Director of Agriculture;

(7) Establishment shall mean any building or structure in which slaughtering, butchering, meat canning, meat packing, meat manufacturing, poultry canning, poultry packing, poultry manufacturing, pet feed manufacturing, or rendering is carried on and the ground upon which such building or structure is erected and so much ground adjacent thereto as is used in carrying on the business of such establishment, including drains, gutters, and cesspools used in connection with the establishment and any place, including where a mobile or remote processing unit is located, or vehicle where livestock, poultry, livestock products, poultry products, meat food products, or poultry food products are prepared, manufactured, stored, sold, offered for sale, or exposed for sale. Establishment does not include operations under federal inspection;

(8) Federal Meat Inspection Act shall mean the act so entitled approved March 4, 1907, (34 Stat. 1260) as amended by the Wholesome Meat Act (81 Stat. 584), federal Poultry Products Inspection Act shall mean the act so entitled approved August 28, 1957, (71 Stat. 441) as amended by the Wholesome Poultry Products Act (82 Stat. 791), and federal acts shall mean the Federal Meat Inspection Act and the federal Poultry Products Inspection Act;

~~(2) Department shall mean the Department of Agriculture;~~

~~(3) Person shall include individuals, partnerships, limited liability companies, corporations, and associations and any officer, agent, partner, limited liability company member, or employee thereof;~~

(9) ~~(4)~~ Hydrolyzed whole poultry shall mean the animal feed product resulting from the hydrolyzation of whole carcasses of culled or dead,

undecomposed poultry as such product is defined in the Official Publication of the Association of American Feed Control Officials;

(10) Immediate container shall mean any consumer package or any other container in which livestock products or poultry products which are not consumer-packaged are packed;

(11) Inspector shall mean an employee or official or agent of the State of Nebraska authorized by the director, or any employee or official of the federal government or any governmental subdivision of this state authorized by the director, to perform any inspection functions under the Nebraska Meat and Poultry Inspection Law under an agreement between the director and any governmental subdivision or other governmental agency;

(12) (5) Intrastate commerce shall mean commerce within this state;

(13) Label shall mean a display of written, printed, or graphic matter upon any article or the immediate container, not including package liners, of any article;

(14) Labeling shall mean all labels and other written, printed, or graphic matter (a) upon any article or any of its containers or wrappers or (b) accompanying such article;

(15) License shall mean a license issued under the Nebraska Meat and Poultry Inspection Law by the director;

(16) Licensed establishment shall mean any of the establishments as defined in this section which are licensed under the terms of the Nebraska Meat and Poultry Inspection Law or pursuant to the terms of any other act administered by the director;

(17) (6) Livestock shall mean any cattle, sheep, swine, goats, horses, mules, other equines, and other mammalian species as the director may determine, either living or dead;

(18) (7) Livestock product shall mean any carcass, part thereof, meat, or meat food product of any livestock;

(19) (8) Meat food product shall mean any product capable of use as human food which is made wholly or in part from any meat or other portion of the carcass of any cattle, sheep, swine, or goats, except products which contain meat or other portions of such carcasses only in a relatively small proportion or historically have not been considered by consumers as products of the meat food industry and which are exempt from definition as a meat food product by the director under such conditions as the director he or she may prescribe to assure that the meat or other portions of such carcass contained in such product are not adulterated and that such products are not represented as meat food products. This term as applied to food products of equines or other mammalian species as designated by the director shall have a meaning comparable to that provided in this subdivision with respect to cattle, sheep, swine, and goats;

(20) Misbranded shall apply to any livestock product or poultry product under one or more of the following circumstances:

(a) If it fails to conform to the requirements established by the Nebraska Pure Food Act; or

(b) If it fails to bear directly thereon and on its containers, as the director may by rule and regulation prescribe, the official inspection legend and establishment number of the establishment where the product was prepared and, unrestricted by any of the foregoing, such other information as the director may require in such rules and regulations to assure that it will not have false or misleading labeling and that the public will be informed of the manner of handling required to maintain the article in a wholesome condition. Exemptions as to livestock products not in containers may be established by rules and regulations prescribed by the director and exemptions as to small packages may be established for livestock products or poultry products in the same manner;

(21) (9) Mobile or remote processing unit shall mean any equipment for processing whole poultry by grinding, chopping, or other comparable method that is, or is intended to be, transported to or permanently located at locations away from a rendering establishment for purposes of collecting poultry carcasses processed for transport to a rendering establishment in liquid suspension;

(22) Official certificate shall mean any certificate prescribed by rules and regulations of the director for issuance by an inspector or other person performing official functions under the Nebraska Meat and Poultry Inspection Law;

(23) Official device shall mean any device prescribed or authorized by the director for use in applying any official mark;

(24) Official establishment shall mean any establishment as determined by the director at which antemortem and postmortem inspection of livestock or poultry or the inspection of the manufacturing of livestock products or poultry products for human consumption is maintained under the authority of the Nebraska Meat and Poultry Inspection Law;

(25) Official inspection legend shall mean any symbol prescribed by rules and regulations of the director showing that an article was inspected and passed in accordance with the Nebraska Meat and Poultry Inspection Law;

(26) Official mark shall mean the official inspection legend or any other symbol prescribed by regulations of the director to identify the status of any article, livestock, or poultry under the Nebraska Meat and Poultry Inspection Law;

(27) Person shall include individuals, partnerships, limited liability companies, corporations, and associations and any officer, agent, partner,

limited liability company member, or employee thereof;

(28) Pesticide chemical, food additive, color additive, and raw agricultural commodity shall have the same meanings for purposes of the Nebraska Meat and Poultry Inspection Law as under the Federal Food, Drug, and Cosmetic Act approved June 25, 1938, (52 Stat. 1040);

(29) Pet feed manufacturing shall mean the business of processing livestock or poultry or carcasses or parts thereof into small animal feed;

(30) (10) Poultry shall mean any domesticated bird or other avian species as the director may designate, either living or dead;

(31) (11) Poultry product shall mean any poultry carcass or part thereof or any product which is made wholly or in part from any poultry carcass or part thereof, except products which contain poultry ingredients only in a relatively small proportion or historically have not been considered by consumers as products of the poultry food industry and which are exempt by the director from definition as a poultry product under such conditions as the director he or she may prescribe to assure that the poultry ingredients in such products are not adulterated and that such products are not represented as poultry products;

(12) Capable of use as human food shall apply to any wholesome livestock or poultry carcass or part or product of any such carcass, unless it is denatured or otherwise identified as required by regulations prescribed by the director to preclude its use as human food or it is naturally inedible by humans;

(32) (13) Prepared shall mean slaughtered, canned, salted, stuffed, rendered, boned, cut up, frozen, or otherwise manufactured or processed in any manner;

(33) Reinspection shall include inspection of the preparation of livestock products and poultry products, as well as reexamination of articles previously inspected;

(34) Rendering shall mean the business of processing livestock or poultry or carcasses or parts thereof not intended or capable for use as human food, including the processing of poultry carcasses into hydrolyzed whole poultry feed products; and

(14) Adulterated shall apply to any livestock product or poultry product under one or more of the following circumstances:

(a) If it fails to conform to the requirements established by the Nebraska Pure Food Act;

(b) If it has been subjected to radiation, unless the use of the radiation was in conformity with a regulation or exemption in effect pursuant to section 409 of the Federal Food, Drug and Cosmetic Act approved June 25, 1938, (52 Stat. 1040) and acts amendatory thereof or supplementary thereto; or

(c) If it is margarine containing animal fat and any of the raw material used therein consists in whole or in part of any filthy, putrid, or decomposed substance;

(15) Misbranded shall apply to any livestock product or poultry product under one or more of the following circumstances:

(a) If it fails to conform to the requirements established by the Nebraska Pure Food Act; or

(b) If it fails to bear directly thereon and on its containers, as the director may by regulation prescribe, the official inspection legend and establishment number of the establishment where the product was prepared and, unrestricted by any of the foregoing, such other information as the director may require in such regulations to assure that it will not have false or misleading labeling and that the public will be informed of the manner of handling required to maintain the article in a wholesome condition. Exemptions as to livestock products not in containers may be established by regulations prescribed by the director and exemptions as to small packages may be established for livestock products or poultry products in the same manner;

(16) Label shall mean a display of written, printed, or graphic matter upon any article or the immediate container, not including package liners, of any article;

(17) Labeling shall mean all labels and other written, printed, or graphic matter (a) upon any article or any of its containers or wrappers or (b) accompanying such article;

(18) Container or package shall mean any box, can, tin, cloth, plastic, or other receptacle, wrapper, or cover;

(35) (19) Shipping container shall mean any container used or intended for use in packaging the product packed in an immediate container. ÷

(20) Immediate container shall mean any consumer package or any other container in which livestock products or poultry products which are not consumer-packaged are packed;

(21) Federal Meat Inspection Act shall mean the act so entitled approved March 4, 1907, (34 Stat. 1260) as amended by the Wholesome Meat Act (81 Stat. 584), federal Poultry Products Inspection Act shall mean the act so entitled approved August 28, 1957, (71 Stat. 441) as amended by the Wholesome Poultry Products Act (82 Stat. 791), and federal acts shall mean the Federal Meat Inspection Act and the federal Poultry Products Inspection Act;

(22) Pesticide chemical, food additive, color additive, and raw agricultural commodity shall have the same meanings for purposes of the Nebraska Meat and Poultry Inspection Law as under the Federal Food, Drug and Cosmetic Act approved June 25, 1938, (52 Stat. 1040);

(23) Official mark shall mean the official inspection legend or any other symbol prescribed by regulations of the director to identify the status of any article, livestock, or poultry under the Nebraska Meat and Poultry Inspection

Law;

~~(24) Official inspection legend shall mean any symbol prescribed by regulations of the director showing that an article was inspected and passed in accordance with the Nebraska Meat and Poultry Inspection Law;~~

~~(25) Official certificate shall mean any certificate prescribed by regulations of the director for issuance by an inspector or other person performing official functions under the Nebraska Meat and Poultry Inspection Law;~~

~~(26) Official device shall mean any device prescribed or authorized by the director for use in applying any official mark;~~

~~(27) Establishment shall mean any building or structure in which slaughtering, butchering, meat canning, meat packing, meat manufacturing, poultry canning, poultry packing, poultry manufacturing, pet feed manufacturing, or rendering is carried on and the ground upon which such building or structure is erected and so much ground adjacent thereto as is used in carrying on the business of such establishment, including drains, gutters, and cesspools used in connection with the establishment and any place, including where a mobile or remote processing unit is located, or vehicle where livestock, poultry, livestock products, poultry products, meat food products, or poultry food products are prepared, manufactured, stored, sold, offered for sale, or exposed for sale. Establishment does not include operations under federal inspection;~~

~~(28) Rendering shall mean the business of processing livestock or poultry or carcasses or parts thereof not intended or capable for use as human food, including the processing of poultry carcasses into hydrolyzed whole poultry feed products;~~

~~(29) Pet feed manufacturing shall mean the business of processing livestock or poultry or carcasses or parts thereof into small animal feed;~~

~~(30) Official establishment shall mean any establishment as determined by the director at which antemortem and postmortem inspection of livestock or poultry or the inspection of the manufacturing of livestock products or poultry products for human consumption is maintained under the authority of the Nebraska Meat and Poultry Inspection Law;~~

~~(31) Inspector shall mean an employee or official or agent of the State of Nebraska authorized by the director, or any employee or official of the federal government or any governmental subdivision of this state authorized by the director, to perform any inspection functions under the Nebraska Meat and Poultry Inspection Law under an agreement between the director and any governmental subdivision or other governmental agency;~~

~~(32) License shall mean a license issued under the Nebraska Meat and Poultry Inspection Law by the director;~~

~~(33) Licensed establishment shall mean any of the establishments as defined in this section which are licensed under the terms of the Nebraska Meat and Poultry Inspection Law or pursuant to the terms of any other act administered by the director; and~~

~~(34) Reinspection shall include inspection of the preparation of livestock products and poultry products, as well as reexamination of articles previously inspected.~~

Sec. 3. Section 54-1903, Reissue Revised Statutes of Nebraska, is amended to read:

54-1903 The intent of the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915 is to assure that only wholesome meat and poultry products enter regular commercial channels of commerce and to provide that same are identified and truthfully labeled. The director is designated as the administrator of the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915 and the department is designated as the administrative state agency.

Sec. 4. Section 54-1908, Reissue Revised Statutes of Nebraska, is amended to read:

54-1908 The director shall have the authority to:

(1) Remove inspection from any establishment that fails to abide by the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915 or any rule or regulation adopted and promulgated under such law thereunder;

(2) Refuse to provide inspection service under the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915 with respect to any establishment for causes specified in section 401 of the Federal Meat Inspection Act or section 18 of the federal Federal Poultry Products Inspection Act;

(3) Order labeling and containers to be withheld from use if the director he determines that the labeling is false or misleading or the containers are of a misleading size or form;

(4) Require that equines be slaughtered and prepared in establishments separate from establishments where other livestock are slaughtered or their products are prepared;

(5) Appoint as his or her agent and prescribe the duties of such inspectors and personnel, including employees of the United States Department of Agriculture, as he or she deems necessary for the efficient execution of the provisions of the Nebraska Meat and Poultry Inspection Law, except sections 54-1901 to 54-1915; Provided, that inspection requested at times other than regularly scheduled inspection times shall be at the establishment operator's expense;

(6) Cooperate with the Secretary of Agriculture of the United States or with any governmental subdivision of this state in the administration of the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915, and to

accept federal assistance or assistance from any governmental subdivision of this state for that purpose, and to spend funds of this state appropriated for administration of the Nebraska Meat and Poultry Inspection Law, ~~except sections 54-1901 to 54-1915~~; ~~Provided~~, that if the director enters into an agreement with the Secretary of Agriculture of the United States involving the acceptance of federal assistance and the utilization of both state and federal personnel, the salaries of state personnel involved in carrying out the enforcement of the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915 shall be comparable to those of their federal counterparts;

(7) Recommend to the Secretary of Agriculture of the United States for appointment to the advisory committees provided for in the federal acts, such officials or employees of the department as the director shall designate;

(8) Serve as the representative of the Governor for consultation with the secretary under paragraph (c) of section 301 of the Federal Meat Inspection Act and paragraph (c) of section 5 of the ~~federal~~ Federal Poultry Products Inspection Act;

(9) Exempt the operations or any part of the operations at any establishment from inspection or other requirements of the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915 to the extent the director ~~he~~ determines such operations are exempt under the Federal Meat Inspection Act or the ~~federal~~ Federal Poultry Products Inspection Act when such exemption would not jeopardize the public health or welfare; or exempt from the inspection requirements of the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915 the slaughter of livestock and poultry, preparation of livestock products and poultry products at any establishment in Nebraska when the director ~~he~~ determines that it is impractical to provide such inspection and that such exemption will otherwise facilitate enforcement of the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915 and not endanger the health and welfare of the people of this state. The director may refuse, withdraw, or modify any exemption under this subdivision whenever the director ~~he~~ determines such action is necessary to effectuate the purposes of the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915;

(10) ~~Adopt and promulgate rules and~~ Promulgate regulations prescribing the sizes and style of type to be used for labeling information required under the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915, and definitions and standards of identity or composition or standards of fill of container, consistent with federal standards, when the director ~~he~~ deems such action appropriate for the protection of the health and welfare of the public;

(11) ~~Adopt and promulgate rules and~~ Promulgate regulations prescribing conditions of storage and handling of livestock products and poultry products by persons engaged in the business of buying, selling, freezing, storing, or transporting such articles in or for intrastate commerce as brokers, wholesalers, common carriers, or otherwise to assure that such articles will not be adulterated or misbranded when delivered to the consumer;

(12) ~~Adopt and promulgate~~ Promulgate rules and regulations as the director ~~he~~ deems necessary prescribing sanitation, antemortem inspection, postmortem inspection, labeling requirements, and facility requirements for the slaughtering and preparation of horses, mules, and other equines and other species in all establishments; and

(13) ~~Adopt and promulgate~~ Promulgate rules and regulations as the director ~~he~~ deems necessary for the efficient execution of the provisions of the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915, including rules of practice providing opportunity for hearing in connection with issuance of orders under section 54-1905 and prescribing procedure for proceedings in such cases.

Sec. 5. Section 54-1909, Reissue Revised Statutes of Nebraska, is amended to read:

54-1909 It shall be unlawful for any person to:

(1) Slaughter any livestock or poultry or prepare any livestock products or poultry products which are capable of use as human food, at any establishment, without first obtaining a license from the director and then only when slaughter or preparation is done in compliance with the requirements of the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915 and rules and regulations adopted and promulgated by the director;

(2) Engage in rendering or pet feed manufacturing without first obtaining a license from the director and then only when such activity is in compliance with the requirements of the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915 and rules and regulations adopted and promulgated by the director;

(3) Sell, transport, offer for sale or transportation, or receive for transportation, in intrastate commerce, any such articles which (a) are capable of use as human food and (b) are adulterated or misbranded at the time of such sale, transportation, offer for sale or transportation, or receipt for transportation; or any articles required to be inspected under the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915 unless they have been so inspected and passed;

(4) Slaughter livestock or poultry for regular commercial channels of commerce unless subjected to antemortem and postmortem inspection, or to sell, offer for sale, expose for sale or have in possession for the purpose of sale, or transport or receive for transportation any livestock product or poultry product capable of use as human food which was slaughtered without antemortem and postmortem inspection and which fails to bear the marks of identification as required by the Nebraska Meat and Poultry Inspection Law sections 54-1901 to

~~54-1915~~ and rules and regulations adopted and promulgated under such law ~~thereunder~~. The possession of any quantity of livestock product or poultry product in an amount greater than meets the reasonable consumption of the owner thereof, including all members of such person's ~~his~~ immediate household and nonpaying guests, shall be prima facie evidence of intent to sell the same contrary to the Nebraska Meat and Poultry Inspection Law provisions of sections 54-1901 to 54-1915;

(5) With respect to any such articles which are capable of use as human food, do any act while they are being transported in intrastate commerce or held for sale after such transportation, which is intended to cause or has the effect of causing such articles to be adulterated or misbranded;

(6) Sell, transport, offer for sale or transportation, or receive for transportation, in intrastate commerce or from any establishment, any slaughtered poultry from which the blood, feathers, feet, head, or viscera have not been removed in accordance with rules and regulations adopted and promulgated by the director, except as may be authorized by such rules and regulations;

(7) Fail to mark or identify any livestock or poultry, part or product of such carcass as required by the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915 or rules and regulations adopted and promulgated under such law hereunder;

(8) Violate any provision of the rules, regulations, or orders of the director entered pursuant to section 54-1904 or 54-1905 or rules and regulations adopted and promulgated pursuant to section 54-1906 or 54-1908;

(9) Cast, print, lithograph, or otherwise make any device containing any official mark or simulation thereof, or any label bearing any such mark or simulation thereof, except as authorized by the director;

(10) Forge any official device, mark, or certificate or without authorization from the director use any official device, mark, or certificate, or simulation thereof, or alter, detach, remove, deface, or destroy any official device, mark, or certificate required pursuant to the terms of the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915 and rules and regulations adopted and promulgated by the director;

(11) Knowingly possess, without promptly notifying the director or the director's ~~his~~ representative, any official device or any counterfeit, simulated, forged, or improperly altered official certificate or any device or label or any carcass of any animal, including poultry, or part or product thereof, bearing any counterfeit, simulated, forged, or improperly altered official mark, or knowingly make any false statement in any shipper's certificate or other nonofficial or official certificate provided for in the rules and regulations adopted and promulgated by the director; or knowingly represent that any article has been inspected and passed, or exempted, under the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915, when in fact it has not been so inspected and passed, or exempted;

(12) Sell, transport, offer for sale or transportation, or receive for transportation, in intrastate commerce, any carcasses of horses, mules, or other equines or parts of such carcasses, or the meat or meat food products thereof, unless they are plainly and conspicuously marked or labeled or otherwise identified as required by rules and regulations prescribed by the director to show the kinds of animals from which they were derived;

(13) Buy, sell, transport, or offer for sale or transportation, or receive for transportation, in intrastate commerce, any livestock products or poultry products, or dead, dying, disabled, or diseased livestock or poultry which are not intended for use as human food unless they are denatured or otherwise identified or decharacterized as required by the rules and regulations of the director so as to prevent them from being used for human food purposes;

(14) Give, pay, or offer, directly or indirectly, to any officer or employee of this state authorized to perform any of the duties prescribed by the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915 or by the rules and regulations of the director, any money or other thing of value, with intent to influence such officer or employee in the discharge of any such duty;

(15) Neglect or refuse to attend and testify or to answer any lawful inquiry, or to produce documentary evidence, if in such person's ~~his~~ power to do so, in obedience to the subpoena or lawful requirement of the director; or

(16) Willfully make, or cause to be made, any false entry or statement of fact in any report required to be made under the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915 or rules and regulations adopted and promulgated under such law thereunder, or willfully make, or cause to be made, any false entry in any account, record, or memorandum kept by any person subject to the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915 or willfully neglect or fail to make or to cause to be made, full, true, and correct entries in such accounts, records, or memoranda, of all facts and transactions appertaining to the business of such person or that shall willfully remove out of the jurisdiction of this state, or willfully mutilate, alter, or by any other means falsify any documentary evidence of any person subject to the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915 or to willfully refuse to submit to the director or to any of the director's ~~his~~ authorized agents, for the purpose of inspection and taking copies, any documentary evidence of any person subject to the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915 in such person's ~~his~~ possession or within such person's ~~his~~ control; or for any inspector to make public any information obtained by the director, under the authority granted by

~~the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915,~~  
without first securing ~~the director's~~ his authority to do so, unless directed  
by a court to divulge such information.

Sec. 6. Section 54-1911, Reissue Revised Statutes of Nebraska, is amended  
to read:

54-1911 Whenever any livestock product or poultry product or any product  
exempted from the definition of a livestock product and from the definition of  
a poultry product, or any dead, dying, disabled, or diseased livestock or  
poultry, is found by any authorized representative of the director upon any  
premises where it is held for purposes of distribution, or during or after  
distribution, in intrastate commerce or is otherwise subject to ~~the Nebraska  
Meat and Poultry Inspection Law sections 54-1901 to 54-1915,~~ and the authorized  
representative or inspector has reason to believe that any such article is  
adulterated or misbranded and is capable of use as human food, or that it has  
not been inspected and fails to bear an official mark or is otherwise in  
violation of ~~the Nebraska Meat and Poultry Inspection Law provisions of  
sections 54-1901 to 54-1915~~ or of the federal acts or the Nebraska Pure Food  
Act, or that such article or animal has been or is intended to be distributed  
in violation of any such provisions, it may be seized and embargoed by such  
representative or inspector for a period not to exceed twenty days, pending  
action under section 54-1912 or notification of any federal authorities having  
jurisdiction over such article or animal, and shall not be moved by any person  
from the place at which it is located when so seized or embargoed until  
released by an inspector or representative of the department or by an order of  
a court having jurisdiction. All official marks may be required by such  
representative or inspector to be removed from such article or animal before it  
is released unless it appears to the satisfaction of the director that the  
article or animal is eligible to retain such mark or marks.

Sec. 7. Section 54-1912, Reissue Revised Statutes of Nebraska, is amended  
to read:

54-1912 Any livestock product or poultry product or any dead, dying,  
disabled, or diseased livestock or poultry that is being transported in  
intrastate commerce or is otherwise subject to ~~the Nebraska Meat and Poultry  
Inspection Law sections 54-1901 to 54-1915,~~ or is held for sale in this state  
after such transportation, and that (1) is or has been prepared, sold,  
transported, or otherwise distributed or offered or received for distribution  
in violation of ~~the Nebraska Meat and Poultry Inspection Law sections 54-1901  
to 54-1915~~ or any rules or regulations duly adopted and promulgated under such  
~~law thereunder,~~ or (2) is capable of use as a human food and found to be  
adulterated or misbranded, or (3) in any other way is in violation of ~~the  
Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915,~~ shall be  
seized and embargoed.

Upon receiving written permission from the owner or claimant, all  
articles, animals, or poultry under seizure or embargo shall be destroyed at  
the expense of the owner or claimant. When permission for destruction cannot be  
obtained, the director shall petition a judge of the district court in whose  
jurisdiction the article, animal, or poultry is seized or embargoed for a  
condemnation of such article, animal, or poultry. If the court finds that the  
seized or embargoed article, animal, or poultry is adulterated or misbranded,  
it shall, after entry of the decree, be destroyed at the expense of the  
claimant or owner thereof, under the supervision of the director or an  
inspector, and all court costs and fees and storage and other proper expenses  
shall be taxed against the owner or claimant or ~~such owner's or claimant's~~ his  
or her agent, ~~except~~ ; ~~Provided,~~ that when the adulteration or misbranding can  
be corrected by proper labeling or further processing of the article of  
livestock or poultry, the court, after entry of the decree and after such  
costs, fees, and expenses have been paid and a good and sufficient bond has  
been executed, conditioned that such article of livestock or poultry shall be  
so labeled or further processed, may by order direct that such article of  
livestock or poultry be delivered to ~~the~~ claimant thereof for labeling or  
further processing under the supervision of an inspector. The expense of such  
supervision may be assessed against the claimant. The article of livestock or  
poultry shall be returned to the claimant on the representation to the court by  
the director that it is no longer in violation of ~~the Nebraska Meat and Poultry  
Inspection Law sections 54-1901 to 54-1915,~~ the Nebraska Pure Food Act, or of  
any federal act or acts, and that the expenses of such supervision have been  
paid. In the case of mislabeled or misbranded articles of livestock or poultry  
which are abandoned by the owner and for which no claimant appears, the same  
may be sold by the director or ~~the director's~~ his or her agent and the proceeds  
of the sale shall be paid to the State Treasurer to be placed in the General  
Fund. No article, poultry, or livestock shall be sold contrary to the ~~Nebraska  
Meat and Poultry Inspection Law provisions of sections 54-1901 to 54-1915,~~ the  
Nebraska Pure Food Act, the Wholesome Meat Act, or the Wholesome Poultry  
Products Act.

The provisions of this section shall in no way derogate from authority for  
condemnation or seizure conferred by other provisions of ~~the Nebraska Meat and  
Poultry Inspection Law sections 54-1901 to 54-1915,~~ or other laws. The district  
courts of this state are vested with jurisdiction specifically to enforce, and  
to prevent and restrain violations of, ~~the Nebraska Meat and Poultry Inspection  
Law sections 54-1901 to 54-1915~~ and shall have jurisdiction in all other kinds  
of cases arising under the ~~Nebraska Meat and Poultry Inspection Law sections  
54-1901 to 54-1915~~ except as otherwise provided ~~under such law for in sections  
54-1901 to 54-1915.~~

Sec. 8. Section 54-1913, Reissue Revised Statutes of Nebraska, is amended to read:

54-1913 (1) Any officer, inspector, or employee of this state authorized to perform any of the duties prescribed by the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915 who shall accept any money, gift, or other thing of value from any person given with intent to influence his or her official action, or who shall receive or accept from any person engaged in intrastate commerce subject to the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915 any gift, money, or other thing of value given with any purpose or intent whatsoever, shall be deemed guilty of a Class III misdemeanor and shall be summarily discharged from office.

(2) Any person who forcibly assaults, resists, opposes, impedes, intimidates, bribes or attempts to bribe, or interferes with any inspector or employee while engaged in or on account of the performance of his or her official duties under the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915, shall be deemed guilty of a Class II misdemeanor.

(3) Any person who violates any provisions of the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915 or any rules and regulations duly adopted and promulgated under such law thereunder, for which no other criminal penalty is provided by the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915, shall be deemed guilty of a Class II misdemeanor, but if such violation involves intent to defraud, or any distribution or attempted distribution of an article that is adulterated, such person shall be guilty of a Class IV felony.

Sec. 9. Section 54-1915, Reissue Revised Statutes of Nebraska, is amended to read:

54-1915 The director is hereby authorized to cooperate with the United States Department of Agriculture for the exchange and cross certification of employees or inspectors to implement the Nebraska Meat and Poultry Inspection Law sections 54-1901 to 54-1915.

Sec. 10. (1) The acquisition of meat from livestock by an informed end consumer shall not constitute the sale of meat products in contravention of the Nebraska Meat and Poultry Inspection Law and shall not be prohibited if all of the following conditions are met:

(a) The meat is made available pursuant to an animal share and is:

(i) Received by or on behalf of an owner of an animal share; and

(ii) Obtained from the particular livestock subject to the animal share;

(b) Ownership of the particular livestock is established by contract prior to slaughter;

(c) The name and address of each individual with an ownership interest in the particular livestock is presented to the processor prior to slaughter; and

(d) Information describing the standards used by the farm or ranch with respect to livestock health and in the processing of meat from the livestock is provided to the informed end consumer by the farmer or rancher.

(2) A farmer or rancher that sells an animal share shall:

(a) Be a resident of the State of Nebraska; and

(b) Maintain a record of each animal share sold under this section.

(3) No person who obtains meat in accordance with this section shall sell, donate, or commercially redistribute the meat in any way. No farmer or rancher shall publish any statement that implies the department's approval or endorsement of meat made available pursuant to an animal share. The requirement for a license under section 54-1904 or for inspection under the Nebraska Meat and Poultry Inspection Law shall not apply to the sale of meat products pursuant to this section.

Sec. 11. (1) The Independent Processor Assistance Program is created. The department shall administer the program contingent on funds being made available for such purpose.

(2) The purpose of the Independent Processor Assistance Program is to:

(a) Address supply chain disruptions caused by a public health emergency;

(b) Increase and improve livestock slaughter and meat processing capacity;

(c) Expand market access for small livestock producers; and

(d) Facilitate workforce development.

(3) In administering the Independent Processor Assistance Program, the department may develop policies and procedures for the disbursement of funds authorized by this section that include, at a minimum, the following:

(a) Applicant eligibility standards. At a minimum, such standards shall require that eligible applicants:

(i) Operate as a federally inspected, state-inspected, or custom-exempt slaughter and processing facility domiciled in Nebraska;

(ii) Demonstrate existing sales revenue of less than two million five hundred thousand dollars and employment of fewer than twenty-five employees; and

(iii) Be registered in good standing with the Secretary of State to do business in Nebraska; and

(b) Expense eligibility standards. At a minimum, such standards shall include:

(i) Capital improvements to expand capacity, including expansion and modifications to existing buildings or construction of new buildings at existing facilities;

(ii) Upgrades to utilities, including water, electric, heat, refrigeration, freezing, and waste facilities;

(iii) Livestock intake and storage equipment;

(iv) Processing and manufacturing equipment, including cutting equipment,



mixers, grinders, sausage stuffers, smokers, curing equipment, pipes, motors, pumps, and valves;

(v) Packaging and handling equipment, including sealing, bagging, boxing, labeling, conveying, and product-moving equipment;

(vi) Warehouse equipment, including storage and curing racks;

(vii) Waste treatment and management equipment, including tanks, blowers, separators, dryers, digesters, and equipment that uses waste to produce energy, fuel, or industrial products;

(viii) Technology that allows increased capacity or business resilience, including software and hardware related to business functions, logistics, inventory management, plant production controls, temperature monitoring controls, and web site design that enables e-commerce;

(ix) Rental of buildings, facilities, or equipment necessary to expand capacity, including mobile slaughter units and mobile refrigeration units used exclusively for meat or poultry processing;

(x) Costs associated with increased inspections or becoming inspected, including overtime inspection services by the Food Safety and Inspection Service of the United States Department of Agriculture and hazard analysis and critical control point consultation services; and

(xi) Educational and workforce training provided either by the facility or by an institution of higher education.

(4) The department may adopt and promulgate rules and regulations to carry out the purposes of the Independent Processor Assistance Program.

Sec. 12. Original sections 54-1901, 54-1902, 54-1903, 54-1908, 54-1909, 54-1911, 54-1912, 54-1913, and 54-1915, Reissue Revised Statutes of Nebraska, are repealed.