

HOUSE REPUBLICAN STAFF ANALYSIS

Bill:	House File 1006 (HF 179, HF 32)	House Committee:	PASSED	01-28-2025	23-0
Committee:	Ways & Means/Agriculture	House Ways/Mean:	PASSED	04-09-2025	24-0
Floor Manager:	Rep. Meggers	House Floor:			
Date:	April 21, 2025	Senate Floor:			
Staff:	Lew Olson (1-3096)	Governor:			

On-Farm Meat Processing Plant Annual Inspection Fees

House File 1006 proposes to create a new type of food processing entity that is licensed and inspected by the Department of Inspection, Appeals and Licensing (DIAL) agents that can store officially processed packaged meat or poultry raised by the licensee and offered for sale at the premise on a wholesale or retail basis. The bill legalizes the on-farm storage of processed inspected packages and allows the on-premises sale on wholesale or retail basis for such packages. The annual license/inspection fee level to be assessed upon on-farm meat and poultry production operations with wholesale or retail packaged sales is \$75.

The bill strikes and replicates existing provisions applying to ‘small food processing premises’ that specify annual license/inspection fees of:

- a) \$150 if gross sales of processed and marketed meat is less than \$200,000;
- b) \$300 is gross sales for is at least \$200,000 but less than \$2-million; and
- c) \$500 for operations with gross annual sales exceeding \$2-million.

This legislation builds on recent legislation HF 661²⁰²³ (that provided for tiered license/inspection fees) and HF 2257²⁰²⁴ (custom inspected poultry slaughter at state inspected lockers) that have been promulgated and enacted in recent sessions to ease the regulatory burden and facilitate the proliferation and growth on-farm meat and poultry production that is processed and packaged under state inspection and stored under DIAL license that is sold on a wholesale or retail basis.

Fiscal Note— not aware of any request yet for a fiscal note for this legislation.

Section by Section Analysis

Section 1—Food Processing Plant Definition Changed to Include On-Farm Meat & Poultry Processing Establishments

Amends section 137F.1, subsection 10, Code 2025, to bifurcate the definition of “food processing plant” to add a new category of plant that has an operation located on a farm or private residence that stores officially processed packaged meat or poultry raised by the licensee and offered for sale at the premise on a wholesale or retail basis. This action further makes renumbering changes to the Code section to reflect the changes cited in the prior sentence.

Section 2--\$75 DIAL Authorized Annual License Inspection Fee for On-Farm Meat & Poultry Establishments

Strikes and replaces section 137F.6, subsection 1, subparagraph g, Code 2025 to include a new \$75 annual license/inspection fee for meat and poultry operations that are on a farm or private residence that offer it inspected meat or poultry for sale on a wholesale or retail basis. This section further reinstalls existing provisions applying to small food processing operations that specify annual license/inspection fees of:

- a) \$150 if gross sales of processed food is less than \$200,000;
- b) \$300 when gross sales of processed food is at least \$200,000 but less than \$2-million; and
- c) \$500 for operations with gross annual sales of processed food exceeds \$2-million.

Amendment Analysis

None Filed.