

AMENDMENT

OFFERED IN THE HOUSE

TO: CSHB 120(RES), Draft Version "G"

Page 1, line 3, following "**land**";:

Insert "**relating to a program of state inspection for certain meat processing facilities**;"

Page 1, line 8, following "**exchange**";:

Insert "**establishing temporary grant programs for certain meat processing facilities and for farm development and improvement**;"

Page 3, following line 18:

Insert new bill sections to read:

"* Sec. 2. AS 17.20.005 is amended to read:

Sec. 17.20.005. Powers and duties of commissioner. To carry out the requirements of this chapter, the commissioner may issue orders, regulations, permits, quarantines, and embargoes relating to

(1) food offered to the public or sold, **subject to AS 17.20.017**, including

(A) inspection of meat, fish, poultry, and other food products;

(B) standards of sanitation and handling methods for all phases of slaughtering, processing, storing, transporting, displaying, and selling;

(C) labeling; and

(D) the training, testing, and certification requirements for individuals who handle or prepare food, their supervisors, and their employers to ensure their knowledge of food safety and sanitation principles and

1 requirements;

2 (2) control and eradication of pests;

3 (3) enforcement of hazard analysis critical control point programs for
4 seafood processing that are developed in cooperation with appropriate industry
5 representatives or, to the extent not inconsistent with this chapter or regulations
6 adopted under the authority of this chapter, that are established by regulations of the
7 United States Food and Drug Administration as they may periodically be revised;

8 (4) labeling, subject to AS 17.20.013, and grading of milk and milk
9 products and standards of sanitation for dairies offering to the public or selling milk or
10 milk products to at least the minimum of current recommendations of the United
11 States Public Health Service pasteurized milk ordinance as it may periodically be
12 revised;

13 (5) standards and conditions for the operation and siting of aquatic
14 farms and related hatcheries, including

15 (A) restrictions on the use of chemicals; and

16 (B) requirements to protect the public from contaminated
17 aquatic farm products that pose a risk to health;

18 (6) monitoring aquatic farms and aquatic farm products to ensure
19 compliance with this chapter and, to the extent not inconsistent with this chapter or
20 regulations adopted under the authority of this chapter, with the requirements of the
21 national shellfish sanitation program manual of operations published by the United
22 States Food and Drug Administration as it may periodically be revised;

23 (7) tests and analyses that may be made and hearings that may be held
24 to determine whether the commissioner will issue a stop order or quarantine;

25 (8) transportation of, use of, disposal of, recalls of, or warnings
26 concerning quarantined or embargoed items;

27 (9) cooperation with federal and other state agencies.

28 * **Sec. 3.** AS 17.20 is amended by adding a new section to read:

29 **Sec. 17.20.017. Inspection of processed meat products.** (a) The department
30 may adopt regulations to establish a program of state inspection for the processing and
31 sale of meat products, including meat products from amenable species.

(b) The department may administer and enforce regulations adopted under (a) of this section for a program of state inspection for the processing and sale of meat products from amenable species only if the program is approved by the federal government.

(c) Regulations adopted by the department under this section must impose requirements that are not less stringent than the requirements imposed under 21 U.S.C. 601 - 695 (Federal Meat Inspection Act) and 7 U.S.C. 1901 - 1907 (Humane Methods of Slaughter Act).

(d) Subject to (b) of this section, and except as provided in (e) of this section, if the department adopts regulations to establish a program of state inspection for the processing and sale of meat products, the department shall

(1) license facilities that process meat products for sale to the public;

(2) adopt license requirements and fees for facilities that process meat products for sale to the public; and

(3) use officers and employees of the department to inspect facilities that are licensed under this subsection.

(e) The department may not establish, administer, or enforce a program of inspection under this section for facilities that process meat products from equines.

(f) In this section,

(1) "amenable species" has the meaning given in 21 U.S.C. 601(w);

(2) "equine" means a member of the family Equidae."

Renumber the following bill sections accordingly.

Page 15, following line 15:

Insert new bill sections to read:

"* Sec. 21. The uncoded law of the State of Alaska is amended by adding a new section to read:

TEMPORARY GRANT PROGRAM FOR MEAT PROCESSING FACILITIES. (a) The Department of Environmental Conservation shall establish a grant program by regulation for the purpose of funding

1 (1) upgrades to a facility that is expected to operate under a program of state
2 inspection authorized under AS 17.20.017, added by sec. 3 of this Act;

3 (2) construction of a new facility that is expected to operate under a program
4 of state inspection authorized under AS 17.20.017, added by sec. 3 of this Act; and

5 (3) expansion of a facility that operates under a program of federal inspection
6 that plans to increase processing of meat from animals raised in the state.

7 (b) In administering the grant program established under (a) of this section, the
8 Department of Environmental Conservation

9 (1) shall develop criteria for awarding a grant and a process for applying for a
10 grant that includes requiring

11 (A) a grant applicant to submit a business plan that provides

12 (i) how the applicant will meet the criteria required by the
13 department to approve a grant under this section;

14 (ii) a timeline for the applicant to meet the upgrades,
15 construction, or expansion funded by the grant; and

16 (B) the department to

17 (i) approve an applicant's business plan before awarding a
18 grant;

19 (ii) visit an applicant's facility or the site of a facility proposed
20 by an applicant to be upgraded, constructed, or expanded with grant funds;

21 (2) shall

22 (A) award grants preferentially to support facilities that prioritize
23 seasonally feasible processing of meat from animals raised in the state; and

24 (B) require a recipient of a grant to report to the department on the use
25 of grant funds;

26 (3) may make grants of up to \$150,000 to an applicant whose business plan is
27 approved under this subsection for eligible expenses approved by the department;

28 (4) may make grants under this section until July 1, 2023.

29 (c) A recipient of a grant made under this section may use grant funds for costs
30 related to activities described in (a) of this section that are approved by the department,
31 including costs of technical assistance and the purchase of equipment.

(d) The department may charge an administrative fee to the recipient of a grant made under this section to cover the department's costs of administering the temporary grant program. The department

(1) shall deduct the fee from the grant funds provided to the recipient; and

(2) may not charge a recipient more than three percent of the amount of a grant made to the recipient applicant under this section.

(e) The temporary meat processing facilities grant fund is established in the department and consists of appropriations to the fund. Appropriations to the fund do not lapse.

(f) Except as otherwise provided by this section, if work on a project under (a) of this section is not concluded by June 30, 2028, the grant recipient shall repay to the fund any money not spent from the grant. Grant funds used for expenses that are not eligible under (c) of this section or that are not accounted for in the recipient's business plan approved by the department under (b) of this section must also be repaid to the fund. On and after July 1, 2023, any money repaid by a grant recipient shall be deposited into the general fund.

* **Sec. 22.** The uncoded law of the State of Alaska is amended by adding a new section to read:

TEMPORARY GRANT PROGRAM FOR FARM DEVELOPMENT AND IMPROVEMENT. (a) The division of the Department of Natural Resources with responsibility for agriculture shall establish a grant program by regulation for the purpose of funding investments in agriculture to build resiliency in the state's food supply.

(b) In administering the grant program established under (a) of this section, the Department of Natural Resources

(1) shall develop criteria for awarding a grant and a process for applying for a grant that includes requiring

(A) a grant applicant to submit a business plan that provides

(i) how the applicant will meet the criteria required by the department to approve a grant under this section;

(ii) a timeline for the applicant to meet the upgrades, construction, or expansion funded by the grant; and

(B) the department to

(i) approve an applicant's business plan before awarding a

1 grant;

2 (ii) visit an applicant's farm, facility, or other site that would

3 receive funding under a grant made under this section;

4 (2) shall require a recipient of a grant to report to the department on the use of

5 grant funds;

6 (3) may make grants of up to \$150,000 to an applicant for eligible farm

7 development and improvement expenses approved by the department;

8 (4) may make grants under this section until July 1, 2023.

9 (c) Eligible expenses under (b)(3) of this section include expenses relating to

10 (1) clearing of land for agricultural purposes; and

11 (2) the purchase, building, installation, maintenance, or improvement of

12 (A) irrigation, drainage, and other water management systems;

13 (B) fencing, trellising, barns, greenhouses, or other farm buildings or

14 structures;

15 (C) agricultural processing and farm equipment, including milking and

16 pasteurization equipment;

17 (D) livestock, feed, seeds, fertilizer, and seasonal extension equipment;

18 and

19 (E) bees and beekeeping equipment.

20 (d) The department may charge an administrative fee to the recipient of a grant made

21 under this section to cover the department's costs of administering the temporary grant

22 program. The administrative fee

23 (1) shall be deducted from the grant funds provided to the recipient; and

24 (2) may not exceed three percent of the amount of a grant made under this

25 section.

26 (e) The temporary farm development and improvement grant fund is established in

27 the department and consists of appropriations to the fund. Appropriations to the fund do not

28 lapse.

29 (f) Except as otherwise provided by this section, if work on a project under (a) of this

30 section is not concluded by June 30, 2028, the grant recipient must repay to the fund any

31 money not spent from a grant received under this section. Grant funds used for expenses that

are not eligible under (c) of this section or that are not accounted for in a recipient's business plan approved by the department under (b) of this section must also be repaid to the fund. On and after July 1, 2023, any money repaid by a grant recipient shall be deposited into the general fund.

* **Sec. 23.** The uncodified law of the State of Alaska is amended by adding a new section to read:

TRANSITION: REGULATIONS. The Department of Environmental Conservation and the Department of Natural Resources shall adopt regulations necessary to implement secs. 2, 3, 21, and 22 of this Act. The regulations take effect under AS 44.62 (Administrative Procedure Act), but not before the effective date of the law implemented by the regulation."

Renumber the following bill sections accordingly.

Page 15, following line 16:

Insert new bill sections to read:

"* **Sec. 25.** Sections 21 and 22 of this Act are repealed January 1, 2029.

* **Sec. 26.** Sections 21 and 22 of this Act take effect January 1, 2023."

Renumber the following bill section accordingly.

Page 15, line 17:

Delete "This"

Insert "Except as provided by sec. 26 of this Act, this"