

1-1 By: Kolkhorst S.B. No. 691
1-2 (In the Senate - Filed February 3, 2023; February 17, 2023,
1-3 read first time and referred to Committee on Water, Agriculture &
1-4 Rural Affairs; March 29, 2023, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 9, Nays 0;
1-6 March 29, 2023, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 691 By: Kolkhorst

1-19 A BILL TO BE ENTITLED
1-20 AN ACT

1-21 relating to an animal share exemption for certain meat and meat food
1-22 products; providing a civil penalty.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Subchapter A, Chapter 433, Health and Safety
1-25 Code, is amended by adding Section 433.0065 to read as follows:

1-26 Sec. 433.0065. ANIMAL SHARE EXEMPTION; CIVIL PENALTY. (a)
1-27 In this section, "animal share" means an ownership interest in one
1-28 or more identified livestock animals created by a contract between
1-29 a farmer or rancher who owns the livestock and a prospective
1-30 co-owner of the livestock.

1-31 (b) An animal share executed by a co-owner and a farmer or
1-32 rancher under this section must include:

1-33 (1) a bill of sale the farmer or rancher provides to
1-34 the co-owner conveying an ownership interest in the livestock;

1-35 (2) a provision authorizing the farmer or rancher to
1-36 board the livestock and arrange preparation of the livestock as
1-37 meat and meat food products for the co-owner; and

1-38 (3) a provision entitling the co-owner to a share of
1-39 meat and meat food products derived from the livestock.

1-40 (c) The provisions of this chapter requiring inspection of
1-41 livestock before slaughter and inspection of the preparation of
1-42 meat and meat food products do not apply to the slaughter of
1-43 livestock and preparation of meat and meat food products if:

1-44 (1) ownership of the livestock under an animal share
1-45 is established before the livestock is slaughtered and the meat and
1-46 meat food products are prepared;

1-47 (2) the meat and meat food products are:

1-48 (A) prepared from livestock subject to an animal
1-49 share and delivered to the establishment preparing the products by
1-50 the farmer or rancher boarding the livestock; and

1-51 (B) following preparation, delivered directly to
1-52 the co-owner;

1-53 (3) on delivery of the meat or meat food products to
1-54 the co-owner, the establishment provides to the co-owner notice
1-55 that the department has not inspected the meat or meat food products
1-56 in:

1-57 (A) a separate written statement that
1-58 prominently displays the warning; or

1-59 (B) a warning statement prominently displayed on
1-60 a label affixed to the meat or meat food product packaging;

2-1 (4) the label affixed to the meat or meat food product
2-2 clearly and conspicuously states "Not for Sale"; and

2-3 (5) the farmer or rancher provides to the co-owner
2-4 information describing the standards the farmer or rancher followed
2-5 in maintaining livestock health and preparing the meat and meat
2-6 food products derived from the livestock.

2-7 (d) A person may not sell, donate, or commercially
2-8 redistribute meat or meat food products produced in accordance with
2-9 this section. A person who violates this subsection is liable to
2-10 this state for a civil penalty in the amount of \$10,000 for each
2-11 violation. The attorney general may bring an action to recover a
2-12 civil penalty authorized under this subsection and may recover
2-13 reasonable expenses incurred in obtaining the civil penalty,
2-14 including court costs, attorney's fees, investigative costs,
2-15 witness fees, and deposition expenses.

2-16 (e) A farmer or rancher may not publish a statement that
2-17 implies department approval or endorsement regarding meat or meat
2-18 food products delivered pursuant to an animal share.

2-19 (f) The adulteration and misbranding provisions of this
2-20 chapter, other than the requirement of an inspection legend, apply
2-21 to meat or meat food products prepared by a processing
2-22 establishment under this section.

2-23 (g) This section does not authorize the preparation of meat
2-24 or meat food products in violation of the Federal Meat Inspection
2-25 Act (21 U.S.C. Section 601 et seq.).

2-26 SECTION 2. Section 433.024(b), Health and Safety Code, is
2-27 amended to read as follows:

2-28 (b) The department shall inspect each slaughtering
2-29 establishment whose primary business is the selling of livestock to
2-30 be slaughtered by the purchaser on premises owned or operated by the
2-31 seller. This subsection does not nullify the provisions in Section
2-32 433.006 relating to exemptions or Section 433.0065 relating to an
2-33 animal share exemption.

2-34 SECTION 3. This Act takes effect September 1, 2023.

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