DEPARTMENT OF AGRICULTURE

Food Safety and Inspection Service

[Docket No. FSIS-2021-0011]

Retail Exemptions Adjusted Dollar Limitations

AGENCY: Food Safety and Inspection Service, Agriculture (USDA).

ACTION: Notice.

SUMMARY: The Food Safety and Inspection Service (FSIS) is announcing the dollar limitations on the amount of meat and meat food products and poultry and poultry products that a retail store can sell to hotels, restaurants, and similar institutions without disqualifying itself for exemption from Federal inspection requirements.

DATES: Applicable [INSERT DATE 30 DAYS AFTER PUBLICATION IN THE FEDERAL REGISTER].


SUPPLEMENTARY INFORMATION:

Background

The Federal Meat Inspection Act (21 U.S.C. 601 et seq.) and the Poultry Products Inspection Act (21 U.S.C. 451 et seq.) provide a comprehensive statutory framework to ensure that meat and meat food products and poultry and poultry products prepared for commerce are wholesome, not adulterated, and properly
labeled and packaged. Statutory provisions requiring inspection of the processing of meat and meat food products and poultry and poultry products do not apply to operations of types traditionally and usually conducted at retail stores and restaurants in regard to products offered for sale to consumers in normal retail quantities (21 U.S.C. 661(c)(2) and 454(c)(2)). FSIS's regulations (9 CFR 303.1(d) and 381.10(d)) elaborate on the conditions under which requirements for inspection do not apply to retail operations involving the preparation of meat and meat food products and the processing of poultry and poultry products.

**Sales to Hotels, Restaurants, and Similar Institutions**

Under the aforementioned regulations, sales to hotels, restaurants, and similar institutions (other than household consumers) disqualify a retail store from exemption if the retail product sales exceed either of two maximum limits: 25 percent of the dollar value of the total retail product sales of the amenable product or the calendar year retail dollar limitation set by the FSIS Administrator. The retail dollar limitation is adjusted automatically during the first quarter of the year if the Consumer Price Index (CPI), published by the Bureau of Labor Statistics, shows an increase or decrease of more than $500 in the price of the same volume of product for the previous year. FSIS publishes a notice of the adjusted retail dollar limitations in the Federal Register. (See 9 CFR 303.1(d)(2)(iii)(b) and 381.10(d)(2)(iii)(b).)
The CPI for 2020 reveals an annual average price increase for meat and meat food products at 7.38 percent, an average annual price increase for Siluriformes fish and fish products at 3.26 percent, and an annual average price increase for poultry and poultry products at 5.6 percent. When rounded to the nearest $100 dollar, the retail dollar limitation for meat and meat food products, including Siluriformes fish and fish products, increased by $5,700\(^1\) and the retail dollar limitation for poultry and poultry products increased by $3,200. In accordance with 9 CFR 303.1(d)(2)(iii)(b) and 381.10(d)(2)(iii)(b), because the retail dollar limitations for meat and meat food products increased by more than $500, FSIS is increasing the dollar limitation on sales to hotels, restaurants, and similar institutions to $84,900 for meat and meat food products for calendar year 2021. Because the retail dollar limitations for poultry and poultry products increased by more than $500, FSIS is increasing the dollar limitation on sales to hotels, restaurants, and similar institutions to $59,800 for poultry and poultry products for calendar year 2021.

Additional Public Notification

Public awareness of all segments of rulemaking and policy development is important. Consequently, FSIS will announce this

---

\(^{1}\)The base value for “meat and meat products” in 2020 was $79,200, which included $76,700 for meat and meat products and $2,500 to account for Siluriformes fish and fish products. The meat and meat products prices increased by 7.38 percent or $5,660 ($76,700 x 0.0738 = $5,660) during 2020. The Siluriformes fish and fish products prices increased by 3.26 percent or $82 ($2,500 x 0.0326 = $82) during 2020. Combined, the value for “meat and meat products” that includes Siluriformes fish and fish products increased by $5,742 ($5,660 + $82). Since this change is more than $500, the base is adjusted to nearest $100 or $5,700.
Federal Register publication on-line through the FSIS Web page located at: https://www.fsis.usda.gov/federal-register.

FSIS will also announce and provide a link to this Federal Register publication through the FSIS Constituent Update, which is used to provide information regarding FSIS policies, procedures, regulations, Federal Register notices, FSIS public meetings, and other types of information that could affect or would be of interest to our constituents and stakeholders. The Constituent Update is available on the FSIS Web page. Through the Web page, FSIS can provide information to a much broader, more diverse audience. In addition, FSIS offers an e-mail subscription service which provides automatic and customized access to selected food safety news and information. This service is available at: https://www.fsis.usda.gov/subscribe. Options range from recalls to export information, regulations, directives, and notices. Customers can add or delete subscriptions themselves and have the option to password protect their accounts.

USDA Non-Discrimination Statement

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital
status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at https://www.usda.gov/oascr/how-to-file-a-program-discrimination-complaint and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: program.intake@usda.gov.

USDA is an equal opportunity provider, employer, and lender.
Paul Kiecker,
Administrator.

[FR Doc. 2021-10129 Filed: 5/12/2021 8:45 am; Publication Date: 5/13/2021]