

AN ACT

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

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

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

Sec. 433.0065. ANIMAL SHARE EXEMPTION; CIVIL PENALTY. (a)

In this section, "animal share" means an ownership interest in one or more identified livestock animals created by a contract between a farmer or rancher who owns the livestock and a prospective co-owner of the livestock.

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

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

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

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

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

1 (1) ownership of the livestock under an animal share
2 is established before the livestock is slaughtered and the meat and
3 meat food products are prepared;

4 (2) the meat and meat food products are:

5 (A) prepared from livestock subject to an animal
6 share and delivered to the establishment preparing the products by
7 the farmer or rancher boarding the livestock; and

8 (B) following preparation, delivered directly to
9 the co-owner;

10 (3) on delivery of the meat or meat food products to
11 the co-owner, the establishment provides to the co-owner notice
12 that the department has not inspected the meat or meat food products
13 in:

14 (A) a separate written statement that
15 prominently displays the warning; or

16 (B) a warning statement prominently displayed on
17 a label affixed to the meat or meat food product packaging;

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

20 (5) the farmer or rancher provides to the co-owner
21 information describing the standards the farmer or rancher followed
22 in maintaining livestock health and preparing the meat and meat
23 food products derived from the livestock.

24 (d) A person may not sell, donate, or commercially
25 redistribute meat or meat food products produced in accordance with
26 this section. A person who violates this subsection is liable to
27 this state for a civil penalty in the amount of \$10,000 for each

1 violation. The attorney general may bring an action to recover a
2 civil penalty authorized under this subsection and may recover
3 reasonable expenses incurred in obtaining the civil penalty,
4 including court costs, attorney's fees, investigative costs,
5 witness fees, and deposition expenses.

6 (e) A farmer or rancher may not publish a statement that
7 implies department approval or endorsement regarding meat or meat
8 food products delivered pursuant to an animal share.

9 (f) The adulteration and misbranding provisions of this
10 chapter, other than the requirement of an inspection legend, apply
11 to meat or meat food products prepared by a processing
12 establishment under this section.

13 (g) This section does not authorize the preparation of meat
14 or meat food products in violation of the Federal Meat Inspection
15 Act (21 U.S.C. Section 601 et seq.).

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

18 (b) The department shall inspect each slaughtering
19 establishment whose primary business is the selling of livestock to
20 be slaughtered by the purchaser on premises owned or operated by the
21 seller. This subsection does not nullify the provisions in Section
22 433.006 relating to exemptions or Section 433.0065 relating to an
23 animal share exemption.

24 SECTION 3. This Act takes effect September 1, 2023.

S.B. No. 691

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 691 passed the Senate on April 3, 2023, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 691 passed the House on May 19, 2023, by the following vote: Yeas 126, Nays 17, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor