

Slaughterhouse Zoning Regulations

Key Takeaways

- The United States Department of Agriculture (USDA) has invested over \$700 million to expand meat and poultry processing capacity so farmers, and consumers have more choices in the marketplace and producers can access their market without entry barriers.
- There are only 21 USDA licensed and inspected processing facilities in Tennessee, where local meat can be processed for retail purposes.
- In 2022, an opinion was requested from the Tennessee Attorney General posing the question “Does Tennessee Code Annotated 13-7-114 exempt from county zoning regulation cotton gins, grain elevators, slaughterhouses, processing plants, and milk bottling plants?”
- Attorney General Slatery’s opinion, TN 22-07, stated such blanket exemption does not exist and a structure housing these operations is exempt from county zoning regulations only if the structure is located on lands devoted to agricultural purposes and is incidental to the underlying agricultural enterprise.
- Only 40 Tennessee counties have a zoning board authority, resulting in a lack of consistency in how facilities can be zoned.

Questions

1. **Would additional processing facilities help farmers in your community?**
2. **Have county zoning regulations prohibited processing facilities from being built in your community?**

Background

During the 112th General Assembly, legislation was introduced to provide an exemption from county zoning regulations for buildings on land used for agriculture. Motivation for the language came from the lack of processing facilities across Tennessee, with only 21 USDA inspected facilities statewide. Although this legislation was unsuccessful, it prompted conversation about whether zoning exemptions should apply to such facilities.

The Senate sponsor of the legislation requested an opinion from Tennessee Attorney General Herbert Slatery’s office asking the question “does Tennessee Code Annotated 13-7-114 exempt from county zoning regulation cotton gins, grain elevators, slaughterhouses, processing plants, and milk bottling plants?”. The response received stated no, there is no blanket exemption from county zoning regulation for slaughterhouses, as well as cotton gins, grain elevators, processing plants, or milk bottling plants. Only if the structure is located on lands devoted

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to agricultural purposes and is incidental to the underlying agricultural enterprise is it eligible for exemption.

Across the state, there are discrepancies from county to county on zoning rules and exemptions. Some counties have a robust zoning process, while others have no zoning body to delegate exemptions and rules. Currently, anyone who wishes to seek a zoning exemption for agriculture purposes must check their county process and requirements. Out of Tennessee's 95 counties, only 75 have planning commissions - used primarily for residential permitting – and a mere have a zoning board authority.

The sparsity of slaughter facilities is recognized on the national level as well – USDA has allocated over \$700 million in relief funds to strengthen the food supply chain and provide better market options for consumers and producers. The hope is for these funds to focus on increased options for American farmers to process locally, sell locally, and adopt practices which are both good for their businesses and for the local economy. Building more distributed, local capacity will help build resiliency in the face of market disruptions, provide more choices for producers to create value-added products and sell locally, and support new economic opportunities and job creation in rural communities.

Areas of investment include:

- **Creating a robust technical assistance network** to ensure participants in USDA's meat and poultry supply chain initiatives have access to a full range of technical assistance to support their project development and success.
- **Supporting independent meat and poultry processing plant projects**, filling a demonstrated need for more diversified processing capacity.
- **Partnering with lenders** to address the credit access gap for meat and poultry processing projects because lenders have been cautious to invest in the meat and poultry sector without incentives to do so given the risk profile and lack of experience in the sector.
- **Developing a pipeline of well-trained workers and safe workplaces in the processing sector.** A reliable, well-trained workforce will be essential to the success of independent meat and poultry processing facilities, but there are currently very few training programs to prepare workers for these jobs.
- **Assisting food supply chain infrastructure** not covered by the meat and poultry processing program. Independently owned and available infrastructure such as cold storage, refrigerated trucks, and processing facilities are in short support but essential to creating a more resilient food system.

Financially backed investments combined with feasibility to locate within specially zoned areas allow producers to expand their market potential and gives consumers traceability in where their food is sourced.

Policy

Improving Family Farm Incomes (Partial)

Tennessee faces a shortage of slaughter capacity. We believe the Tennessee Farm Bureau, Tennessee Department of Agriculture and UT Institute of Agriculture should work to find solutions for the shortage of USDA inspected processing facilities. This should include efficient and cost effective ways for custom

processing plants to become federally compliant. Personalized and customized options once provided by small packing plants are difficult to find. Producers need to have consistent access to a well-run, federally compliant, flexible and profitable facility to link independent livestock producers to end consumers. With customized value-added products, we have an opportunity to fill the ever growing demand for locally produced products.