



## Consumer Federation of America

**TO: OBAMA TRANSITION STAFF**  
**FROM: CONSUMER FEDERATION OF AMERICA**  
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**RE: FOOD SAFETY: OPPORTUNITIES & CHALLENGES**  
**DATE: NOV. 25, 2008**

On behalf of Consumer Federation of America,<sup>1</sup> we offer the following comments on important issues that the transition team should cover with the FSIS staff during the transition.

### **I. PRESIDENTIAL LEADERSHIP ON FOOD SAFETY**

**BACKGROUND:** Foodborne illness is a serious national public health problem and increasingly a serious trade issue. There is a steady stream of highly publicized foodborne illness outbreaks and large recalls of contaminated foods ranging from ground beef to peanut butter, lettuce and tomatoes. Public opinion research shows Americans are less confident that the food they eat and feed their children is safe. Concern about the safety of imported food, especially from China, is a potential threat to international food trade. A new Administration should take office assuming there will be additional foodborne illness outbreaks during the coming year and act quickly to try to reduce the impact.

#### **PRESIDENTIAL LEADERSHIP COUNTS**

President Clinton, after a series of highly publicized foodborne illness outbreaks traced to fast food ground beef, hot dogs and fresh juices, initiated an active program to identify and control foodborne illness, launched vigorous regulatory programs to protect the public, and held

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<sup>1</sup> Consumer Federation of America is a 50 year old non-profit association of over 300 organizations, representing a combined membership of over 50 million Americans, which works to advance the interests of American consumers through research, education and advocacy. Member organizations include local, state and national consumer advocacy groups, senior citizen associations, consumer cooperatives, trade unions, and anti-hunger and food safety organizations. CFA's policy positions are determined by vote of member representatives. The Food Policy Institute was created in 1999 and engages in research, education and advocacy on food and agricultural policy, agricultural biotechnology, food safety and nutrition.



a series of White House events to assure people knew his Administration was actively combating foodborne pathogens. Between 1996 and 2001, the incidence of foodborne illness declined steeply.<sup>2</sup>

The Bush Administration was generally hostile to regulation and had no Presidential level commitment to combating foodborne illness. CDC FoodNet data demonstrate that progress has stalled. The CDC continues to estimate 76 million cases a year, 350,000 hospitalizations and 5,000 deaths. The most recent CDC FoodNet data show the rate of illnesses caused by E. coli O157:H7, Salmonella, Campylobacter, and Listeria remain substantially higher than the National Health Objectives for foodborne illness established by Healthy People 2010.<sup>3</sup>

**FOODBORNE ILLNESS RATES: FOUR PATHOGENS\***

Clinton Administration, 1996-98 through 2001

Bush Administration, 2002 through 2007\*\*

PATHOGEN	Clinton Administration		Bush Administration		National Health Objective 2010
	1996-98	2001	2002	2007	
Campylobacter	21.7	13.8	12.61	12.79	12.3
E. Coli O157:H7	2.3	1.6	1.22	1.2	1.0
Salmonella	13.5	15	15.09	14.92	6.8
Listeria	4.9	3	2.6	2.7	2.5

\*Compiled from Annual CDC FoodNet Reports

Salmonella, Campylobacter, E. coli O157:H7 rates per 100,000 population

Listeria rates per 1 million

\*\*First year Bush Appointees directing regulatory programs

The Obama Administration will have only 14 months to reverse the trend and reach the Healthy People goals.

<sup>2</sup> President Clinton entered office in January 1993 in the midst of the first large outbreak of E. coli O157:H7 food poisoning that hit 300 young children on the West Coast who'd eaten fast food hamburgers. He dispatched his new Secretary of Agriculture to Seattle to investigate but little meaningful action followed. Subsequent outbreaks of E. coli illness associated with meat, fresh juices and Listeriosis traced to contaminated hot dogs demonstrated that foodborne illness could not be ignored. The Clinton Administration launched a vigorous effort to reduce the toll. Government agencies declared E. coli O157:H7 in ground beef to be an adulterant; required meat and poultry, seafood and fresh juice processors to adopt HACCP process control systems, launched a CDC program to track foodborne illness, established a White House Council on Food Safety, and initiated a series of White House events to publicize these and other efforts. The efforts were a major factor steep drops in foodborne illness between 1996 and 2001.

<sup>3</sup>All data from CDC FoodNet Surveillance system, reported in Mortality and Morbidity Weekly Reports, 1998-2007.



## RECOMMENDATIONS TO PRESIDENT OBAMA

We respectfully urge President Obama to act quickly to re-invigorate the federal food safety effort.

We hope that President Obama will, within the first 100 days of his Administration, issue an Executive Order:

1. Re-establishing the White House Food Safety Council and directing the Council to develop a legislative proposal and implementation and resource plan for government action to assure the accountability of those who import food into the U.S. The Council should provide the President with an overall view of food safety needs and resources, should be directed to manage strategic coordination of all food safety efforts, and be tasked with creating a long term budget plan for food safety agencies.

2. Establishing under the President's Council on Food Safety and in collaboration with Congress, a commission of government officials, consumer and industry leaders, and food safety experts to develop a legislative proposal for modernizing meat and poultry inspection and merging all federal food safety functions into a single agency.

In addition, we urge the President to:

1. Convey to his nominees for Secretary of Agriculture and Health and Human Services that addressing food safety is a high priority concern, and that they should direct their staffs to work with the President's Food Safety Council to carry out the Executive Order and create the commission.

The Administration should assure that both of the Secretaries, the FDA Commissioner and the Under Secretary for Food Safety include their strong commitment to these priorities in their confirmation hearing statements.

2. Within the first 100 days of the Administration, direct the Secretary of HHS-designate to issue a directive vesting in a single HHS official line management authority, including budget and program responsibility, for all food safety activities in HHS.

This official would:

- Serve in the dual capacity of FDA deputy commissioner for foods and senior advisor to the Secretary for food safety and be directly accountable to the Secretary;

- Be housed in FDA with a charge to lead FDA food safety initiatives, including the prompt initiation of rulemaking to set



produce safety standards and minimum risk-based, preventive safety standards for all foods.

3. Set aside the FDA's Food Protection Plan which was dictated by the Bush Administration and heavily influenced by food industry's desire to limit change. The FDA staff was precluded from proposing basic changes in the law, specific mechanisms for funding an adequate program or mandated federal food safety standards. Since these are issues that must be addressed, the FPA should not be the starting point for a new Administration.

## **II. PROPOSALS RELATED TO USDA/FSIS ISSUES**

### **RECOGNIZE THAT REDUCING FOODBORNE ILLNESS WILL REQUIRE ADDITIONAL FINANCIAL AND STAFF RESOURCES; NOT JUST REALLOCATING INSPECTION RESOURCES FROM FSIS TO FDA**

Because government resources are so limited, there is an understandable temptation to look for ways to help FDA by taking funds from FSIS which has a far larger staff and budget. Both GAO and a non-profit health policy group have implicitly suggested that the way to increase FDA food safety resources is to reallocate funds from the FSIS inspection program.

In April 2008, a Trust for America's Health report stated that national food safety efforts suffered from "Misaligned Priorities and Resources." It quoted "experts" as saying that 85% of known foodborne illness outbreaks are associated with FDA-regulated food and only 15% with FSIS regulated foods but that FSIS commands the vast majority of the funds and personnel devoted to food safety.

After the election, the GAO issued a list of recommendations for the Transition that urged the Obama Administration to reallocate food safety resources.

The GAO stated,

"For example, federal expenditures on food safety are not based on the volume of foods regulated by the agencies or consumed by the public. USDA programs accounted for the majority of federal expenditures for food safety inspection; however, USDA is responsible for regulating only about 20 percent of the food supply. FDA, which is responsible for regulating about 80 percent of the food supply, accounted for only about 24 percent of expenditures."



The suggestions should be rejected because:

1. A modern effective food safety system that can reduce foodborne illness and restore consumer confidence will cost more than the current system.

--Clinton Administration leaders who introduced the HACCP program acknowledged that the tools of a modern inspection system-- research, standard setting and microbial testing-- are expensive. Modernizing the FSIS program would not reduce its total cost.

--FDA has been systematically starved for resources for over a decade. Recent increases only begin to build toward adequate funding.

--While FSIS has received regular budget increases, they haven't kept up with industry expansion. FSIS inspected 52 billion pounds of meat and poultry in 1981; in 2007, it inspected 104 billion pounds. During the same period, the number of full-time FSIS employees dropped 7.5 percent.<sup>4</sup> The Agency is seeking new ways to carry out its responsibilities but, as we will discuss later, FSIS hasn't always provided sufficient oversight of high-risk processing or met its legal responsibility to inspect every plant every day.

2. Neither GAO nor the Trust for America's Health offers a supportable rationale for reallocating resources.

--GAO's statement suggests that funds should be allocated according to the percentage of the food supply regulated, not by the risk presented by the products regulated.

--The Trust for America's Health statement appears to be consistent with a risk-based approach to food safety but the Trust considers only "illnesses associated with outbreaks," which gives an incomplete picture of the problem.

The CDC defines an "outbreak" as an event where two or more people come down with the same illness after eating the same contaminated food. That agency also notes that most foodborne illnesses are "sporadic," single illnesses not associated with outbreaks.

Outbreaks do not provide a complete picture of illnesses caused by foodborne pathogens. Some pathogens cause immediate symptoms and are more easily associated with other cases to make an "outbreak." Rapid onset is a factor in the large number of reported

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<sup>4</sup> Data from White House Office of Management and Budget and FSIS compiled and reported by OMBWatch. Available online at [www.ombwatch.org/article/articlereview/4183/1/527](http://www.ombwatch.org/article/articlereview/4183/1/527) accessed Nov. 26, 2008.



seafood “outbreaks.” Symptoms of Ciguatoxin poisoning occur within 2 hours; and Scombrototoxin within a minute to three hours.<sup>5</sup>

The symptoms of some pathogen infections don’t develop for several days making it harder to identify the food source and credit an outbreak. Campylobacter symptoms don’t arise until two to five days after infection. It is rarely associated with an outbreak. The CDC estimates there were 2 million cases of Campylobacteriosis in 2007, far greater than the estimated number of illnesses associated with Ciguatoxin or Scrombrototoxin poisoning. Campylobacteriosis is most frequently associated with eating undercooked contaminated poultry.

In its new edition of Outbreak Alert, CSPI acknowledges that the relative rates of illnesses linked to various food categories, when adjusted for consumption, show that FSIS regulated products—poultry, beef and pork—cause more illnesses than produce and dairy which are regulated by FDA.<sup>6</sup>

Outbreak data are important but reallocating resources solely on the basis of outbreak data could lead to increases in some forms of foodborne illness and might not contribute to reductions of other illnesses.

3. The FSIS staff and inspection resources have not kept pace with the rapid growth in the regulated industry, especially poultry.

As noted previously, meat and poultry production has doubled since 1981, while the FSIS staff declined by 7.5 percent. The vacancy rate for inspectors runs at a national average of 10 percent and sometimes rises as high as 12.2 percent.

In order to meet the requirement for carcass by carcass inspection in a rapidly expanding poultry industry, FSIS has had to reduce the number of inspectors assigned to processing plants. The Agency does this through “patrol” inspections--an inspector may be required to oversee as many as 10-12 plants each day. The number of plants on a patrol is determined by geography, not by an assessment of the risk in the product being made.

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<sup>5</sup> David Schardt CSPI Nutrition Action health letter, 2003 accessed at 2003[http://findarticles.com/p/articles/mi\\_m0813/is\\_1\\_30/ai\\_97296397/print?tag=artBody;coll](http://findarticles.com/p/articles/mi_m0813/is_1_30/ai_97296397/print?tag=artBody;coll)

<sup>6</sup> CSPI, Outbreak Alert, 2008, Appendix C. Available online: [http://cspinet.org/new/pdf/outbreak\\_alert\\_2008\\_report\\_final.pdf](http://cspinet.org/new/pdf/outbreak_alert_2008_report_final.pdf)



Some of the patrol plants are high risk operations. For example, grinding operations combine pieces of red meat and fat from many different sources and mix them together to make ground beef that will be sold to the final consumer uncooked. Currently, these high risk operations are often part of a multi-plant patrol. This high risk activity should have more inspection oversight than less risky procedures.

While the Agency claims over 7,000 inspectors nationwide, the proportion of funds spent on employee compensation dropped from 69 percent of the FSIS budget in the early 1980s to 57 percent in 2007. In 2008, the FSIS acknowledged that there were a number of processing plants, somewhere between 70 and 200, that were not being inspected daily.

The 2008 Farm Bill adds to demands on FSIS staff by directing the Agency to provide continuous inspection for all domestic catfish processing plants. The law did not provide additional FTEs to cover the several hundred additional plants.

4. The FSIS has reached out to the FDA with proposals to work together and share inspection resources as recommended in some GAO reports. These overtures have been rejected by FDA, usually on grounds that FDA did not intend to “inspect facilities” in any major way, that the FDA did not want to create an inspection capacity, and that FSIS inspectors were not qualified to be trained to do inspection under the FDA.

**CONCLUSION:** Both FSIS and FDA regulate some products that are extremely high risk and others that even non-experts would describe as not risky. Most meat and poultry products are high risk. Most FDA regulated products are not high risk. However, in recent years there have been serious illnesses associated with such low-risk foods as ice cream, peanut butter and bread products. All fresh and raw foods are inherently risky and need careful oversight.

**RECOMMENDATIONS:** The Transition Team should not be lured into believing there is a magic and cheap answer for developing the resources needed to improve food safety. FSIS cannot move successfully toward a more modern system without adequate resources. The Team should request from the FSIS staff current data on how many plants are not being visited every day, how many patrol assignments are required to cover more than six companies each day, a range of the average number of miles a patrol inspector travels each



day, especially in sparsely populated states and the amount of time spent in each plant. In addition the Transition Team should know what cost and personnel factors make it necessary to have inspectors spending a good part of the work day driving instead of inspecting. Finally, the Team should also ask about chronic difficulties hiring a full complement of inspectors in and around New York City and other metro areas.

#### HOW TO MAKE MEAT AND POULTRY SAFER

We generally support the approach adopted by Representative DeLauro in HR 7143 as introduced September 26, 2008, which requires companies to establish process controls, requires the federal government to establish pathogen performance standards, establishes risk categories and assigns inspection resources in a manner consistent with the risk presented by different products. Although HR 7143 is directed at modernizing FDA food inspection many of the provisions are applicable to a modern food safety program for FSIS.

#### TRYING TO MAKE BASIC ALTERATIONS IN THE FSIS SYSTEM WITHOUT CHANGING THE LAW IS FRAUGHT WITH DANGER

There are almost 6,000 plants inspected every day. Half have fewer than ten employees. There are over 7,000 inspectors. Making changes work as intended requires time to plan operations, train staff, conduct pilot projects in multiple venues representative of the industry, and provide industry time to adjust.

Inspection intensity should be based on the risk presented by the products and continuing oversight of plant operations but the law has to be changed and time taken to develop appropriate databases and pilot tests before implementing a new system.

### **III. ADDITIONAL ISSUES THE TRANSITION TEAM SHOULD COVER WITH FSIS STAFF**

#### **1. Poultry Slaughter**

BACKGROUND: FSIS is proposing to make extensive changes to its poultry slaughter inspection program by 2010.

We do not oppose making changes in meat and poultry inspection.

We do have serious reservations about the proposed FSIS plan and have expressed these in detailed comments to the Agency, at the National Advisory Committee on Meat and Poultry Inspection and in



public meetings. FSIS has rejected virtually all of the numerous comments and challenges offered by industry and consumer groups. The FSIS data staff appears to be working against a deadline that makes it impossible for them to accept any suggestion that requires developing new or different data.

For example, the National Advisory Committee on Meat and Poultry Inspection made the point that the Agency currently regulates based on a qualitative (presence/absence) measure of Salmonella. In determining whether or not a plant or a system is protecting public health, a quantitative measure (the number of organisms on a carcass) would be a far more accurate measure. The NACMPI suggested that FSIS develop this information. The FSIS staff replied that it does not have such data and will continue to develop its program based solely on the presence/absence measure.

In addition, the Agency has no baseline data on and has set no limits on Campylobacter contamination of poultry carcasses. According to CDC studies, Campylobacter is either the most frequent or second most frequent cause of bacterial foodborne disease. The current Campylobacteriosis illness rate is substantially above the National Health Objective. FSIS has for ten years attempted to collect Campylobacter baseline data in order to set a performance standard. The final result has been promised each year. Currently, the Agency says it has completed establishing the protocol for collecting samples but has not had them peer reviewed and has not made the data public. Once the baseline numbers are agreed to, FSIS will have to collect and report the data.

Currently, it is the Agency's position that it can make major changes to poultry slaughter inspection in the absence of any information about or standard for Campylobacter.

Three NAS committees are currently reviewing the data that FSIS claims support the new poultry slaughter program. When the chair of one of the committees challenged the lack of Campylobacter data, FSIS staff told them they intended to collect it and would "plug it into the model." The FSIS position appears to be that any action taken to reduce Salmonella will also result in a reduction of Campylobacter. The agency has no data to support this. We've been unable to find and the Agency has never offered any study that shows that a reduction in Salmonella automatically results in lower rates of Campylobacter contamination. There is at least one study that suggests the opposite.



In the FSIS 2005 risk assessment for poultry slaughter changes, FSIS tried to address *Campylobacter* as a health risk. Peer reviewers were harshly critical of the methodology. The FSIS response was to continue planning the new inspection program and simply exclude consideration of *Campylobacter* in the risk models or program implementation.

At this time FSIS cannot provide any assurance that, if the agency were to launch its risk-based poultry slaughter program today, *Campylobacter* contamination and perhaps *Campylobacteriosis* cases would not increase.

While FSIS proposes to permit companies with low *Salmonella* rates to increase line speeds, it has not laid out what the penalty will be if the *Salmonella* counts go up again. Further, in the *Salmonella* Initiative Program, plants were tested on one day and then, in some cases, not tested again for a period up to three years. This means that a company can pass the *Salmonella* test once, speed up its lines, have its *Salmonella* rate go back up, and FSIS will not know it until some distant time when the agency gets back to retest. We're unaware of any FSIS proposal addressing the problem of plants returning to high *Salmonella* levels when line speeds increase or inspection resources decline.

There is one additional issue that FSIS will never address and the Transition Team should not ignore. Faster line speeds run the risk of increasing repetitive motion injuries. The FSIS has no data on the impact of higher line speeds on the health of plant employees. FSIS has not contacted other government agencies to discuss the potential for increasing another public health problem and to the limited extent we have discussed it with FSIS staff, they do not perceive this to be within their "jurisdiction." Traditionally, FSIS has refused to consider the impact of its decisions on the health of meat and poultry plant employees. They view that as a responsibility of the Department of Labor and have had no meaningful contact with the DOL/OSHA staff over the past eight years. An Administration that takes a more holistic approach to government may want to encourage more communication between FSIS and other agencies in order to assure that actions taken to reduce one public health problem don't contribute to another one.

We are attaching to this memo comments on the FSIS Public Health Based Poultry Inspection System filed by the Center for Foodborne Illness Research and Prevention and the FSIS responses to them. We think the CFI leaders have offered a quiet and effective critique of the data base for the program. The FSIS staff rejects almost every



comment and we believe the document reveals the determination they have to proceed regardless of justification.

We believe the new leadership in the Office of Food Safety will need to give this problem a great deal of attention.

**QUESTIONS:** How can FSIS be confident that a program based only on reducing the presence or absence of Salmonella on poultry carcasses will reduce foodborne illness? Why is the Agency not attempting to develop data on numbers of Salmonella organisms on carcasses? How can the Agency propose major changes in poultry slaughter inspection without knowing what the impact of these changes will be on Campylobacter contamination? How can the agency move ahead with such details as to where inspectors will be stationed on the line without data on whether the placement and line speeds will cause Campylobacter contamination to increase? Is FSIS considering a pilot program so it can monitor the results of a new system on a small scale before going nationwide?

FSIS insists it is unable to include Campylobacter because it has no data from the 2007 expert elicitation but FSIS did not ask the panel to consider Campylobacter. FSIS is critical of CDC's case studies as a means to determine the relationship between foods and illnesses. To our knowledge, FSIS has never asked CDC if it is possible to work directly with them to develop the data or offered to provide some financial support for CDC efforts to collect it.

How much has FSIS spent over the past two years on outside consultants to help develop the data for risk based public health based inspection? Did FSIS ask FDA or CDC to review the data needs and the proposed contracts to see if they might have suggestions for improving the data?

## **2. Enforceable Performance Standards**

The USDA has opposed legislation that would give FSIS the ability to set and enforce performance standards for pathogens in raw meat and poultry and overturn the US Circuit Court decision in the Supreme Beef case. In 2003 the NAS recommended establishing performance standards but USDA has continued to oppose any legislative action to give them this authority.

**QUESTIONS:** Does FSIS think the ability to withdraw inspection permanently from a plant that consistently fails to meet performance standards would make enforcement more effective? Is there any



substantive reason for continuing to oppose Congress enacting such authority?

FSIS now addresses the failure of plants to meet Salmonella or E. coli O157:H7 standards by sending in staff to conduct Food Safety Assessments. This staff is in addition to the inspection staff already in the plant. Why should the taxpayer have to support continuing expensive efforts by FSIS to provide technical assistance to meat and poultry plants that are unable or unwilling to meet the current standards? Last year the USDA asked Congress for authority to charge a fee to plants that require allocation of FSIS resources beyond the usual in order to address continuing compliance problems. Would the Agency staff support requesting that authority in the next budget?

### **3. Mandatory recall authority**

The USDA has opposed this authority. Does FSIS staff have a justification for opposition? If this is not a staff level position but a political position adopted by the current Administration, the Obama team should know that.

### **4. Listeria monocytogenes standard**

FDA recently announced their intention to move away from a zero tolerance standard for Listeria. The Agency wants to establish a standard of 100 cfu/g of Listeria for foods that do not promote growth of Listeria. It also is pushing the U.S. delegation to Codex to agree to a 100 cfu/g standard at Codex on December 5-6.

CFA and other consumer groups oppose this effort. FSIS also opposes it for a number of reasons, one of which is the potential for cross-contamination at retail delis which handle both FDA- and FSIS-regulated products. We can forward you the letters and comments FSIS has provided to FDA on this issue if you would like. It would be useful for the transition team to understand the FSIS position on this issue, as it will likely be a continuing battle between FDA and FSIS next year.

### **5. Traceback**

BACKGROUND: We have been urging FSIS to trace every E. coli positive it finds in a grinding plant back to the source. FSIS says this is its policy, but the reality is that they do not trace back every positive.

It is particularly important because smaller plants that buy inspected materials and grind for hamburger believe they are held responsible for any E. coli contamination. The FSIS does not use records from the



grinding plants to track back if there is product from more than one supplier. There are additional charges that, if smaller plants insist on meaningful certification that the slaughter facility has done test and hold and has a meaningful control program, the slaughter company will not sell to them. We have no direct knowledge that this has occurred.

QUESTIONS: When FSIS finds an E. coli positive in a plant, what is the agency's response? How does FSIS trace that positive back through the system? If FSIS traces the positive back to a slaughterhouse, what actions does FSIS take to assure that plant did not send contaminated product to other grinders? What actions does FSIS take to assure that the slaughter plant has addressed the problem?

## **6. Catfish Inspection**

BACKGROUND: The 2008 Farm Bill moved catfish inspection to FSIS. CFA initially opposed the provision but finally agreed because: the Senate sponsors seemed to have the votes; the provisions required FSIS to provide "continuous" inspection of processing (therefore not creating a precedent for ending continuous inspection of processed meat without addressing the issue through statutory change); and FSIS would set up an equivalence system for catfish imports.

We were unable to get written into the bill specific authorization of additional FTEs for this increased inspection load. We are concerned it will create even more strains on the ability of FSIS to cover beef grinding operations and other high risk plants as they should be. However, we understand that the regulation FSIS is writing for implementation is one that we will be able to support.

QUESTIONS: As noted above, adding catfish to FSIS' inspection requirements will further strain resources. How is FSIS planning on allocating inspection resources to meet its requirements for catfish inspection as well as its other statutory requirements? What new laboratory capacity does FSIS need to monitor catfish?

## **7. State Inspected Meat**

BACKGROUND: After the House of Representatives passed a Farm Bill that gutted the 40 year old assurance that all meat moving in interstate commerce had to satisfy federal inspection standards, we worked with the UFCW, Food & Water Watch and the AFGE to stop the bill in the Senate. Tom Buis approached us on behalf of Chairman Peterson and we worked out a compromise with NASDA and the NFU which was endorsed by Senator Harkin and written into the Senate bill.



Peterson committed to supporting the Senate approach in conference. The new law creates a “hybrid inspection program.” Any state inspected plant with fewer than 25 employees can apply to participate. The Secretary of USDA would determine that the plant meets federal standards. The actual inspection work would be done by state employees. Each state would have a “federal coordinator,” a USDA employee who assures the plants in the program are, in fact, meeting federal standards.

We like the compromise because the new program maintains the 40 year old requirement written into the FMIA that no meat can be sold in interstate commerce unless it meets federal safety standards. It then lets the state departments of agriculture keep and possibly increase their state inspection force. We get federal safety standards. State agriculture departments get to protect their staffing AND the USDA pays 60% of the cost of the hybrid program instead of the 50% it pays for other state inspected plants.

There are rumors that NASDA is looking to undermine the compromise. They want: a completely state run program with a state employee acting as federal coordinator; eligibility for plants with up to 35 or even 50 employees; USDA to pay 60% of the entire cost of the state programs. We oppose those changes.

FSIS shared our concerns about the House passed bill and has been an ally on maintaining federal standards. Our understanding is that FSIS is close to completing its regulations.

**RECOMMENDATION:** There may be efforts by NASDA and some House Agriculture committee members to get the new Administration to accept a more lenient interpretation of the language on the key points. We have thoroughly researched the FSIS data base on state inspection programs and found that FSIS had a hard time in many states declaring they were equal to the federal program. The compromise removed our reason for releasing the data. The compromise had the agreement of both Agriculture committee chairs and all of the consumer groups, as well as Senator Boxer. We suggest that the new Administration allow the FSIS staff to continue to move toward publishing a proposed regulation. It has to have public comment and a public hearing. We think it is currently on track.

Thank you for the opportunity to offer our thoughts on the above.