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November 7, 2022

Docket No. APHIS–2021–0010
Regulatory Analysis and Development
PPD, APHIS, Station 3A–03.8
4700 River Road, Unit 118,
Riverdale, MD 20737–1238.

SUBMITTED VIA www.regulations.gov

Re: R-CALF USA’s Comments: Advance notice of proposed rulemaking and request for comments: Docket No. APHIS-2021-0010

Dear Sir or Madam:

The Ranchers Cattlemen Action Legal Fund United Stockgrowers of America (R-CALF USA) appreciates this opportunity to submit comments on the Animal and Plant Health Inspection Service’s (APHIS’s) advance notice of proposed rulemaking and request for comments regarding indemnity regulations, available at 87 Fed. Reg., 54,633- 54,636 (September 7, 2022).

R-CALF USA is the largest trade association whose membership is exclusively voluntary and whose voting members consist exclusively of live cattle producers within the multi-segmented beef supply chain. Its thousands of members reside in 43 states and include cow-calf operators, cattle backgrounders and stockers, and feedlot owners, as well as sheep producers.

R-CALF USA is generally supportive of APHIS’ efforts to develop a consolidated and more concise approach to indemnity value determination and a new framework for the indemnity regulations. While we look forward to providing more detailed comments upon the agency’s publication of a proposed rule, we question the appropriateness of requiring animal identification requirements tied to 9 CFR part 86 (the Animal Disease Traceability regulations) for determining whether animals qualify for indemnification.

The agency’s Animal Disease Traceability regulations only require identification of certain livestock moved interstate but impose no identification requirements on those certain livestock until and unless they are moved interstate. Our concern is, therefore, that the agency may inappropriately attempt to expand the scope and purpose of its Animal Disease Traceability regulations by incentivizing livestock owners to incur the expense of identifying their livestock in circumstances not required under current law.

Also, it is R-CALF USA’s understanding that indemnity payments are contingent upon the availability of Federal funds. Therefore, with respect to foreign animal diseases, APHIS’ indemnity regulations are but a potential but not guaranteed source of loss recovery for U.S. livestock producers.

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The U.S. livestock producer's first line of defense against losses caused by foreign animal diseases is APHIS' prevention of the introduction of foreign animal diseases into the United States. R-CALF USA has long been concerned that APHIS' lax import requirements for animals from countries where certain foreign animal diseases remain endemic threatens the viability of U.S. farmers and ranchers that raise livestock. For example, APHIS' practice of allowing imports from countries where TB and brucellosis are known to exist within the livestock populations, if not endemic within those populations, may well lead to the forced depopulation of U.S. livestock producers' herds without the availability of any funds to reimburse U.S. livestock producers for their losses.

It should also be noted that prices paid for cattle differ greatly from state to state and region to region within the United States. Based on these historic, market-driven price differences, producers should not be subject to a national price void of such market-driven valuations. R-CALF USA encourages APHIS to research the historic, regional differences in cattle prices and to base the cattle indemnity level on cash market values of like quality cattle from within the respective state or region.

Finally, we believe APHIS should encourage livestock producers who suffer losses to provide documentation regarding the historical value of the animals within their particular herds, and the agency should use those records for determining the value of their livestock. Obviously both the sellers and buyers of registered livestock, as well as those with reputation herds, will have higher valuations than shown in the proposed commercial indemnity value chart. In other words, for livestock producers who have such records, the primary means of determining indemnity values should be the historical records and those producers should not have to participate in a complicated appeals process to obtain an accurate valuation for their animals.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Bullard", written in a cursive style.

Bill Bullard, CEO