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Docket Clerk, Docket No. 03-027P
U.S. Department of Agriculture
Food Safety and Inspection Service
300 12th Street, SW
Room 102 Cotton Annex
Washington, DC 20250

RE: Docket No. 03-027P
Changes in Fees for Meat, Poultry, and Egg Products Inspection Services-Fiscal
Years 2005-2008

The American Association of Meat Processors (AAMP) is pleased to submit the following comments on the Changes in Fees for Meat, Poultry, and Egg Products Inspection Services-Fiscal Years 2005-2008.

The Association is an international organization whose members include meat and poultry processors, slaughterers, caterers, home food service companies, wholesalers, retailers, suppliers, and consultants to the meat and poultry industry. There are 33 state, regional, and provincial associations of meat processors that are also affiliated with AAMP. Majority of our members are very small, small, and medium-sized businesses, most of them family-owned and operated.

AAMP acknowledges that the Agency is proposing to raise the fees to reflect, among other factors, national and locality pay increases for Federal employees and inflation. However, due to the continued abuse of the overtime system, we do not agree with the increase in overtime fees charged by the Agency. AAMP disagrees with how overtime hours are currently established and charged to plants. Inspectors have the discretion over charging overtime to their plants, not their superiors. This is especially a problem for many of our members who are on a "tour of duty" or patrol based inspection program. It seems unreasonable for them to have to pay overtime constantly, when their inspector is either at their plant for a limited amount of time each day, or not at their facility at all during their regular hours.

Since inspectors do not have to be present in the plant when processing operations are done during regular daytime hours, it would appear that inspectors would not have to be present for processing operations after regular hours either. Those in the industry know this is not the case. Inspectors return after hours for such things as to verify temperatures on products that are cooking or to watch products be removed from an oven and placed in a cooler. In many cases, when the product is being finished during the regular plant hours, the inspector does

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nothing to check the temperature. But if the product is being completed outside the normal inspection hours, the inspector may insist on coming back. Some processing establishments have temperature monitoring and recording systems in place to ensure proper cooking and cooling occurs and others take such temperatures and record them on HACCP forms. Independent of which recording method is used, the data could easily verify the procedures when the inspection personnel return the next day. Instead, the plants have to pay inspectors the two-hour minimum for overtime when they are typically in and out within thirty minutes.

These fees amount to thousands of extra dollars a year that small businesses must pay for unnecessary overtime. The increasing fees impact the ability of many small companies within the meat industry to remain in existence. Our members are willing to pay overtime when they continue slaughtering or processing operations on holidays and weekends, or outside of their normal work hours, but are not willing to pay inspectors the two-hour overtime minimum when they do not work the entire time.

When the HACCP inspection system began, top officials of FSIS promised plant operators that overtime fees would be eliminated, and that plants could operate any time of the day or night, as long as there was one “tour of inspection.” AAMP wants FSIS to justify why this promise was not kept. USDA has done nothing to reduce the amount of overtime charged to plants each year, but instead continues to increase the frequency and amount of these fees. Processors do not mind the patrol basis of inspection, but when it shows signs of becoming a plant funded system, these small businesses have a problem with it. USDA has been attempting to shift the financial burden to the meat and poultry plant operators by making them pay “user fees” for inspection. It seems that with these proposed fee increases, the Agency is again trying to implement user fees.

The American Association of Meat Processors would like FSIS to seriously consider the direction that overtime fees are heading before continuing the annual increases. Overtime charges quickly add up, and even small increases are significant to our membership. The bottom line is that the use of overtime fees has been abused by the Agency, and has continued to be a considerable loss in revenue for plants. AAMP is opposed to the overtime fee increases due to this abuse and economic impact on our members.

AAMP appreciates the chance to comment on the Changes in Fees for Meat, Poultry, and Egg Products-Fiscal Years 2005-2008. There does not seem to be a need to increase fees for overtime pay when inspectors are not working the full two-hour time they are charging the plant. We strongly believe that the Agency needs to evaluate the overtime system currently in place.

Sincerely,

Andrea H. Warfield
Director of Special Projects

cc: Mark Schad, AAMP President