

## DEPARTMENT OF AGRICULTURE

### Statement of Regulatory Priorities

The U.S. Department of Agriculture's (USDA) fall 2022 Regulatory Agenda and Plan prioritizes initiatives fostering 21<sup>st</sup> century innovation like delivering broadband to farmers, ranchers, small businesses, and rural communities, addressing the effects of climate change such as drought and wildfire risks via climatesmart agriculture, expanding economic and market opportunity at home and abroad, job creation, improving access and delivery of our programs, particularly among historically underserved people and communities, and tackling food and nutrition insecurity while maintaining a safe food supply. Meanwhile, as we've responded to immediate needs during the past two years, USDA will continue to leverage our existing programs in response to those unforeseen domestic and international events and national emergencies that impact the American farm economy, schools, individual households, and our National Forests. Finally, we note that all USDA programs, including the priorities contained in this Regulatory Plan, will be structured to advance the cause of equity by removing barriers and opening new opportunities.

In 2022, the USDA:

Risk Management Agency implemented the Pandemic Cover Crop Program that reduced crop insurance premiums for agricultural producers to help them maintain cover crop systems, an important conservation practice, while keeping producers eligible for a premium benefit under the program.

Food and Nutrition Service (FNS) implemented a final rule that establishes Standards for Milk, Whole Grains, and Sodium in its Child Nutrition Programs for school years 2022-2023 and 2023-2024 to give schools time to transition in the short term as FNS works to develop long-term nutrition standards - based on the newest Dietary Guidelines for America and extensive input from a wide range of partners - that will work for schools, families, and industry alike. In 2022, FNS also implemented streamlining requirements in its Child Nutrition Programs to simplify the application process, enhance monitoring requirements, offer

more clarity on existing requirements, and provide more discretion at the State agency level to manage program operations.

In late 2022, USDA plans to announce Phase 2 of the Emergency Relief Program that provides assistance to producers who suffered crop losses due to qualifying disaster events, and the Pandemic Assistance Revenue Program, a new program that provides support for agricultural producers impacted by the COVID-19 pandemic. In addition, this action makes changes to the Coronavirus Food Assistance Program; the Emergency Conservation Program; the Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program; the Livestock Forage Disaster Program; the Livestock Indemnity Program; the Noninsured Crop Disaster Assistance Program; and general payment eligibility provisions. For more information about this rule, see RIN 0503-AA75.

Outlined below are some of USDA's most important upcoming regulatory actions for 2023. These include efforts to restore and expand economic opportunity; address the climate crisis; and support agricultural markets that are free, open and promote competition. This Regulatory Plan also reflects USDA's continued commitments to ensuring a safe and nutritious food supply and animal welfare protections. As always, our Semiannual Regulatory Agenda contains information on a broad-spectrum of USDA's initiatives and upcoming regulatory actions.

## **Combat Climate Change to Support America's Working Lands, Natural Resources and Communities**

Special Areas; Roadless Area Conservation; National Forest System Lands in Alaska: In November

2021, USDA proposed to repeal a final rule promulgated in 2020 that exempted the Tongass National Forest from the 2001 Roadless Area Conservation Rule (2001 Roadless Rule). The 2001 Roadless Rule prohibited timber harvest and road construction or reconstruction within designated Inventoried Roadless Areas, with limited exceptions. USDA is planning to finalize this proposed rule in a manner consistent with President Biden's Executive Order 13990, *Protecting Public Health and the Environment and Restoring Science to Tackle the Climate Crisis*, directing review of Federal regulations issued during the

previous four years that may conflict with protecting the environment, and in support of efforts to confront the climate crisis. For more information about this rule, see RIN 0596-AD51.

### **Foster an Equitable and Competitive Marketplace for All Agricultural Producers**

Inclusive Competition and Market Integrity Rules Under the Packers and Stockyards Act: In October 2022, USDA proposed to revise regulations under the Packers and Stockyards (P&S) Act, prohibiting certain prejudices and disadvantages and unjustly discriminatory conduct against covered producers in the livestock, meat, and poultry markets. The proposal identified retaliatory practices that interfere with lawful communications, assertion of rights, and participation in associations, among other protected activities. The proposal also identified unlawfully deceptive practices that violate the P&S Act with respect to contract formation, contract performance, contract termination and contract refusal. The purpose of the final rule is to promote inclusive competition and market integrity in the livestock, meats, and poultry markets. For more information about this rule, see RIN 0581-AE05.

#### Transparency in Poultry Grower Contracting and Tournaments Systems:

The final rule would address the use of poultry grower ranking systems as a method of payment and settlement grouping for poultry growers under contract in poultry growing arrangements with live poultry dealers. The final rule would establish certain requirements with which a live poultry dealer must comply if a poultry grower ranking system is utilized to determine grower payment. A live poultry dealer's failure to comply would be deemed an unfair, unjustly discriminatory, and deceptive practice according to factors outlined in the final rule. A proposed rule was published in the Federal Register on June 8, 2022, 87 FR 48091. For more information about this rule, see RIN 0581-AE03.

#### Unfair Practices, Undue Preferences, and Harm to Competition under the Packers and Stockyards Act:

The proposal would revise regulations under the Packers and Stockyards Act (Act), providing clarity regarding conduct that may violate the Act, including addressing harm to competition. For more information about this rule, see RIN 0581-AE04.

Poultry Growing Tournament Systems: Fairness and Related Concerns – Harm to Competition: The proposal seeks to address the use of poultry grower ranking systems, commonly known as “tournaments” in contract poultry production. Based on inputs from poultry growers, the proposal will seek to improve the market for poultry grower services. An advance notice of proposed rulemaking was published in the Federal Register on June 8, 2022, 87 FR 34814. For more information about this rule, see RIN 0581AE18.

### **Provide All Americans Safe, Nutritious Food**

USDA’s Food Safety and Inspection Service (FSIS) continues to ensure that meat, poultry, and egg products are safe, wholesome, and properly marked, labeled, and packaged, and prohibits the distribution in-commerce of meat, poultry, and egg products that are adulterated or misbranded. One of FSIS’ top priorities is to develop a more comprehensive and effective strategy to reduce Salmonella illnesses associated with poultry products. The agency is gathering the data and information necessary to support future action and move closer to the national target of a 25 percent reduction in Salmonella illnesses.

In addition, to enhance the safety of raw beef products, FSIS is strengthening its sampling and testing programs for shiga-toxin producing *Escherichia coli* in these products.

Moreover, consistent with the President’s priorities of advancing the country’s economic recovery and promoting economic resilience, FSIS is proposing several rules to improve regulatory certainty, which assure consumers that meat, poultry, and egg products are safe and truthfully labeled and fosters fair competition among the regulated industry. In a similar vein, AMS has prepared proposed standards for organic livestock and poultry production.

Voluntary Labeling of Meat Products With "Product of USA" and Similar Statements: In accordance with Executive Order 14036, Promoting Competition in the American Economy, FSIS will propose to address concerns that the voluntary “Product of USA” label claim may confuse consumers about the origin of FSIS regulated products and undermine fair competition. FSIS intends to define the voluntary claim so that it is more meaningful to consumers and ensures a fair and competitive marketplace for American farmers and ranchers. For more information about this rule, see RIN 0583-AD87.

Labeling of Meat or Poultry Products Comprised of or Containing Cultured Animal Cells: Revision of the

Nutrition Facts Panels for Meat and Poultry Products and Updating Certain Reference Amounts

Customarily Consumed; and Prior Label Approval System: Expansion of Generic Label Approval: FSIS

will propose to establish new requirements for the labeling of meat or poultry products made using animal cell culture technology. FSIS also plans to finalize two other labeling rules, one to update nutrition labeling for meat and poultry products and another to expand the categories of meat and poultry product labels deemed generically approved that may be used in commerce without prior FSIS review and approval. The rule expanding the categories of generically approved labels will reduce labeling costs for meat and poultry establishments, including small and very small establishments. The three rules will provide additional certainty about what is required for meat and poultry labeling while ensuring that consumers have accurate information about the food they buy. For more information about these rules, see RINs 0583-AD56, 0583-AD78, and 0583-AD89.

National Organic Program: Organic Livestock and Poultry Standards: The final rule would establish standards that support additional practice standards for organic livestock and poultry production. This final action would add provisions to the USDA organic regulations to address and clarify livestock and poultry living conditions (for example, outdoor access, housing environment and stocking densities), health care practices (for example physical alterations, administering medical treatment, euthanasia), and animal handling and transport to and during slaughter. For more information about this rule, see RIN 0581-AE06.

FNS' Child Nutrition Programs: Revisions to Meal Patterns Consistent with the 2020 Guidelines for

Americans: The proposed revisions would revise meal patterns in the National School Lunch Program and School Breakfast Program to make school meals healthier and more consistent with the most recent Dietary Guidelines for Americans while reflecting the nutrient needs of children at risk for food insecurity. For more information about this rule, see RIN 0584-AE88.

FNS' Special Supplemental Nutrition Program for Women, Infants and Children (WIC): Revisions in the

WIC Food Packages: Consistent with recommendations from the National Academies of Sciences, Engineering, and Medicine and the latest Dietary Guidelines for Americans, the proposal seeks to provide participants with greater choices in variety and food package sizes. For more information about this rule, see RIN 0584-AE82.

FNS' Community Eligibility Provision: Increasing Options for Schools: The Community Eligibility Provision (CEP) is an option for schools to offer no-cost meals to all students without the burden of collecting household applications. This provision saves local educational agencies time and money by streamlining paperwork and administrative requirements and facilitates low-income children's access to nutritious school meals. This rule would lower the minimum participation threshold, which would expand access to CEP and provide greater flexibility to States and schools that want to use additional State and local funds to provide no-cost meals to students. For more information about this rule, see RIN 0584AE93.