

## DEPARTMENT OF AGRICULTURE

### Statement of Regulatory Priorities

In 2025, the U.S. Department of Agriculture (USDA) will continue to address food and nutrition insecurity while maintaining a safe food supply and responding to any disaster and emergency threats impacting the American Farm economy, schools, individual households, and our National Forests. Moreover, USDA's priorities will foster sustainable economic growth by enabling innovation, building resilience to climate change, and expanding renewable energy while implemented in a way that not only reduces administrative burden but improves our customer service as well.

All of USDA's 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 for all of our customers. Before highlighting our expected 2025 priorities, USDA wants to highlight our 2024 accomplishments.

In 2024, the USDA:

Agricultural Marketing Service published the Inclusive Competition and Market Integrity under the Packers and Stockyards (P&S) Act final rule (March 6, 2024, 89 FR 16092) to establish clearer, more effective standards under the P&S Act for prohibited practices relating to discrimination, retaliation and deception in contracting. This included retaliation against producers and growers for their engaging in certain protected activities: lawful communications or refusals to communicate, assertion of contractual and P&S Act rights, participation in associations and cooperatives, exploring or entering a business relationship with a competing packer/swine contractor/live poultry dealer, and certain other protected activities.

Food Safety and Inspection Service (FSIS) published its final rule on Voluntary Labeling of FSIS-Regulated Products With U.S.-Origin Claims (March 18, 2024, 89 FR 19470) to define the conditions under which the labeling of meat, poultry, and egg products under mandatory inspection, as well as voluntarily inspected products, may bear voluntary label claims indicating that the product is of United States origin. FSIS also published its final determination on Salmonella in Not Ready-To-Eat Breaded Stuffed Chicken Products to declare that not-ready-to-eat breaded stuffed chicken products that contain

*Salmonella* at levels of 1 colony forming unit per gram or higher in the chicken components are adulterated within the meaning of the Poultry Products Inspection Act (May 1, 2024, 89 FR 35033). Moreover, FSIS proposed a new regulatory framework targeted at reducing *Salmonella* illnesses associated with poultry products and moving closer to the national target of a 25 percent reduction in *Salmonella* illnesses (August 7, 2024, 89 FR 64678).

Rural Housing Service published a final rule - 30-Day Notification of Nonpayment of Rent in Multi-Family Housing Direct Loan Programs (March 25, 2024, 89 FR 20539) to amend its regulations for the Multi-Family Housing Direct Loans and Grants Programs to require that section 515, 514, and 516 Multi-Family Housing program borrowers provide tenants with written notification a minimum of 30 days prior to a lease termination or eviction action for nonpayment of rent. This requirement applies regardless of the existence of a presidentially declared national emergency or the availability of emergency rental assistance funds and requires instructions on how a tenant can cure the nonpayment to avoid eviction, and how to recertify household income.

Food and Nutrition Service (FNS) published a final rule Special Supplemental Nutrition Program for Women, Infants, and Children (WIC): Revisions in the WIC Food Packages (April 18, 2024, 89 FR 28488) consistent with recommendations from the National Academies of Sciences, Engineering, and Medicine and the latest Dietary Guidelines for Americans. The final rule provides participants with greater choices in variety and food package sizes and aligns the WIC food packages with available nutrition science. Additionally, FNS published the final rule Child Nutrition Programs: Meal Patterns Consistent With the 2020– 2025 Dietary Guidelines for Americans (April 25, 2024, 89 FR 31962). This rule gradually phases in added sugars limits for the school lunch and breakfast programs and addresses milk, whole grain, and sodium requirements. Program operators are not required to make any changes to their menus because of this rulemaking until school year 2025-2026, at the earliest, and required menu changes will be phased in through school year 2027-2028.

Animal and Plant Health Inspection Service (APHIS) published a final rule User Fees: Agricultural Quarantine and Inspection Services (May 7, 2024, 89 FR 38596) that adjusts the fees for certain agricultural quarantine and inspection (AQI) services that are provided in connection with certain

commercial conveyances and international passengers to recover the costs of the current level of AQI activity. These adjustments account for actual and projected increases in the cost of doing business, increase fee payer accountability, and more accurately align fees with the costs associated with each fee service. APHIS also published a final rule Horse Protection Amendments (May 8, 2024, 89 FR 39194) to provide that APHIS will screen, train, and authorize qualified persons for appointment by management of horse shows, horse exhibitions, horse sales, and horse auctions to detect and diagnose sores to enforce the Horse Protection Act. APHIS also published a final rule Use of Electronic Identification Eartags as Official Identification in Cattle and Bison (May 9, 2024, 89 FR 39540) that requires that eartags applied be both visually and electronically readable in order to be recognized for use as official eartags for interstate commerce.

Farm Service Agency (FSA) adjusted its Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP) program (July 1, 2024, 89 FR 54331) to provide financial assistance to dairy producers who incurred milk losses due to (Highly Pathogenic Avian Influenza) H5N1 infection of their dairy herds. Additionally, FSA amended its Farm Loan Programs regulations by publishing the Enhancing Program Access and Delivery for Farm Loans (August 8, 2024, 89 FR 65020) that implements the Distressed Borrower Set-Aside Program which provides a new loan servicing program for financially distressed borrowers to allow for the deferral of one annual loan installment at a reduced interest rate. FSA continues to work on changes to the Livestock Indemnity Program (LIP) to improve the delivery of program benefits to producers as well as the Noninsured Crop Disaster Assistance Program (NAP) to improve equity across producers while improving the customer experience. Regulatory changes to LIP and NAP will come in the future.

Rural Business-Cooperative Service published a final rule – Modernizing Program Grant Regulation (September 16, 2024, 89 FR 75762) to simplify and streamline Rural Development program delivery by removing outdated and ineffective definitions, requirements, and scoring criteria for its Value-Added Producer and Cooperative Development Grant Programs, and its Agriculture Innovation Center Demonstration Program.

Outlined below are some of USDA's most important upcoming regulatory actions for 2025. 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 planned upcoming regulatory actions.

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

#### Establishment of Greenhouse Gas Technical Assistance Provider and Third-Party Verifier Program:

The Agricultural Marketing Service proposal would seek to establish the Greenhouse Gas Technical Assistance Provider and Third-Party Verifier Program, which is authorized under the Growing Climate Solutions Act (GCSA) (7 U.S.C. section 6712). This proposed rule would propose language on i) protocols that are designed to ensure consistency, reliability, effectiveness, efficiency, and transparency of voluntary environmental credit markets; ii) options for interpreting and applying the criteria used to evaluate the protocols; iii) qualifications needed by covered entities who provide technical assistance to farmers, ranchers, or private forest landowners; and iv) qualifications needed by covered entities who serve as third-party verifiers of the processes described in the protocols for voluntary environmental credit markets. Additionally, the proposed rule would include provisions on registration, compliance, and appeals. Ultimately, this program would facilitate farmer, rancher, and private forest landowner participation in voluntary carbon markets. This action was mostly informed by information collected through a Request for Information (RFI) published in the **Federal Register** on May 29, 2024. Many different stakeholder groups responded to the RFI (156 comments were submitted) with valuable input on topics i to iv detailed above. Additionally, the GCSA directs USDA to establish a non-discretionary advisory committee to be known as the "Greenhouse Gas Technical Assistance Provider and Third-Party Verifier Program Advisory Council" (Council). The GCSA specifies that the Council shall be subject to the Federal Advisory Committee Act (5 U.S.C. 10, 1001-1014), except that section 14(a)(2) of that Act (5 U.S.C. 1013(a)(2)), concerning the automatic termination of advisory committees, shall not apply. The

purpose of the Council is to support the newly established Greenhouse Gas Technical Assistance Provider and Third-Party Verifier Program (Program) in facilitating the participation in voluntary environmental credit markets of farmers, ranchers, and private forest landowners, including beginning, socially disadvantaged, limited resource, and veteran farmers.

For more information about this rule, see RIN 0581-AE29.

#### Price Discovery and Transparency in Markets for Fed Cattle

The Agricultural Marketing Service proposal would seek to address problems in fed cattle markets arising from the way that base prices for live cattle are currently determined under most long-term contracts by protecting producers from unfair and deceptive practices, market manipulation, and being subject to the exercise of market power by regulated entities in the fed cattle markets. The proposed rulemaking would reflect feedback received from public input generated by an advance notice of proposed rulemaking.

This action is primarily driven by longstanding complaints from the industry. USDA has heard concerns about the impact of unfair or non-transparent LPD practices from growers in listening sessions and during comment periods for more than a decade. For more information about this rule, see RIN 0581-AE30.

Fair and Competitive Livestock and Poultry Markets: The final rule would revise regulations under the Packers and Stockyards Act (Act), providing clarity regarding conduct that may violate the Act, including addressing harm to competition. This final rule proposal reflects feedback received from public input generated by a proposed rule (June 28, 2024, 89 FR 53886). A public webinar was held in July 2024. For more information about this rule, see RIN 0581-AE04.

#### Poultry Grower Payment Systems and Capital Improvement Systems

The final rule would amend regulations to address certain problematic practices related to poultry grower payment systems and capital improvement programs such as: payment disparities and reductions that are unconnected to commoditized flock performance, and transparency concerns related to additional capital investments in poultry production facilities and equipment. AMS held a public webinar on this final rule in March of 2024. For more information about this rule, see RIN 0581-AE18.

## **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.

### Salmonella Framework:

One of FSIS' top priorities is to develop a more comprehensive and effective strategy to reduce Salmonella illnesses associated with poultry products. The agency gathered data and information and solicited stakeholder input on Salmonella in poultry. FSIS held a virtual public meeting to discuss a regulatory framework that the Agency was considering for a new strategy to control *Salmonella* in poultry and more effectively reduce foodborne *Salmonella* infections linked to these products (87 FR 62784). After considering stakeholder input provided at the public meeting, FSIS proposed a new regulatory framework targeted at reducing *Salmonella* illnesses associated with poultry products and moving closer to the national target of a 25 percent reduction in Salmonella illnesses (89 FR 64678). During the comment periods for the proposal, FSIS hosted two webinars to share information about the science behind the proposed *Salmonella* Framework. The webinars provided interested stakeholders an opportunity to ask clarifying questions or technical questions about the information shared during the webinar. Stakeholders were also encouraged to submit written comments on the proposed *Salmonella* Framework. In 2025, FSIS is considering all comments submitted on the proposed rule to inform any agency final action. For more information about the *Salmonella* Framework, see RIN 0583-AD96.

In addition, FSIS intends to publish rules to improve regulatory certainty, which assure consumers that meat, poultry, and egg products are safe and truthfully labeled.

### Labeling of Meat or Poultry Products Comprised of or Containing Cultured Animal Cells; and Revision of the Nutrition Facts Panels for Meat and Poultry Products and Updating Certain Reference Amounts

Customarily Consumed: FSIS proposes to establish new product name requirements for meat and poultry food products made using animal cell culture technology. The proposed rule would also require the labels of these products to undergo Agency review prior to use in commerce. Further, in the

proposed rule, FSIS would announce the availability of guidance to help establishments using animal cell culture technology meet current statutory and regulatory requirements. In advance of the proposed rule, FSIS and FDA held a joint public meeting in October 2018 to discuss the potential hazards, oversight considerations, and labeling of food products comprised of or containing cultured animal cells derived from livestock and poultry tissue (September 13, 2018, 83 FR 46476). In addition, in September 2021, FSIS published an advanced notice of proposed rulemaking in the Federal Register, soliciting public input on the labeling of meat and poultry food products comprised of or containing cultured animal cells derived from animals subject to the Federal Meat Inspection Act or the Poultry Products Inspection Act. (September 3, 2021, 86 FR 49491). FSIS also plans to finalize a labeling rule to update nutrition labeling for meat and poultry products. The two rules would 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 and 0583-AD89.

### **Improve Access to, and Delivery of, Public Programs and Services by Reducing Administrative Burden**

#### Special Supplemental Nutrition Program for Women, Infants and Children (WIC): WIC Online Ordering

USDA published a proposed rule on February 23, 2023, at 88 FR 11516. The public comments received were generally supportive. The final rule would address key regulatory barriers to online ordering in the WIC Program by making changes to the provisions that prevent online transactions and types of online capable stores from participating in the Program. The rule would also allow the Food and Nutrition Service to modernize WIC vendor regulations that do not reflect current technology and facilitate the Program's transition to Electronic Benefit Transfer (EBT). For more information about this rule, see RIN 0584-AE85.

#### Enhancing Electronic Benefit Transfer (EBT) Card Security Measures

The proposed rule, promulgated under authority from the Consolidated Appropriations Act, 2023, would require State Supplemental Nutrition Assistance Program (SNAP) agencies to deliver program benefits on an EBT card with an embedded micro-processing chip (similar to a credit or debit card with a chip and

tap-to-pay capability). This proposal is necessitated by the fact that thieves are increasingly targeting and stealing vulnerable households' EBT benefits through card skimming, card cloning, and similar fraudulent methods. The proposal would seek to mandate security measures that are consistent with industry standards for preventing and detecting debit and credit card fraud while considering cost and feasibility for State agency implementation. In 2023, FNS hosted 16 roundtable sessions with State agencies, EBT processors, retailers, advocates, and financial payment processors and discussed the current and future states for EBT operations, with a focus on adding a micro-processing chip to an EBT card. FNS continues to engage with these partners with additional weekly listening sessions facilitated through the EBT Card Industry Forum. For more information about this rule, see RIN 0584-AE99.

#### Provisions to Improve the Supplemental Nutrition Assistance Program's Quality Control System

This rule finalizes provisions of the proposed rule titled, "Provisions To Improve the Supplemental Nutrition Assistance Program's Quality Control System" published on September 19, 2023 (88 FR 64756), and its correction published on December 19, 2023 (88 FR 87725). This final rule responds to commenters and codifies provisions intended to strengthen and improve the integrity of the Supplemental Nutrition Assistance Program (SNAP) Quality Control (QC) system, as required by the Agriculture Improvement Act of 2018 (2018 Farm Bill), and to further align the SNAP QC system with requirements in the Payment Integrity Information Act of 2019 (PIIA). For more information on this rule, see RIN 0584-AE79.

#### Community Facilities Direct Loan and Grant Program

Rural Housing Service (RHS) plans to update and consolidate three regulations governing its Community Facilities Loans and Grants program. To gather public input, Rural Development's (RD) Community Facilities Programs staff held a virtual public listening session on November 7, 2023, during which they asked for input on key aspects of the program. In addition, RD encouraged the public to provide supplemental comments until December 8, 2023.

The new regulation will provide updates to current lending practices while providing the public and RHS staff with one concise regulation for processing Community Facilities Loans and Grants. This



consolidation and update is expected to result in a more consistent, effective, and efficient application process while allowing borrowers and RHS staff to find information more quickly. For more information on this rule, see RIN 0575-AC91.

#### Forest Service Amendment to Locatable Minerals:

The locatable minerals regulations have remained mostly unchanged since they were first promulgated in 1974. Court cases, government audits, and implementation experience have identified many shortcomings in the current regulations that challenge the agency's ability to efficiently and effectively administer locatable mineral activity on National Forest System lands. The Forest Service is proposing to revise its regulations for administering hard-rock mining activities on National Forest System lands, providing permitting certainty; strong, responsible mining standards; enhanced community and Tribal engagement; and proactive environmental management. To gather public input on this proposed rule, the agency issued an advance notice of proposed rulemaking (ANPR) (September 13, 2018, 83 FR 46451). Following the completion of the comment period for the ANPR, the Forest Service analyzed the comments received and used the information to draft the proposed regulation. The Forest Service also published a website to inform the public of progress on the rulemaking effort, including a link to join a mailing list for updates, and hosted information webinars in December 2020 and May of 2023 with federally recognized tribes and Alaska Native corporations, which were both followed up with invitations for consultation. For more information about this rule, see RIN: 0596-AD32.

#### Forest Service Amendment to Minerals Cost Recovery

The Forest Service plans to publish a final rule to amend 36 CFR part 228 to provide the agency the authority to recover the costs of processing applications and monitoring authorizations related to minerals activities conducted on National Forest System (NFS) lands. The volume and complexity of mineral proposals on NFS lands is challenging the capacity of the Forest Service to deliver a level of customer service that meets the needs of the public it serves. The Independent Offices Appropriations Act (IOAA) and federal policy authorize federal agencies to propose fees to recover the government's costs for providing special benefits to recipients beyond those that accrue to the general public. Additionally,

Section 40206 of the 2021 Bipartisan Infrastructure Law specified that cost recovery is an option that the Secretary of Agriculture should consider ensuring adequate staffing to process authorizations related to critical mineral activities on Federal land. The Forest Service published a proposed rule in the **Federal Register** (88 FR 38416) on June 13, 2023. For more information about this rule, see RIN: 0596-AD47.

### **Foster Sustainable Economic Growth by Promoting Innovation, Building Resilience to Climate Change, and Expanding Renewable Energy**

#### Higher Blends Infrastructure Incentive Program:

Rural Business Cooperative Service (RBCS) Higher Blends Infrastructure Incentive Program (HBIIIP): HBIIIP is a program designed to increase the sales and use of higher blends of ethanol and biodiesel by expanding the infrastructure for renewable fuels derived from U.S. agricultural products. The program is also intended to encourage a more comprehensive approach to market higher blends by sharing the costs related to building out biofuel-related infrastructure. The program should increase availability of domestic biofuels and give Americans additional cleaner fuel options at the pump. RBCS is proposing a rule to codify the policies and procedures for the program in the Code of Federal Regulations, as this program has a significant impact on climate change which is an Administration priority. For more information about this rule, see RIN 0570- AB11.

### **Protect Agricultural Health by Minimizing Major Diseases, Pests, and Wildlife Conflicts**

#### Revise Conditions for Payment of Indemnity and Compensation for HPAI

The current HPAI indemnity regulations require producers above *de minimis* thresholds to have a biosecurity plan as a condition for indemnification. This interim rule revision would help reduce introduction of HPAI virus from wild bird populations into U.S. poultry flocks by clearly tying biosecurity performance to indemnity and compensation payments to producers whose farms are repeatedly infected with HPAI and those premises wanting to move poultry onto a premises located in an active buffer zone.

The revision will also help APHIS more carefully administer HPAI response financial resources and create an environment for stakeholder cooperation. For more information about this rule, see RIN: 0579-AE79.

In 2025, USDA plans to prioritize implementing an expected 5-year Farm Bill reauthorization for our major agricultural and food programs. This implementation effort will present USDA with an opportunity to strengthen and improve our customer service and delivery, program integrity, and risk management tools while employing updated IT modernization that fosters 21<sup>st</sup> century innovation. During Farm Bill implementation, USDA will also use our available outreach and communication tools to seek input and engagement from our traditional stakeholders as well as those communities whom we may not have been able to reach in the past but who, like our traditional stakeholders, offer critical implementation input and feedback.