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USDA Moves One Step Further to Implement Overreaching ADT Program

Last week, the U.S. Department of Agriculture submitted its final rule for its Animal Disease Traceability (ADT) regulations to the Office of Management and Budget (OMB) for a final review.

In its final rule, USDA downplayed the cost of the program stating that "[Anticipated] costs of an animal traceability system would include those for tags and interstate certificates of veterinary inspection (ICVIs) or other movement documentation, for animals moved interstate. Incremental costs incurred are expected to vary depending upon a number of factors, including whether an enterprise does or does not already use eartags to identify individual cattle. For many operators, costs of official animal identification and ICVIs would be similar, respectively, to costs associated with current animal identification practices and the in-shipment documentation currently required by individual States. To the extent that official animal identification and ICVIs would simply replace current requirements, the incremental costs of the rule for private enterprises would be minimal."

KCA contends that this regulation would be more than just a minimal cost to producers and the industry. Ultimately, this regulation is a mandate on producers. The cost of the tags may be minimal, but there are additional costs associated with this regulation. Additional work on cattle, to include running them through chutes, creates stress leading to potential health issues and loss of value on those animals. For livestock auctions, which will undoubtedly be tagging many of the cattle coming through the facility, they will incur additional man hours and costs as well. Those costs will be placed back onto the producers who utilize the facilities and could have negative implications on the amount of business the auction markets maintain. K eeping these markets open and profitable is critical to a true competitive market.

Moreover, as costs rise, due to multiple regulations and inputs, rules and programs like ADT will ultimately aid in putting smaller producers out of business. This will lead to smaller feeding facilities exiting the industry, and provide an environment of an even more concentrated cattle industry. The problem that results is that this actually creates a health and safety concern. This type of business model has been reflective in the egg industry. When there are just a few growers and facilities, a disease outbreak, such that happened in the egg industry just a few years ago, devastates the entire industry. Consumer confidence is lost; foreign trade is lost, and the value of the product is lost.

Kansas Cattlemen support animal health and disease prevention, but this rule does not address either. The costs outweigh the potential benefits, and there are many flaws, burdens, misconceptions, and requirements that will hurt the U.S. cattle industry. Thus, by USDA moving forward with the rule and submitting it to the OMB, it clearly sends a message that USDA has no intention of addressing the concerns of tens of thousands of cattlemen.

KCA will be contacting the OMB to clearly indicate the additional costs that USDA failed to mention. As well, KCA will continue to work with the Kansas Department of Agriculture to maintain a voluntary program that is workable and effective for cattlemen and livestock producers and ensure producers' voices are heard so to refrain from creating any type of mandatory state regulation.