

USDA-APHIS

TRANSCRIPT OF PUBLIC COMMENTS RECEIVED DURING THE
NATIONAL ANIMAL ID PROGRAM LISTENING SESSION

TRADE RECREATION AND AGRICULTURAL CENTER

6600 BURDEN BOULEVARD

PASCO, WASHINGTON

FRIDAY, JULY 23, 2004 - 3:00 P.M.

IN ATTENDANCE:

BILL HAWKS

UNDER SECRETARY, MARKETING & REGULATORY PROGRAMS

DR. VALERIE RAGAN, ASSISTANT DEPUTY ADMINISTRATOR

MR. DALE RENDAHL, MODERATOR

(The meeting was called to order at 3:05 p.m. and opening comments were made by Mr. Bill Hawks and Dr. Valerie Ragan.)

MR. RENDAHL: Thank you for those comments. I'd like to describe the process we will use for the public input session. First, notice that this portion is being transcribed by Jennifer Knight, sitting over here. She's dictating into a mask, so don't be concerned with her looking a little strange. The transcript will be available on the APHIS home page beginning some time next week.

Each speaker will have three minutes to provide their comments. We have a total of 15 speakers, so it should take 45 minutes plus time in between. To help keep us on track, we have a timer box over here on the corner. The box will have a solid green light for the first two minutes, a flashing green light for the next 45 seconds, a flashing yellow light for 15 seconds, and then the dreaded red light comes on and your time is up.

To try and move things along, I will call speakers five at a time to come up and sit over in these reserved seats in the front. I will then introduce you one at a time, and give your comments. As you begin, please state your name and your affiliation.

The first five people I have listed are: Ted Wishon, Ken McIrvin, Jim Wentland, Craig Grub, and Devon Michel. Ted, you get to be first.

MR. WISHON: I'm Ted Wishon, livestock producer, Caldwell, Washington. Vice president of the cattle producers of Washington. My wife and I also own a livestock transportation

business, so this has a great interest to me and my association members.

I'd like to make a few points. First, we need to continue to work on foreign animal disease control in this. Other countries need to meet our standards. We need a level playing field. We need checks and balances. Country of origin labeling, we come back to that. It seems that we've lost our funding for mandatory country of origin labeling, and we're finding funding for a National ID program.

Number two is, we need to be able to use our hot-iron brands in the west as a source of ID. Link the premise ID to our hot-iron brands and give us a number to those brands. The brand is a permanent mark. The tag is removable. Where there's enough profit, there's room for fraud.

One premise number would be another concern of ours, not each pasture or allotment. Let the producer continue his or her record program. We can provide the records on a need-to basis.

Marketing. We need to be able to have an easy flow of marketing in our industry. We need to be able to make decisions when to market, when not to market, as the markets dictate to us. We need to be able to be fast and freely able to transport and move the animals.

And if we do tag, what about lost tags? You don't lose a brand. You know, and we have grave concern with market manipulation on the tag system. We need to consider retained ownership, livestock that are owned birth to death by one owner. Lot sales I don't feel necessarily pertains only to swine. I think bovine should be included in lot and units. I'm happy to see that we're continuing to work through the states, because I think our state brand ID department in Washington State is fantastic, and I think if we could work through our state, Washington Department of Agriculture.

As we go into these pilot programs, I don't think the USDA should implement rules until all pilot programs are completed, and if the feeders and the packers seem to think and the consumers seem to think that we do need this program, then we should have them fund it and go forward with it. I thank you, Mr. Hawks, Dr. Ragan, for being here today and hearing our comments.

MR. MCIRVIN: Before you push your time button, I would like to very politely correct Bill. This wasn't the state that had the BSE case; this was the state that had the BSE case imported into it.

I'm ready now, whenever you want to push your button. It was just something that needed to be said, that USDA is kinda reluctant to admit.

We have some numbers of other cows, even though we do retain ownership of our yearlings and fatten them for slaughter, I believe that we should be classified as a primary producer of cattle. The reason I am maintaining this is that it is very important for the planners to recognize that there are several different segments of the cattle and beef industries, and a National ID system will affect each segment of the industry completely differently.

I will address each issue today mainly from the cow-calf man's perspective while realizing that the stocker, operator of the fattening yards, and the packing industries might be affected differently. As a primary producer, I can guarantee that each and every one of our cattle are already identified through our hot-iron brand. With our state branding program already in place, every cow, calf, steer in our herd is identified as to ranch origin.

Although another thought is--that we should all think about is how effective the brucellosis eradication worked. When a suspect cow or reactive cow is identified at the time of slaughter, it was no problem tracing that cow back to the premise of origin by using the back tag system and the state branding program. That was a very effective program. We virtually eliminated the brucellosis disease in cattle, which also removed the undulant fever threat for people. I might mention that there are fewer cows now than there were at the time that this program was in place.

Realizing that there are few individuals out there that they're still trying to trace, but virtually we eliminated it as shown in the year 2000 new herds report.

I have been told that we can electronically identify these calves by using a tag or chip. This might work well under optimum conditions, but definitely will not work under our western ranch operation. It has been said that the reader wand must be within 16 inches of the animal. Can you imagine getting within 16 inches of an aganam [*phonetic*] cow? Most people can't get within 16 feet of them. We still drive our cattle to many different places, 10, 15, 20 miles at a time. These cattle don't get near a corral, working chutes, or trucks, and yet each cow is positively identified by that big diamond and M on her right rib.

The cost of the proposed program is another very big ticket item. Most of the proposals that I've studied suggest that the primary producer should bear the burden of identification, cost, and labor. Probably the cost of labor of capturing and tagging these range cattle far exceeds the cost of the ID tags. The sense that most western cattlemen take is that these cattle are positively identified while we

own them, and if they have to be re-identified at the time of transfer of ownership, then that should be the new owner's cost of labor and equipment.

So many of the planners and other farmers feel that if the western range cattlemen can't stand the heat, then he should get out of the kitchen, so to speak. I am sure that is exactly--I'm out of time. Let me finish this one paragraph.

MR. RENDAHL: Go ahead.

MR. MCIRVIN: I am sure that is exactly what will happen to many producers. This brings up a thought about our national food supply. If the primary producer is regulated into extinction, and the American consumer has to rely on imported food, then how much different is this from the scenario we are now seeing that the consumer has to rely on imported oil and gas, of which we can all see the end result. Thank you.

MR. WENTLAND: I'm Jim Wentland. I'm part of the Cattle Producers of Washington. Also, I'd like to feel that for the last 25 years I've been a producer of our future by being a livestock 4-H leader. These young people will have to take over for us in the livestock industry, and anything that's going to make this country work from now on.

I don't feel that this program would work to the point where--many of us have small places. We have city kids' animals on our places. We have members of our organization that lease animals to different kids so that they can do a productive project throughout the year. I don't see where putting an ID in these animals is gonna work for these city kids or for the people that are opening their places and

their hearts to make this program work for our youth. Thank you.

MR. GRUB: My name is Craig Grub. I'm a member of the Cattle Producers of Washington. I'm also a cattle producer. This is not only an animal health issue, the animal ID; it's also a food safety issue. The only permanent identification system on a live animal is a hot brand. That's the only thing that's gonna stay with them.

But if you're gonna look at a food safety issue, a DNA ID system is really the only thing that'll follow from one end to the other, clear to the person that buys the steak when it's sitting on his plate. And we should also be looking at that. Even if it's mixed, such as ground meat, we can still pull the DNA out and trace it back if necessary. So we need to both identify it where it's produced, its travels while it's alive, and we need to identify where it goes once it leaves the slaughter plant. So we need a country of origin labeling.

I think we already have a forward-facing system in place, otherwise all the meat recalls that have been happening are a farce. So there's some sort of a forward-facing already existing. We need to tweak it a little bit.

I don't think an individual animal ID system is necessary. I feel--all of you saw what happened to our nuclear secrets when they were all given to China. This isn't nearly as important of a national safety issue, but I'd venture to bet that the packers will have all the information that is generated out of this system readily available to them at all times. Confidentiality is a tough thing to deal with, and it's very seldom secure. That's why we have spies running around the world.

And I feel that any animal that crosses a border from another country, that that country should meet the same standards on health, animal identification, prior to entering our country. They have to be marked, they have to follow the same standards before they cross the border, otherwise this whole system will be a big farce.

We have some, what, 450,000 head of Canadian cattle out there right now. For BSE, they're the highest risk group of animals in the United States. Our government has not taken one step to locate, identify, and track them to slaughter. That should be the first priority. The second priority is looking after the US herds, because they're probably the safest in the world.

I thank you for your time. Thank you for coming out here, and thank you for listening to us.

MR. MICHEL: I'm Devon Michel. I'm a cow/calf producer in Othello, and my family's been in this business for over 100 years in the Othello area. This system that you guys come up with, it's gonna have to be compatible throughout the US. The uniformity is key. The system needs to have--or be set up so that there's a free flow of information. You guys are well aware of that. And you've gotta have security, and you're gonna probably have to have some strict penalties for breach of that. In fact, you guys are setting it up so that there is a quasi-fiduciary relationship between the meat industry and the government. So security is very important, okay.

And then the cost of the program, unit cost to production. This--as typically things go, it's hard for government to control its costs, as we're all aware of. And I worry that this thing will just get more and more expensive. It's gonna have to be some way where we can recover these costs, because

typically, in my experience, whenever they say, "Oh, it's only gonna cost you X dollars per head," I'd better add 20 percent to that. Thank you.

MR. RENDAHL: If I could ask the next five people to come to the front: Neil Kayser, Ron Baker, Sid Viebrock, Greg Speer, and Jim Bonner. First is Neil Kayser.

MR. KAYSER: I'm Neil Kayser. I'm a cow/calf producer in the State of Washington. I also sit on the board for the Northwest Pilot Program.

Is USDA currently developing or making plans to develop a database to hold individual identification information?

Will USDA currently establish standards for the private sector system to feed into a national database that allows producers participation in value-added private sector programs that are currently existing in state and regional basis to continue?

Would USDA use a private data system that will hold and meet the demands for information that APHIS needs for animal health and disease surveillance?

Would USDA support a national animal health official in participating in a private system that meets the needs of the state?

And will USDA allow producers participating in a private system that provides USDA with surveillance and trace-back information with an established protocol and carefully developed criteria to exempt them from the future mandatory program?

What portions of the cost associated with a USDA Animal Identification System should

producers expect to pay directly, and how much indirect cost will cattlemen be responsible for?

What are the cost estimates of the system and what part of those costs is USDA currently able to fund without new or additional funding?

What assurance do producers have that they will not bear the complete cost of the system in the future when these temporary funding measures no longer exist?

What value in dollars and cents does the USDA Animal Identification System provide for producers?

USDA has stated clearly that they will not create a mandatory identification system until such time that they fully address the confidentiality issues. Would USDA stop an existing program in the event that the courts determine the confidentiality language approved by the department is found to be insignificant to protect producers' information from public view?

A number of states have existing brand and premise systems already in effect. What flexibility will the individual states have in utilizing existing systems to meet interstate commerce requirements?

How will USDA work with states that already have a comprehensive brand or premise system?

Will any of the pilot or cooperative agreements currently being discussed specifically focus on brand state programs?

I thank you for your time.

MR. BAKER: Thank you. I'm Ron Baker, a cattleman from Hermiston, Oregon. I have been very active in the cattle industry throughout my life. I've run a 20,000 head feed yard and

2,000 head purebred cow operation for about 40 years. I've been very active with the National Cattlemen's Association and was on the founding committee for the Cattle-fax, which, as you know, is an industry-controlled--participant-controlled market information system that has worked very well for over 30 years.

I was also an initial member of the National Beef Board, and, as you well know, that works very closely with the USDA and is perceived as an industry program and yet has very close surveillance by the USDA and has been quite successful. I was also a member of the National Cattlemen's Beef Association task force on value-based marketing from 1996 to 2000, and we reviewed the Canadian system of Animal ID and developed a plan for a voluntary animal ID program for the United States. Unfortunately, we could not get the funding to get this project going.

This week, I just returned from the Beef Identification Academy held at Kansas State University, where we reviewed the latest technology and challenges facing us in Animal ID. You have wisely determined that the national program would be voluntary to start with, but a very high participation must be accomplished eventually.

Few appreciate the complexity and size of the task before the industry and the USDA. One of these is, of course, that you want the 48-hour trace-back, but the utilization of value-added technology is basically exempted because it benefits the individual producer and not the regulations. Yet the utilization of value-added has the potential of providing more value than the cost of the regulation. Therefore, if a national program is to succeed within a reasonable length of time, it seems best to

strongly consider a participant-owned, non-profit corporation to hold the data and steer the program under USDA representation.

An executive steering board would be set up with a minimum number of representatives so that it has a workable board capable of getting decisions made and movement to go ahead. Since this company would own the data, therefore the participants would own the data, it would contract with the USDA to provide the trace-back information, and with industry companies and organizations for value-added information.

This steering group would contract for most of the services provided by existing companies in the industry. An administrative staff would be fairly small and the main functions in house would be information services, rule-making, arbitration, and contract supervision.

You have this model in the National Beef Board. The database owned by the organization would provide the data for the trace-back to APHIS and its needs for regulation, so it would be provided that naturally they would have access to that data for that main purpose and that purpose only. But the other value-added information, such as performance, could be provided back to the producer that provided it. Confidentiality of the information can thus be protected.

The cost savings versus the benefits of such a combined system have tremendous possibilities and allow for the incentives to get almost maximum participation in the program. Mandatory, therefore, may never have to become the status, as market forces will allow the premium discount of the market to provide the incentive for participation.

Let me just state, it's already been pointed out that a premium of up to \$3 a hundred on fat cattle for RFID technology, up to \$15 a calf for RFID technology. The market, the demands of McDonald's, Albertson's, Safeway, Wal-Mart and the Japanese market will provide an incentive that we can get this thing done if we can just allow it to be owned by the industry but participated in by the USDA. Thank you.

MR. RENDAHL: Sid.

MR. VIEBROCK: My name is Sid Viebrock. I am president of the Washington Cattlemen's Association and a cattle producer in the state. First I'd like to thank you, Mr. Hawks, and Dr. Ragan for being here today. And thank you, Joyce, if you can pass it on to Doc for setting this up.

I think, Mr. Hawks, you already covered most of what I was going to say anyway. Initially, you know, keep it simple. We've already gone--in the trade journals that we've looked at, that USDA has looked at a premise allocator being the Wisconsin system. I think we need to go slowly. Midwest conditions are a lot different than we are here. Our idea is that premise ID goes with the person that owns those cattle. If you need to know where they've been, you talk to them. The cattle can't tell you.

Another item we need to have is shared cost and shared liability. Who gets the benefit or who has the liability? That's where that cost goes. And I would strongly say, protect that confidentiality. The only reason for access to that database is in a disease situation, yet that--the information should be accessible by the producer to get value-added information in return.

Last of all, go slowly. Allow these pilot projects to work, to see what works in the conditions

we're working under and what doesn't, and move from there. And my last comment would be that it has to work on the ground or it isn't gonna work at all. Thank you for your time.

MR. SPEER: Hi. My name is Greg Speer. I'm here representing Bechtel, which operates in the Pacific Northwest. We operate the Department of Energy's Hanford national lab. I don't have an opinion on it; I was just asked to come and show you some of the technology that's out there and the devices that are available right now. So let me just talk a little bit about them and I'll show you what we've developed in our laboratory.

We have--in the RFID system you have a tag and you have a reader, and the tag holds all the information, and that's what you would supposedly put on the cow. You also have a reader that reads the information off that tag and can write to it and read it, add information to it as needed.

In that class of RFID tags, there are three categories of tags. You have passive, semi-passive, and active. Passive are very short-range. They go up to less than five meters. So about three to five meters, you can read them. I heard mention of an 18-inch distance, and that was true in the past but electronics and things have been optimized and we have a lot better range now. So they're low cost. Let me show you an example of one.

These are passive tags. Probably gonna be really hard for you to see. This is the one that's been developed and put in and sewn into clothing at Wal-Mart stores so they can see if you've stolen an item as you walk out. The one on top here is a passive tag that's actually been embedded in salmon that have been tracked down through the turbines to see how many fish and small salmon are going

through the turbines.

The next category is semi-passive that I mentioned. They have a range of about 10 to 100 meters. They have farm capability, because they do have a battery and they can store a lot more information and do a lot more functions. They have a long battery life.

An example of those are the dog tags that we developed for the Army to keep track of all their medical information. Here you can see the battery on there that houses all the medical information of the soldiers, so when they come in in an emergency, we developed a reader like this that you can just hold on here, get in, and you can see the whole medical history of that soldier.

And finally, the other category is active tags. They can read up to 150 meters. They have--you can control lots of sensors and control functions, and they're really advanced. They're really a lot more expensive. You can put networks of them out there. Just an example of that, you have these that we developed to monitor the plutonium that's out in the Hanford area. This tracks and you can tell if it's been subjected to high pressures, temperatures, and it will give you a location of where it is. And it has an anti-tampering device.

And with that comes very extensive readers that you can make, put it on PDA, that you can just push a couple of buttons and you can download all the data from all your--all the tags that you have out in the field.

If anyone's interested afterwards, I brought some information on all of these different tags that I'll put out on the tables, and I'll hang around if anybody's interested in asking some questions or

learning a little bit more about our products.

MR. RENDAHL: Jim Bonner.

MR. BONNER: I'm Jim Burks. I live in Richburg. I've raised cattle for 50 years. I do believe we need an identification system, and I would like to see an ear chip put in the neck of the animal. Ear tags wear out, get cut off, tear out, whatever, so they really need to be under the skin for the life of the animal.

I would like to see this program started with calves and progress. Getting it on all the cows, like they said, would be a real job, and if you started with the calves and started this system with Canada and New Mexico [sic] at the same time, it would help us immensely, because if you don't trace those cattle, there's no need in tracing ours.

I would really like to see this program put in effect. We need a system, and with this we can track these cattle all over the United States. I thank you.

MR. RENDAHL: The last five people I have on the list are Arthur Swannack, Bruno Schmidt, Barrie Wilcox, Steve DeRuyter, Calvin Mercer. Arthur.

MR. SWANNACK: Greetings, Mr. Secretary, Dr. Ragan. My name is Art Swannack. My wife, Jill, and I operate a medium-sized diversified farm with approximately a thousand head of sheep, several horses, wheat, and hay. Jill is also a mixed animal practice veterinarian in her own clinic--and has her own clinic in the town of Sprague.

We're members of Farm Bureau and the American Sheep Industry Association. I am currently

president of the Washington State Sheep Producers, and on behalf of myself and the State Sheep Producers, I appreciate the opportunity to comment.

Washington State Sheep Producers have supported a form of National Animal ID for several years; however, we did not envision the currently proposed system. We envisioned the National Scrapie Identification System.

My father always said if I was gonna build something, keep it simple and inexpensive. That way, if it breaks it's easy to repair and doesn't cost you an arm and a leg. Mr. Secretary, the system being proposed is complicated and expensive. The governmental desire for a 48-hour trace-back time frame will require use of tags similar to, if not identical to, the RFID tags being currently tried. Buyers of our lambs, which often go to lime or battle pasture for a couple of months before entering a feed lot or slaughter plant, will end up requiring three tag lambs. The paperwork, manpower, and time involved in reading and reporting animal movements is going to be enormous.

When we move sheep to pasture 60 miles from home, which we do every year, I understand we'll have to report such movement. Producers grazing in the basin area may move on a weekly basis much of the year. Often, it's a ground they lease or rent. I don't see how they can make such a movement reporting system work. Those animals are herded from pasture to pasture. There are no facilities present. The small producer going to shows and fairs will have to report, and the local fair will have to somehow get a tag reader. In the end, that data you want will be partial and faulty.

Tags for sheep are gonna cost around \$2 each. Some people claim the price will drop, but I

don't believe you can decrease the cost. You need a tag that's immune to weather, environment, and the rigors of being beaten by every bush, weed, plant or fence the sheep wishes to stick its head into. Add to this the requirement of the tags electronics still being readable in 10 years and you have a \$2 tag.

The \$2 cost is a large burden to the producers. If the market's high, a buck a pound, it's 2 percent of our market value of a lamb. If it's low, at 40 cents a pound, as in 2000 and 2001, it's nearly five percent of a market lamb's value. This cost will be an annual cost. Manufacturers will tell you farmers are making 3 to 5 percent on a long-term basis. This means the tag alone will eat up most of the profit for the sheep industry.

In Washington State, and in most of the United States, according to your own data, the majority of the producers have less than 50 head. If you ask someone who has 20 head of ewes, marking 30 lambs a year, to spend \$60 on tags and \$500 for a reader, they're gonna quit raising sheep. And you ask whether that's bad? These small producers are the purebred and seed stock sources for our sheep flocks in the US.

In conclusion, you can have a Chevy system or a Rolls-Royce system. The scrapie system is a Chevy system. It'll work. The Rolls-Royce system is gonna cost you more than a half a billion dollars by the time you're done.

MR. SCHMIDT: Good afternoon. Thank you for giving me a chance to speak here. My name is Bruno Schmidt. I am a llama owner and breeder. I have a herd of llamas and 20 angora goats,

and I speak on behalf of a number of llama farmers and alpaca farmers that are concerned about the NAIS and USAIP.

I note that the bills in Congress, H.R. 3787 and 3822, 3961, and Senate Bill 2008 and 2017, none of them are finalized. They're all in committee. We do not have statutes enlarged that would allow you to go forward. And especially, there is language in the bills that authorize your system for "other," quote/unquote, purposes. I would like to know what those other purposes are, because that sounds like a blank check, and I don't think we want to go there.

We're concerned over the fact that commerce has been expanded to commingling. There is no legal precedent for this kind of language. We're concerned that the National Animal ID System has been expanded from food animals to non-food animals such as camelids, llamas, alpacas predominantly. Also, llamas and alpacas are not a known carrier for any of the common animal diseases. They are mainly companion animals or fiber-producing animals. And that is not being recognized by providing any kind of exception provisions in the plan.

Your plan would have some very negative impacts on 4-H projects, on parades, backpacking events, companion visiting at senior citizen's homes, shows, fairs, and other such events. Lastly, we're very concerned about privacy, because government always figures out how to get the data without telling people. And there is no assurance that that will be exclusively used for animal disease purposes only.

And last but not least, you will end up with bad data and missing data, and that is worse than

no data at all. I thank you very much.

MR. WILCOX: Good afternoon. My name is Barrie Wilcox. Our family owns Wilcox Farms. We're involved in the dairy business and egg business, and we're headquartered in Roy, Washington. I am speaking also on behalf of the United Egg Producers, where I serve as chairman of the government relations committee.

Our farms are not unique in that there are 225 other family-owned companies like ours who produce eggs with hundreds of thousands of chickens on those farms. That is why a discussion of the National Animal Identification Program is of interest to me. Because we have--they're scared to death of--that we didn't get the Exotic Newcastle Disease or Low Path Avian Influenza in the last three years. I feel strongly that there ought to be measures to improve surveillance, control, and eradication of these diseases.

The ability to identify, trace back, and properly control outbreaks is a critical component of such a measure. From discussions with other egg producers, I believe that individual bird ID would be ultimately unnecessary and impractical for the commercial poultry sector, whether one is talking about laying hens, broilers, or turkeys. The huge number of individual birds involved make individual ID impractical.

There are about 280 million laying hens in the United States at any one time, while the number of broilers produced each year is in the millions, and normal industry production patterns make individual identification unnecessary. In a henhouse, in commercial production, the flocks are

typically entered into the henhouse at a common age and are removed all at once at the end of their productive lives. A small number of birds leave the flock through normal mortality, but the industry generally observes the principle of all in and all out. Therefore, tracking the movements of a flock should be all that is necessary. I want to repeat that. Just tracking the movement of a flock instead of individuals.

The last thing I'd like to mention is, by contrast, individual identification may be most feasible and desirable for the live bird markets, particularly in the northeast that have been a reservoir of LPAI for some years. Thank you.

MR. DE RUYTER: Hi. Thank you very much. My name is Steve De Ruyter. My wife and I farm north of town here in Fralee Farms. Just quick notes, economics, since that's what this is all about. This morning I got done with my--filling out a paper and safety meeting, wrote down the minutes, took the time to do that. Then I had to fill out waste management forms. Then I got a call for a crop report from WSDA, then another report call came. Then I had to fill out the national data report to track [inaudible]. Where are we gonna find the time to fill out more reports? I'm very concerned about tracking movement of the animals. I need more information on that too.

You know, we try to pass these costs on. These are costs that get thrown at us by the state governments. You know, the fuel surcharges are thrown at us. I talked to my creamery and said, "I need a fuel surcharge for my milk." They laughed and said, "Hey, we're gonna import it from Australia. We've got a free trade agreement with them." We've got free trade with Central America.

Are they doing the same things in Central America as we've proposed to do here? That's a concern of mine, because I know down there they pay \$50 a month and it costs me \$50 a day for my [inaudible - speaker not facing microphone]. We need an even playing field.

The cost, if it's a benefit to the consumer, let the consumer pay for it. It should be on the retail end. We need to make sure that all the imports are applied the same cost. After all, if it's a public safety issue, they should happily pay the cost.

Basically, that's what it comes down to, is economics. There's been some great suggestions given to us today, and I hope you take a look at all of this. Thank you so much.

MR. RENDAHL: Another name I thought I called was Calvin Mercer.

MR. MERCER: My name is Calvin Mercer. I just graduated from WSU in 2000. I come from a small cow/calf operation and we have a small feed lot as well. The way I see it, this ID system is--it's three steps ahead of the process. First we need to identify all the cattle that are in the United States that are not of the native herd. Second, we need country of origin labeling mandatory. And third, if it's feasible, move on to a national ID system. The country of origin labeling is something that I feel is the number one component that USDA really needs to be focusing their main attention on at this time. That's all I've got to say. Thanks.

MR. RENDAHL: Now we'll ask Mr. Hawks and Dr. Ragan if they have some comments.

MR. HAWKS: Okay. Thank you all for all of your comments. The way we run this Bill & Val Show, I'm gonna take the first shot at it. We both were taking notes here, so I'll try to hit

those and she will do clean-up behind me.

So, anyway, let me go down through here and try to address some of these. I think--and I will not do them just item by item, but I try to group together and take some of the comments. The regard--with regard to what we will do with foreign animals coming into this country, there seems to be a concern that there will be some disparity there. All will be treated the same. There is no question about that. And yes, that animal was an imported animal that was found here in Washington. We are not reluctant to say that. I did fail to mention that. That is not by design that I did not say that.

There's been a lot of discussion here about brands and how they'll work. It's obviously one of those issues that Valerie and I have talked about, the people that have been working on this have talked about, so we're trying to figure ways to make sure that those brands, which you have quite a few of them in the west, have a way to work through this.

There are several comments about 4-H, the impact it will have on 4-H. I am absolutely a product of 4-H clubs. I actually went to college on a small 4-H Club scholarship. So we have absolutely no intention of adversely affecting 4-H, so that is something that's certainly on our radar.

And I was a little bit concerned with--not concerned, but confused, I guess, with one speaker talking about DNA and ID and food safety and then later on commenting about how we didn't need to do ID. So I was a little bit confused about that, but I think the issue that we need to go back to is the fact that this is more animal disease purposes. We at the USDA are looking at this as an animal disease control/management/eradication. That's really what we are looking at here.

The issue was brought up about security, and there was--one speaker made the comment about that the packer would have this information. I will absolutely categorically deny that anybody will have the opportunity to have this information. This information that we're looking for, the small bits and pieces, the movement is designed solely for the animal disease purposes, and this information will be protected. We have made that pretty clear, that we have every intention of protecting it.

There was mention that there should be a penalty, a very severe penalty associated with this, and you can rest assured that that would be the case.

There was some comments about the marketplace and deriving benefit from this, and I think we've been fairly consistent in saying we want to make sure that whatever systems you're using now, they are compatible. We need small bits and pieces of information for our purposes at USDA, so we want to make sure that we are consistent with what your needs are.

Let's see. There were several comments about go slow. I think that's good advice. There's no question about that. We've got to make sure that whatever system or systems are put in place have to, you know, have to work before we move forward too fast. And actually, there was one that said to keep it simple. You know, I think the KISS system is absolutely appropriate here, so we absolutely intend to use the approach of keeping it simple.

The comments about the Chevrolet or the Rolls-Royce, I thought that was appropriate too. There again, we're going to keep it simple. We're going to make sure that it worked. We realize the difference in the species, the llama, the boar goats, but I think there again I'm gonna reiterate one more

time, there's been some comments, and not just in this one, but about it relating to animals that are used for meat versus pleasure animals. This is not a food safety issue for us. This is an animal disease issue. So it really--those animals that have diseases, it really doesn't matter, you know, what that animal is. So I think it's important for us to point that out.

With regard to the poultry and the flocks, absolutely that is something that's being looked at. I think we're basically in agreement there that there's no need when you're going all in and all out with the flocks or in the case of swine.

It was noted about the live bird markets, the potential need for individual identification there, and we certainly concur with that. We have just recently transferred almost \$13 million from CCC to start a Low Path Avian Influenza program, and that will be part of that system as well.

Val, I think that's where I'm gonna stop. She takes better notes than I do, so she's much better at details than I am, so Val, it's all yours.

DR. RAGAN: I think you got most of them. I have to admit, I can't write as fast as y'all can talk, so I know I missed some of these things, but they are transcribed and we will go back and take a look at those closely.

Just a few things I want to just respond to. We're not here trying to answer all the questions. We don't have all the answers, but we do want to make sure to clear up a couple of the points. One, the brand issue, and I know Secretary Hawks mentioned that. That is on our radar screen. That's a consistent thing. We have had a number of people from brand states working on addressing some of

the issues that you discussed, and several state veterinarians from brand states for that very reason. We're not gonna make decisions ourselves. We're letting these folks work through some of these difficult issues and come up with some solutions.

One of the points I did want to respond to is, there was a comment about, with the brands, we know who the original owner is, and the next brand people who have ownership should be responsible for reporting that. And that is one of the issues that these species groups are working through, is, who is responsible for reporting at what stage to make this work as smoothly as possible. So we'll continue to get some input from them on that as well.

Another issue, on the premises identification, there was a couple of comments about, "We don't want to have to report every time they move from pasture to pasture," and absolutely that's not the intent. The way the premises is indeed being set up is so that the premises would be--it's actually, unfortunately, somewhat vaguely defined right now. A premises is a location where animals are being maintained. With the recognition that if animals--nobody has--very few people have animals that stay on one premises forever unless they're a smaller operation, but recognizing the huge variety of systems out there.

We spent, I don't know, the team, the whole team spent hours and hours--months, actually--discussing how the premises should be defined. And 100,000 scenarios were laid on the table. The bottom line is, the way that we're doing it now is, the recognition that if animals move from pasture to pasture to pasture that they are still--single ownership, same animals, they commingle with each other,

for lack of a better term, the way it's being set up is that we could have one premises number and then just define in the system that there are other pastures at these locations.

So, again, the thought process is, what would we need to do, where would we need to go back to if there were a disease outbreak? So if, for example, if an owner had five pastures that he keeps animals on and moves them among those five pastures, there would be one premises number with the notation in the system that there are other animals on these locations. So if we did have a disease that we needed to go back and look at the animals we would know to go to all the places because that's where all the animals are spread out over.

On the other hand, if the owner has two completely, for example, separate operations, a commercial herd and a purebred herd, for example, that are maintained on two different locations, you might want two numbers. If they're managed separately, they don't intermix, and if the disease is tracked back to the commercial herd, we might not need to bother the purebred herd if it's clearly defined that way. So you may want to have two numbers.

But the ultimate decision on how the numbers should be assigned is, at this point, being left up to the state animal health official. The state animal health official can walk through these scenarios with the individual producers and come up collectively with a decision as to whether it would be better to have one number or multiple numbers. So trying to base that on how the management goes, what animals we'd need to be concerned with if there was a disease outbreak. And trying, again, to keep it as simple and keep it as logical as possible but still allow us to get to the right animals if there were a

disease outbreak.

Another point I wanted to mention also is, it came up, the Wisconsin Livestock ID Consortium system, using that as a premises system. Let me just clarify that that is a premises registration system. It's the way to register premises numbers. We were funding that as one of several pilot projects that we funded that we had evaluated by an outside group, and it was determined that that system was the one that best fits the standards that are in the National ID System.

That's being used as an interim premises registration system, an interim system while we continue to build a system and--for states to be able to go in and register numbers on the website. So it's not a whole Animal ID System that's being adopted; it's a premises registration system that we're utilizing, at least in the interim, to be able to register premises in a uniform way. It's being offered--will be offered to the states soon.

There are some states that have their own premises registration systems that they developed that they prefer to use, and what we're doing is we'll be having a--taking a look at those systems to make sure that they are compatible with the system and will allow the easy exchange of information back and forth and we can actually certify that it's a compatible system so they can use those if they wish. So we're not saying that any one system has to be used over another.

Another point I want to clarify too is that the way it's being set up just calls for the identification of animals that are moving. There was a comment about commingling is being added in, all that type of thing.

The thought process is that if animals are gonna be moving off of the premises and coming in contact with other animals owned by other people, that that's a potential for disease exposure and that's the kind of contact we're trying to capture. So if animals are out on the back 40 and never go anywhere and they're not coming in any other contact with any other animals except ones that are owned by the same owner, they don't have to be identified according to this system. It's ones that have the potential for coming into contact with others.

One last point on the confidentiality of data issue. Again, we're abundantly aware of the concern there. We don't--just to reiterate, we don't intend to be collecting or maintaining production information. We won't even have that information. We won't have access to that information.

There was a discussion about being held privately or being held at the government level. There is--as I said earlier, we are working through the state animal health officials and with the state animal health officials to make sure this works. They can elect to have it held privately if they want. We're not defining one way or the other. But one little caveat to be aware of, though, is our lawyers tell us even if that information is retained privately, if we access that information and use it, then it is then, under the way things are set up now, not protected once we have access to it. [*NOTE: The Freedom of Information Act can be used to obtain information from a Federal agency when that agency has custody and control of a record.*]

So we would want to be very clear that we are able to completely protect it, whichever way we go, and not assume it will be protected privately held in all cases, because, as I said, once it's given to

us it's not protected. So we need to make sure that we get that addressed. So we are aware of that and are working to make sure we protect it whichever way it goes.

Secretary Hawks, those are the key things. I need to read the transcript and figure out some of those things I couldn't write down that fast.

MR. HAWKS: Okay. There was one comment about the authority and the bills in Congress. It is very clear that we do have the authority to do this, but I think it's also--I want to reiterate again, it's not a question of authority. The authority does exist under the Animal Health Protection Act, which was part of the Farm Bill in 2002. So the authority's there. So the bills sitting in Congress really, you know, while they are important, but with regard to the authority, the authority is there.

But even though we have the authority to do this, I want to reiterate one more time, we want to do it based on--working with you collectively to make sure that each system we put together will work. Thank you.

MR. RENDAHL: Thank you all for coming.

(The listening session concluded at 4:58 p.m.)