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August 30, 2021

Sarah J. Helming, Esq.  
Supply Chain Resiliency Coordinator  
Marketing and Regulatory Programs  
Whitten Building—Suite 312-E  
1400 Independence Avenue SW  
Washington, DC 20250.

Re: Docket ID AMS-TM-21-0058-0002

*Disclaimer: The opinions expressed herein are our own and do not necessarily reflect the views of The Johns Hopkins University.*

Dear Ms. Helming,

We appreciate the opportunity to comment on Investments and Opportunities for Meat and Poultry Processing Infrastructure (Docket number [AMS-TM-21-0058](#)) The [Johns Hopkins Center for a Livable Future \(CLF\)](#) is an interdisciplinary research, education and practice center based at the Johns Hopkins Bloomberg School of Public Health. CLF applies science and systems thinking to help build healthy, just, equitable, resilient, and sustainable food systems.

We are encouraged by The Biden-Harris Administration's commitment to Build Back Better and strengthen the food systems by addressing the growing concentration within the meat and poultry processing sector of what is an overall vertically integrated food animal production industry that has steadily reduced competition for decades. As the USDA considers the allocation of the \$500 million investment, we urge that use of the investment focuses on **supporting decentralized, small- and medium-scale processors**, and prioritize historically marginalized groups such as young, beginning, and Black, Indigenous, and People of Color (BIPOC) workers in the processing sector. Moreover, this support should be designed and implemented in collaboration with minority serving institutions including 1890 Historically Black Land-Grant Colleges and Universities, 1994 Tribal Land-Grant Colleges and Universities, and Hispanic Serving Institutions through research, grants, loans, and in-kind technical assistance.

The consolidation of the meat and poultry processing sector has created supply chain vulnerabilities with thin market opportunities for growers and yielded considerable externalities, including costs to public health and the environment. Whereas these issues were widely recognized before the COVID-19 pandemic, they have only been amplified by pandemic associated shocks. While the public health impacts of industry consolidation during the pandemic are not yet fully understood, the effect of the current system is clearly associated with the rapid spread of COVID-19 in large-scale processing plants ([FERN](#), 4/22/2020) as well as with a roll back in food and worker safety inspections and enforcement ([CivilEats](#), 4/14/2020).

Pandemic related shutdowns of processing plants and other market disruptions threaten the resilience of local and regional economies with estimated losses approaching \$40 billion ([CRS](#), 5/8/2020). The processors also face increased vulnerability due to repeated shocks. In late May 2021, JBS, the world's largest meat producer suffered a Russian-based ([NPR](#), 6/3/2021) ransomware attack that rippled through the US food production industry driving up wholesale meat prices, backed up animals in barns, and forced food distributors to hurriedly search for new suppliers ([The Wall Street Journal](#), 6/11/2021). JBS controls about

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20% of the slaughtering capacity for cattle and hogs in the U.S. ([Reuters](#), 6/1/2021). While COVID-19 did not create the problems within food systems, the repeated shocks to workers, volatility in markets, and ongoing threats from foreign actors, expose structures that are “rigid, consolidated, and fragile,” [as Secretary Vilsack said](#).

The consolidated food animal production industry and the meat and poultry processing sector has reached an unprecedented scale, where four companies control 51% of the poultry, 66% of the pork, and 85% of beef slaughter ([Open Markets Institute](#), 2019) with little to no oversight at the expense of worker safety and well-being ([Human Rights Watch](#), 2019). USDA’s Food Safety Inspection Service has even established a regulatory waiver program allowing poultry plants to process up to 175 birds per minute (FSIS-2011-0012-2263). The speed at which consolidated processing plants operate creates dangerous conditions, exploits our society’s most marginalized communities, and has been associated with an increase in the spread of COVID-19 ([FERN](#), 8/10/2020). According to a Government Accountability Office analysis of US. Department of Labor statistics from 2004 to 2013, workers on the lines of meat and poultry processing are at greater risk of workplace injuries and infections, than employees in any other type of manufacturing. Of these workers approximately 30% are noncitizens with an average salary below \$15 an hour. In addition to hazardous working conditions and low pay, the heavily consolidated industry’s dependence on “just in time” supply chain management has left farmers vulnerable to this type of shock and required taxpayer assistance to apply a band aid to an ailing system. According to a 2020 estimate, 10 million hogs alone have been euthanized on farm sites ([CBS News](#), 5/12/2020), requiring aid expected to total nearly \$300 million ([Des Moines Register](#), 7/14/2021). Farmers and workers continue to bear the brunt of systemic vulnerabilities as the consolidated meat and poultry processing industry maintain inhumane working conditions while leveraging their monopolistic market share and favorable regulatory environment, with little incentive to reform.

Changing the current meat and poultry processing sector within the context of its heavy consolidation and associated vulnerabilities, requires actions, funding, and policies that support the decentralization to small and medium scale processors. Ongoing monitoring, evaluation, and oversight of these efforts will, however, be critical to gauge progress and scale promising programs. Our recommendations below are not exhaustive and do not address every aspect of meat and poultry processing but they do highlight several key avenues that USDA should use to build back better in our food systems.

### *Recommendations*

- The grant program must **exclusively** serve the small and mid-sized plant sector, by defining eligible applicants as any small or mid-sized federally inspected, state inspected, CIS inspected, exempt, or new facility with less than 200 employees, and ineligible applicants as any large plant, defined as a plant with more than 200 employees.
- Ensure high-level oversight at USDA to coordinate the agency’s efforts to facilitate access for young, beginning, and Black, Indigenous, and People of Color (BIPOC) farmers. Specifically:
  - Improve access to credit for young, beginning, and BIPOC processors
  - Create grant opportunities for specialty and niche processors
  - Back loan opportunities for existing specialty and niche processors to expand their capacity

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- Allow distribution of meat from state-based, federally inspected slaughter facilities across state lines.
  - A small plant grant program should be created in a manner that is more comprehensive and flexible than the Meat and Poultry Inspection Readiness Grant Program that enhances coordination and collaborations with tribal communities, new and beginning farmers and ranchers, socially disadvantaged producers and veteran producers interested in building capacity.
  - Food Safety Inspection Service (FSIS) should actively engage with small meat and poultry producers and recognize them as essential infrastructure. Specifically:
    - Ensure the National Advisory Committee on Meat and Poultry Inspection has at least an equal number of independently owned, small-plant stakeholders serving on the Committee as the largest meat and poultry companies, including at least one farmer or rancher who uses small-scale slaughter plants.
    - Work to increase the number of small and mobile plants that have a grant of federal inspection.
    - Publish a proposed rule for comment that ensures a transparent and accurate “Product of the USA” label for livestock born, raised, harvested, and processed in the US
  - USDA must ensure approximately \$50 million for small processor education, technical assistance, and workforce development grants and cooperative agreements through minority serving intuitions.
    - Technical assistance should focus on the following areas and needs; workforce development, humane handling best practices for plant operators and slaughter employees, HACCP, labeling approval and processes, appropriate HACCP plans for by-products such as tripe and hoof cleaning for halal facilities, assistance for processors to obtain organic certification, and other necessary support.
  - Restore or increase previous levels of OSHA inspectors and increase maximum OSHA penalties for large employers.
  - USDA should have the ability:
    - To block the sale of processing facilities built or invested in through federal funds to large or foreign-owned corporations as well as those that do not adhere to minimum safety standards and/or prohibit the organization of laborers.
    - To prevent new, expanded, and successful facilities from being acquired by the large corporations whose consolidated operations which can suffer from bottlenecks and create significant supply chain vulnerabilities
  - USDA should support decentralized food systems based on many smaller scale processors
  - The National Advisory Committee on Meat and Poultry Inspection must have at least an equal number of independently owned, small plant stakeholders serving on the Committee as the largest meat and poultry companies. The USDA should ensure the committee includes equitable participation, including plant employees and BIPOC small plant operators and farmers and ranchers. NSAC also recommends that at least one farmer or rancher that utilizes small scale slaughter plants for their products can serve on the committee.
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- FSIS should move forward with implementing the recommendations in the study commissioned in the 2018 Farm Bill on “USDA FSIS Guidance and Outreach to Small Meat Processors” written by NMPAN at Oregon State University and commit to implementing these recommendations by 2025. The study includes specific ideas for small plant inspections and other regulatory issues, including the scale appropriate regulations mentioned above.

CLF appreciates USDA’s commitment to improving the food animal processing sector and advancing more resilient food systems through diversification, flexibility and adaptability. The resilience of local and regional food systems depends on the incorporation of viable alternatives to the consolidated meat and poultry industry by supporting and empowering small and medium scale processors, including specialty processors. In addition to the specific recommendations outlined in this letter, it is important to acknowledge the value of centering food system workers’ health, safety, and equity in these efforts. Food system workers lack many basic protections afforded workers in other industries, often leaving them vulnerable to occupational and environmental hazards. When workers receive the rights and protections they deserve, such as health care benefits, paid sick leave, and hazard pay, it strengthens the collective system ([Goldman et al. 2021](#)). Economic justice and racial equity should be considered as key outcomes for all actions to strengthen food systems’ resilience.

Thank you again for the opportunity to comment. We would be happy to work with you in the future or provide any additional information on the points above.

Sincerely,

Bryan Sobel, MS  
Senior Program Officer, Food System and Agriculture Policy Solutions  
Johns Hopkins Center for a Livable Future  
Department of Environmental Health and Engineering  
Blomberg School of Public Health  
Johns Hopkins University

Patti Truant Anderson, PhD, MPH  
Senior Program Officer, Food System Policy  
Johns Hopkins Center for a Livable Future  
Department of Environmental Health and Engineering  
Blomberg School of Public Health  
Johns Hopkins University

D’Ann Williams, DrPH, MS  
Senior Program Officer, Industrial Food Animal Production  
Johns Hopkins Center for a Livable Future  
Department of Environmental Health and Engineering  
Blomberg School of Public Health  
Johns Hopkins University

Prashasti Bhatnagar  
MPH, JD Candidate, Georgetown Law  
Research Assistant  
Johns Hopkins Center for a Livable Future  
Department of Environmental Health and Engineering

Blomberg School of Public Health  
Johns Hopkins University

Robert Martin, BA  
Senior Lecturer, Department of Environmental Health and Engineering  
Johns Hopkins Bloomberg School of Public Health  
Program Director, Food System Policy  
Johns Hopkins Center for a Livable Future  
Johns Hopkins University