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Submitted electronically via regulations.gov

Dr. Michael Carter
Commodity Policy Advisor
Strategy and Policy
Veterinary Services
Animal and Plant Health Inspection Service
4700 River Road
Riverdale MD 20737

Re: APHIS-2021-0010 – Animal and Plant Health Inspection Service Indemnity Regulations

Dear Dr. Carter -

The National Chicken Council (NCC) appreciates the opportunity to provide comments on the United States Department of Agriculture (USDA), Animal and Plant Health Inspection Service (APHIS or the Agency) proposed rule – Animal and Plant Health Inspection Service Indemnity Regulations. NCC is the national, non-profit trade association that represents vertically integrated companies that produce and process more than 95 percent of the chicken marketed in the United States. We believe that this topic is very timely given the ongoing outbreak of Highly Pathogenic Avian Influenza (HPAI) that continues to impact the entire poultry sector. Additionally, we want to express our gratitude for the leadership of those dedicated individuals within APHIS that continue to assist the industry through these challenging times.

NCC appreciates the Agency's new approach to harmonize how APHIS determines animal values and deals with costs associated with transportation, cleaning, and disposal. NCC also appreciates the comments pertaining to the difficulty associated with in-person appraisals for fast-moving diseases such as highly pathogenic avian influenza (HPAI) as well as the desire to ensure transparent and equitable appraisals. However, we are concerned with the statement that "harmonizing across all diseases will likely increase APHIS' costs and potentially lower the available funds for indemnifying animals." This proposed rule should not come at the cost of indemnification. The availability of indemnification for foreign animal diseases such as HPAI sets the U.S. apart from many other countries and aids in the prompt reporting and subsequent elimination of the virus.

The proposed rule brings up a few additional areas for improvement we encourage the Agency to consider. Indemnification rates should be based on current market conditions and reflect, in near real-time, input costs such as feed, fuel, etc. These rates should also consider how broilers are raised and reflect the variation in input costs accordingly. While we believe that the broiler-related values in the [USDA Indemnity Values for 2022: Commercial Values](#) document are significantly below market value, there is also no mention of pullet chicks, broiler breeders, or any pedigree birds. The value associated with breeding stock (to include pedigree birds) vary based on age and gender, and therefore we suggest the Agency add additional indemnification values accordingly.

Finally, we do not believe that an annual reassessment of indemnification values is appropriate as input costs and markets are not static. This reassessment should be done much more frequently which would hopefully result in a more accurate reflection of true market value. NCC also encourages transparency in the calculations used to determine indemnification values.

Thank you in advance for your consideration, and please do not hesitate to contact us with any questions.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Ashley B. Peterson".

Ashley B. Peterson, PhD
Senior Vice President, Scientific and Regulatory Affairs
National Chicken Council