

USDA Proposes to Require Five-Year Terms for Registration

WASHINGTON, December 24, 2008 - The U.S. Department of Agriculture's Grain Inspection, Packers and Stockyards Administration (GIPSA) proposes to amend the regulations under the Packers and Stockyards (P&S) Act regarding the registration of market agencies and dealers. Under the proposed rule, persons registered as dealers or market agencies under the P&S Act would be registered for five-year terms. Upon expiration of the five-year term, registrants would be required to renew their registration. Under the proposed regulation, a registration that is not renewed timely would expire after five years.

The proposed rule will allow GIPSA to maintain more accurate records and be more effective and efficient in enforcing the P&S Act. When applying for registration, the applicant must certify that its financial condition meets the P&S Act's requirements, list its type of business organization, whether it will operate on a calendar year or fiscal year basis, and identify the character of its business and the species of livestock it will handle. Under current regulations, if a registration is granted it is effective indefinitely. Requiring registration renewal would give GIPSA periodic updates on whether entities are still operating and the type of operation being conducted. This will enable GIPSA to better manage the oversight of its pool of regulated entities.

The proposed rule was published in the December 16, 2008 Federal Register. GIPSA is accepting public comments received by February 17, 2009. Additional information is available in GIPSA's Federal Register notice (archive.gipsa.usda.gov/GIPSA/webapp?area=home&subject=lr&topic=gfr).

The P&S Act is a fair trade practice and payment protection law that promotes fair and competitive marketing environments for the livestock, meat, and poultry industries.

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