



**Animal and Plant
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Remarks

Remarks as Prepared for Acting Administrator Kevin Shea Meeting With the Express Association of America (EAA)

WASHINGTON, June 18, 2013—Good afternoon. I appreciate the invitation attend your Annual Meeting and the opportunity to participate in this roundtable discussion. EAA is not only a respected USDA stakeholder, but an essential partner in our efforts to protect U.S. agriculture from the threat of foreign pests and diseases.

We take very seriously EAA's request to ease the impact of APHIS regulatory requirements on your member companies.

I know this might not be a surprise to you, but the Federal government is not always quick to make changes. We sometimes get set in our ways.

But over the past few years, APHIS has reviewed many of our internal and external processes to determine where we could deliver more efficient service to stakeholders, leading to a series of business process improvements. In some cases, we achieved some staggering savings, totaling millions of dollars.

So we're open to change. We want to streamline and simplify our processes and reduce administrative burdens so you can get shipments to their destinations as quickly as possible.

But we also need to be true to our mission to ensure that foreign pests and diseases do not threaten the health of our agricultural and natural resources or the livelihood of American producers.

A few months ago, in Pembina, North Dakota, CBP agents put a hold on a box being shipped from Alberta to Texas. The shipment manifest listed "clothes," seemingly not a high-risk commodity, but the inspectors found live larvae later identified as khapra beetle, a small but highly destructive invasive pest that feeds on more than 250 kinds of stored agricultural products and is relatively resistant to many insecticides and fumigants.

In this case, the system worked and the shipment was destroyed. But what could have happened if the hold was disregarded? When we first discovered khapra beetle in California in the 1950s, eradication cost \$15 million. That would amount to more than \$100 million today.

It takes only one shipment—cans of meat from an area infected with a foreign animal disease, beetles in clothes or wood-packing material, noxious weeds or invasive seeds, or a myriad of other possibilities—any of these could pose tremendous threats to U.S. agriculture and the environment.

Working Groups

We're working in earnest to find ways to meet our mutual goals. As you know, in February, APHIS, the Department of Homeland Security's Customs and Border Protection, and EAA agreed to form a working group, and three subgroups are reviewing targeting and holds protocols; inland inspections; and compliance and civil penalty policy.

I think this is a healthy process, and I understand that these groups are making good headway.

Targeting and Holds

Just as we're benefitting today from meeting face-to-face, the working group is gaining understanding through direct contact. Earlier this month, APHIS staff took a field trip to Philadelphia to visit a United Parcel Service (UPS) hub. The working group members were there from 7 a.m. to 4 p.m., learning how the process works.

I'm told 4,200 shipments arrived while they were there, and there were 58 holds. Five of those shipments turned out to contain high-risk items—including prohibited grasses and seeds, and pork from an area that may have classical swine fever. Those are important things to keep out of the country.

The working group members got to see first-hand the demands of your business, and they also saw ways we can improve service, particularly in giving CBP inspectors better guidance about our policies. We think that will lead to fewer non-regulated items put on hold unnecessarily.

Working group members have scheduled visits to 7 more facilities in the next few weeks, so they are going to become well acquainted with the process.

Working group members also are reviewing agricultural hold data to better understand the effectiveness of CBP's policies and actions, and see for themselves if inconsistencies in the process are leading to problems.

Inland Inspections

The working group is also looking into what it would take to allow targeted shipments to move to inland hubs for inspection.

They are reviewing regulatory language and policies to see what is allowable, and then determining the steps needed to make the change. An assessment of disease and pest risk is necessary, and APHIS and CBP need to figure out the staffing requirements for additional shipments to potentially move inland for inspection.

Compliance and Civil Penalties

EAA has requested that APHIS consider an operator's previous compliance record when issuing penalties so that perhaps there would be no enforcement action if that company has achieved a certain benchmark of requested shipments presented for inspection.

APHIS already considers a company's compliance record when determining penalties. But, with the possible agricultural and environmental consequences at stake, it is problematic to establish a threshold of anything less than 100 percent compliance.

APHIS is exploring and analyzing a few different options and ways to measure cooperation and compliance. Some proposals might require Federal Register notice among other actions, and would necessarily apply to additional industry groups.

The working group will discuss this issue further when it meets on Thursday (June 20), including a proposal that would reduce the severity of civil penalties for companies with a good record of compliance.

Conclusion

In closing, the message I want to leave you with is that we understand your concerns. We're working to understand your business even better. And we're committed to working together with you and with CBP to find solutions that's in the best interests of all of us.

Thank you.

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