



February 10, 2009

Attention: Tess Butler
GIPSA, USDA
1400 Independence Avenue, SW
Rm. 1643-S
Washington, DC 20250-3604

Subject: P&SA, Registration, 5-Year Term Comments; FR page 76288, December 16, 2008

To Whom It May Concern:

The Livestock Marketing Association, the national voice for the livestock marketing sector, appreciates the opportunity to comment on the Agency's proposed rule to require Grain Inspection, Packers and Stockyards Administration (GIPSA) registrants to renew their registration every five years. LMA represents 800 livestock auction markets, dealers and related businesses, or nearly three-quarters of all active registered livestock auction markets in the United States.

LMA can appreciate the Agency's need for current business information on all Packers and Stockyard (P&S) registrants. However, we are very puzzled by the Agency's comment in the proposed rule that "...many market agencies and dealers registered under the P&S Act do not provide us with updates of information about their business operations." Why would this be so when section 201.97 Annual Reports of the P&S regulations requires, "Every packer, live poultry dealer, stockyard owner, market agency and dealer...shall file annually with the Administrator a report..." Those annual reports should provide the Agency with any information on a registrant's business operation that it would need. If they do not, perhaps the Agency should consider redesigning the required yearly report to elicit the information they seek, rather than make all registrants go through a redundant, paperwork burdensome registration renewal process every five years.

LMA, in the past, when requesting information on current P&S registrants has found any number of data inconsistencies to our own records on member market agencies and dealers. Thus the registration, business information problems the Agency endeavors to resolve with a five-year registration renewal perhaps could be better addressed through a more robust, improved data management system to manage the information that is currently on record with the Agency before taking on new information data sets that are destined for inclusion in what appears to be by all appearances an already badly managed, outdated data management system.

Over 50 years of dedicated service to the Livestock Industry

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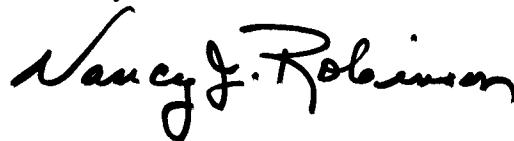
The Agency supports the five-year renewal of P&S registrations with the argument that since no provision currently exist in the P&S Act and regulations for expiration of a registration, it can only suspend or make inactive a registrant who is no longer operating. This begs the question as to why the Agency does not simply amend the report requirements to require registrants notify the Agency within 30 days that they have ceased operation versus making all registrants go through a re-registration process every five years to satisfy an administrative anomaly.

We also recognize that the Agency may see periodic registration renewal as a means of better monitoring and keeping “bad actors” from operating under a P&S registration. However, as a practical matter current P&S rules respective to registration, business practices, payment protection, etc, have never had nor probably ever will have any significant impact on those who choose to operate outside the Act and regulations. Thus, what we are largely left with in this new registration renewal procedure, is more paperwork, more cost to an already heavily regulated industry and another loosely devised band-aid for what ails the Agency in enforcing an outdated, early 20th Century law in an increasingly computerized, complex, changing 21st Century industry. We therefore object to the federal government further interfering in the business of good operators in an attempt to bring into compliance those uninterested in complying with the law in the first place.

Should the rule become final, which we do not support, the rule should be amended to include a provision requiring the Agency to establish a specific timeframe for it to act on any registration application following its receipt by the Agency. Market agencies and dealers can ill-afford to have their registration expire waiting for the Agency to act. Also, we urge the addition of a requirement for the Agency to fully describe why the registration is being denied. LMA believes inclusion of both of these provisions is absolutely necessary in protecting the rights of registrants to a fair and timely disposition of their registration application.

The basis upon which the Agency proposes to establish a five-year term limit on P&S registrations and renewal procedures is, in our view, deeply flawed. Therefore, we urge GIPSA to withdraw the proposed rule in order to reconsider the proper course of action necessary to keeping their registrant information current.

Sincerely,

A handwritten signature in black ink that reads "Nancy J. Robinson". The signature is written in a cursive, flowing style.

Nancy J. Robinson
Vice President, Government
and Industry Affairs