



CHESAPEAKE BAY COMMISSION

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Chesapeake Bay Commission - Maryland Delegation - Fall 2023 Meeting Update on USDA Blue Catfish Webinar

USDA Presentation

- On October 19th, USDA hosted a call (coordinated by Congressman Harris' office) with stakeholders involved in the blue catfish industry in the Chesapeake Bay.
- CBC invited representatives from a broad range of perspectives – state agencies (both agriculture and natural resources), processors, and watermen. Turnout was excellent, with at least 50 participants on the call. Staff from multiple congressional offices were on the call, as was Del. Jacobs.
- The focus was to review USDA programs that can benefit the commercial harvest of catfish in the Chesapeake Bay.
- USDA first outlined the process for obtaining a federal permit for catfish processing (a “Federal Grant of Inspection”).
 - Each facility must have a Hazard Analysis and Critical Control Point (HACCP) plan for the facility (the same requirement as FDA for other fish species)
 - USDA noted a Conditional Grant of Inspection can be obtained in as little as five days.
- USDA then walked through the current inspection protocols, specific to catfish:
 - USDA personnel must be present at least once per shift in catfish processing establishments.
 - Inspection personnel conduct a range of activities to ensure that the product is safe, wholesome, and properly labeled, including verifying that inspected establishments meet sanitation performance standards and maintain and follow written Sanitation Standard Operating Procedures (SSOPs) and HACCP plans.
- Since 2015, USDA has had many roundtable discussions with industry members to conduct outreach, explain requirements, and try to find areas where the Agency can provide additional flexibility.
 - USDA has also developed guidance for industry members, especially small establishments.
 - USDA has issued model HACCP plans for farm-raised and wild-caught catfish.
 - USDA is continuing to listen to concerns from industry and adapt their approaches.
- Utilizing Congressional funding, FSIS provides defrayment of overtime and holiday inspection fees to invasive wild caught Siluriformes establishments.
 - USDA offers flexible inspection scheduling to invasive wild caught Siluriformes establishments to help better accommodate industry needs.
- USDA provides an exemption for operation types commonly conducted at retail stores, restaurants, or similar type retail establishments for sale in normal retail quantities.
 - Exemption also applies to the slaughtering of catfish conducted in a retail store or restaurant setting, when purchased at the retail store or restaurant.
 - A retail quantity of catfish sold to a household consumer must not exceed 75 pounds.
- USDA then outlined several grant, loan and guaranteed loan programs to support meat processors that are also available to catfish processors:
 - Meat and Poultry Processing Expansion Program (MPPEP) provides grants to meat and poultry processors to start and expand processing operations. MPPEP encourages competition and growth in the U.S. meat processing sector, and more, better and new market options to producers. Maximum Award: \$10 million, or 30% total project costs.

- Rural Energy for American Program (REAP) provides grants and guaranteed loan financing to agricultural producers and rural small businesses for renewable energy systems or to make energy efficiency improvements. Available Funding: Grants can cover up to 50% of total eligible project costs (from 25% pre-IRA), Loan Guarantees on loans can cover up to 75% of total eligible project costs.
- Business & Industry Guaranteed Loans offers lenders an 80% loan guarantee for qualified loans up to \$25 million to businesses in rural areas. The program is administered through state Rural Development offices and enables lenders to provide affordable financing for rural businesses.
- The Intermediary Relending Programs (IRP & RMAP) and Meat and Poultry Intermediary Lending Program (MPILP) have provided much needed capital to community lenders, or ‘intermediaries’, who then re-lend to businesses. MPILP is specifically for lending into the meat processing industry and includes catfish processing as an eligible activity. The Maryland Agricultural & Resource-Based Industry Development Corporation is an MPILP lender and has grant and loan options for agricultural and seafood producers and processors.
- The USDA Agricultural Marketing Service administers programs that create domestic and international marketing opportunities for U.S. producers of food, fiber, and specialty crops. AMS also provides the agriculture industry with valuable services to ensure the quality and availability of wholesome food for consumers across the country and around the world. They will be opening Regional Food Business Centers in the near future. The Centers will help industry professionals navigate the various USDA programs and provide coordination to help establish new markets. Maryland is covered by their Northeast Business Center and Janna Spruill will be leading the effort.

Questions and Answers/Discussion

What other USDA programs are available to address invasive species?

The Regional Director for USDA-Animal & Plant Health Inspection Service (APHIS) was on the call. He responded, and noted they usually deal with bird and mammal concerns but are trying to figure out how to help address this species. They would need funding for any new operational controls but are open to discussions on what that could look like for the agency. He also mentioned the US Fish and Wildlife Service as a potential avenue to explore re the invasives angle. CBF reached out afterwards expressing gratitude to us for pressing the invasives angle and asked to be included in the APHIS conversation. CBC staff has reached out to schedule a meeting with USDA-APHIS.

Both State (Maryland and Virginia) ag marketing representatives and processors on the call noted concerns related to end-market demand for blue catfish and felt this was limiting commercial harvest. They noted the importance of focusing on large institutional buyers (e.g., schools, prisons, food banks) for demand (e.g., “need channel open to move fish”).

How are USDA and FDA inspection different?

Without getting into any details, USDA noted there are some differences, but they have staff to clarify those and work with processors. The biggest one is the requirement for once per shift inspector, but they have the capacity to provide that.

The representative from Congressman Harris’ office noted that they had been working to try and get a waiver from USDA inspection, but had hit substantial roadblocks, including food safety concerns being raised. They were trying to work to develop options, including additional resources to support the industry.

Maryland ag representative noted the benefit of the “USDA Inspected” label on the end product.