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Submitted electronically via [Regulations.gov](https://www.regulations.gov)

Dr. Justin Ransom
Administrator
U.S. Department of Agriculture
Food Safety and Inspection Service
1400 Independence Avenue, SW
Jamie L. Whitten Building, Room 350-E
Washington, DC 20250-3700

Re: Docket No. FSIS-2026-0001: Revising Establishment Size Definitions

Dear Dr. Ransom:

The National Chicken Council (NCC) appreciates the opportunity to comment on the Advance Notice of Proposed Rulemaking (ANPR) "Revising Establishment Size Definitions," published in the *Federal Register* on March 24, 2026, by the U.S. Department of Agriculture (USDA) Food Safety and Inspection Service (FSIS or the Agency).¹ NCC is the national, non-profit trade association that represents vertically integrated broiler companies that produce and process more than 95 percent of the chicken marketed in the United States. Our members represent a variety of establishment sizes and will be directly influenced by revisions to establishment size definitions.

NCC applauds the Agency for reevaluating the current method of Hazard Analysis and Critical Control Point (HACCP) establishment size classification to reflect current industry conditions. This update provides an excellent opportunity for the Agency to implement a new establishment size classification system that will improve government efficiency, lead to better allocation of resources, and ensure that establishments are appropriately categorized. Since current establishment size definitions were adopted thirty years ago, there have been significant advancements in automation and supporting technologies across the industry enabling establishments to produce significantly more products with fewer employees.

Although classifying establishments based on the number of employees may have been an appropriate metric in 1996, industry and the Agency would be better served by a new metric, specifically production volume, which is more indicative of a facility's size and regulatory oversight needs. In these comments, we provide recommendations on the potential design of a new, production volume-based establishment size classification system that utilizes Public Health Information System (PHIS) data to establish four classes. We appreciate the Agency's commitment to modernization and innovation in choosing to

¹ 91 Fed. Reg. 13979 (Mar. 26, 2026), <https://www.govinfo.gov/content/pkg/FR-2026-03-24/pdf/2026-05746.pdf>.

reevaluate its approach to establishment size categorization and its commitment to collaboration in seeking stakeholder feedback.

FSIS Should Adopt Establishment Size Definitions Based on Production Volume for Regulatory Purposes

HACCP establishment classification based on size continues to play a meaningful role in the regulatory scheme and our members support the continued use of this type of classification. At the outset, we want to emphasize that regardless of the size of the establishment, regulatory expectations must be the same under any system. All establishments must be expected to comply with FSIS regulations regardless of size. HACCP establishment sizes serve a number of purposes, including balancing the need to implement new regulatory requirements efficiently with business operating constraints and aligning regulatory requirements with operational resources. However, the current classification system, based on the number of employees, does not accurately capture the size, resources, and complexity of an operation. Today, some establishments that are categorized as “small” using the Agency’s current definition, may produce similar amounts of product as those that are classified as “large.” Because of this, a new classification system is necessary.

We agree with the conclusion identified in the 2024 National Advisory Committee on Meat and Poultry Inspection (NACMPI) report² that production volume should be the primary metric considered when determining establishment size. Additionally, NCC encourages FSIS to adopt a system in which each FSIS-regulated species has its own production volume criteria. This species-specific classification is needed given the vast operational differences that exist across the animal protein industry (e.g., chicken, turkey, beef, pork, etc.). A production volume-based classification system will ensure that establishments operating at similar scales are categorized similarly regardless of differences in technology, workforces, footprint, or scheduling. This ensures that resources and requirements aimed at supporting public health are appropriately allocated to the intended operations, which will facilitate a greater impact on public health.

Consistent with the NACMPI recommendation, we agree that business size as defined by annual revenue can be a useful metric in certain circumstances, such as funding or administrative functions like determining eligibility of grants. For example, NCC supports the use of a revenue-based metric for determining whether a small business is eligible for a reduction in inspection fees. NCC does not think it is appropriate to consider corporate ownership or use the current Small Business Administration (SBA) standards for regulatory or administrative purposes. Currently, the SBA standards are focused on the number of employees employed by a firm, which given technological advancements and different operational structures, is an inaccurate and unreliable metric for this purpose. Additionally, FSIS cannot assume that certain corporate ownership structures automatically translate into more resources at a given establishment. FSIS does not have the authority to dictate how businesses are structured and limiting access to certain resources based on a corporate owner could leave small establishments without needed support.

² *National Advisory Committee on Meat and Poultry Inspection Public Meeting: Subcommittee 1: Updating Size Classifications for Official Establishments*, FSIS (Sept. 17, 2024), https://www.fsis.usda.gov/sites/default/files/media_file/documents/NACMPI_FY24_Subcommittee_1_Report.pdf.

FSIS Should Utilize PHIS Data to Develop Classification Sizes and Implement a Fourth Class Size

FSIS should develop new production volume-based establishment size categories using existing PHIS data on production volume as this data is currently available, readily verifiable, and will be implementable going forward. PHIS currently captures production data as pounds of production per day, and plant-specific values can be easily verified for accuracy by FSIS inspection personnel who are present in establishments daily. We recommend FSIS assess this data to understand if production volume naturally separates into distinguishable volume categories. This type of natural break would indicate inherent similarities between the establishments operating within a given band and suggest that these establishments should be treated similarly. If natural breaks are not apparent, NCC recommends the Agency analyze the data to identify four categories that each represent a similar number of industry establishments.³

In order to ensure the determined establishment size categories accurately group similar plants into the same category, NCC recommends expanding the current three categories – “large,” “small,” and “very small” – to also include a fourth category – “medium.” The current system does not provide sufficient granularity to accurately reflect the make-up of industry. Currently, the classification system takes too narrow of a view of “very small” establishments and assumes that establishments with ten employees and 499 employees are operationally similar and categorize both as “small,” when in reality these operations look much different and should be treated as such. Introducing a new “medium” category will provide additional opportunities for FSIS to tailor considerations to operational scale, better reflect industry composition, and help ensure that the smallest establishments receive the support they need.

PHIS Should be Used to Assign and Update Establishment Size Classifications Under the Revised System

To ensure establishments are properly classified into the correct size category under any new classification system, NCC encourages the Agency to operationalize existing production volume data that is already captured as part of PHIS and can be readily updated. PHIS currently captures production volume categories (in pounds of production per day), and this data is maintained and updated by FSIS inspection personnel. To ensure this information remains current and therefore is a reliable source for classification, FSIS should require FSIS personnel, and if necessary, plant personnel, to review and update PHIS production volume annually, at a minimum, or when a significant change in production volume occurs. Adding a regular review of the size categorization in the existing PHIS platform will ensure the information being used to categorize establishments is accurate, ensure small and very small plants are eligible for all appropriate assistance, and ensure that classifications evolve as establishment operations grow and innovate.

Conclusion

NCC believes that a simple, species-specific classification system that relies on existing and current PHIS data can accurately and efficiently categorize establishment size based on production volume. We urge

³ FSIS has previously effectively established five categories for processing and slaughter volume, which is used as demographic data supporting FSIS’s Meat, Poultry, and Egg Inspection (MPI) Directory. Unlike this data, HACCP establishment size should be based on processing volume and not the number of head slaughtered as the weight of each animal is variable, however, this data demonstrates that FSIS has effectively implemented a classification system with more than three categories previously and should be able to do so here.

FSIS to consider implementing a four-category classification system that would provide additional specificity and visibility into industry demographics. In addition, NCC supports the use of establishment revenue in limited, administrative circumstances, such as reduced inspection fees and grant eligibility.

We appreciate the Agency's collaboration on establishment sizes, and we are available to discuss these comments and this matter in more detail if it would be helpful to the Agency's efforts. If you have any questions, please do not hesitate to contact me.

Respectfully submitted,

A handwritten signature in cursive script that reads "Ashley B. Peterson".

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

cc. Dr. Mindy Brashears, Under Secretary, Office of Food Safety, USDA
April Regonlinski, Assistant Administrator, Office of Policy and Program Development,
USDA-FSIS