



Agricultural Marketing Service

Compliance & Enforcement/Appeals Summary

Reporting Period: Fiscal Year (FY) 2017

COMPLIANCE & ENFORCEMENT: OVERALL SUMMARY

	Q1 (Oct - Dec 2016)	Q2 (Jan - Mar 2017)	Q3 (Apr - Jun 2017)	Q4 (Jul - Sep 2017)	FY 17 Summary
Incoming Complaints	87	128	68	96	379
Completed Complaint Reviews and Investigations	22	49	197	194	462

APPEALS: OVERALL SUMMARY¹ (For more information, refer to [NOP 4011: Adverse Action Appeal Process](#))

	Q1 (Oct - Dec 2016)	Q2 (Jan - Mar 2017)	Q3 (Apr - Jun 2017)	Q4 (Jul - Sep 2017)	FY 17 Summary
Number of Incoming Appeals by Disposition	12	9	13	6	40
Decisions	1	0	3	9	13
Dismissals	0	0	0	0	0
Referrals	0	1	0	0	1
Closures	4	0	2	4	10

SUMMARY OF INITIAL ACTIONS TAKEN

	Q1 (Oct - Dec 2016)	Q2 (Jan - Mar 2017)	Q3 (Apr - Jun 2017)	Q4 (Jul - Sep 2017)	FY 17 Summary
Cease & Desist Orders	5	3	6	4	18
Notices of Warning	4	26	40	30	100
Investigation Referrals	8	15	89	50	162

SUSPENSIONS AND REVOCATIONS OF OPERATIONS' CERTIFICATION (NOP and CERTIFIER INITIATED)

	Q1 (Oct - Dec 2016)	Q2 (Jan - Mar 2017)	Q3 (Apr - Jun 2017)	Q4 (Jul - Sep 2017)	FY 17 Summary
Suspensions	75	53	65	101	294
Revocations	4	3	6	4	17

SUMMARY OF DISPOSITIONS (ALL NOP)

	Q1 (Oct - Dec 2016)	Q2 (Jan - Mar 2017)	Q3 (Apr - Jun 2017)	Q4 (Jul - Sep 2017)	FY 17 Summary
Total: Settlement Agreements ²	6	9	12	6	33
Total: Consent Decisions	0	0	1	1 ⁴	2
Total: Civil Penalties Levied ³	\$45,000	\$38,250	\$56,500	\$58,750	\$187,500

GENERAL NOTES

- Total reflects appeals closed in FY 2017 regardless of when cases were initiated.
- Not all settlement agreements include civil penalties and not all civil penalties were levied via settlement agreements.
- Total reflects the amount of penalties initially levied. Amounts may change during negotiation of settlements and individual penalty payments may be outstanding.
- On July 20, 2017, a USDA Administrative Law Judge issued a Consent Decision and Order under which Xochitl, a formerly-certified organic corn chip manufacturer in Irving, Texas, agreed to a two-year suspension of its certification. The Decision and Order upheld a September 2015 USDA ALJ Decision that originally included a \$1,826,000 civil penalty. Xochitl will be permitted to seek reinstatement of its certification after one year, and required to pay only \$475,000 of the penalty, if it complies with the USDA organic regulations during the first year of suspension. Xochitl may not sell products as organic while the suspension is in place. Access [organic enforcement](#) to learn more.

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