Office of the Deputy Administrator Livestock & Poultry Program

1400 Independence Avenue, SW Room 2092-S, STOP 0249 Washington, DC 20250-0249

July 22, 2020

Mr. Nicholas B. Nesson

Dear Mr. Nesson:

Thank you for your correspondence of July 2, 2020, notifying the U.S. Department of Agriculture (USDA) that, on behalf of a number of organizations, you have initiated a process to provide cattle producers with an opportunity to petition for a referendum under the Beef Promotion and Research Act of 1985 (Act).

A number of requirements must be met when obtaining producer signatures on a petition requesting that the Secretary conduct a referendum on the beef checkoff program. Specifically, cattle producers must (1) have owned, sold, or purchased cattle during the 12-month petition period, (2) if younger than 18 years of age, must have a parent or guardian co-sign the petition, (3) have authorization to sign the petition if doing so on behalf of a corporation or other entity, and (4) if signing as an individual member of a group, be an eligible producer separate from the group.

As provided by the Act, a group of 10 percent or more of the number of cattle producers must request the referendum and this group must be representative of cattle producers. The number of cattle producers who must sign the petition is based on the number of operations with cattle and calves in the United States as published by the USDA's National Agricultural Statistics Service (NASS). The most recent NASS census containing inventory numbers is for the year 2017 and indicates the number of operations with cattle and calves totaled 882,692, therefore the petition for a referendum you initiated on July 2, 2020, must contain valid signatures from a representative group of 88,269 cattle producers. The signatures must be collected during a 1-year period beginning with the earliest date of a signature. Because your petition was launched July 2, 2020, and received its first signature on the same day, you will have until July 2, 2021, to collect signatures. You then have 30 days to submit signatures to USDA after the one-year period; therefore, you will need to submit the signatures to us by August 1, 2021.

Upon receipt of the petition, the Secretary will initiate the process of verifying the number of signatures and their validity <u>and</u> determining whether those producers signing the petitions are a representative group of cattle producers. For this validation process, USDA will request documentation from a sampling of producers who signed the petition. The documentation would need to demonstrate that the producer sold, purchased, or owned cattle during the petition period. Finally, the Secretary will then decide whether USDA will conduct a referendum as requested.

In order to properly verify and validate the petition, each signatory must provide: (1) the full name of the producer or entity represented, (2) signature, (3) printed name, if different from (1), (4) complete mailing address, (5) daytime telephone number (home, business, or cell), (6) e-mail address, if available, and (7) date the petition was signed. If the information (other than the e-mail address) is not provided in its entirety, USDA may not be able to validate the submitter's eligibility, in which case the signature will not be counted.

I also must inform you that inappropriate activity has infected the petition process that you initiated. Specifically, AMS has been provided evidence that indicates producers will be entered into a drawing to win \$100 in exchange for sharing a post that encourages signing the petition. This action calls into question the integrity and validity of the process you are using to collect signatures. Monetary inducement is improper. Therefore, during the verification and validation process, USDA will apply additional scrutiny to petition signatures obtained through an online platform and will consider whether any signatures have been obtained subject to improper influence or coercion. If evidence of such activity surfaces, we may be unable to perform our verification function and the petition will fail.

It is <u>imperative</u> that in conducting and submitting the petition, you carefully follow the requirements as outlined by AMS. Eligible producers who sign the petition must understand what they are signing and should not be improperly incentivized, coerced into signing, or misguided as to its purpose. Due to the issues outlined above, AMS recommends adding specific language to the petition to better safeguard the integrity of the signatures collected (see attached Guidance). Any evidence suggesting otherwise threatens the validity of the entire petition process. As the organizer of the petition, I must impress upon you that its success lies not only in gathering the required number of signatures, but in maintaining the integrity of the process.

I have directed my staff to meet with you as soon as practical to ensure we have a firm understanding of the process you are using to collect signatures. Further, as you continue to move forward with your petition, I encourage you to promptly communicate questions or issues to Betsy Flores, Director of the Research and Promotion Division, at (202) 720-1118.

Sincerely,

Jennifer Porter

Deputy Administrator

Attachment: Guidelines to Petition the Secretary of Agriculture for a Referendum on the Beef Promotion and Research Order