

Food Safety and Inspection Service, USDA

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shall be reported to the Administrator by letter.

§ 590.970 Charges for storage, cartage, and labor with respect to products imported contrary to the Act.

All charges for storage, cartage, and labor with respect to any product which is imported contrary to this part shall be paid by the owner or consignee, and in default of such payment shall constitute a lien against such product and any other product thereafter imported under the Act by or for such owner or consignee.

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DEFINITIONS

§ 592.1 Meaning of words.

Under the regulations in this part words in the singular shall be deemed to import the plural and vice versa, as the case may demand.

§ 592.2 Terms defined.

For the purpose of the regulations in this part, unless the context otherwise requires, the following terms shall be construed, respectively:

Act means the applicable provisions of the Agricultural Marketing Act of 1946 (60 Stat. 1087; 7 U.S.C. 1621 *et seq.*), or any other Act of Congress conferring like authority.

Administrator means the Administrator of the Food Safety and Inspection Service (FSIS) of the Department or any other officer or employee of the Department to whom there has been delegated, or to whom there may be delegated the authority to act in the Administrator's stead.

Applicant means any interested party who requests any inspection service, or appeal inspection, with respect to any product.

Class means any subdivision of a product based on essential physical characteristics that differentiate between major groups of the same kind, species, or method of processing.

Condition means any condition (including, but not being limited to, the state of preservation, cleanliness, soundness, wholesomeness, or fitness for human food) of any product which affects its merchantability; or any condition, including, but not being limited to, the processing, or packaging which affects such product.

Department means the United States Department of Agriculture.

District Manager means the manager in charge of a district, which is a designated geographical area.

Eggs of Current Production means shell eggs that have moved through the usual marketing channels since the date of lay and are not in excess of 60 days old.

Holiday or Legal holiday means the legal public holidays specified by the Congress in paragraph (a) of section 6103, Title 5, of the United States Code.

Inspection means the act by inspection program personnel of:

(1) Determining, according to these regulations, the class, quality, quantity, or condition of any product by examining each unit thereof or a representative sample drawn by inspection program personnel;

(2) Issuing a certificate; or

(3) Identifying, when requested by the applicant, any product by means of official identification pursuant to the Act and this part.

Inspection certificate or certificate means a statement, either written or printed, issued by inspection program personnel pursuant to the Act and this part, relative to the class, quality, quantity, and condition of products.

Inspection program personnel (employee) means employees of the Department authorized by the Secretary to investigate and certify, in accordance with the Act and this part, to shippers of products and other interested parties the class, quality, quantity, and condition of such products.

Interested party means any person financially interested in a transaction involving any inspection or appeal inspection of any product.

Official plant means any plant in which the facilities and methods of operation therein have been found by the Administrator to be suitable and adequate for inspection in accordance with this part and in which such service is carried on.

Person means any individual, partnership, association, business trust, corporation, or any organized group of persons, whether incorporated or not.

Product or products means eggs (whether liquid, frozen, or dried), egg products, and any food product that is prepared or manufactured and contains eggs as an ingredient.

Program employee means any person employed by the Department or any cooperating agency who is authorized by the Secretary to do any work or perform any duty in connection with the program.

Quality means the inherent properties of any product that determine its relative degree of excellence.

Regulations mean the provisions in this part.

Sampling means the act of taking samples of any product for inspection.

Secretary means the Secretary of the Department or any other officer or employee of the Department to whom there has heretofore been delegated, or to whom there may hereafter be delegated, the authority to act in the Secretary's stead.

Service means: (1) Any inspection, in accordance with the Agriculture Marketing Act and the regulations in this part, of any product,

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(2) Supervision, in any official plant, of the processing, packaging and identification, or

(3) Any appeal inspection of any previously inspected product.

Shell eggs mean the shell eggs of the domesticated chicken, turkey, duck, goose, and guinea.

§ 592.5 Designation of official certificates, memoranda, marks, other identifications, and devices for purposes of the Agricultural Marketing Act.

Subsection 203(h) of the Agricultural Marketing Act of 1946, as amended by Public Law 272, 84th Congress, provides criminal penalties for various specified offenses relating to official certificates, memoranda, marks or other identifications, and devices for making such marks or identifications, issued or authorized under section 203 of said Act, and certain misrepresentations concerning the inspection of agricultural products under said section. For the purposes of said subsection and the provisions in this part, the terms listed below shall have the respective meanings specified:

(a) *Official certificate* means any form of certification, either written or printed, used under this part to certify with respect to the sampling, inspection, class, quality, quantity, or condition of products (including the compliance of products with applicable specifications).

(b) *Official memorandum* means any initial record of findings made by an authorized person in the process of inspecting, or sampling pursuant to this part, any processing or plant-operation report made by an authorized person in connection with inspecting, or sampling under this part and any report made by an authorized person of services performed pursuant to this part.

(c) *Official mark* means the inspection mark, and any other mark or symbol formulated pursuant to the regulations in this part, stating that the product was inspected, or for the purpose of maintaining the identity of the product.

(d) *Official identification* means any United States (U.S.) standard designation of class, quality, quantity, or condition specified in this part or any symbol, stamp, label, or seal indicating

that the product has been officially inspected or indicating the class, quality, quantity, or condition of the product approved by the Administrator and authorized to be affixed to any product, or affixed to or printed on the packaging material of any product.

(e) *Official device* means a printed label, or other method as approved by the Secretary for the purpose of applying any official mark or other identification to any product of the packaging material thereof.

ADMINISTRATION

§ 592.10 Authority.

The Administrator shall perform, for and under the supervision of the Secretary, such duties as the Secretary may require in the enforcement or administration of the provisions of the Act and this part. The Administrator is authorized to waive for a limited period any particular provisions of the regulations in this part to permit experimentation so that new procedures, equipment, and processing techniques may be tested to facilitate definite improvements and at the same time to determine full compliance with the spirit and intent of the regulations in this part. The Food Safety Inspection Service and its officers and employees shall not be liable in damages through acts of commission or omission in the administration of this part.

GENERAL

§ 592.20 Kinds of services available.

The regulations in this part provide for the following kinds of services:

(a) Inspection of the processing in official plants of products containing eggs;

(b) Sampling of products; and

(c) Quantity and condition inspection of products.

§ 592.22 Where service is offered.

Any product may be inspected wherever inspection program personnel are available and the facilities and the conditions are satisfactory for the conduct of the service.

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§ 592.24 Basis of service.

(a) Products shall be inspected in accordance with such standards, methods, and instructions as may be issued or approved by the Administrator. All service shall be subject to supervision at all times by the applicable FSIS designated supervisor. Whenever the supervisor of an inspection program person has evidence that such inspection program employee incorrectly inspected a product, such supervisor shall take such action as is necessary to correct the inspection and to cause any improper official identification that appears on the product or containers thereof to be corrected prior to shipment of the product from the place of the initial inspection.

(b) Whenever service is performed on a sample basis, such sample shall be drawn in accordance with the instructions as issued by the Administrator.

PERFORMANCE OF SERVICES

§ 592.70 Identification.

All inspection program personnel and supervisors shall have in their possession at all times while on duty and present upon request the means of identification furnished by the Department to such person.

§ 592.80 Political activity.

All inspection program personnel are forbidden during the period of their respective appointments, to take an active part in political management or in political campaigns. Political activity in city, county, State, or national elections, whether primary or regular, or in behalf of any party or candidate is prohibited, except as authorized by law or regulation of the Department. This applies to all appointees, including, but not being limited to, temporary and cooperative employees and employees on leave of absence with or without pay. Willful violation of this section will constitute grounds for dismissal.

§ 592.90 Authority and duties of inspection program personnel performing service.

(a) Inspection program personnel are authorized:

(1) To make such observations and inspections as they deem necessary to

enable them to certify that products have been prepared, processed, stored, and otherwise handled in conformity with the regulations in this part;

(2) To supervise the marking of packages containing products that are eligible to be identified with official identification;

(3) To retain in their custody, or under their supervision, labels with official identification, marking devices, samples, certificates, seals, and reports of inspection program personnel;

(4) To deface or remove, or cause to be defaced or removed under their personal supervision, any official identification from any package containing products whenever the program employee determines that such products were not processed in accordance with the regulations in this part or are not fit for human food;

(5) To issue a certificate upon request on any product processed in the official plant; and

(6) To use retention tags or other devices and methods as may be approved by the Administrator for the identification and control of products that are not in compliance with the regulations in this part or are held for further examination, and any equipment, utensils, rooms or compartments that are found to be unclean or otherwise in violation of any of the regulations in this part. No product, equipment, utensil, room, or compartment shall be released for use until it has been made acceptable. Such identification shall not be removed by anyone other than inspection program personnel.

(b) Inspection program personnel shall prepare such reports and records as may be prescribed by the Administrator.

§ 592.95 Facilities and equipment to be furnished for use of inspection program personnel in performing service.

(a) Facilities and equipment for proper sampling, weighing, examination of products, and monitoring processing procedures shall be furnished by the official plant for use by inspection program personnel. Such facilities and

equipment shall include but not be limited to a room or area suitable for sampling product and stationary or adequately secured storage box or cage (capable of being locked only by inspection program personnel) for holding official samples.

(b) Acceptable furnished office space and equipment, including but not being limited to, a desk, lockers or cabinets (equipped with a satisfactory locking device) suitable for the protection and storage of supplies, and with facilities for inspection program personnel to change clothing.

§ 592.96 Schedule of operation of official plants.

Inspection operating schedules for services performed pursuant to this part shall be requested in writing and approved by the appropriate District Office. Normal operating schedules for a full-week consist of a continuous 8-hour period per day (excluding but not to exceed 1 hour for lunch), 5 consecutive days per week, within the administrative workweek, Sunday through Saturday, for each shift required. Less than 8-hour schedules may be requested and will be approved if inspection program personnel are available. Clock hours of daily operations need not be specified in the request, although as a condition of continued approval, the hours of operation shall consist of a continuous 10-hour period per day (excluding but not to exceed 1 hour for lunch), 4 consecutive days per week, within the administrative workweek, Sunday through Saturday for each full shift required. Inspection program personnel are to be given reasonable advance notice by management of any change in the hours the inspection service is requested.

APPLICATION FOR SERVICE

§ 592.100 Who may obtain service.

(a) An application for service may be made by any interested person, including, but not being limited to, the United States, any State, county, municipality, or common carrier, and any authorized agent of the foregoing.

(b) Where service is offered: Any product may be inspected, wherever an inspection program employee is avail-

able and the facilities and the conditions are satisfactory for the conduct of the service.

(c) The applicant must have a tax identification number for billing purposes.

§ 592.120 Authority of applicant.

Proof of the authority of any person applying for any service may be required at the discretion of the Administrator.

§ 592.130 How application for service may be made.

(a) On a fee basis. An application for service may be made with any inspection program personnel at or nearest the place where the service is desired. Such application for service may be made orally (in person or by telephone), in writing or by transmission. If an application for inspection service is made orally, the inspection program personnel with whom such application is made, or the Administrator, may require that the application be confirmed in writing.

(b) Form of application. Each application for inspection of a specified lot of any product shall include such information as may be required by the Administrator in regard to the product and the premises where such product is to be inspected.

§ 592.140 Application for inspection in official plants; approval.

Any person desiring to process products under inspection service must receive approval of such plant and facilities as an official plant prior to the installation of such service. The initial survey, drawings, and specifications to be submitted, changes and revisions in the official plant, and final survey and procedure for plant approval shall be in accordance with and conform to the applicable provisions of Part 590 of this chapter.

§ 592.150 When an application may be rejected.

(a) Any application for service may be rejected by the Administrator:

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(1) Whenever the applicant fails to meet the requirements of the regulations in this part prescribing the conditions under which the service is made available;

(2) Whenever the product is owned by or located on the premises of a person currently denied the benefits of the Act;

(3) Where any individual holding office or a responsible position with or having a substantial financial interest or share in the applicant is currently denied the benefits of the Act or was responsible in whole or in part for the current denial of the benefits of the Act to any person;

(4) Where the Administrator determines that the application is an attempt on the part of a person currently denied the benefits of the Act to obtain service;

(5) Whenever the applicant, after an initial survey has been made in accordance with Part 590, fails to bring the plant, facilities, and operating procedures into compliance with the regulations in this part within a reasonable period of time;

(6) Notwithstanding any prior approval whenever, before inauguration of service, the applicant fails to fulfill commitments concerning the inauguration of the service;

(7) When it appears that to perform the services specified in this part would not be to the best interests of the public welfare or of the Government; or

(8) When it appears to the Administrator that prior commitments of the Department necessitate rejection of the application.

(b) Each such applicant shall be promptly notified by registered mail of the reasons for the rejection. A written petition for reconsideration of such rejection may be filed by the applicant with the Administrator if postmarked or delivered within 10 days after receipt of notice of the rejection. Such petition shall state specifically the errors alleged to have been made by the Administrator in rejecting the application. Within 20 days following the receipt of such a petition for reconsideration, the Administrator shall approve the application or notify the applicant by registered mail of the reasons for the rejection thereof.

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§ 592.160 When an application may be withdrawn.

An application for service may be withdrawn by the applicant at any time before the service is performed upon payment, by the applicant, of all expenses incurred by the Agency in connection with such application.

§ 592.170 Order of service.

Service shall be performed, insofar as practicable, in the order in which applications therefor are made except that precedence may be given to any application for an appeal.

§ 592.180 Suspension of plant approval.

(a) Any plant approval pursuant to the regulations in this part may be suspended for:

(1) Failure to maintain plant and equipment in a satisfactory state of repairs;

(2) The use of operating procedures that are not in accordance with the regulations in this part; or

(3) Alterations of buildings, facilities, or equipment that cannot be approved in accordance with the regulations in this part.

(b) During such period of suspension, inspection service shall not be rendered. However, the other provisions of the regulations in this part pertaining to providing service will remain in effect unless service is terminated in accordance with the terms thereof. If the plant facilities or methods of operation are not brought into compliance within a reasonable period of time to be specified by the Administrator, the application and service shall be terminated. Upon termination of service in an official plant pursuant to the regulations in this part, the plant approval shall also become terminated, and all labels, seals, tags, or packaging material bearing official identification shall, under the supervision of a person designated by the Administrator, either be destroyed, or if to be used at another location, modified in a manner acceptable to the Agency.

DENIAL OF SERVICE

§ 592.200 Debarment.

(a) The following acts or practices or the causing thereof may be deemed sufficient cause for the debarment by the Administrator of any person, including any agents, officers, subsidiaries, or affiliates of such person, from any or all benefits of the Act for a specified period.

(1) Misrepresentation, or deceptive or fraudulent act or practice. Any willful misrepresentation or any deceptive or fraudulent act or practice found to be made or committed by any person in connection with:

(i) The making or filing of an application for any service or appeal;

(ii) The making of the product accessible for sampling or inspection;

(iii) The making, issuing, or using, or attempting to issue or use, any certificate, symbol, stamp, label, seal, or identification authorized pursuant to the regulations in this part;

(iv) The use of the terms "United States," "U.S.," "U.S. Inspected," "Government Inspected," or terms of similar import in the labeling or advertising of any product;

(v) The use of any official stamp, symbol, label, seal, or identification in the labeling or advertising of any product.

(2) *Use of facsimile forms.* Using or attempting to use a form that simulates in whole or in part any certificate, symbol, stamp, label, seal, or identification authorized to be issued or used under the regulations in this part.

(3) Willful violation of the regulations. Any willful violation of the regulations in this part or of the Act.

(4) Interfering with inspection program personnel or program employee of the Agency. Any interference with or obstruction or any attempted interference or obstruction of or assault upon any inspection program personnel or program employee of the Agency in the performance of their duties. The giving or offering, directly or indirectly, of any money, loan, gift, or anything of value to a program employee of the Agency, or the making or offering of any contribution to or in any way supplementing the salary, compensation or expenses of a program em-

ployee of the Agency, or the offering or entering into a private contract or agreement with a program employee of the Agency for any services to be rendered while employed by the Agency.

(5) *Miscellaneous.* The existence of any of the conditions set forth in § 592.150 constituting the basis for the rejection of an application for inspection service.

§ 592.220 Other applicable regulations.

Compliance with the regulations in this part shall not excuse failure to comply with any other Federal or any State or municipal applicable laws or regulations.

§ 592.240 Report of violations.

Each inspection program employee shall report, in the manner prescribed by the Administrator, all violations and noncompliance under the Act and this part of which such inspection program employee has knowledge.

§ 592.260 Reuse of containers bearing official identification prohibited.

The reuse, by any person, of containers bearing official identification is prohibited unless such identification is applicable in all respects to product being packed therein. In such instances, the container and label may be used provided the packaging is accomplished under the supervision of inspection program personnel or program employee, and the container is in clean, sound condition and lined with a suitable inner liner.

IDENTIFYING AND MARKING PRODUCTS

§ 592.300 Approval of official identification.

Labeling procedures, required information on labels, and method of label approval, shall be in accordance with and conform to the applicable provisions of part 590 of this chapter.

§ 592.310 Form of official identification symbol and inspection mark.

(a) The shield set forth in Figure 1, containing the letters "USDA," shall be the official identification symbol for the purposes of this part and when used, imitated, or simulated in any manner in connection with a product

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shall be deemed to constitute a representation that the product has been officially inspected for the purpose of § 592.5.



FIGURE 1.

(b) The inspection marks that are permitted to be used on products shall be contained within the outline of a shield and with the wording and design set forth in Figure 2 of this section, except the plant number may be followed by the letter "G" in lieu of the word "plant." Alternatively, it may be omitted from the official shield if applied on the container's principal display panel or other prominent location and preceded by the word "Plant" or followed by the letter "G."



FIGURE 2.

§ 592.320 Products that may bear the inspection mark.

Products that are permitted to bear the inspection mark shall be processed in an official plant from edible shell eggs or other edible egg products eligible to bear the inspection mark and

may contain other edible ingredients. The official mark, when used, shall be printed or lithographed and applied as a part of the principal display panel of the container, but shall not be applied to a detachable cover.

§ 592.330 Unauthorized use or disposition of approved labels.

(a) Containers or labels that bear official identification approved for use pursuant to § 592.300 shall be used only for the purpose for which approved. Any unauthorized use or disposition of approved containers or labels that bear any official identification may result in cancellation of the approval and denial of the use of containers or labels bearing official identification or denial of the benefits of the Act pursuant to the provisions of § 592.200;

(b) The use of simulations or imitations of any official identification by any person is prohibited;

(c) Upon termination of inspection service in an official plant pursuant to the regulations in this part, all labels or packaging material bearing official identification to be used to identify product packed by the plant shall either be destroyed, or have the official identification completely obliterated under the supervision of a USDA representative, or, if to be used at another location, modified in a manner acceptable to the Agency.

§ 592.340 Supervision of marking and packaging.

(a) Evidence of label approval. Inspection program personnel shall authorize the use of official identification on any inspected product when they have evidence that such official identification or packaging material bearing such official identification has been approved in accordance with the provisions of § 592.300.

(b) Affixing of official identification. No official identification may be affixed to or placed on or caused to be affixed to or placed on any product or container thereof except by an inspection program employee or under the supervision of an inspection program employee or other person authorized by the Administrator. All such products shall have been inspected in accordance with the regulations in this part.

Inspection program personnel shall have supervision over the use and handling of all material bearing any official identification.

(c) Labels for products sold under Government contract. Inspectors-in-charge may approve labels for containers of product sold under a contract specification to governmental agencies when such product is not offered for resale to the general public: Provided, that the contract specifications include complete specific requirements with respect to labeling, and are made available to inspection program personnel.

§ 592.350 Accessibility of product.

Each product for which service is requested shall be so placed as to disclose fully its class, quality, quantity, and condition as the circumstances may warrant.

§ 592.360 Certificates.

Certificates (including appeal certificates) shall be issued on forms approved by the Administrator.

§ 592.370 Certificate issuance.

When performing inspection service at locations other than an official establishment, inspection program personnel shall issue a certificate covering each product inspected. An applicant may request issuance of a certificate for each production lot inspected.

§ 592.380 Disposition of certificates.

The original and a copy of each certificate issued pursuant to § 592.370, and not to exceed two additional copies thereof if requested by the applicant prior to issuance, shall, immediately upon issuance, be delivered or mailed to the applicant or designee. Other copies shall be filed and retained in accordance with the disposition schedule for inspection program records.

§ 592.390 Advance information.

Upon request of an applicant, all or part of the contents of any certificate issued to such applicant may be telephoned or transmitted to the applicant or designee, at the applicant's expense.

APPEALS

§ 592.400 Who may request an appeal inspection or review of an inspection program employee's decision.

An appeal inspection may be requested by any interested party who is dissatisfied with the determination by an inspection program employee of the class, quality, quantity, or condition of any product, as evidenced by the USDA inspection mark and accompanying label, or as stated on a certificate and a review may be requested by the operator of an official plant with respect to an inspection program personnel decision or on any other matter related to inspection in the official plant.

§ 592.410 Where to file an appeal.

(a) Appeal of inspection program personnel decision in an official plant. Any interested party who is not satisfied with the determination of the class, quality, quantity, or condition of product that was inspected by inspection program personnel in an official plant and has not left such plant, and the operator of any official plant who is not satisfied with a decision by inspection program personnel on any other matter relating to inspection in such plant, may request an appeal inspection or review of the decision by the inspection program employee by filing such request with the inspection program employee's immediate supervisor.

(b) All other appeal requests. Any interested party who is not satisfied with the determination of the class, quality, quantity, or condition of product that has left the official plant where it was inspected or inspected other than in an official plant may request an appeal inspection by filing such request with the District Manager in the district where the product is located.

§ 592.420 How to file an appeal.

The request for an appeal inspection or review of an inspection program employee's decision may be made orally or in writing. If made orally, written confirmation may be required. The applicant shall clearly state the identity of the product, the decision which is

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questioned, and the reasons for requesting the appeal service. If such appeal request is based on the results stated on an official certificate, the original and all copies of the certificate available at the appeal inspection site shall be provided to the appeal inspection program employee assigned to make the appeal inspection.

§ 592.430 When an application for an appeal inspection may be refused.

When it appears to the official with whom an appeal request is filed that the reasons given in the request are frivolous or not substantial, class, quality, quantity, or that the condition of the product has undergone a material change since the original inspection, or that the original lot has changed in some manner, or the Act or the regulations in this part have not been complied with, the applicant's request for the appeal inspection may be refused. In such case, the applicant shall be promptly notified of the reason(s) for refusal.

§ 592.440 Who shall perform the appeal.

(a) An appeal inspection or review of a decision requested under § 592.410(a) shall be made by the inspection program employee's immediate supervisor or by an inspection program employee assigned by the immediate supervisor other than the inspection program employee whose inspection or decision is being appealed.

(b) Appeal inspections requested under § 592.410(b) shall be performed by an inspection program employee other than the inspection program employee who originally inspected the product.

(c) Whenever practical, an appeal inspection shall be conducted jointly by two inspection program employees. The assignment of the inspection program personnel who will make the appeal inspection under § 592.410(b) shall be made by the District Manager.

§ 592.450 Procedures for selecting appeal samples.

(a) *Prohibition on movement of product.* Products shall not have been moved from the place where the inspection being appealed was performed and must

have been maintained under adequate refrigeration, when applicable.

(b) *Laboratory analyses.* The appeal sample shall consist of product taken from the original sample containers plus an equal number of containers selected at random. When the original sample containers cannot be located, the appeal sample shall consist of product taken at random from double the number of original sample containers.

(c) *Condition inspection.* The appeal sample shall consist of product taken from the original sample containers plus an equal number of containers selected at random. A condition appeal cannot be made unless all originally sampled containers are available.

§ 592.460 Appeal certificates.

Immediately after an appeal inspection is completed, an appeal certificate shall be issued to show that the original inspection was sustained or was not sustained. Such certificate shall supersede any previously issued certificate for the product involved and shall clearly identify the number and date of the superseded certificate. The issuance of the appeal certificate may be withheld until any previously issued certificate and all copies have been returned when such action is deemed necessary to protect the interest of the Government. When the appeal inspection program employee assigns a different class to the lot or determines that a net weight shortage exists, the lot shall be retained pending correction of the labeling or approval of the product disposition by the District Office.

FEEs AND CHARGES

§ 592.500 Payment of fees and charges.

(a) Fees and charges for voluntary base time rate, overtime inspection service, and holiday inspection service shall be paid by the interested party making the application for such service, in accordance with the applicable provisions of this section and § 592.510 through § 592.530, both inclusive. If so required by the Inspection program personnel, such fees and charges shall be paid in advance.

(b) Fees and charges for any service shall, unless otherwise required pursuant to paragraph (c) of this section, be

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paid by check, draft, or money order payable to the Food Safety Inspection Service and remitted promptly to FSIS.

(c) Fees and charges for any service under a cooperative agreement with any State or person shall be paid in accordance with the terms of such cooperative agreement.

§ 592.510 Basetime rate.

(a) For each calendar year, FSIS will calculate the basetime rate for inspection services, per hour per program employee, using the following formula: The quotient of dividing the Office of Field Operations plus Office of International Affairs inspection program personnel's previous fiscal year's regular direct pay by the previous fiscal year's regular hours, plus the quotient multiplied by the calendar year's percentage of cost of living increase, plus the benefits rate, plus the travel and operating rate, plus the overhead rate, plus the allowance for bad debt rate.

(b) FSIS will calculate the benefits, travel and operating, overhead, and allowance for bad debt rate components of the basetime rate, using the following formulas:

(1) *Benefits rate.* The quotient of dividing the previous fiscal year's direct benefits costs by the previous fiscal year's total hours (regular, overtime, and holiday), plus the quotient multiplied by the calendar year's percentage cost of living increase. Some examples of direct benefits are health insurance, retirement, life insurance, and Thrift Savings Plan basic and matching contributions.

(2) *Travel and operating rate.* The quotient of dividing the previous fiscal year's total direct travel and operating costs by the previous fiscal year's total hours (regular, overtime, and holiday), plus the quotient multiplied by the calendar year's percentage of inflation.

(3) *Overhead rate.* The quotient of dividing the previous fiscal year's indirect costs plus the previous fiscal year's information technology (IT) costs in the Public Health Data Communication Infrastructure System Fund plus the previous fiscal year's Office of Management Program cost in the Reimbursable and Voluntary Funds plus the provision for the operating

balance less any Greenbook costs (i.e., costs of USDA support services prorated to the service component for which fees are charged) that are not related to food inspection, by the previous fiscal year's total hours (regular, overtime, and holiday) worked across all funds, plus the quotient multiplied by the calendar year's percentage of inflation.

(4) *Allowance for bad debt rate.* Previous fiscal year's allowance for bad debt (for example, debt owed that is not paid in full by plants and establishments that declare bankruptcy) divided by the previous fiscal year's total hours (regular, overtime, and holiday) worked.

(c) The calendar year's cost of living increases and percentage of inflation factors used in the formulas in this section are based on the Office of Management and Budget's Presidential Economic Assumptions.

[76 FR 20228, Apr. 12, 2011]

§ 592.520 Overtime rate.

When operations in an official plant require the services of inspection personnel beyond their regularly assigned tour of duty on any day or on a day outside the established schedule, such services are considered as overtime work. The official plant must give reasonable advance notice to the inspector of any overtime service necessary. For each calendar year, FSIS will calculate the overtime rate for inspection service, per hour per program employee, using the following formula: The quotient of dividing the Office of Field Operations plus Office of International Affairs inspection program personnel's previous fiscal year's regular direct pay by previous fiscal year's regular hours, plus the quotient multiplied by the calendar year's percentage of cost of living increase multiplied by 1.5, plus the benefits rate, plus the travel and operating rate, plus the overhead rate, plus the allowance for bad debt rate. FSIS calculates the benefits rate, the travel and operating rate, the overhead rate, and the allowance for bad debt using the formulas set forth in

§ 592.530

§ 592.510(b), and the cost of living increases and percentage of inflation factors set forth in § 592.510(c).

[71 FR 2143, Jan. 13, 2006, as amended at 76 FR 20228, Apr. 12, 2011]

§ 592.530 Holiday rate.

When an official plant requires inspection service on a holiday or a day designated in lieu of a holiday, such service is considered holiday work. The official plant must, in advance of such holiday work, request that the inspector in charge furnish inspection services during such period and must pay the Agency for such holiday work at the hourly rate. For each calendar year, FSIS will calculate the holiday rate for inspection service, per hour per program employee, using the following formula: The quotient of dividing the Office of Field Operations plus Office of International Affairs inspection program personnel's previous fiscal year's regular direct pay by previous fiscal year's regular hours, plus the quotient multiplied by the calendar year's percentage of cost of living increase, multiplied by 2, plus the benefits rate, plus the travel and operating rate, plus the overhead rate, plus the allowance for bad debt rate. FSIS calculates the benefits rate, the travel and operating rate, the overhead rate, and the allowance for bad debt using the formulas set forth in § 592.510(b), and the cost of living increases and percentage of inflation factors set forth in § 592.510(c).

[71 FR 2143, Jan. 13, 2006, as amended at 76 FR 20229, Apr. 12, 2011]

9 CFR Ch. III (1–1–16 Edition)

**SANITARY AND PROCESSING
REQUIREMENTS**

§ 592.600 General.

Except as otherwise approved by the Administrator, the sanitary, processing, and facility requirements, as applicable, shall be the same for the product processed under this part as for egg products processed under part 590 of this chapter.

§ 592.650 Inspection.

Examinations of the ingredients, processing, and the product shall be made to ensure the production of a wholesome, unadulterated, and properly labeled product. Such examinations include, but are not being limited to:

(a) Sanitation checks of plant premises, facilities, equipment, and processing operations.

(b) Checks on ingredients and additives used in products to ensure that they are not adulterated, are fit for use as human food, and are stored, handled, and used in a sanitary manner.

(c) Examination of the eggs or egg products used in the products to ensure they are wholesome, not adulterated, and comply with the temperature, pasteurization, or other applicable requirements.

(d) Inspection during the processing and production of the product to determine compliance with any applicable standard or specification for such product.

(e) Examination during processing of the product to ensure compliance with approved formulas and labeling.

(f) Test weighing and organoleptic examinations of finished product.

PARTS 593–599 [RESERVED]