![USDA logo] **Agricultural Marketing Service**
U.S. DEPARTMENT OF AGRICULTURE

Livestock and Poultry Program

Remote Grading Pilot for Beef

Options and Cost Considerations for USDA Grading Service

The Remote Grading Pilot for Beef (RGP Pilot) utilizes imaging technology and digital data collection to mirror what an official USDA Grader does when physically in a packing facility. The RGP Pilot makes USDA Meat Grading Services significantly more accessible to smaller volume, independent packing operations, providing an opportunity to market their high-quality beef as USDA Prime, Choice, or Select and/or to participate in approved Certified Meat Programs.

Fees For Service

The Agricultural Marketing Service Livestock and Poultry Program (AMS-LP) is required by law to recover the costs of voluntary USDA Meat Grading and Certification services. Fees for service are adjusted annually and listed on the AMS website. Effective October 1, 2023, USDA Meat Grading Service fees are:

Activity	Regular per hour	Overtime per hour	Holiday per hour
Unscheduled Grading (8 hours or less per day between 6:00 AM and 6:00 PM)	$114.00	$132.00	$154.00

Service Options

It is important for an Applicant to consider fully the available options, estimated costs, and potential returns of participating in USDA Grading Service before proceeding. There are multiple options available, and potential Applicants are strongly encouraged to discuss these with AMS-LP prior to submitting a Request for Service.

Scheduled Grading Service

Applicants may request in-person Scheduled USDA Grading Service, which requires a service commitment of a minimum 8 hours per day and 40 hours per week. This service option is typical for higher volume operations which utilize USDA Grading on a regular daily basis, often on multiple shifts. Because the USDA Grader is in-plant on a continuous basis, there are limited additional expenses related to surveillance and compliance visits under a Scheduled service agreement. Should an Applicant request Scheduled Grading Service, AMS-LP assigns one or more full-time graders to the plant/duty station.

Unscheduled Grading Service: In-Plant Grading

Applicants may request in-person Unscheduled USDA Grading Service, which may be requested on an as-needed, or intermittent basis. This service option is typical for operations which require service on a less-than-full time basis. Should the Applicant request Unscheduled Grading Service, AMS-LP will deploy a USDA Grader to the plant on an as-needed basis, and the Applicant is charged the travel-related expenses. To the extent possible, AMS-LP attempts to minimize these expenses by utilizing USDA Graders stationed in close proximity, by cross-training and utilizing other federal or State personnel to perform service, or by

prorating the expenses if the USDA Grader can conduct other fee for service activities while on travel. AMS-LP has cooperative agreements with several State agencies to perform Grading Service on USDA's behalf, and in some cases, this may also present a more cost-effective option for the Applicant.

Unscheduled Grading Service: Remote Grading Pilot for Beef

The remote grading process may be the best option for packing operations requiring Meat Grading Service for limited volumes of product multiple times a month or intermittently during the year. While removing much of the travel-related costs associated with Unscheduled Grading Service, Applicants are still assessed service fees covering the grading and certification activities, monthly compliance reviews, and the minimum of one on-site visit at the initiation of RPG Pilot participation and annual on-site surveillance visits thereafter.

Should the Applicant request Unscheduled Grading Service under the RGP Pilot, an AMS-LP USDA Grader will be available to complete the grading and certification activities "remotely" on an as-needed basis. (Note that there is a maximum turnaround time of 24 hours for AMS-LP to provide grading/certification results to the Applicant.)

RGP Pilot Cost Considerations

1. **Initial Site Visit: $1500 - $2500 per visit**
   a. Purpose: Program review and completion of the USDA Plant Survey.
   b. Recurrence: One-Time; After Request for Service is approved, prior to start of grading activities.
   c. Inclusive of time at the Unscheduled Rate and travel-related expenses.

2. **Product Grading and Certification: $114 - $1,000 per request**
   a. Purpose: USDA Grader receipt, assessment, and communication of grading/certification results.
   b. Recurrence: As needed, upon request.
   c. Note: $114/hour. The minimum charge is ½ hour per request.

3. **Records Reviews: $228 - $1500 per year**
   a. Purpose: Program surveillance for compliance with regulations, policies, and procedures.
   b. Recurrence: Monthly, no later than 10 days from the close of the month.
   c. Note: $114/hour. The minimum charge is ½ hour per review.

4. **Surveillance Visits: $1500 - $2500 per visit**
   a. Purpose: Program compliance and plant records review.
   b. Recurrence: Within 90 days of Grading Service initiation; annually thereafter.
   c. Note: AMS-LP reserves the right to conduct additional surveillance visits for cause at the Applicant's expense.

For additional information on the RGP Pilot, visit www.ams.usda.gov/remote-beef-grading