



United States
Department of
Agriculture

Farm and Foreign
Agricultural
Services

Farm Service
Agency

Kansas City
Commodity Office
P.O. Box 419205
Kansas City,
Missouri
64141-6205

September 29, 2004

TO: Processed Commodities Storage Agreement Warehouse Operators

SUBJECT: Processed Commodities Storage Agreement (PCSA), Amendment 1

Enclosed are two copies of the PCSA, CCC-29, Amendment 1. Please have an authorized individual complete, sign, and return both copies of the amendment to this office no later than November 1, 2004.

This amendment covers Part V. – E. Security Plan, which requires that all warehouses storing/handling agricultural products address security issues stated in Part V, E. This section of the Amendment is in response to the events of September 11, 2001, and the need to enhance the security of the infrastructure of the United States. This need includes those facilities engaged in storing and handling the nation's agricultural products. It supports the initiatives by the U.S. Department of Homeland Security (Homeland Security Presidential Directive/Hspd-9), by implementing security plan requirements into the PCSA.

This amendment to the PCSA requires warehouse operators to conduct a facility-vulnerability assessment and implement a security plan that includes measures to protect commodities handled and stored under the PCSA. It is important that each company evaluate the existing level of security at each of their facilities and develop a plan for managing potential risks. In order to allow warehouse operators time to meet the requirements of Amendment 1, CCC will provide a 5-month phase-in starting November 1, 2004, before any actions are taken for non-compliance.

The security plan required under Amendment 1 is general in nature because of the diversity of the warehouse industry and the need for warehouse operators to determine the extent of risk that exists at individual locations and to devise appropriate risk-mitigation measures. It is not CCC's intent to prescribe the specifics to be included in the warehouse's facility security plan. However, CCC will expect warehouse operators to make a good faith effort to address each of the four elements contained in Part V, E, as outlined in Amendment 1, to mitigate the facility's vulnerability to a potential terrorism incident and to effectively respond if an event occurs.

CCC recognizes that PCSA warehouse operators already may have conducted vulnerability assessments and prepared facility security plans that address the provisions of Amendment 1. These assessments and resultant plans may have been prepared in response to requirements imposed by other Federal or State government agencies, insurance carriers, or other entities. In addressing these assessments the warehouse operator may have implemented emergency action plans, hazardous material response plans, spill prevention, control and countermeasure plans, or other response plans. CCC will recognize these plans as meeting the requirements of Part

V, E, of the PCSA, as conveyed in Amendment 1, so long as such plans address the areas specified in Amendment 1.

Clarification of the intent of Amendment 1:

- Paragraph 2.b.: The warehouse operator agrees to have shipping and receiving procedures in place to protect against tampering of commodities. The warehouse operator must implement procedures that provide adequate security at the receiving and load-out areas at the PCSA facility that are within the physical control of the warehouse operator.
- Paragraph 2.c.: The warehouse operator is to specify actions to be taken in the event of a national emergency. The warehouse operator should have a contingency plan outlining emergency steps that would be activated if there is a credible threat to the safety or security of commodities stored or handled at the PCSA facility.
- Paragraph 2.d.: The warehouse operator must have contact information for local security authorities. The warehouse operator should include in the security plan the names and telephone numbers of local emergency responders, such as police, fire department, and the local FBI office, if available, that the warehouse operator can call in the event of a terrorism incident.

Please sign and return both copies of Amendment 1 by November 1; it will become effective immediately. In order to allow warehouse operators time to meet the requirements of Amendment 1, CCC will provide a 5-month phase-in starting November 1.

Return both copies of the Amendment to the following address:

Kansas City Commodity Office
Warehouse Licensing & Examination Division
6501 Beacon Drive, Stop 9148
P.O. Box 419205
Kansas City, MO 64141

If you have any questions, please call Karen Williams at 816-926-2828 or Nancy Heintzelman at 816-926-3036.

Sincerely,

/s/

Steven P. Miteff
Acting Director

Enclosures

CCC-29 (Amendment 1)

(09-14-04)

U.S. DEPARTMENT OF AGRICULTURE
Commodity Credit Corporation

AMENDMENT 1 TO THE PROCESSED COMMODITIES STORAGE AGREEMENT (PCSA)

(1) No. _____

NOTE: The authority for collecting the following information is Pub. L. 107-171. This authority allows for the collection of information without prior OMB approval mandated by the Paperwork Reduction Act of 1995. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a). The authority for requesting the following information is 15 U.S.C. 714 and regulations promulgated thereunder (7 CFR Parts 1423 and 1403). The information will be used to complete the terms of an agreement between the warehouse operator and CCC. Furnishing the requested information is voluntary, however, without it, eligibility to enter into an agreement with CCC cannot be determined. This information may be provided to other agencies, IRS, Department of Justice, or other State and Federal law enforcement agencies, and in response to a court magistrate or administrative tribunal. The provisions of criminal and civil fraud statutes, including 18 USC 286, 287, 371, 641, 1001; 1014, 15 USC 714m; and 31 USC 3729, may be applicable to the information provided. **RETURN THIS COMPLETED FORM TO THE KANSAS CITY COMMODITY OFFICE, MAIL STOP 8718, P.O. BOX 419205, KANSAS CITY MO 64141-6205.**

The Commodity Credit Corporation (CCC) and (2) _____
(warehouse operator or contractor) hereby agree to amend the PCSA as follows:

Part V, E., Security Plan, is added to read as follows:

Part V. RESPONSIBILITY FOR CONDITION OF WAREHOUSE AND PROTECTION OF COMMODITIES -

* * * * *

E. Security Plan - The warehouse operator must:

1. Have a security plan that includes measures to protect processed commodities handled and stored under this Agreement.
2. Conduct a facility vulnerability assessment and establish procedures that address:
 - a. General security of the physical structures and grounds of the warehouse,
 - b. Shipping and receiving procedures to ensure processed commodities are not subject to tampering,
 - c. Action to be taken in the event of a national emergency, and
 - d. Contact information for local security authorities.

3. WAREHOUSE OPERATOR:	4. COMMODITY CREDIT CORPORATION:
3A. _____ (COMPANY NAME)	4A. By: _____ (CONTRACTING OFFICER)
3B. By: _____ (SIGNATURE)	4B. Effective Date: _____
3C. Title: _____	

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, D. C. 20250-9410 or call (202) 720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.