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United States Senate

COMMITTEE ON HEALTH, EDUCATION,
LABOR, AND PENSIONS

WASHINGTON, DC 20510-6300

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www.help.senate.gov

March 30, 2023

VIA ELECTRONIC TRANSMISSION

Dan Taft
Chief Executive Officer
Packers Sanitation Services, Inc.

Mr. Taft:

We write following alarming reports that your company, Packers Sanitation Services (PSSI)—one of the nation’s largest providers of food safety and sanitation services—employed more than 102 children between 13 to 17 years of age in “hazardous occupations” in your facilities.¹ On February 15, 2023, the Department of Labor’s (DOL) Wage and Hour Division (WHD) fined your company \$1.5 million for employing children to work with “hazardous chemicals and cleaning meat processing equipment including back saws, brisket saws and head splitters.”² It has been reported that at least three minors suffered injuries while working under these conditions.³

According to DOL, the WHD began an investigation in August 2022, and a complaint was later filed in the U.S. District Court for the District of Nebraska, based on evidence that PSSI had employed children in “hazardous occupations to clean dangerous powered equipment” during overnight shifts at three plants owned by JBS USA in Grand Island, Nebraska, and Worthington, Minnesota, and at Turkey Valley Farms in Marshall, Minnesota.⁴ According to the WHD, “[PSSI’s] systems flagged some young workers as minors, but the company ignored the flags.” WHD also stated that adult PSSI employees “who had recruited, hired and supervised these children [] tried to derail [WHD’s] efforts to investigate their employment practices.”⁵ The

¹ Press Release, Dep’t of Labor, More than 100 Children Illegally Employed in Hazardous Jobs, Federal Investigation Finds; Food Sanitation Contractor Pays \$1.5M in Penalties (Feb. 17, 2023), <https://www.dol.gov/newsroom/releases/whd/whd20230217-1>.

² *Id.*

³ *Id.*

⁴ *Id.*

⁵ *Id.*

Court issued a temporary restraining order on November 10, 2022, forbidding PSSI and its employees from committing child labor violations.⁶

On December 6, 2022, the U.S. District Court for the District of Nebraska entered a consent order and judgment where PSSI “agreed to immediately comply with child labor laws at all facilities nationwide and to take significant steps to ensure future compliance.”⁷ This consent order and judgement also requires PSSI to take the following steps:⁸

1. Make, keep, and preserve records showing the wages, hours and other conditions of work for each of its employees including accurate records for employees under the age of 19;
2. Review and enhance existing policies and training materials for all employees that relate to compliance with child labor law provisions of the Fair Labor Standards Act (FLSA);
3. Within 90 days, hire a third-party consultant or compliance specialist with knowledge and experience in the requirements of compliance with the FLSA’s child labor provisions to provide trainings to management personnel as well as monitoring and audit services;
4. With 30 days, include a child labor provision in its contract template for clients;
5. Impose sanctions, including termination and/or suspension, upon management personnel responsible for labor violations; and,
6. Within 45 days, notify DOL of each individual under 18 years of age whose employment was terminated after the date of entry of the consent order and judgement.

Following the consent order and judgement, PSSI stated that it “fully shares DOL’s objective of ensuring no one under 18 works for PSSI” and terminated two managers who allegedly impeded WHD’s investigation.⁹ PSSI also asserted that it uses E-Verify and trains hiring employees on spotting identity theft as part of extensive efforts to enforce an “absolute prohibition against employing anyone under the age of 18.”¹⁰ Nevertheless, we remained concerned that PSSI’s preventative measures may not be adequate, as E-Verify is susceptible to identity theft or fraud, offers no ability to detect off-the-books employment, and is vulnerable to erroneous confirmation rates.¹¹

The U.S. Senate Committee on Health, Education, Labor and Pensions has direct jurisdiction over DOL as well as matters relating to child labor and occupational safety and

⁶ *Id.*

⁷ Press Release, Dep’t of Labor, Court Enters Permanent Injunction Against Food Sanitation Contractor To End Oppressive Child Labor Practices; Requires Hiring Outside Compliance Specialists (Dec. 6, 2022), <https://www.dol.gov/newsroom/releases/whd/whd20221206-3>.

⁸ *Walsh v. Packers Sanitation Servs.*, Consent Order and Judgment, No. 4:22-CV-03246 (D. Neb., Dec. 6, 2022).

⁹ Laura Strickler, et al., *Company hired same ‘known minor’ twice to clean slaughterhouses, internal documents shows*, NBC (Feb. 23, 2023), <https://www.nbcnews.com/news/us-news/pssi-hired-same-child-twice-clean-slaughterhouses-document-rcna71633>.

¹⁰ *Id.*

¹¹ See Marc Rosenblum, *E-Verify: Strengths, Weaknesses and Proposals for Reform*, MIGRATION POLICY INSTITUTE, UNITED STATES IMMIGRATION POLICY PROGRAM (Feb. 2011), <https://www.migrationpolicy.org/research/e-verify-strengths-weaknesses-and-proposals-reform>.

health. In order to better understand the steps PSSI has taken to prevent the hiring of child labor since the December 6, 2022 consent order and judgment, we ask that your company answer the following questions on a question-by-question basis by April 12, 2023. For those questions that require the production of documents, we request that these documents be unredacted and produced in electronic form.


1. How has PSSI changed its policies and procedures to make, keep, and preserve records showing the wages, hours and other conditions of work for each of its employees, including for those under 18 years of age? In addition to answering this question, please produce the following documents:
 - a. A copy of all PSSI document retention policies for maintaining and preserving employee records in effect between July 31, 2022 and December 6, 2022.
 - b. A copy of all PSSI document retention policies for maintaining and preserving employee records in effect following the December 6, 2022 consent order and judgement through the date of this letter.
 - c. A list of all plants and locations where PSSI operates to which these policies and procedures apply. If the policies and procedures do not apply to all plants and facilities where PSSI operates, please explain why.
2. How has PSSI changed its training materials for all employees that relate to compliance with child labor law provisions of the FLSA? In addition to answering this question, please produce the following documents:
 - a. A copy of PSSI's training materials for all employees that relate to compliance with child labor law provisions of the FLSA prior to the December 6, 2022 consent order and judgement.
 - b. A copy of PSSI's training materials for all employees that relate to compliance with child labor law provisions of the FLSA following the December 6, 2022 consent order and judgement.
3. Please identify all third-party consultants or compliance specialists PSSI has hired to help the company comply with the FLSA.
4. Please produce a copy of the contract template PSSI provides to its clients that includes child labor provisions.
5. Following the December 6, 2022 consent order and judgment, has PSSI imposed sanctions, including termination and/or suspension, upon management personnel for labor violations besides the two managers identified above? If so, please also provide:

- a. The name of the management personnel.
 - b. Location where the management personnel was employed.
 - c. Nature of the labor violations.
 - d. The date PSSI imposed sanctions, including termination and/or suspension.
6. What policies, procedures, and other web-based systems does PSSI utilize to confirm the eligibility of their employees to work in the United States?
- a. For E-Verify and other web-based systems, does PSSI ensure that management personnel do not misuse these systems or engage in unreported employment? If so, how?

Thank you for your prompt attention to this matter.



Bernard Sanders
Chair
U.S. Senate Committee on Health,
Education, Labor and Pensions



Bill Cassidy, M.D.
Ranking Member
U.S. Senate Committee on Health,
Education, Labor and Pensions