

# **AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RE- LATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 2011**

U.S. SENATE,  
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,  
*Washington, DC.*

## **NONDEPARTMENTAL WITNESSES**

[The following testimonies were received by the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for inclusion in the record. The submitted materials relate to the fiscal year 2011 budget request for programs within the subcommittee's jurisdiction.]

### **PREPARED STATEMENT OF THE AD HOC COALITION**

Mr. Chairman, members of the subcommittee, this statement is respectfully submitted on behalf of the ad hoc coalition composed of the organizations listed below. The coalition supports sustained funding for our Nation's food aid programs, including titles I and II of Public Law 480, and therefore strongly opposes all proposals to divert funding away from these important programs.

### **FOOD AID'S UNIQUE ROLE**

The donation of American commodities as food aid has been the cornerstone of U.S. and global foreign assistance programs since their inception. However, food aid has evolved in important ways over the years. Food aid began as an outgrowth of American farm policy that generated sizeable surpluses and American foreign policy characterized by the cold war competition for the hearts and minds of impoverished populations across the globe. Since then, American farm policy has evolved away from surpluses, and therefore food can no longer be mischaracterized as "dumping" of excess commodities. Indeed, the United States now purchases commodities for donation on the open market. In today's political and economic climate, the need to provide societal stability, avoid failed states, prevent terrorist breeding grounds, and bolster America's image abroad has never been more important. Our in-kind food aid programs are needed now more than at any time in their history. Hunger is a powerful and destabilizing force, and America faces a convergence of terrorist and other security threats from failed and unstable states that feed on ill will toward our Nation. The United Nations World Food Program tells us that in recent years the food insecure have been hit by a "perfect storm" of increases in food prices coupled with export restrictions imposed by traditional regional and local food exporters. Here at home, the ranks of long term unemployed have soared. U.S. food aid programs not only further our humanitarian and food security goals by allowing Americans to contribute to the needy in a tangible way, but the programs also provide stable jobs for Americans.

### **FOOD AID VERSUS CASH DONATIONS FOR "LOCAL AND REGIONAL PURCHASES"**

Food for Peace, which provides farm products grown in the United States to millions overseas in bags marked as gifts "From the American People," is a clear and tangible sign of America's concern and generosity to its recipients. This same "in-kind" composition generates important economic benefits to our Nation—vital jobs

in many industries, farm income, markets for agriculture processors, and revenue for American transportation providers and ports. It also generates Federal, State, and local tax revenues, as well as secondary economic effects, such as farm equipment purchases and farm family spending in our broader economy. For these reasons, a strong domestic constituency for food aid, in good economic times and bad, has sustained America's food aid programs through decades of competing funding priorities. Furthermore, for over 50 years American agriculture has provided a dependable source of high-quality nutritious food that is not always reliably available to "local" or "regional" markets. Given the recent food crisis experienced by many nations, in terms of price, availability, and quality, and considering the recent actions by some food-exporting nations to halt food exports when domestic price increases occurred, the amount and dependability of U.S. produced food aid in Public Law 480 is crucial to our humanitarian assistance effort. Using American taxpayer dollars to purchase foreign agricultural commodities would forego the unique benefits of U.S. food aid, such as predictable food aid supply, unparalleled quality, and good American jobs, when our country and food-deficit areas need them most. Nevertheless, additional resources have already been directed to so-called "local and regional purchases": USAID has been provided hundreds of millions of dollars of new funding for such purchases under the Foreign Assistance Act through the International Disaster and Famine Assistance Account and Congress also established a \$60 million CCC-funded USDA pilot program in the 2008 Farm Bill to examine the potential dangers and benefits of this approach before considering further expansion of its use in conjunction with a strong in-kind food aid program centered around American commodities. Additionally, the U.N. World Food Program operations have wide latitude to purchase grain from Europe, Australia, and elsewhere.

#### RESTORATION OF TITLE II FOOD FOR PROGRESS

The title I concessional sales food aid program is an important tool in the aid "toolbox". In order to ensure that countries with the most dire need have sufficient donated food aid, the coalition recommends that USDA offer the title I concessional sales program to countries that can afford it. Title I allows us to leverage our aid dollars, helping more people in need with our limited budget resources. To the extent that the title I funding truly cannot be used for concessional sales, it may be converted to donations on full grant terms through the Food for Progress ("FFP") program.

#### CONCLUSIONS AND RECOMMENDATIONS

Mr. Chairman, the coalition is committed to maintaining the funding for America's food aid programs to meet humanitarian needs, enhance the potential for economic growth in recipient countries, and stimulate the economy here at home. Our recommendation is to increase, over time, annual food assistance with a blend of programs drawing upon the unique strengths of the different U.S. food aid program authorities. Specifically, the coalition respectfully recommends the following:

- Full up-front funding of title II at the \$2.5 billion authorized by law, which is consistent with the fiscal year 2008 and fiscal year 2009 appropriation levels, and should serve to help avoid the cycle of emergency supplemental appropriations for this program.
- Title I/Food for Progress program levels should be restored to responsible levels so that the unique efficiencies of the program are not lost and more people can be fed.
- Increase funding available for the McGovern-Dole program, leveraging the special ability of this program to reach children and to spur long-term development.

Public Law 480 Food for Peace is the world's most successful foreign assistance program, and has saved countless lives. Its straightforward delivery of American food to the hungry fills a clear and immediate need overseas, and its unique architecture has made it a successful program here at home that has endured for over 50 years.

Thank you, Mr. Chairman.

America Cargo Transport Corp.  
American Maritime Congress  
American Maritime Officers  
American Maritime Officers' Service  
American Peanut Council  
American Soybean Association  
APL Ltd.

Central Gulf Lines, Inc.  
Global Food and Nutrition Inc.  
Hapag-Lloyd USA, LLC  
International Organization of Masters,  
Mates & Pilots  
Liberty Maritime Corporation  
Maersk Line, Ltd.

Marine Engineers' Beneficial Association	Sealift, Inc.
Maritime Institute for Research and Industrial Development	Transportation Institute
National Association of Wheat Growers	United Maritime Group, LLC
National Corn Growers Association	U.S. Dry Bean Council
National Council of Farmer Cooperatives	U.S. Dry Pea & Lentil Council
National Potato Council	U.S. Wheat Associates, Inc.
Sailors' Union of the Pacific	USA Rice Federation
Seafarers International Union	Waterman Steamship Corporation.

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#### PREPARED STATEMENT OF THE ALLIANCE FOR A STRONGER FDA

The Alliance for a Stronger FDA requests at least \$2.857 billion for the U.S. Food and Drug Administration for fiscal year 2011. This request is exclusive of user fees.

We thank the Senate Appropriations Committee for the opportunity to present our views on the fiscal year 2011 appropriations for the U.S. Food and Drug Administration. The Alliance has 180 members from every stakeholder group interested in FDA. Our members include consumer and patient groups, associations, non-profits, health professions organizations, individuals and industry. Three former DHHS Secretaries and six former FDA commissioners are also part of our cause. We are united in the belief that:

A strong FDA benefits all Americans: Patients, consumers, health professionals, industry . . . and the whole world benefits, too.

We would like to express our appreciation to the Senate Appropriations Committee and its Subcommittee Chair, Senator Herb Kohl and Ranking Member, Senator Sam Brownback. The FDA's appropriation has gone up significantly over the last 3 years and their support and leadership has been essential.

Those increases have been critical to strengthening the Agency. Nonetheless, there remains an extraordinarily large gap between FDA's responsibilities and FDA's resources. Every year, the Agency's job becomes more complex scientifically and more difficult to implement. New laws affecting FDA are enacted with some regularity, further straining the FDA's ability to meet the expectations of the Congress and the American people.

There are a number of legislative initiatives this year that would further expand the responsibilities of the FDA. As a very broad-based coalition, we take no position on the merits of any of these.

We are concerned, however, that FDA's appropriation reflect any further increases in responsibilities. As will be described, we are recommending a \$495 million increase or more for the Agency. This is the amount we believe is needed to make further progress against existing responsibilities. Any new legislation needs to come with the assurance that there will be larger "budget authority" appropriations to cover the cost of the additional work.

We remind the committee that FDA's appropriation is quite small, especially when matched against its jurisdiction over one-quarter of consumer spending, 80 percent of the food supply and all of the drugs, biologics, medical devices, animal drugs, cosmetics and dietary supplements used anywhere in the United States. FDA must also deal with the food and medical products that are sourced from overseas. Despite 3 years with appropriations above the break-even point, the FDA still gets only \$2 billion per year. There cannot be many agencies in the U.S. Government that have such a vast scope of responsibilities and so few dollars to get the job done.

As a way to sum up many points about the Agency, we have 10 things that we hope policymakers will know and remember about FDA:

- FDA is a comparatively small agency with an appropriation: just \$2.35 billion in 2010 to regulate products that represent a quarter of all consumer spending.
- Twenty-five years ago, FDA and CDC were the same size; today the CDC budget is nearly 2½ times as large.
- A strong FDA is good for the U.S. economy and for our balance of trade.
- FDA is an integral part of our response to public health emergencies, including defense against bioterrorism.
- FDA's appropriation is almost entirely staff costs, requiring nearly 6 percent increase each year to sustain program levels.
- After 3 years of good increases (thank you, Congress), FDA staffing levels from the 2010 appropriation have only just been restored to the previous high-level achieved in 1994.

- User fees serve valuable functions, but they are targeted and support only specific activities. They don't strengthen the FDA in carrying out its overall public health mission.
- All FDA stakeholders support a stronger FDA (consumers, patients, health professionals, and industry).
- FDA's responsibilities increase each year—through new mandates, globalization, scientific complexity.
- FDA touches every American multiple times each day. Today's investment (2 cents per day per American) is a pittance compared to the benefit of a strong FDA and the risk of an underfunded FDA.

The Alliance often compares the FDA's budget to that of the Montgomery County school system's budget. The Superintendent of Schools and the FDA Commissioner had offices less than three miles apart before the Commissioner moved to White Oak. When the Superintendent looks out his window, he reflects on the educational needs between Takoma Park and Germantown. When the Commissioner looks out his window, he reflects on the food and medical product needs of the entire world. Yet, until last year, the Superintendent had a significantly larger budget to spend than the Commissioner.

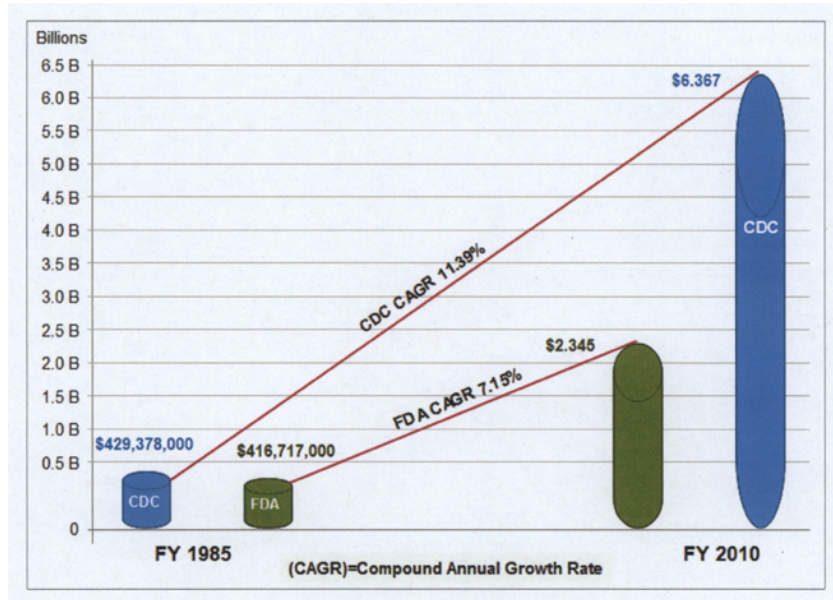
More than 80 percent of the FDA's budget is people-related. This includes salary, benefits, rent, telecom, training, office equipment, travel, etc. There are no grants to pull back if the money comes up short. Instead, over much of the last 20 years, when FDA's funding has been inadequate, the result has been layoffs, hiring freezes and buy-outs. Now that the Agency's funding situation has improved, there are still many FDA managers concerned that this year's hires may need to be dismissed if next year's appropriation doesn't continue to grow.

At this point, FDA needs more than \$100 million more each year just to sustain the prior year's FTEs and program initiatives. Substantial dollars are needed above that level to help close the gap between responsibilities and resources.

The solution, which is also our goal, is to strengthen FDA's ability to operate a modern, scientifically based regulatory program. To do so, the FDA needs to be provided with resources to rebuild the infrastructure and assure the safety of foods and cosmetics and the safety and efficacy of drugs and medical devices.

In the mid-1980s, FDA and CDC had similar budgets (about \$400 million each in fiscal year 1985). In fiscal year 2010, CDC has a budget authority appropriation of \$6.37 billion dollars, a compound annual growth rate greater than 11 percent. In comparison, FDA has a budget of \$2.35 billion, a compound annual growth rate of about 7 percent.

The impact is particularly pronounced when the differences are graphed and the upward slopes compared (below). The chart is in nominal dollars. If we were to look at constant dollars, CDC is a substantially bigger agency than 25 years ago. In FDA's case, the net growth over the same period has been insubstantial and much of the growth is in the last 3 years.



We are not suggesting that FDA should have a \$6 billion budget. Rather, the degree to which FDA has fallen behind is often hard to see, because the Agency is being compared to itself. In this comparison, it is dramatic and can lead to only one conclusion: FDA is not funded to meet its responsibilities as a public health and regulatory agency.

We do not know what the right number for FDA is . . . only that it is significantly more than the current budget. Large increases for a number of years are going to be needed.

For the immediate timeframe, the Alliance for a Stronger FDA requests a \$495 million increase or more for the FDA in fiscal year 2011. We believe that the President's budget request of \$154 million is a step in the right direction, but substantially below what is needed. Below, our request is broken down by centers and major functions. We show fiscal year 2008, 2009 and 2010 for comparison. This recognizes that growth over the last three has changed the direction of the Agency. More will be needed . . . this year, next year and thereafter.

Function note: budget authority only, by center	Fiscal year 2008 actual (December 2007)	Fiscal year 2009 final (March 2009)	Fiscal year 2010 final (October 2009)	Fiscal year 2011 recommendation of the Alliance for a Stronger FDA
Food .....	\$510 million	\$649 million	\$784 million	\$955 million
Human Drugs .....	353 million	413 million	465 million	580 million
Biologics .....	155 million	183 million	206 million	255 million
Animal Drugs/Feed .....	97 million	116 million	135 million	165 million
Devices & Radiological Health .....	238 million	280 million	315 million	385 million
Natl. Ctr. for Toxicological Research .....	44 million	52 million	59 million	72 million
HQ, Office of Commissioner/Other .....	97 million	121 million	144 million	183 million
Rent and Facilities .....	220 million	223 million	237 million	250 million
<b>TOTAL, Salaries and Expenses .....</b>	<b>1.714 billion</b>	<b>2.039 billion</b>	<b>2.346 billion</b>	<b>2.857 billion</b>

We have allocated new money to building and facility rental, which is more than 20 percent of the FDA's budget. We are told that the FDA will reach a point where White Oak (even with the new building being constructed) and College Park will barely fit the FTE's that have been authorized and/or will be transferring from Parklawn and other facilities that are closing. A more substantial increase in rental costs may be needed in fiscal year 2011. We hope the Committee will follow this closely and assure that rental costs are fully funded. Increases in rental costs should

not be covered by tapping into new program monies or by disproportionate allocations from user fees.

New monies from this year and last year are now flowing into the FDA and are being translated into recruitment, hiring, training and deployment. Because of the nature of FDA jobs, many of the new hires may not reduce division workloads for upwards of a year. This is a slow process, but necessary to grow and strengthen FDA.

Going forward, the Alliance is committed to working with the Congress and FDA to ensure:

- Transparency in how new appropriated monies are spent, and
- Clear communications from FDA about the public health benefits that have been achieved with the new funding.

In closing, the Alliance for a Stronger FDA reiterates its appreciation for the efforts of Committee members and their staffs to change the course of the FDA. They are strengthening the Agency and guiding it toward success.

We remain available to the Committee to provide information and analysis at any time.

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PREPARED STATEMENT OF THE AMERICAN COMMODITY DISTRIBUTION ASSOCIATION  
(ACDA)

On behalf of the American Commodity Distribution Association (ACDA), I respectfully submit this statement regarding the budget request of the Food and Nutrition Service for inclusion in the subcommittee's official record. ACDA members appreciate the subcommittee's support for these vital programs. We also thank you for this opportunity to share our experiences and recommendations with you.

We urge the subcommittee to maintain administrative expense funding for the Emergency Food Assistance Program (TEFAP) at \$74.5 million; to make TEFAP food purchase dollars available for 2 fiscal years; to approve the Administration's budget request for the Commodity Supplemental Food Program, and to evaluate alternative approaches for the Department of Defense Fresh Program.

ACDA is a non-profit professional trade association, dedicated to the growth and improvement of USDA's Commodity Food Distribution Program. ACDA members include: State agencies that distribute USDA-purchased commodity foods; agricultural organizations; industry; associate members; recipient agencies, such as schools and soup kitchens; and allied organizations, such as anti-hunger groups. ACDA members are responsible for distributing over 1.5 billion pounds of USDA-purchased commodity foods annually through programs such as National School Lunch Program, the Emergency Food Assistance Program (TEFAP), Summer Food Service Program (SFSP), Commodity Supplemental Food Program (CSFP), Charitable Institution Program, and Food Distribution Program on Indian Reservations (FDPIR).

MAINTAIN TEFAP ADMINISTRATIVE FUNDS AT \$74.5 MILLION, AS PROVIDED FOR FISCAL  
YEAR 2009 AND FISCAL YEAR 2010

We urge the subcommittee to maintain TEFAP Administrative Funds at \$74.5 million, as provided for fiscal year 2009 and fiscal year 2010 when ARRA funds were added to the regular appropriation.

Food banks around the Nation are in great need. The number of Americans who are turning to food banks for assistance continues to increase. The Congress appropriated \$49.5 million for TEFAP Administrative Funds in both fiscal year 2009 and 2010, and, through the American Recovery and Reinvestment Act, supplemented these amounts with an additional \$25 million. These resources have been used responsibly, and are sincerely appreciated.

Donations to food banks are declining as many individuals and businesses no longer have the ability to be as supportive as they had been in the past. One of our members, Hunger Solutions Minnesota, reports that one-half to two-thirds of the food distributed by Minnesota food banks is from TEFAP. TEFAP has allowed Minnesota to distribute more food to more people with no impact on their budget. Minnesota Food Shelves are able to procure this much needed product from the food banking system without paying for the shared maintenance or transportation fees. Most Minnesota food shelves are small nonprofit organizations run by volunteers with thrifty budgets. They have very limited capacity for raising more funds to cover this potential loss of funding.

In Florida, TEFAP operators are distributing over 39 million pounds of USDA food at no charge (administrative, shared maintenance, etc.) to their sub-distributors. The TEFAP Administrative funds help pay for that distribution which often includes delivery to sub-distributors more than 100 miles away. The additional

funding has gone a long way toward compensating the TEFAP Recipient Agencies for the cost of trucking, fuel, storing the additional TEFAP food, and other related costs, without passing those costs on to sub-distributors like food pantries, soup kitchens, and shelters. This in turn helps those emergency feeding organizations which would otherwise have to find the resources to help defray the costs of acquiring the food, picking it up from the Recipient Agency, and other necessary activities in order to assist the needy residents of their communities.

The Food Bank Association of New York State believes that the fiscal year 2011 budget proposal may result in statewide cuts in excess of \$1.4 million, adversely impacting the three million people served by almost 2,500 emergency food programs throughout the State.

Other ACDA members tell us that if TEFAP expense funds are reduced as effectively proposed by the fiscal year 2011 budget request, they will have to accept less food to reduce shipping/warehousing expenses, and will likely have to cut reimbursement to local distributors. These reimbursements are key to maintaining distribution sites, especially in rural distribution sites.

We recognize that States have had the ability to convert a portion of their food funds to administrative funds, and have done so. We appreciate this flexibility, but must respectfully point out that even if this flexibility is continued, TEFAP operators will experience a significant reduction in available administrative expense funds that jeopardizes their ability to provide essential food assistance to needy Americans.

Sec. 4201 of the Food, Conservation, and Energy Act of 2008 (Public Law 110-246) increased the authorization for TEFAP Administrative Expense funds from \$60 million to \$100 million, recognizing the need for increased expense funds to responsibly manage increased TEFAP food supplies. Our request for \$74.5 million, is, therefore, not an increase over the total amounts provided in fiscal year 2009 and fiscal year 2010, and is well within the amounts authorized.

#### MAKE TEFAP FOOD DOLLARS AVAILABLE FOR TWO FISCAL YEARS

We urge the subcommittee to make TEFAP food dollars available for 2 fiscal years, as was done under ARRA.

While the agencies of the Department of Agriculture work closely with food banks to provide as much food for distribution as possible, there are occasions when food dollars are at jeopardy through no fault of recipient agencies.

If food orders are cancelled by either USDA or vendors for any reason near the end of the Federal fiscal year, State agencies must either purchase whatever items might be available through USDA, or lose these end-of-year balances.

At the end of fiscal year 2009 Florida had an ARRA TEFAP balance of \$1.6 million on September 28, 2009 due to the cancellation of cheese orders that day. Florida's regular TEFAP balance was \$218,023. On September 8, 2009 the TEFAP entitlement balance in New York was just over \$12,000. On September 28 it was \$415,000 due to the significant cancellations and deletions of truckloads of commodity foods. On July 28, 2009, New York's ARRA balance was \$11,000. On September 28 it was \$481,000. Other ACDA members have told us of similar experiences in their States.

Food banks are working diligently to use every dollar responsibly because every dollar is needed. When ARRA was passed, TEFAP food dollars were allowed to be carried over from fiscal year 2009 to fiscal year 2010. This procedure helped food bank operators to make responsible decisions and to take maximum advantage of available resources.

We urge the committee to make TEFAP food dollars available for 2 years, and urge the Secretary of Agriculture to allow those States who made responsible efforts to use their TEFAP Food dollars to roll over to the next fiscal year balances unexpended through no fault of the TEFAP operator.

#### ACDA SUPPORTS THE FISCAL YEAR 2011 BUDGET REQUEST FOR THE COMMODITY SUPPLEMENTAL FOOD PROGRAM

ACDA is pleased to support the fiscal year 2011 budget request of \$176,788,000 for the Commodity Supplemental Food Program (CSFP). The Congress in fiscal year 2010 once again demonstrated its support for this important program with a funding level that allowed seven States with approved plans to begin serving eligible individuals within those States, while allowing for needed caseload expansion in the 32 States, the District of Columbia, and 2 Indian Tribal Organizations previously offering the program.

While we understand that there may be as many as four additional States considering making application for their own CSFP, at this time we believe the President's

request will fully fund the current caseload, including the caseload provided to the seven new States. It may be necessary at a later date to add to the budget request should USDA approve State plans.

#### ACDA REQUESTS THE EVALUATION OF ALTERNATIVE APPROACHES FOR DOD FRESH

There is broad consensus that improving the nutritional well-being of Americans, particularly children, includes increasing fruit and vegetable consumption, including fresh items. USDA's commodity program is constrained in its ability to distribute fresh foods.

However, in the 1990s the Department developed a partner relationship with the Department of Defense to utilize some of the Federal commodity entitlement for school meal programs to allow school districts to purchase through the DOD distribution system. This program, DOD Fresh, was very successful.

Changes in the DOD procurement and distribution program which have outsourced these procurement activities have had a deleterious effect on the school program. This change has also created a situation where each school that participates must pay a fee to access the DOD secure ordering system.

The Secretary has worked to ameliorate these fees, approximately \$3 million per year, in the short term, but this is a temporary fix. We believe that there may be an alternate approach that will restore the many benefits of the original DOD Fresh program.

We are asking the Committee to direct the Secretary to evaluate alternative approaches for replacing DOD Fresh including, but not limited to, developing an analog program through the Agricultural Marketing Service, and report back to the Committee on these options.

We look forward to continuing to partner with you and USDA in the delivery of these needed services.

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#### PREPARED STATEMENT OF THE AMERICAN FARM BUREAU FEDERATION (AFBF)

The American Farm Bureau Federation (AFBF) has identified five general areas for increased emphasis and funding for United States Department of Agriculture (USDA) programs in the fiscal year 2011 agriculture spending bill. They are:

- Programs that enhance and improve food safety and protection;
- Programs that expand domestic and export markets for agriculture;
- Programs that strengthen rural communities;
- Programs that improve USDA efficiency; and
- Research Priorities.

Farm Bureau strongly opposes any cuts to funding for the farm safety net. Such cuts would break a 5-year commitment made to America's farmers and ranchers in the 2008 farm bill. Producers have made business decisions based on this contract with the government, and to break these commitments would be destabilizing to a rural economy that is already impacted by this country's severe recession and credit crisis.

#### PROGRAMS THAT ENHANCE AND IMPROVE FOOD SAFETY AND PROTECTION

Americans spend more than \$1 trillion annually on food—nearly half of it in restaurants, schools and other places outside the home. Consumers have a reasonable expectation that the food products they buy are safe. The continued safety of food is crucial to consumers, as well as production agriculture and the food industry. AFBF believes that sufficient, reliable Federal funding for the government's food and feed safety and protection functions is vital to this effort.

Therefore, we recommend that funding be increased for food protection at the Food and Drug Administration (FDA) and at the Food Safety and Inspection Service (FSIS) and directed to:

- Increased education and training of inspectors;
- Additional science-based inspection, targeted according to risk;
- Research and development of scientifically based rapid testing procedures and tools;
- Accurate and timely responses to outbreaks that identify contaminated products, remove them from the market and minimize disruption to producers; and
- Indemnification for producers who suffer marketing losses due to inaccurate government-advised recalls or warnings.

We also support authorized funding of \$2.5 million for the Food Animal Residue Avoidance Databank (FARAD). FARAD aids veterinarians in establishing science-based recommendations for drug withdrawal intervals, critical for both food safety



and animal health. No other government program provides or duplicates the food safety information FARAD provides to the public. Without the critical FARAD program, producers may be forced to euthanize animals or dispose of meat, milk and eggs due to the lack of withdrawal information.

#### PROGRAMS THAT EXPAND DOMESTIC AND EXPORT MARKETS FOR AGRICULTURE

America is increasingly committed to being a Nation fueled by clean, renewable, domestic energy. Biofuels are a crucial to this effort and create new domestic markets for our commodities. AFBF supports the research, production and promotion of agricultural products into home-grown fuels. We urge you to provide \$10,000,000 for the establishment of Regional Biofuels Feedstocks Research and Demonstration Centers in USDA.

In order to take full advantage of the market opportunities offered through trade agreements AFBF supports funding at authorized levels for:

- The Foreign Agricultural Service (FAS) to maintain services that expand agricultural export markets. We urge continued support for the Office of the Secretary for trade negotiations and biotechnology resources.
- The Market Access Program, the Foreign Market Development Program, the Emerging Markets Program and the Technical Assistance for Specialty Crops program that are effective export development and expansion programs. These programs have resulted in increased demand for U.S. agriculture and food products abroad and should be fully funded.
- Public Law 480 programs which serve as the primary means by which the United States provides needed foreign food assistance through the purchase of U.S. commodities. In addition to providing short-term humanitarian assistance, the program helps to develop long-term commercial export markets.

As trade increases between countries, so do does the threat of new invasive and noxious pests that can destroy America's agricultural and natural resources. Therefore, we support full funding for the following Animal Plant Health Inspection Service (APHIS) programs:

- The APHIS Plant Protection and Quarantine personnel and facilities, especially the plant inspection stations, that are necessary to protect U.S. agriculture from costly pest problems that enter the United States from foreign lands.
- APHIS trade issues resolution and management activities that are essential for an effective response when other countries raise pest and disease concerns (i.e., sanitary and phytosanitary measures) to prohibit the entry of American products.
- APHIS Biotechnology Regulatory Services (BRS) that play an important role in overseeing the permit, notification and deregulation process for products of biotechnology. BRS personnel and activities are essential to ensure public confidence and international acceptance of biotechnology products.

Funding for the U.S. Codex Office is essential to developing harmonized international standards for food and food products. Codex standards provide uniformity in food rules and regulations by allowing countries to adopt similar levels of safety protection for consumers while concurrently facilitating transparency in food trade.

The International Food for Education Program is an effective platform for delivering severely needed food aid and educational assistance and should be fully funded.

#### PROGRAMS THAT STRENGTHEN RURAL COMMUNITIES

The lack of high-speed, modern telecommunications systems in rural America hinders its residents' access to educational, medical and business opportunities, and therefore hampers the economic growth of rural America. We support funding for loans and grants administered by the Rural Utilities Service to increase rural broadband capacity and telecommunications services and to fund the Distance Learning and Telemedicine Program.

Rural entrepreneurs often lack access to the capital and technical assistance necessary to start new businesses. These new ventures are needed for rural communities to sustain themselves and contribute to our national economy. AFBF supports funding for USDA Rural Development (RD) programs that foster new business development in rural communities. These programs include Value-Added Agricultural Producer Grants, the Rural Innovation Initiative, the Rural Microentrepreneur Assistance Program, and Business and Industry Direct and Guaranteed Loans.

Many rural communities lack access to the tax base necessary to provide modern community facilities like fire stations. Farm Bureau support funding for RD's Community Facility Direct and Guaranteed Loans, which finance the construction, en-

largement or improvement of essential community facilities in rural areas and small towns.

Renewable energy production holds great promise as a means to help America's farmers and rural communities contribute to our national economy and enhance our national security. We support increasing funding for the Renewable Energy for America Program (REAP). REAP offers grants, guaranteed loans and combination grant/guaranteed loans for agricultural producers to purchase renewable energy systems and energy efficiency improvements, as well as offer funding for energy audits and feasibility studies.

The Revolving Fund (RFP) Grant Program helps communities acquire safe drinking water and sanitary, environmentally sound waste disposal facilities. With dependable water facilities, rural communities can attract families and businesses that will invest in the community and improve the quality of life for all residents. We support funding for this important program.

AFBF supports funding for and opposes any effort to eliminate the Resource Conservation and Development program. This vital program supports economic development and resource protection. This program, in cooperation with rural development councils, helps local volunteers create new businesses, form cooperatives, develop marketing and agri-tourism activities, improve water quality and flood control, improve leadership and other business skills and implement renewable energy projects.

AFBF supports full funding for Agriculture in the Classroom, a national grass-roots program coordinated by the USDA. This worthy program helps students gain a greater awareness of the role of agriculture in the economy and society, so that they may become citizens who support wise agricultural policies.

#### PROGRAMS THAT IMPROVE USDA EFFICIENCY

Farm Bureau supports providing \$95.3 million to improve computer technology in the Farm Service Agency (FSA). FSA currently operates on the oldest technology system within USDA and one of the oldest systems in the entire Federal Government. These outdated systems create enormous inefficiencies throughout the department, and it is unclear how long these antiquated systems can continue to support increasingly complex farm programs. Systems across agencies under USDA jurisdiction cannot communicate with each other, which could lead to improper payments and often requires duplicative paperwork and additional labor hours. Upgrading FSA computer technology now will lead to greater efficiencies down the road and could prevent a future system failure.

#### RESEARCH PRIORITIES

Farm Bureau utilizes commodity advisory committees to identify USDA program areas important to specific agricultural industries. Based on the recommendations of these advisory groups, Farm Bureau supports:

- Funding for efforts to control, prevent and eradicate Citrus Greening Disease including funding for research, public and industry outreach and border monitoring.
- Funding to conduct research on Colony Collapse Disorder (CCD) as authorized in the 2008 Farm Bill including research on the affects of pesticides, viruses, parasitic mites and other distress management issues.
- Appropriating \$2.25 million, as authorized in the 2008 Farm Bill, to conduct a National Honeybee Pest Survey to identify what pests, diseases, viruses and pathogens are present in the United States.
- Funding for research to determine the impact on public lands sheep and goat herds of species that currently exist, have been reintroduced, or are planning to be introduced for the first time.
- Funding for research for soybean diseases using sentinel plots and mapping.
- Funding for research for the USDA-ARS Floriculture and Nursery Research Initiative and "regionalization" of research throughout the land grant system.
- Funding for genomic research on the peanut plant.
- Funding to support Texas Cattle Fever Tick control and eradication programs and to encourage development of new user-friendly products and management practices.

## PREPARED STATEMENT OF THE AMERICAN FOREST &amp; PAPER ASSOCIATION (AF&amp;PA)

## PRIMARY AF&amp;PA RECOMMENDATIONS

(Dollars in millions)

Account	Program	Fiscal year 2010	AF&PA
Food and Drug Administration .....	Center for Food Safety and Applied Nutrition (CFSAN).	\$236.600	\$259.400
Animal and Plant Health Inspection Service .....	Lacey Act Enforcement .....	( <sup>1</sup> )	5.500
Animal and Plant Health Inspection Service .....	Emerging Plant Pests .....	158.769	176.269
National Institute of Food and Agriculture .....	McIntire-Stennis Cooperative Forestry Research.	29.000	35.000

<sup>1</sup> No funding specifically designated.

## INTRODUCTION

The American Forest & Paper Association (AF&PA) is the national trade association of the forest products industry, representing forest landowners and pulp, paper, packaging, and wood products manufacturers. AF&PA companies make products essential for everyday life from renewable and recyclable resources.

The U.S. forest products industry accounts for approximately six percent of total domestic manufacturing GDP (putting it on par with the automotive and plastics industries). Forest industry companies produce \$200 billion in products annually, employ one million people, and provide \$54 billion in annual payroll. The industry is among the top 10 manufacturing sector employers in 48 States. Lumber, panel, pulp, and paper mills are frequently the economic hub of local communities, making the industry's health critical to the economic vitality of hundreds of rural areas across the country.

Declining timber harvests from Federal lands have resulted in severe job losses in many forestry-dependent communities. Many actions are needed to help preserve the industry's remaining jobs and contribute to the broader revitalization of the economy. Congress and the Administration must continue to improve credit markets, stimulate demand for housing, and craft policies that recognize the significant contributions made by the wood and paper industries towards renewable energy and climate goals. Within the jurisdiction of this subcommittee, continued resources for approval of paper-based food packaging, protecting forest health, and providing adequate resources to enforce existing trade laws are essential. Specific recommendations follow.

## FOOD AND DRUG ADMINISTRATION—FOOD CONTACT NOTIFICATION PROGRAM

The Food Contact Notification (FCN) program protects consumer health, food safety and quality while providing packaging manufacturers with an efficient process which is less burdensome than the food additive approval process. It has allowed packaging manufacturers to bring new products to market which are more environmentally friendly and have extended product shelf life, thereby increasing consumer value.

The President's fiscal year 2011 budget includes \$2.5 billion for the Food and Drug Administration (FDA). On a current authorities basis, the budget proposes \$259.4 million in funding for FDA's Center for Food Safety and Applied Nutrition (CFSAN), an increase of \$22.8 million from fiscal year 2010 funding levels. The FDA's Congressional Budget Justification states that the FDA budget request assumes continued funding for the Food Contact Notification Program. AF&PA appreciates that the subcommittee has previously rejected proposals to eliminate the FCN program. AF&PA supports the Administration's budget request which ensures continued funding of the Food Contact Notification Program.

## ANIMAL AND PLANT HEALTH INSPECTION SERVICE—LACEY ACT ENFORCEMENT

The 2008 Farm Bill amended the Lacey Act (16 USC 3371 et seq.) to make it unlawful to trade wood products or other plants taken in violation of the laws of either a U.S. State or foreign country. This ground-breaking legislation is already beginning to influence the way companies make sourcing decisions and monitor their supply chains. Full and effective implementation and enforcement of the Lacey Act will enable American forest product companies to compete fairly in the global marketplace, help keep jobs in the United States, deter the destructive impacts of illegal

logging on forests and forest-dependent communities in developing countries, and reinforce initiatives to mitigate climate change.

The law requires U.S. importers of wood products to file a declaration identifying the species name and country of harvest—a critical measure intended by the law's sponsors to increase supply chain transparency and assist Federal agencies in fair and strong enforcement. The prohibition and the declaration requirement affect a wide array of American industries, so it is critical that the declaration process generates data in a streamlined, cost-effective manner without unduly burdening legitimate trade. To that end, APHIS—which is responsible for implementing the declaration provision—needs \$5.5 million in funding to establish an electronic declarations database and to add internal capacity to perform data analysis needed for monitoring and enforcement purposes.

AF&PA supports \$5.5 million to provide for implementation of the Lacey Act, as amended by the 2008 Farm Bill.

#### ANIMAL AND PLANT HEALTH INSPECTION SERVICE—EMERGING PLANT PESTS

As world trade continues to expand, global weather patterns shift, and an increasingly affluent world population has the ability to travel to—and demand products from—the far corners of the globe, the inadvertent, yet inevitable introduction of nonnative pests and diseases into the United States continues. Additional funding is vitally needed to aid in combating pests such as the Asian longhorn beetle, the Emerald Ash borer, and the Sirex woodwasp, as well as diseases such as *Phytophthora ramorum*. These are but a sampling of the diseases which harm commercial timber stands, community parks, and private forest landowners. American citizens will most certainly bear the cost of combating these and other emergent threats. We believe that a comprehensive, coordinated response to each is more effective and more economical.

AF&PA supports additional funding for APHIS Emerging Plant Pests and urge the provision of at least an additional \$17.5 million to aid in combating these, and other pests and diseases.

#### NATIONAL INSTITUTE OF FOOD AND AGRICULTURE—MCINTIRE-STENNIS COOPERATIVE FORESTRY RESEARCH

Approximately one-third of the United States is forested and these forests enhance our quality of life and economic vitality and are an invaluable source of renewable bioproducts, outdoor recreation, clean water, fish and wildlife habitat, and carbon sequestration. Sustaining these forests in a healthy and productive condition requires a strong, continuing commitment to scientific research and graduate education. Foundational financial support for university-based forestry research and graduate education comes from the McIntire-Stennis Cooperative Forestry program, funded through the USDA's National Institute of Food and Agriculture (NIFA). Funds are distributed according to a statutory formula to each of the 50 States, Puerto Rico, Guam, and the Virgin Islands, with a dollar-for-dollar match required from the States.

Additional funding is needed to:

- Provide the additional scientific discoveries needed to address critical forest issues such as fires, storms, climate change, insects, diseases, urbanization, fragmentation, and lost economic opportunities.
- Develop new knowledge and innovations to sustain healthy, productive forests and address the challenges facing forest owners, forest products manufacturers and all Americans who benefit from our forest resources.
- Support research capacity within each State to address issues that are essential to their private forest owners, and develop new opportunities for economic benefit from their forests.

AF&PA requests \$35 million for the McIntire-Stennis Cooperative Forestry Research Program.

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#### PREPARED STATEMENT OF THE AMERICAN HONEY PRODUCERS ASSOCIATION, INC. (AHPA)

Chairman Kohl and members of the subcommittee, my name is Kenneth Haff, and I currently serve as president of the American Honey Producers Association (“AHPA”). I am pleased today to submit the following statement on behalf of the AHPA, a national organization of commercial beekeepers actively engaged in honey production and crop pollination throughout the country. The purpose of this statement is to bring to your attention the continued threats faced by American bee-

keepers and the billions of dollars in U.S. agriculture that rely upon honeybee pollination services. With those threats in mind, we respectfully request an appropriation that meets the needs anticipated by the 2008 Farm Bill authorization of \$20 million in additional research funds to combat CCD and to conduct other essential honeybee research through the Agricultural Research Service (ARS) and other agencies at the Department of Agriculture.

As I speak to you today, U.S. beekeepers are facing the most extraordinary of challenges. Colony Collapse Disorder (“CCD”) has continued to ravage bee colonies across the United States, moving from one hive to another in unpredictable patterns. The result has been the death of up to 90 percent of the bee colonies in affected apiaries. In early 2007, the National Research Council at the National Academy of Sciences characterized the beekeeping industry as being in “crisis mode”—a point echoed and re-emphasized in a 2008 action plan regarding honeybee threats. Hundreds of news articles and many in-depth media reports have continued to chronicle the looming disaster facing American beekeepers and the producers of over 90 fruit, vegetable and fiber crops that rely on honeybee pollination. The President’s own budget documents for fiscal year 2011 state, “The beekeeping industry, and growers that depend on the honey bee for pollination are facing a crisis because of CCD, a new syndrome that appeared throughout the country in late 2006, killing 25 percent of hives nationally and 80 to 90 percent of hives in some apiaries. Mitigation will depend on determining the cause of the syndrome, and finding practical, cost-effective solutions useful to the bee industry.”

However, despite extensive and coordinated work by experts from government, academia and the private sector, the definitive causes of and solutions for CCD have yet to be identified. In fact, USDA is yet unable to provide even a definition for CCD for purposes of insurance recovery for associated losses. In a March 15, 2010 Washington Post article entitled, “Bees are busier than ever as disease besieges colonies”, Adrian Higgins writes that “more than 3 years after beekeepers started seeing the sudden disappearance of hive populations, scientists have yet to find the cause—let alone the fix—for a condition called colony collapse disorder (CCD). Meanwhile, the commercial beekeeping industry is struggling to provide pollination services to the nations’ farmers. One-third of food crops rely on insect pollination.” One of the most respected editors to follow honey matters, Kim Flotsam, reported in his March issue of “Bee Culture” that “incidences of colony losses to CCD and other stresses this spring have been much higher than the last 2 years, and some predict when all is said and counted, will be the worst year since the malady raised its ugly head.” This assessment is consistent with the experiences of the AHPA membership.

The emergence of CCD shines a bright light on the inadequacies of current honeybee research, particularly on the lack of capacity to address new challenges and to take long-term steps to assure honeybee health. In saying this, we do not mean to diminish the vital, ongoing work of ARS and other honeybee scientists. They do their job and they do it very well. In recent years, however, honeybee research has become largely confined to four ARS laboratories that provide the first line of defense against exotic parasitic mites, Africanized bees, viruses, brood diseases, pests, pathogens and other conditions. Universities and the private sector have substantially scaled back their efforts due to a lack of available funds. Moreover, ARS laboratories lack sufficient resources even for current honeybee research priorities. For example, we understand that ARS currently lacks funds even to test high priority CCD samples that ARS scientists have already collected.

In past fiscal years, this subcommittee has supported the beekeeping industry through funding for agricultural research activities. As you know, in the fiscal year 2003 cycle, the subcommittee rejected a proposal that would have resulted in the elimination of three ARS laboratories that are indispensable to the survival of our industry. Again, in the fiscal year 2009 omnibus appropriations bill, Congress preserved funding for the Weslaco, Texas ARS research facility despite a recommendation in the President’s fiscal year 2009 budget proposal to close that facility. In fiscal year 2010, the Congress increased funding by \$1.5 million for the ARS labs and added \$3 million for the work of the Department of Agriculture’s Cooperative State Research, Education, and Extension Services (CSREES), now known as the National Institute of Food and Agriculture (NIFA). Those were wise decisions. Without these labs, and without the work of other researches supported by Federal funds, the American honeybee may not have survived the various above-mentioned threats, and the infrastructure would not exist today upon which an aggressive research campaign may continue to be built.

For fiscal year 2011, President Obama has requested an additional \$500,000 in increased funding for CCD research. We thank the President and we urge this subcommittee to continue in its long demonstrated commitment to addressing the crises before us by supporting the President’s request and adding desperately needed fund-

ing. However, we believe strongly that an increase of \$500,000 does not come close to meeting the growing demands imposed by CCD and other threats to honeybee health. Instead, to meet the needs of the American beekeeper and to stave off a pending agricultural crisis for growers and consumers, we respectfully urge the subcommittee to appropriate at least \$3 million in additional funding for ARS laboratories and to achieve across the agencies a full \$20 million in new research funds dedicated toward CCD and other honeybee health research projects. As you know, the 2008 Farm Bill included an authorization of \$100 million over 5 years for such initiatives. A \$20 million appropriation in fiscal year 2011 would reflect that authorization, and would provide government, academic and private sector researchers with the vital resources needed to combat CCD and other emerging threats and assure long-term honeybee health. Such funding would be a prudent investment in the U.S. farm infrastructure, which, along with U.S. consumers, derives tens of billions of dollars of benefit directly from honeybee pollination. While we do not otherwise specify the locations of the labs where this research is to be performed, we do believe it is important that at least \$500,000 be provided in support of the genome work done at the Baton Rouge lab on Russian bees that have developed a resistance to varroa mites.

#### THE IMPORTANCE OF HONEYBEES TO U.S. AGRICULTURE

Honeybees are an irreplaceable part of the U.S. agricultural infrastructure. Honeybee pollination is critical in the production of more than 90 food, fiber, and seed crops and directly results in more than \$15 billion in U.S. farm output. The role of pollination is also vital to the health of all Americans given the dietary importance of fruit, vegetables and nuts, most of which are dependent on pollination. Honeybees are necessary for the production of such diverse crops as almonds, apples, oranges, melons, blueberries, broccoli, tangerines, cranberries, strawberries, vegetables, alfalfa, soybeans, sunflower, and cotton, among others. In fact, honeybees pollinate about one-third of the human diet.

The importance of this pollination to contemporary agriculture cannot be understated. In fact, the value of such pollination is vastly greater than the total value of honey and wax produced by honeybees. More than 140 billion honeybees, representing 2 million colonies, are transported by U.S. beekeepers across the country every year to pollinate crops.

The importance of honeybees—and the U.S. honey industry which supplies the honeybees for pollination—is illustrated by the pollination of California's almond crop. California grows 100 percent of the Nation's almond crop and supplies 80 percent of the world's almonds. Honeybees are transported from all over the Nation to pollinate California almonds, which are the largest single crop requiring honeybee pollination. More than 1 million honeybee hives are needed to pollinate the 600,000 acres of almond groves that line California's Central Valley. Thus, nearly half of the managed honey-producing colonies in the United States are involved in pollinating California almonds in February and March of each year.

Many other U.S. agriculture producers require extensive honeybee pollination for their crops, including blueberry, avocado, and cotton growers. Cattle and farm-raised catfish industries also benefit from honeybee pollination, as pollination is important for growing alfalfa, which is fodder for cattle and farm-raised fish. As *OnEarth* magazine has noted, the fate of California's almond crop rests "on the slender back of the embattled honeybee." Over the past year, both beekeepers and almond growers have struggled to meet almond crop pollination demands, forced to bring inadequate bee supplies to the crops. Many expect that the almond crop will suffer noticeably this season as a result, an added drain on the United States economy at a time when we can least afford it.

#### ONGOING AND NEW CRITICAL RESEARCH

Since 1984, the survival of the honeybee has been threatened by continuing infestations of mites, pests and other conditions for which appropriate controls must continually be developed by scientists at the four ARS laboratories and other highly qualified research institutions. CCD, while the most severe, is only the most recent threat to the bee population. Unfortunately, the specific cause of CCD and treatments for it remain elusive to both beekeepers and scientists. The research is complex, as there are a wide range of factors that—either alone or in combination—may be causes of this serious condition. Areas for research include the stress from the movement of bees to different parts of the country for extensive commercial pollination, the additional stress of pollinating crops, such as almonds, that provide little honey to the bees, and the impact of certain crop pesticides and genetic plants with altered pollination characteristics. Continuing infestations of the highly destructive

Varroa mite, combined with other pests and mites, are also thought to compromise the immune systems of bees and may leave them more vulnerable to CCD. At the same time, researchers will need to focus on the many reported instances in which otherwise healthy, pest-free, stationary bee colonies are also suffering collapse or problems with reproduction.

AHPA, other industry officials, and leading scientists believe that an important contributing factor in the current CCD crisis is the longstanding, substantial underfunding of U.S. bee research. In recent years, the Federal Government has spent very modest amounts at each ARS Honeybee Research Laboratory—for a sector that directly contributes \$15 billion per year to the U.S. farm economy. Worse still, funding amounts have not been increased to account for growing bee health concerns. USDA honeybee researchers remain underfunded. As noted above, current funding shortages have caused important CCD-related bee samples to go untested. Additionally, despite their ability to provide significant and innovative new research on emerging bee threats, researchers in the academic and private sectors also lack the necessary financial resources for these vital tasks. With the emergence of CCD, there is a serious gap between the threats faced by U.S. honeybees and the capacity of our researchers to respond. Closing this gap will require significant new resources. It is estimated that each new scientist, technician and the support materials that they need will cost an additional \$500,000 per year.

To address these challenges, the AHPA respectfully requests an appropriation of at least \$20 million to combat CCD and conduct other essential honeybee research. These funds should be allocated in accordance with authorizations provided in the 2008 Farm Bill. Specifically, the funds should be divided among the following Department of Agriculture agencies and programs: (1) the four ARS Bee Research Laboratories for new personnel, facility improvement, and additional research; (2) the Animal and Plant Health Inspection Service to conduct a nationwide honeybee pest and pathogen surveillance program; (3) the ARS Area Wide CCD Research Program divided between the Beltsville, MD and the Tucson, Arizona research laboratories to identify causes and solutions for CCD in affected States; (4) the NIFA to fund extension and research grants to investigate the following: honey bee biology, immunology, and ecology; honey bee genomics; native bee crop pollination and habitat conservation; native bee taxonomy and ecology; pollination biology; sub-lethal effects of insecticides, herbicides, and fungicides on honey bees, native pollinators, and other beneficial insects; the effects of genetically modified crops, including the interaction of genetically modified crops with honey bees and other native pollinators; honey, bumble, and other native bee parasites and pathogens effects on other native pollinators; and (5) the additional ARS research facilities in New York, Florida, California, Utah, and Texas for research on honey and native bee physiology, insect pathology, insect chemical ecology, and honey and native bee toxicology.

Since the beekeeping industry is too small to support the cost of needed research, publicly funded honeybee research by the four ARS bee laboratories is absolutely key to the survival of the U.S. honey and pollination industry. For example, the pinhead-sized Varroa mite is systematically destroying bee colonies and prior to CCD was considered the most serious threat to honeybees. Tracheal mites are another contributing factor to the loss of honeybees. Tracheal mites infest the breathing tubes of adult honeybees and also feed on the bees' blood. The mites essentially clog the bees' breathing tubes, blocking the flow of oxygen and eventually killing the infested bees.

The industry is also plagued by a honeybee bacterial disease that has become resistant to antibiotics designed to control it, and a honeybee fungal disease for which there is no known treatment. These pests and diseases, especially Varroa mites and the bacterium causing American foulbrood, are now resistant to chemical controls in many regions of the country. Further, we have seen that these pests are building resistance to newly developed chemicals more quickly than in the past, thereby limiting the longevity of chemical controls.

As previously mentioned, the cause or causes of CCD are unknown. Thus, pest, viral and bacterial disease research takes on added significance. First, pest, viral and bacterial disease research may itself provide insight into the discovery of CCD's root causes. Second, whether pests and bacterial diseases are directly a factor in CCD or not, they nonetheless continue to threaten bee population health and vitality. Given CCD's particularly devastating impact on bee populations, even greater emphasis must be placed on mitigating known threats in order to achieve the overall goal of ensuring adequate honey production and pollination capacity.

In addition to pest and bacterial disease research, the sequencing of the honeybee genome in 2006 at Baylor University has opened the door to creating highly effective solutions to bee health and population problems via marker-assisted breeding. Marker-assisted breeding would permit the rapid screening of potential breeders for

specific DNA sequences that underlie specific desirable honeybee traits. The sequenced honeybee genome is the necessary key that will allow scientists to discover the important DNA sequences. Additional funding for the ARS research laboratory at Baton Rouge, in particular, will assure that this critically important work goes forward.

Because of the sequenced honeybee genome, it is now possible to apply molecular biological studies to the development of marker-assisted breeding of honeybees. Marker-facilitated selection offers the first real opportunity to transform the beekeeping industry from one that has been dependent upon a growing number of expensive pesticides and antibiotics into an industry that is free of chemical inputs and that is economically viable in today's competitive global marketplace. Additionally, this new sequencing capacity may prove central to identifying both the causes of and solutions to CCD. New pathogens have recently been identified in the United States that are thought to be associated with CCD. Genetic research can be utilized to determine whether a comparative susceptibility to such pathogens exists among various bee populations, and if so, can serve to facilitate breeding with enhanced resistance.

The four ARS Honeybee Research Laboratories work together to provide research solutions to problems facing businesses dependent on the health and vitality of honeybees. The key findings of these laboratories are used by honey producers to protect their producing colonies and by farmers and agribusinesses to ensure the efficient pollination of crops. Each of the four ARS Honeybee Research Laboratories (which are different in function from the ARS Wild Bee Research Laboratory at Logan, Utah) focuses on different problems facing the U.S. honey industry and undertakes research that is vital to sustaining honey production and assuring essential pollination services in this country. Furthermore, each of the four ARS Honeybee Research Laboratories has unique strengths and each is situated and equipped to support independent research programs which would be difficult, and in many cases impossible, to conduct elsewhere. Given the multi-factor research capacity needed to address the scourge of CCD, it is important that each research laboratory is permitted to continue and expand upon its unique strengths.

And while to date the four ARS Research Laboratories have been the backbone of American Honeybee research, we do not believe that those four facilities alone—even when fully funded—will have the capacity to meet today's research needs. This is why, after analyzing the new and serious threats to U.S. honeybees, Congress, representatives of the farm sector and leading researchers developed the research priorities that were incorporated into the 2008 Farm Bill. In addition to increased resources for ARS research, these experts pressed for new funding, through NIFA, for government, academic and private sector research. They also urged new bee surveillance programs through the Animal and Plant Health Inspection Service to address the alarming lack of accurate information about the condition of U.S. bee colonies. Unfortunately, these programs are not yet funded to the level expected in 2008.

One particularly effective way of adding needed capacity and innovative expertise in the effort to ensure honeybee health would be to reinvigorate private sector and university bee research initiatives. For many years, these sectors played a vital role in honeybee research, and many leading universities have significant bee research capabilities. In recent years, non-Federal agency research has substantially declined due to a lack of support for such initiatives. Funding the 2008 Farm Bill authorization of \$10.26 million for the Department of Agriculture's NIFA would go a long way toward achieving this goal.

NIFA is tasked with advancing knowledge for agriculture by supporting research, education, and extension programs. Funds may be channeled through the Department to researchers at land-grant institutions, other institutions of higher learning, Federal agencies, or the private sector. The requested funding for NIFA would provide important flexibility in allocating badly needed Federal dollars among government, private sector and university researchers. The recipients would provide more widespread research on honeybee biology, immunology, ecology, and genomics, pollination biology, and investigations into the effects on honeybees of potentially harmful chemicals, pests, other outside influences, and genetically modified crops. The result of such funds would be to ensure flexible financing with a comprehensive plan for battling CCD, pests, and other ongoing and future honeybee threats.

Additionally, the same coalition of experts identified a need for a honeybee pest and pathogen surveillance program. Although significant data exists on American honey production, comparably less and lower quality data exists on beekeepers and bees. Providing \$2.31 million under the 2008 Farm Bill authorizations to the Animal and Plant Health Inspection Service at the Department of Agriculture would allow the Department to utilize such data to better respond to pest and disease outbreaks,



and to compile data that may better enable prediction of new threats. Given the roughly \$15 billion added to the U.S. farm economy each year by honeybees, this is certainly a worthwhile investment in the honeybee and pollinator industry.

Finally, these longstanding and worsening threats have caused great strain on the American honeybee to the point where some U.S. honey producers have felt the need—for the first time in over 80 years—to import bees from New Zealand and Australia for pollination. Ironically, scientists and industry leaders have since concluded that there is likely a correlation between the introduction of foreign bees and the emergence of CCD, the newest and greatest challenge to the survival of American honeybees. While researchers continue in their exhaustive effort to isolate the specific causes of CCD, the AHPA strongly urges the Congress to work with the Department of Agriculture to ensure that exotic bees and the threats they pose are restricted from importation into the United States. Under current law, the Department of Agriculture has the duty to refuse a shipment's entry into the United States where the export certificate identifies a bee disease or parasite of concern to the United States or an undesirable species or subspecies of honeybee, including the Oriental honeybee or "*Apis cerana*" (7 CFR § 322.6(a)(2) (2004)). In the case of Australian honeybees, officials in that country have detected the presence of the *Apis cerana* honeybee throughout their country, a species known to harbor parasitic mites and possibly viruses that do not currently exist in the United States.

#### CONCLUSION

In conclusion, we wish to thank you again for your past support of honeybee research and for your understanding of the critical importance of these ARS laboratories. By way of summary, in fiscal year 2011, the American Honey Producers Association strongly encourages at least \$20 million in funding for CCD and other honeybee research spread among the four ARS Honeybee Research Laboratories, other ARS research facilities across the country, the NIFA at the Department of Agriculture, and the Animal and Plant Health Inspection Service. Specifically, we urge at least an additional \$3 million in funding for the ARS research laboratories in fiscal year 2011, including a \$500,000 increase for high priority, specialized genetic work with Russian bees to be performed at the Baton Rouge laboratory. AHPA also opposes importation of Australian honeybees. Only through critical research can we have a viable U.S. beekeeping industry and continue to provide stable and affordable supplies of bee-pollinated crops, which make up fully one-third of the U.S. diet. I would be pleased to provide answers to any questions that you or your colleagues may have.

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#### PREPARED STATEMENT OF THE AMERICAN INDIAN HIGHER EDUCATION CONSORTIUM (AIHEC)

On behalf of the American Indian Higher Education Consortium (AIHEC) and the 32 tribal Colleges and Universities (TCUs) that compose the list of 1994 Institutions, thank you for this opportunity to share our funding requests for fiscal year 2011.

#### SUMMARY OF REQUESTS

We respectfully request the following funding levels for fiscal year 2011 for our land grant programs established within the USDA National Institute of Food and Agriculture (NIFA) and the Rural Development mission area. In NIFA, we request: \$8 million for the 1994 Institutions' competitive Extension grants program; \$5 million for the 1994 Institutions' competitive Research grants program; a minimum of \$3.342 million for the higher education equity grants; and a \$12 million payment into the Native American endowment fund. In the Rural Development—Rural Community Advancement Program (RCAP) we request that the separate TCU Essential Community Facilities grants program be retained and that \$5 million be appropriated each year for the next 5 fiscal years to help the TCUs to address the critical facilities and infrastructure needs that increase their capacity to participate fully as land grant partners.

#### BACKGROUND ON TRIBAL COLLEGES AND UNIVERSITIES

The first Morrill Act was enacted in 1862 specifically to bring education to the people and to serve their fundamental needs. Today, 148 years after enactment of the first land grant legislation, the 1994 Institutions, as much as any other higher education institutions, exemplify the original intent of the land grant legislation, as they are truly community-based institutions.

The 1994 Institutions are accredited by independent, regional accreditation agencies and like all institutions of higher education, must undergo stringent performance reviews to retain their accreditation status. TCUs serve as community centers by providing libraries, tribal archives, career centers, economic development and business centers, public meeting places, and child and elder care centers. Despite their many obligations, functions, and notable achievements, TCUs remain the most poorly funded institutions of higher education in this country. The vast majority of the 1994 Institutions is located on Federal trust territory. Therefore, States have no obligation, and in most cases, provide no funding to TCUs. In fact, most States do not even provide funds to our institutions for the non-Indian State residents attending our colleges, leaving the TCUs to assume the per student operational costs for non-Indian students enrolled in our institutions, accounting for approximately 21 percent of their student population. This is a significant financial commitment on the part of TCUs, as they are small, developing institutions and cannot, unlike their State land grant partners, benefit from economies of scale—where the cost per student to operate an institution is reduced by the comparatively large size of the student body.

As a result of 200 years of Federal Indian policy—including policies of termination, assimilation and relocation—many reservation residents live in conditions of poverty comparable to those found in Third World nations. Through the efforts of TCUs, American Indian communities are availing themselves of resources needed to foster responsible, productive, and self-reliant citizens. It is essential that we continue to invest in the human resources that will help open new avenues to economic development, specifically through enhancing the 1994 Institutions' land grant programs, and securing adequate access to information technology.

#### 1994 LAND GRANT PROGRAMS—AMBITIOUS EFFORTS TO ECONOMIC POTENTIAL

In the past, due to lack of expertise and training, millions of acres on Indian reservations lay fallow, under-used, or had been developed through methods that caused irreparable damage. The Equity in Educational Land Grant Status Act of 1994 is addressing this situation and is our hope for the continued improvement of our reservation lands. Our current land grant programs remain small, yet very important to us. With increased capacity and program funding, we will become even more fundamental contributors to the agricultural base of the Nation and the world.

*Competitive Extension Grants Programs.*—In fiscal year 2011, the 1994 Institutions' extension programs, which strengthen communities through outreach programs designed to bolster economic development; community resources; family and youth development; natural resources development; agriculture; as well as health and nutrition education and awareness, is our first priority for increased 1994 land grant program funding. Last year, \$4,321,000 was appropriated for the 1994 Institutions' competitive grants for extension services. Without adequate funding the 1994 Institutions' ability to maintain existing programs and to respond to emerging issues such as food safety and homeland security, especially on border reservations, is severely limited. Increased funding is needed to support these vital programs designed to address the inadequate extension services that have been provided to Indian reservations by their respective State programs. It is important to note that the 1994 extension program is not duplicative of the Federally Recognized Tribes Extension Program, formerly known as the Extension Indian Reservation Program (EIRP) that is administered by State land grant institutions. Funding for extension services at the 1994 Land Grants is extremely modest. The 1994 Institutions have applied their resourcefulness for making the most of every dollar they have at their disposal by leveraging funds to maximize their programs whenever possible. Two examples of effective 1994 extension programs include: Extension activities at the College of Menominee Nation (Wisconsin) strengthen the sustainable economic development potential of the Menominee, Stockbridge-Munsee, Oneida, and Potawatomi Reservations and surrounding communities by increasing distance education capacity, conducting needs assessment studies, providing workshops and training sessions, and offering strategic planning assistance. The Agriculture & Natural Resources Outreach Education Extension program at Oglala Lakota College (South Dakota), which is located in one of the poorest counties in the Nation, utilizes education to promote the environmentally sound use of agriculture and natural resources by Lakota people. The program coordinates activities between the college's Agriculture and Natural Resources department, reservation schools, other tribal departments, South Dakota State University, and county extension programs. Specific issues addressed by the program include poverty, isolation, health, cultural dissonance, and land use practices by Lakota landowners. To continue and expand successful programs like these, we request that the subcommittee support this competi-

tive program by appropriating \$8 million to sustain the growth and further success of these essential community-based extension programs.

*1994 Competitive Research Program.*—As the 1994 Institutions enter into partnerships with 1862/1890 land grant institutions through collaborative research projects, impressive efforts to address economic development through natural resource management have emerged. The 1994 Research Grants Program illustrates an ideal combination of Federal resources and TCU-State institutional expertise, with the overall impact being far greater than the sum of its parts. We recognize the severe budget constraints under which Congress is currently functioning. However, the \$1,805,000 appropriated in fiscal year 2010 is grossly inadequate to develop capacity and conduct necessary research at our institutions. The 1994 Research Program is vital to ensuring that TCUs may finally be recognized as full partners in the Nation's land grant system. Currently, many of our institutions are conducting applied research, yet finding the resources to continue this research to meet their communities' needs is a constant challenge. This research authority opens the door to funding opportunities to maintain and expand the vital research projects begun at the 1994 Institutions, but only if adequate funds are secured and sustained. A total research budget of \$1,805,000, for which all 32 of the 1994 Institutions compete, is vastly insufficient. Priority issue areas currently being studied at the 1994 Institutions include: sustainable agriculture and forestry; biotechnology and bioprocessing; agribusiness management and marketing; plant propagation, including native plant preservation for medicinal and economic purposes; animal breeding; aquaculture; human nutrition (including health, obesity, and diabetes); and family, community, and rural development. For example, the Standing Rock Sioux Reservation, home to Sitting Bull College and located in North and South Dakota, is often characterized by high unemployment and health concerns. The college is conducting a research project to develop a natural beef enterprise on the reservation that will maximize use of existing natural resources, allow American Indian students to be actively involved in research and to produce a healthier agricultural product for the community. This project combines expertise from Sitting Bull College, North Dakota State University, and the USDA-ARS Northern Great Plains Research Laboratory. We strongly urge the subcommittee to fund this program at a minimum of \$5 million to enable our institutions to develop and strengthen their research capacity.

*1994 Institutions' Educational Equity Grant Program.*—This program is designed to assist 1994 Institutions with academic programs. Through the modest appropriations first made available in fiscal year 2001, the TCU Land Grant Institutions have begun to support courses and to conduct planning activities specifically targeting the unique educational needs of their respective communities.

The 1994 Institutions have developed and implemented courses and programs in natural resource management; environmental sciences; horticulture; forestry; and food science and nutrition. This last category is helping to address the epidemic rates of diabetes and cardiovascular disease that plague American Indian reservations. We request that the subcommittee appropriate a minimum of \$3,342,000 to allow the 1994 Institutions to build upon their course offerings and successful activities that have been launched.

*Native American Endowment Fund.*—Endowment installments that are paid into the 1994 Institutions' account remain with the U.S. Treasury. Only the annual interest yield, less the USDA's administrative fee, is distributed to the 1994 Institutions. The latest annual interest yield for the 1994 Institutions' Endowment was \$3,822,753 and after the USDA NIFA claimed its standard 4 percent administrative fee, \$3,667,843 was distributed among the eligible 32 TCU Land Grant institutions by statutory formula. Once again, the administrative fee paid to USDA-NIFA to distribute the funds was larger than the amount paid to all but nine of the 1994 Institutions—in other words the USDA-NIFA fee is higher than the amount paid to 72 percent of 1994 Institutions.

Many of the colleges have used the endowment interest in conjunction with the 1994 Equity Grant funds to develop and implement their academic programs. As earlier stated, TCUs often serve as primary community centers and although conditions at some have improved substantially, many of the colleges still operate under less than satisfactory conditions. In fact, most of the TCUs continue to cite improved facilities as one of their top priorities. Several of the colleges have indicated the need for immediate new construction and extensive renovations to replace buildings that have long exceeded their effective life spans and to upgrade existing facilities to address accessibility, modernization, and safety concerns.

Endowment payments appropriated increase the size of the corpus held by the U.S. Treasury and thereby increase the base on which the annual interest yield is determined for distribution to the 1994 Institutions. These additional funds would continue to support faculty and staff positions and program needs within 1994 agri-

culture and natural resources departments, as well as to help address the critical and very expensive facilities needs at these institutions. In order for the 1994 Institutions to become full partners in this Nation's great land grant system, we need and, through numerous treaty obligations, are due the facilities and infrastructure necessary to fully engage in education and research programs vital to the future health and wellbeing of our reservation communities. We respectfully request the subcommittee fund the fiscal year 2011 endowment payment at \$12 million and strongly urge the subcommittee to review the USDA-NIFA administrative fee and consider directing the department to reduce said fee for the Tribal College Endowment program so that more of these already limited funds can be utilized by the 1994 Institutions to conduct essential community-based programs.

*Tribal Colleges and Universities Essential Community Facilities Program (Rural Development).*—The President's fiscal year 2011 budget request recommends eliminating the TCU Essential Community Facilities grant program. The reason stated for this drastic move is an ill-considered one. The administration has stated that the TCUs' grant program should be eliminated because TCUs can participate in other programs offered in the Community Facilities Loan and Grant Programs (CFLGP). However, history indicates otherwise. Before the TCU-specific grant funding was made available, only 3 of the 32 TCU 1994 Institutions received awards under CFLGP. That constitutes successful participation by less than 10 percent of the eligible TCUs. By contrast, in fiscal year 2001 when the TCU-specific program launched, 22 TCU Land Grant Institutions, or almost 70 percent of the 1994 Institutions received grant awards. We strongly urge the subcommittee to reject the proposal to eliminate this critical program and to designate \$5 million each year for the next 5 fiscal years to afford the 1994 Institutions the means to aggressively address critical facilities and infrastructure needs, thereby allowing them to better serve their students and their respective communities.

#### CONCLUSION

The 1994 Institutions have proven to be efficient and effective vehicles for bringing educational opportunities to American Indians and the promise of self-sufficiency to some of this Nation's poorest and most underserved regions. The modest Federal investment in the 1994 Institutions has already paid great dividends in terms of increased employment, access to higher education, and economic development. Continuation of this investment makes sound moral and fiscal sense. American Indian reservation communities are second to none in their potential for benefiting from effective land grant programs and, as earlier stated, no institutions better exemplify the original intent of the land grant concept than the 1994 Institutions.

We appreciate your support of the 1994 Institutions and recognition of their role in the Nation's land grant system. We ask you to renew your commitment to help move our students and communities toward self-sufficiency. We look forward to continuing our partnership with you, the U.S. Department of Agriculture, and the other members of the Nation's great land grant system—a partnership with the potential to bring equitable educational, agricultural, and economic opportunities to Indian Country.

Thank you for this opportunity to present our funding proposals to the subcommittee. We respectfully request your continued support and full consideration of our fiscal year 2011 appropriations recommendations.

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#### PREPARED STATEMENT OF THE AMERICAN MUSEUM OF NATURAL HISTORY (AMNH)

##### OVERVIEW

Recognizing its shared commitment to developing a science-literate workforce, ensuring the safety of the Nation's agriculture and food supply, improving nutrition and health, and protecting the Nation's natural resources and environment, the American Museum of Natural History seeks \$1.5 million in fiscal year 2011 to partner with the USDA in a multifaceted initiative focused on food, nutrition, and the critical issues underlying our Nation's food supply.

##### ABOUT THE AMERICAN MUSEUM OF NATURAL HISTORY

Since its founding in 1869, the American Museum of Natural History (AMNH) has pursued its joint mission of scientific investigation and public education. More than 200 Museum scientists conduct groundbreaking research in fields as diverse as systematic and conservation biology, astrophysics, and Earth and biodiversity sciences, and AMNH's collections of some 32 million specimens and cultural artifacts provide

an irreplaceable record of life on Earth. The work of the Museum's scientific staff fuels exhibitions and educational programming, the goal of which is to communicate to a broad public of varying ages and backgrounds about basic scientific concepts, scientific research, and new discoveries.

Each year, the Museum welcomes and engages some 4 million on-site visitors—more than half of them children—with exhibitions and programs that are grounded in current scientific research. In addition, the Museum reaches beyond its walls to communities across the country and around the world, through extensive touring of its award-winning exhibitions and space shows, broad-ranging online initiatives, and publishing ventures. Because of the scale and scope of this audience, the Museum is uniquely positioned to have a significant impact on millions of children, families, teachers, adults, and students from preschool to graduate school.

AMNH has a particularly successful history of translating current research for public audiences of all ages through its internationally renowned exhibitions. Most recently, the Museum's environmental science-based exhibits *Water: H<sub>2</sub>O=Life* and *Climate Change: The Threat to Life and a New Energy Future* helped illuminate these critical issues for millions, making important scientific research relevant to the daily lives of our audiences.

#### INITIATIVE TO ADVANCING PUBLIC UNDERSTANDING OF FOOD

Drawing on these unique strengths, AMNH seeks to collaborate with the USDA on an initiative that will both research and educate the public about food, nutrition, and the Nation's food supply. Through the proposed initiative, AMNH would develop an exhibition supported by associated educational and research programs:

—*Food Exhibition.*—The production, consumption, and nutrition of food in the United States today is perhaps more complex than ever before, but despite its national importance there is currently no major educational exhibition on the subject. AMNH's Food exhibition would address these issues relevant to U.S. concerns, answering such questions as: "What is the role of food in health?"; "What is the environmental impact of the food we eat?"; and "How will we feed a growing population?". The exhibit would address several topics key to scientific literacy, potentially including the biology behind the food we eat, the process of agriculture, the role of food in overall nutrition, the manufacturing and safety of food, and the impact on the environment. An engaging mix of hands-on elements, interactive media installations, live demonstrations, and food tastings would immerse visitors in the core educational topics of the exhibit. Through AMNH's traveling program, the exhibition would reach millions in New York, across the country, and abroad.

—*Educational Programs and Resources.*—AMNH proposes to develop a suite of educational resources associated with the topic of food and nutrition, including professional development programs for teachers and multimedia presentations for its Science Bulletins program, which presents current science news to Museum and online audiences at AMNH and other venues. Through documentary feature stories about scientists in the field and regular brief research updates using scientific visualizations and imagery, Science Bulletins present the latest developments in the fields of astrophysics, Earth science, biodiversity, human biology, and evolution. All Science Bulletins content is produced through the collaboration of in-house scientists, writers, producers, and designers, and through partnerships with other institutions worldwide.

—*Research.*—Museum scientists carry out cutting-edge research in areas such as environmental and systematic biology, conservation and biodiversity, and comparative genomics. Their research will serve as the springboard for all programs, resources, and activities developed.

Requested funding, which the Museum will leverage with support from non-Federal as well as other Federal sources, will be used for exhibition development and production, traveling exhibition implementation, associated online educational resources, multimedia presentations on food and nutrition, and related environmental and biodiversity research. In addition to the creation of these resources and the expansion of the public's understanding of these issues, it is anticipated that this project will support 3 full-time and 30 part-time positions.

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#### PREPARED STATEMENT OF THE AMERICAN PUBLIC POWER ASSOCIATION (APPA)

The American Public Power Association (APPA) is the national service organization representing the interests of over 2,000 municipal and other State and locally owned utilities in 49 States (all but Hawaii). Public power utilities deliver electricity to one of every seven electricity consumers (approximately 45 million people), serv-

ing some of the Nation's largest cities. However, the vast majority of APPA's members serve communities with populations of 10,000 people or less.

We appreciate the opportunity to submit this statement outlining our fiscal year 2011 funding priorities within the jurisdiction of the Agriculture, Rural Development, Food and Drug Administration and Related Agencies Subcommittee.

DEPARTMENT OF AGRICULTURE: RURAL UTILITY SERVICE RURAL BROADBAND GRANTS  
AND LOANS

APPA supports the Administration's efforts to provide funding in the amount of \$418 million for the Rural Utilities Service Rural Broadband Grants and Loans. APPA believes it is important to provide incentives for the deployment of broadband to rural communities, many of which lack broadband service. Increasingly, access to advanced communications services is considered vital to a community's economic and educational development. In addition, the availability of broadband service enables rural communities to provide advanced healthcare through telemedicine and to promote regional competitiveness and other benefits that contribute to a high quality of life. Approximately one-fourth of APPA's members are currently providing broadband service in their communities. In addition, several APPA members are planning to apply for RUS broadband loans to help them finance their future broadband projects.

DEPARTMENT OF AGRICULTURE: TITLE IX PROGRAMS

APPA supports full funding of programs authorized in title IX of the 2008 Farm Bill for energy efficiency, renewable energy and biofuels. APPA is extremely pleased that the President's budget provides an additional \$39.3 million in addition to the \$70 million in discretionary funding for the Rural Energy for America Program (REAP). In addition, we request the full authorized level of \$5 million for the Rural Energy Self-Sufficiency program, and \$5 million for the Community Wood Energy Program for fiscal year 2011.

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PREPARED STATEMENT OF THE AMERICAN SHEEP INDUSTRY ASSOCIATION (ASI)

The American Sheep Industry Association (ASI) is a federation of State-member associations representing 82,000 sheep producers in the United States. The sheep industry views numerous agencies and programs of the U.S. Department of Agriculture (USDA) as important to lamb and wool production. Sheep industry priorities include expanding sheep operations and inventory by strengthening the infrastructure of the industry primarily through the programs of USDA, APHIS, Veterinary Services and Wildlife Services, as well as targeted research and education. The industry and the benefits to rural communities will be strengthened by fully funding critical predator control activities and national animal health efforts and by expanding research opportunities.

We appreciate this opportunity to comment on the USDA fiscal year 2011 budget.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE (APHIS)

*Scrapie*

ASI believes that the Administration's request of \$18,043,000 is an inadequate level of funding if scrapie eradication is to be achieved in the reasonably near future. ASI urges the subcommittee to increase the funding for scrapie eradication by at least \$10.64 million beyond the Administration's request for a total of \$28.687 million in fiscal year 2011.

Scrapie is one of the families of transmissible spongiform encephalopathies (TSEs), all of which are the subject of great importance and interest around the globe. USDA/APHIS, along with the support and assistance of the livestock and allied industries, began an aggressive program to eradicate scrapie in sheep and goats 10 years ago. The plan USDA/APHIS is implementing is designed to eradicate scrapie by 2010. Through a subsequent monitoring and surveillance program, the United States could be declared scrapie-free by 2017 according to the APHIS plan. Becoming scrapie-free will have a significant positive economic impact to the livestock, meat and feed industries and, of course, rid our flocks and herds of this fatal animal disease. Through a concerted effort, USDA/APHIS, along with industry and State regulatory efforts, is in the position to eradicate scrapie from the United States with a multi-year attack on this animal health issue. As the collective and aggressive efforts of Federal and State eradication efforts have included expanded slaughter surveillance and diagnostics, the costs are, as expected, escalating.

ASI has made it clear to USDA that the appropriations requests of recent years have been inadequate for successful eradication of scrapie. When the scrapie eradication program was first being implemented in 2000, USDA/APHIS projected the cost to be \$170,259,083 over the first 10 years of the eradication program with a cost peak of \$31,974,354 in the fifth year and projected funding decreasing afterwards. At the end of 2009, \$145,996,000 (not counting rescissions) has been spent and peak-year funding was only \$18.6 million in 2006 (see exhibit A “Scrapie Funding Comparisons”).

The program cannot function properly without sufficient funding for diagnostic support, surveillance and enforcement of compliance activities that are dedicated to scrapie eradication as an animal health priority. We believe that funding the scrapie eradication program at an appropriate level will help provide for an achievable eradication program and eventually scrapie-free status for the United States. As with the other successful animal disease eradication programs conducted by USDA/APHIS in the past, strong programs at the State level are key. Without strong, appropriately funded scrapie programs at the State level, eradication will not become a reality. Only a fraction of what USDA/APHIS projected for State scrapie cooperative agreements has been spent. In addition to recommending funding of \$28.687 million for fiscal year 2011, we urge the subcommittee to send a clear message to USDA to (A) make scrapie eradication a top disease eradication priority within USDA and the APHIS field staff with a focus on animal identification compliance and enforcement; and (B) increase the slaughter-surveillance numbers so that the disease can be found and dealt with wherever it resides.

#### WILDLIFE SERVICES OPERATIONS

With well over one-quarter million sheep and lambs lost to predators each year, the Wildlife Services (WS) program of USDA–APHIS is vital to the economic survival of the sheep industry. The value of sheep and lambs lost to predators and predator control expenses are second only to feed costs for sheep production. Costs associated with depredation currently exceed our industry’s veterinary, labor and transportation costs.

WS cooperative nature has made it the most cost effective and efficient program within the Federal government in the areas of wildlife management and public health and safety. WS has more than 2,000 cooperative agreements with agriculture, forestry groups, private industry, State game and fish departments, departments of health, schools and county and local governments to mitigate the damage and danger that the public’s wildlife can inflict on private property and public health and safety.

ASI strongly disagrees with the Administration’s proposed reduction of nearly \$7 million in WS operations from the \$77,780,000 enacted for 2010 to the proposed \$71,000,000 and urge the subcommittee to fund WS operations at least at the 2010 level of \$77,780,000. Such a reduction would place a larger burden on the livestock industry, as well as county and State government cooperators which already fund far more of the livestock protection programs than Federal sources.

We urge the subcommittee to increase funding at the livestock industry’s request for the western region of Wildlife Services operations of livestock protection to \$19 million and the eastern region to \$3.6 million.

The western region requires an additional \$8.3 million to meet the \$19 million federally sourced level of the livestock protection program. Federal funding available for livestock predation management to the western region program has remained relatively constant for approximately 16 years. WS program cooperators have been forced to fund more and more of the costs of the program. The Federal base funding for WS western region has increased only 5.6 percent in the past 10 years while cooperative funding has increased 110 percent. This increase has primarily come from individual livestock producers, associations, counties and States.

The eastern region requires \$3.6 million of increased appropriations to meet the needs of the 11 States that participate in livestock protection programs with only \$878,000 in current funding (\$650,000 of which is non-Federal). The \$3.6 million needed for the WS eastern region would help fund livestock predation protection programs in Pennsylvania, Virginia, West Virginia, Mississippi, Minnesota, Michigan, Florida, Ohio, Tennessee, Kentucky, and Wisconsin.

Additionally, new Federal mandates and program investments such as narrowbanding of radios, computer record keeping and compliance with the Endangered Species Act are requiring a larger portion of the already stretched budget and negatively impacting the amount of livestock predation management work that WS can conduct.

We encourage and support continued recognition in the appropriations process of the importance of aerial hunting as one of WS most efficient and cost-effective core programs. It is used not only to protect livestock, wildlife and endangered species but is a crucial component of the WS rabies control program.

Similar to the increasing needs in the aerial hunting program, we encourage continued emphasis in the programs to assist with management of wolf depredation in the States of Montana, Idaho, Wyoming, Minnesota, Wisconsin, Michigan, New Mexico and Arizona. Additionally, program expenses are expected to increase in the States surrounding the Montana, Idaho and Wyoming wolf populations.

#### WILDLIFE SERVICES METHODS DEVELOPMENT

The sheep industry considers control of canid predation on sheep as a major concern and believes an array of control tools and methodologies, which includes predacides, is critical. Weather conditions, topography, different species of predators, vegetation cover and government regulations all pose situations in which one tool may not work for an area or period and another tool must be employed. The Administration's proposed reduction from \$18,630,000 to \$16,064,000 is not supported by the cooperators of the program.

The USDA, APHIS, WS, Methods Development Center is currently evaluating a theobromine and caffeine mixture as a possible tool for predation management. The mixture induces mortality in coyotes with minimal morbidity. The mixture is selectively toxic to canids and is present in high concentrations in the extract of tea, coffee and cocoa plants. Because theobromine and caffeine are readily available to persons and pets, the medical community has developed antidotes. The Agency estimates that it will cost \$1.5 million to complete field studies and other EPA registration requirements. ASI urges the subcommittee to recommend funding for this research and registration effort in the fiscal year 2011 budget.

#### FARM AND FOREIGN AGRICULTURAL SERVICES

##### *Foreign Agricultural Service (FAS)*

The sheep industry participates in FAS programs such as the Market Access Program (MAP), Quality Samples Program (QSP) and the Foreign Market Development Program (FMD). ASI strongly supports appropriations at the full authorized level for these critical FAS programs. ASI is the cooperator for American wool and sheep pelts and has achieved solid success in increasing exports of domestic product. Exports of American wool have increased dramatically with approximately 60 percent of U.S. production now competing overseas.

#### NATURAL RESOURCES CONSERVATION SERVICE (NRCS)

ASI urges increased appropriations for the range programs of the Soil Conservation Service to benefit the private range and pasture lands of the United States with conservation assistance. We support the budget item and recommend an increased level for the Grazing Lands Conservation Initiative, which ASI and other livestock and range management organizations have worked jointly with to address this important effort for rangelands in the United States.

#### RESEARCH, EDUCATION AND ECONOMICS

Our industry is striving to be profitable and sustainable as a user of and contributor to our natural resource base. Research, both basic and applied, and modern educational programming is essential if we are to succeed. We have been disappointed in the decline in resources USDA has been targeting toward sheep research and outreach programs. In order for the sheep industry to continue to be more globally competitive, we must invest in the discovery and adoption of new technologies for producing, processing and marketing lamb and wool. We urge the subcommittee to recommend a bold investment in sheep and wool research.

##### *Agricultural Research Service (ARS)*

Infectious Diseases and the Domestic-Wildlife Interface project is a top priority to address as it is one of the most pressing issues facing the U.S. sheep industry. ASI strongly endorses a request for appropriations to fund this project as do the numerous State sheep producer associations and the Wild Sheep Foundation. This vital research will help resolve one of the more important issues of the western sheep industry.

The research funding is targeted toward the development of methods to control infectious diseases at the domestic-wildlife interface with specific focus on bighorn sheep health and species compatibility. These funds are to be directed to ARS's Ani-



mal Disease Research Unit that is co-located with the University of Idaho and Washington State University. The funds are to be used in collaborative research efforts with those institutions, the U.S. Sheep Experiment Station in Dubois, Idaho, and in collaboration with other agencies as appropriate.

The request will provide for acquisition of genetic and disease transmission details leading to the development of vaccines, which are critical for the continued grazing of sheep on public lands and healthy bighorn herds. \$900,000 is requested for fiscal year 2011 to be directed to the Animal Disease Research Unit, ARS-USDA, co-located at the University of Idaho and Washington State University to develop methods to control infectious diseases at the domestic animal interface with specific focus on bighorn sheep health and species compatibility.

We continue to vigorously support the administration's funding of research concerning emerging and exotic diseases. Emerging and exotic diseases continue to have significant impact on industry global competitiveness due to animal health and trade issues related to endemic, exotic and wildlife interface disease issues. The continued and expanded support of animal disease research is urgently needed to protect the U.S. livestock industry. Scrapie, the transmissible spongiform encephalopathy of sheep, remains an industry priority. We respectfully request that the subcommittee urge ARS to continue important research aimed at rapid diagnostic methods and the role of other small ruminants as environmental sources of the TSE agent in transmission of TSEs within the United States and the world to further understand the basis of genetic resistance and susceptibility to this devastating disease.

A virtual map of the sheep genome has been completed. A more complete sheep genome sequence is now essential because, as expected, there are significant inconsistencies in the virtual map that will hinder the use of SNPs in animal or population evaluations. The USDA Animal Genomics Strategic Planning Task Force recently released a "Blueprint for USDA Efforts in Agricultural Animal Genomics." In this document, it is stated: ". . . sheep . . . should have a high quality draft genome sequence (approximately 6X). This level of genome sequence quality is necessary for accurate functional genomics studies as well as comparative analyses." By investing in sequencing the sheep genome now, the United States helps insure our competitive position in the global marketplace for sheep, wool and their products. A much needed AFRI grant was awarded in 2009 for the purpose of further sequencing the sheep genome. We urge the subcommittee to remind USDA/ARS that sheep genome sequencing should be a high priority within its program to help assure the completion of the effort in a timely manner.

Due to the extreme importance of agricultural genomics in enhancing the global competitiveness of sheep production and the recent progress toward fully sequencing the sheep genome, we respectfully request that this initiative be expanded within ARS to include sheep genomics. Endemic, exotic and domestic agricultural animal wildlife interface infectious diseases continue to impose significant impact on the economy of animal agriculture and the related food supply. Most recently the presumed infectious disease risk associated with contact between domestic and bighorn sheep has led to significant economic hardship. Genomics represents a unifying tool for many scientific disciplines and is capable of providing research resolutions to the most difficult disease and resulting economic losses. Genomic research efforts should be directed to the early determination of which sheep are susceptible to disease and responsible for economic losses. High throughput genomics has ushered in a new era of unifying research regarding the ability to link control of chronic, economically important diseases such as OPPV and important production traits.

Research into Johne's disease has received additional funding through ARS over the past several years with a focus on cattle. Johne's disease is also endemic in the U.S. sheep population and is not well understood as a sheep disease. The same food safety concerns exist in both sheep and cattle. Other countries are also very concerned about Johne's in sheep. We urge the subcommittee to send a strong message to ARS that Johne's disease in sheep should receive more attention with an emphasis on diagnostics.

In response to USDA's strategic goals of expanding opportunities for bio-energy and bio-based products, we request that the subcommittee recommend \$400,000 as a targeted increase for the USDA/ARS Eastern Regional Research Center (ERRC) at Wyndmoor, Pennsylvania, to be directed toward research on wool at the molecular level focusing on anti-microbial properties, flame retardation and enhancement of fiber properties through enzyme treatments targeting high priority military needs and other niche market applications for consumers.

*National Institute of Food and Agriculture (NIFA)*

The Minor Use Animal Drug Program has had great benefit to the U.S. sheep industry. The research under this category is administered as a national program, NRSP-7, cooperatively with FDA/CVM to provide research information for the approval process on therapeutic drugs that are needed. The mission of the Minor Use Animal Drug Program/NRSP-7 is to identify animal drug needs for minor species and minor uses in major species, to generate and disseminate data for safe and effective therapeutic applications and to facilitate FDA approval for drugs identified as a priority for a minor species or minor use. The program is funded through a USDA Special Research Grant administered by NIFA. The program also receives in-kind support from several sources including the institutions conducting the research (e.g., State Agriculture Experiment Stations), animal producer groups through contributions of animals for research, and pharmaceutical companies. Without this program, American sheep producers would not have effective products to keep their sheep healthy. We urge the subcommittee to fund the NRSP-7 program at the level of \$1 million for 2011.

On-going funding for the Food Animal Residue Avoidance Databank (FARAD) program is critically important for the livestock industry in general and especially for “minor species” industries, such as sheep, where extra-label use of therapeutic products is more the norm rather than the exception. We urge the subcommittee to recommend that funding be restored for this program at least at the level of \$1.5 million in 2011 to help meet the needs of the animal industries. FARAD provides veterinarians the ability to accurately prescribe products with appropriate withdrawal times protecting both animal and human health as well as the environment.

On-going research to improve value quantification and marketing of wool is critically important to the sheep and wool industry.

The Livestock Marketing Information Center (LMIC) is a unique and very effective cooperative effort. This is not a State specific effort; it operates as a national virtual “Center of Excellence” for extension education, research and public policy. Members of LMIC represent 26 Land Grant Universities, six USDA agencies and a variety of associate institutions. In conjunction with the USDA’s Economic Research Service (ERS), this cooperative effort started in the mid-1950s. This effort is an integral part of U.S. livestock marketing and outlook programs for cattle, hogs, sheep, dairy and poultry. Demands on the LMIC staff continue to increase from other USDA agencies, Land Grant Universities, State governments, commodity associations and directly from producers. We strongly urge that funding should be reinstated under NIFA at least at the 2006 level of \$194,000 for LMIC in fiscal year 2011.

*Food and Drug Administration, Center for Veterinary Medicine*

The Minor Use and Minor Species (MUMS) Animal Health Act of 2004 included a provision to make competitive grants available to fund studies to support new animal drug approval for new animal drug products for minor use and minor species indications that have already obtained “designated” status. This grants program parallels the human orphan drug grants program. The final rule became effective October 2007 for the administration of this program. All drugs labeled for sheep fall under the minor-use category, therefore, this program should be very helpful to our industry. ASI urges Congress’ support for \$1 million for the MUMS grants program.

EXHIBIT A—SCRAPIE FUNDING COMPARISONS

Year	APHIS projections in 2000	Funds received by APHIS <sup>1</sup>
2000 .....	.....	\$12,991,000
2001 .....	\$6,310,778	3,024,000
2002 .....	20,000,000	9,122,000
2003 .....	20,438,943	15,373,000
2004 .....	30,056,592	15,607,000
2005 .....	31,974,354	17,768,000
2006 .....	30,794,507	17,911,000
2007 .....	26,994,991	18,487,000
2008 .....	26,994,991	17,980,000
2009 .....	26,994,991	17,733,000
2010 .....	26,994,991	17,906,000

<sup>1</sup> Does not count rescissions.

## PREPARED STATEMENT OF THE AMERICAN SOCIETY FOR MICROBIOLOGY (ASM)

The American Society for Microbiology (ASM), which includes 40,000 members, is pleased to submit the following testimony on the fiscal year 2011 appropriation for the Food and Drug Administration (FDA). The ASM recommends \$2.857 billion for the FDA in fiscal year 2011, a \$495 million increase above the Agency's fiscal year 2010 funding. The ASM is pleased to see that the Administration's proposed fiscal year 2011 FDA budget of \$2.5 billion represents an increase of about 6 percent over fiscal year 2010. This is noteworthy at a time when most funding for Federal programs is being frozen or cut. We also appreciate that after years of chronic underfunding, the FDA budget has recently begun to recover. However, given the FDA's substantial role in protecting the American consumer, the ASM urges Congress to consider increasing the FDA's budget above that requested by the President to a level of \$2.857 billion.

The FDA's expansive mission is to assure the safety, efficacy and security of human and veterinary drugs, biological products, medical devices, the Nation's food supply, cosmetics and products that emit radiation; to facilitate innovation in food safety and affordable medicine; and to provide the public with science based information to help Americans make wise choices and safeguard public health. Because of its oversight of drugs, biologics, foods and laboratory tests, FDA plays a critical role in the development and dissemination of medical countermeasures for biological, chemical and radiologic attacks.

Despite some recent improvements, serious deficiencies in FDA resources persist. These problems have been highlighted by several critical external reviews in recent years most prominently its own Science Board Report released in 2007, FDA Science and Mission at Risk. Products regulated by the FDA arrive from more than 150 countries, with nearly 20 million shipments of food, devices, drugs and cosmetics expected this year (compared to about 6 million 10 years ago). Faced with a flood of consumer goods, the FDA's import inspectors (fewer than 500) typically examine only 1 percent of shipments at U.S. ports of entry. The FDA's own science expertise has failed to keep up with innovations in product research and development. Outmoded computing also complicates oversight by the FDA. Informed by expert advice, the FDA is currently attempting to transform food safety, better protect patients from unsafe products and revitalize its own scientific enterprise. Important steps have been taken to upgrade information technology and management at the FDA. However, without more substantial increases in funding, the Agency will barely keep up much less strengthen the scientific infrastructure that is so badly needed. In the fiscal year 2011 budget, the ASM believes that two areas need particular attention: one is to assure sufficient resources to continue efforts to transform Agency approaches to food safety and the second is to enable FDA to implement new mechanisms to enhance scientific expertise and capacity in key areas.

## TRANSFORMING FOOD SAFETY

The FDA needs additional resources to overhaul and modernize its food safety efforts. Regulation of the U.S. food supply is a monumental challenge for the FDA foods program, which has responsibility for \$417 billion worth of domestic food, \$49 billion worth of imported food, and \$62 billion worth of cosmetics per year. As a result, the FDA oversees about 156,000 registered U.S. food establishments, 230,700 registered foreign facilities, and more than 3,500 cosmetic firms. The ASM appreciates efforts made last year by the Congress and the Administration to improve the safety and security of the Nation's food supply. The President's new Food Safety Working Group reaffirmed previous external reviews of FDA regulatory activities that supported upgrading food safety through a greater focus on prevention as a priority, better surveillance and enforcement capabilities, and improved response to identified threats.

Advances in food safety require funding levels that can sustain long term efforts, such as the Agency's wide-ranging fight against *Salmonella* species that are responsible for more than a million illnesses each year and the leading cause of foodborne illness in the United States. *Salmonella enteritidis* (SE) accounts for about 17 percent of all salmonellosis in humans, with shell eggs and broiler chickens the most common sources. One high priority FDA goal is to decrease, by the end of 2011, the annual number of illnesses and outbreaks linked to SE in this country by 10 percent. In July 2009, the FDA published its final rule on preventing SE in shell eggs, affecting production on farms, storage and transportation and requiring producers to maintain compliance records. The FDA expects the new regulation to prevent 79,000 cases of SE associated foodborne illness and 30 deaths each year, with eventual annual savings in medical costs estimated to be \$1.4 billion or more.

The FDA also continues to strengthen its collaborations with other government agencies, academic and industry entities and professional organizations, toward enhancing its own performance. Last year, the Agency opened its Reportable Food Registry electronic portal, where food manufacturers are required to alert the FDA within 24 hours if they suspect a health threat is linked to their products. In the case of food product tracing, the Agency announced in November its partnership with the USDA to expedite improvements in tracing specific foods throughout the supply chain, and solicited public input. A week later, CFSAN released a report on food product tracing that it had commissioned from the Institute of Food Technologists to help redesign its food surveillance. In fiscal year 2009, the FDA awarded 83 grants worth \$17.5 million to State and local groups to build food safety initiatives; for example, three States received funding for Food Protection Rapid Response Teams especially trained to respond to food hazard incidents. Grants support FDA's ongoing strategy to integrate food safety among Federal, State, and local partners. This program needs to be expanded to additional States as quickly as possible.

#### BUILDING FDA SCIENCE & TECHNOLOGY

The FDA's capacity in regulatory science, which underlies all Agency activities, has been under great scrutiny since the FDA Science Board's highly critical 2007 review of FDA science and technology. There is an indisputable need for leading edge science and technology capabilities within the FDA to provide the careful review of today's innovative medical products and burgeoning food supply that the public expects and demands. Last year, the FDA approved the first DNA test for two specific human papillomaviruses, while other FDA researchers showed that a nanotechnology based test could detect anthrax bacteria in quantities 100 times lower than current tests. Both diagnostics rely on emerging technologies that certainly must be within a flexible FDA portfolio of scientific expertise.

The ASM applauds the Administration's \$25 million budget request for advancing regulatory science, the first time that fiscal support has been explicitly designated for building FDA science. Solid science must be the basis for the numerous FDA rules and guidelines promulgated to industry here and abroad. The request includes funding for nanotechnology safety review, a stem cell initiative, and multi-faceted support for FDA's Critical Path Initiative and its new Office of Science and Innovation. However, the ASM believes more needs to be done in this area.

The FDA Science Board review of Science and Technology at FDA (FDA Science and Mission at Risk, 2007) found that the FDA mission was at risk for the following key reasons:

- The FDA scientific base has eroded and its scientific organizational structure is weak at a time when there have been major scientific advances and when new products and technologies under the regulatory authority are more scientifically complex.
- The FDA scientific workforce does not have sufficient capacity and capability.
- The FDA information technology (IT) infrastructure to support the scientific base is inadequate.

Food safety, just one mission area for the FDA, is an important case study demonstrating the urgent need to build regulatory science at the FDA. Food safety today is largely based on 1970–1980s science and 1950s regulation approaches. It is critical that policy, science and public health experts collaborate to identify where the science and practice of regulation is significantly limited for food safety and then develop and implement a strategic road map to mitigate these deficiencies. In some cases that will require the development and support for new technologies that have little to no commercial or academic value so they remain “orphan technologies” and in other cases it will require translating new science (industry, academic or government supported) into more effective regulations and then provide training for how to apply and enforce these new regulations.

The 2007 Science Board report recognized that the FDA is confronted by many such regulatory challenges and recommended the development of a FDA Centers of Excellence network to strengthen the science capability of the FDA and to discover solutions for complex problems such as food safety. At the time of its release the ASM strongly endorsed the recommendations of the Science Board report and believes that establishment of Academic Centers of Excellence in Regulatory Science will rapidly and efficiently build FDA science capability and capacity through three types of activities: research and innovation, regulatory services and education. All the activities of the Centers of Excellence would be grounded in a well developed and disciplined applied research agenda in regulatory and information sciences.

Regulatory and information sciences are the foundation of the FDA's mission. Regulatory science is a broad term concerning drug, food and other product regula-

tions, regulatory standards, law and procedures across many disciplines. It is a systemized body of knowledge (practiced by FDA and similar regulatory agencies worldwide) comprising public protection oriented medical product regulations, policy and decisions using scientific methods employing empirical and causal evidence utilized in the evaluation and approval of all the products that FDA regulates. The activities for which FDA needs such expertise are wide-ranging: the review and assessment of laboratory data; animal and human clinical data; methods development; facilities inspection; and development of technical and scientific standards for pre-clinical assessment, product development, postmarket surveillance, manufacturing, packaging standards, food safety standards and food processing technologies. FDA must have the scientific expertise, resources and collaborations to ensure that the regulatory scientific research priorities are addressed and that services will be delivered that provide a basis to: (1) Improve capacity for safety and efficacy evaluations and monitoring of candidate and licensed products, (2) Modernize current regulatory pathways, and (3) Develop new regulatory pathways where there are currently none.

The lack of new science capability or capacity places the FDA's mission at risk, and may actually stall progress in development of products at the leading edge of innovation. This compromises not only the public health mission since the Agency cannot effectively regulate products built on emerging science, but it also compromises the Agency's ability to support innovation in the industries and markets that it regulates. These logistical, technical and budgetary limitations will continue to constrain, rather than enable, the innovation on which advances in healthcare delivery and public safety depend.

The recognition that the FDA is a science based and ultimately science dependent organization is the basis for the 2007 Science Board report recommendation for the creation of a Center of Excellence in Regulatory Science within the Agency and an external network of Centers of Excellence in regulatory and information science. A network of Centers of Excellence based in research intensive institutions could deliver the scientific and informatics expertise that will result in the tools, methods and information that the FDA requires to fulfill its mission. The network will provide opportunity for the FDA to harness the substantial potential of the academic sector where many of the innovations and early applications of emerging technologies are likely to occur. Each center might bring to the FDA a particular incremental expertise. For example, centers might add critical mass to the FDA mission by providing expertise in novel approaches to trial design; to the development of novel informatics tools or to various aspects of translational therapeutics wherein preclinical and clinical information studies are designed and integrated to enhance prediction of efficacy and safety of novel therapeutics. In addition to providing critically important access to safety data, patients, health outcomes, enabling technologies and process or technical expertise, the centers will enable targeting limited resources to the research priorities that are most relevant to the health and public safety challenges faced by the FDA. Importantly, these will allow the Agency to address important safety issues and opportunities for disease intervention in a proactive rather than a reactive manner.

Our best estimate for the cost of the Centers of Excellence network is \$650 million over 5 years, or \$150 million per year. As a first step, the Administration and Congress should consider implementing the internal FDA Center (\$70 million in fiscal year 2011) and establishing at least four of the external Centers (\$40 million or \$10 million per center in fiscal year 2011). The ASM encourages Congress and the Administration to begin the establishment of the Centers of Excellence network in fiscal year 2011.

Thank you for the opportunity to comment on the FDA budget.

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PREPARED STATEMENT OF THE AMERICAN SOCIETY FOR MICROBIOLOGY (ASM)

The American Society for Microbiology (ASM) is pleased to submit the following testimony on the fiscal year 2011 appropriation for the Department of Agriculture (USDA) science programs. The ASM is the largest single life science organization in the world with more than 40,000 members. The ASM mission is to enhance the science of microbiology, to gain a better understanding of life processes, and to promote the application of this knowledge for improved health and environmental well-being.

USDA supported scientific research strengthens food safety, water quality, agriculture production, clean energy, and animal and public health. The ASM endorses the Administration's proposed fiscal year 2011 funding for the USDA's science and food safety programs, including \$1.5 billion for the National Institute for Food and

Agriculture (NIFA), and about \$1 billion for the Food Safety and Inspection Service (FSIS). The ASM strongly endorses the proposed \$429 million for the USDA's recently created NIFA Agriculture and Food Research Initiative (AFRI) as an important step, but encourages Congress to fund AFRI at its fully authorized level of \$700 million.

Agriculture in the United States produces \$300 billion worth of products each year. USDA employees including, scientists, inspectors, educators, and regulatory experts, deliver public services through more than 300 programs here and abroad. Increased funding will strengthen programs focused on threats to the U.S. food supply, as well as climate change and other environmental challenges facing our agribusiness sectors. Funding also will sustain the USDA support for basic and applied research at the Nation's universities and land grant institutions.

The recently established, National Institute of Food and Agriculture, funds research, education, and extension activities that advance knowledge critical to U.S. public health and our national economy. The USDA also formulated new food safety rules in collaboration with the Food and Drug Administration (FDA). These science based actions align with the Agency's fiscal year 2011 strategy to focus USDA research on high impact solutions like radically improved food safety and innovations in biofuels and climate stress resistant crops. The ASM urges the Congress to recognize the importance of USDA science with strong fiscal year 2011 funding levels.

#### IMPROVING FOOD SAFETY AND SECURITY

The USDA is responsible for ensuring that our meat, poultry, and processed egg products are safe, wholesome and properly labeled. These products, from both domestic and foreign sources, account for roughly 20 percent of the U.S. food supply. There are innumerable possibilities for contamination within the massive system that feeds Americans, who spend nearly \$1.2 trillion on food annually. Disease outbreaks from foodborne microbial pathogens persist as sporadic public health crises, and about 76 million new cases of food related illness are reported each year, with likely many more unreported. A new report estimates the total economic impact of U.S. foodborne illness to be a combined \$152 billion annually.

In 2007, and again in 2009, the Government Accountability Office (GAO) listed "revamping Federal oversight of food safety" among its high risk areas demanding immediate Federal attention and resources. Last September, another GAO report called for the FDA and USDA to close gaps in their collaborative oversight of imported foods. In 2009, the new Food Safety Working Group (FSWG) co-chaired by the Secretaries of the USDA and the Department of Health and Human Services recommended actions that will shape how USDA science affects future food safety standards. The proposed fiscal year 2011 USDA budget would specifically address several key FSWG findings, including the development of better, high tech tools to reduce the prevalence of pathogens, as well as risk based methods for targeting inspections of USDA regulated products.

#### THE NATIONAL INSTITUTE OF FOOD AND AGRICULTURE (NIFA)

The ASM supports the Administration's proposed \$1.5 billion for the USDA's National Institute of Food and Agriculture. In 2009, the newly created NIFA replaced the Cooperative State Research, Education, and Extension Services (CSREES) program as the USDA's extramural research enterprise. Its principal responsibility is linking together a diverse nationwide collection of Federal, State, and higher education entities involved in agriculture related research. Like its predecessor, NIFA supports new scientific discoveries and provides Federal leadership in key areas including food safety, climate change, clean energy and public education.

The NIFA's mission is to fund projects at the State and local level through 60 target driven programs, which have been grouped by the USDA into a dozen national emphasis areas: agricultural systems; animals; biotechnology and genomics; economics and community development; education; environment and natural resources; food, nutrition and health; international; pest management; plants; technology and engineering; and families, youth and communities.

#### AGRICULTURE AND FOOD RESEARCH INITIATIVE (AFRI)

The ASM strongly supports the Administration's proposed budget for AFRI of \$429 million, an increase of \$166 million from fiscal year 2010. AFRI, the Nation's leading funding source for basic and applied sciences in agriculture, was created by the Food, Conservation, and Energy Act of 2008 as a competitive grants program for research, extension, and education activities. The ASM supports the end goal of funding AFRI to its fully authorized level of \$700 million annually and stresses that a fiscal year 2011 budget of \$429 million is only a crucial first step.

Funding for AFRI will support critical USDA initiatives on biofuels, global climate change, international food security, food safety, and nutrition.

Through competitive, peer reviewed grants, AFRI promotes creative solutions across disciplines throughout the United States. Grants awarded in 2010 will be larger in size and longer in duration than previous CSREES awards, matching resources with the magnitude of challenges currently faced by agriculture.

USDA supported discoveries have significant health and economic impact. In 2009, researchers reported a protein in *Clostridium* bacteria that protects spores of the foodborne pathogen from heat and sodium nitrite, imparting resistance to common food hygiene techniques. *C. perfringens* is the second most common bacterial cause of foodborne illness in the United States, affecting as many as 250,000 people each year. A new poultry vaccine against *Campylobacter* bacteria, using genetically engineered *Salmonella* to induce antibodies in chicks, is under development. *Campylobacter* is the most common bacterial cause of U.S. foodborne illness, infecting an estimated 2.4 million people annually. Contaminated poultry is a significant reservoir for human infection and, more importantly, infection by drug resistant strains of *Campylobacter*.

Multi-year AFRI grants awarded in 2009 include projects to (1) sequence the genomes of *Chlamydiaceae* bacterial species that cause severe livestock diseases and significant annual economic losses, to inform drug and vaccine development; (2) determine the fate of antibiotic containing poultry litter applied to pastures as fertilizer, testing antibiotic levels in surface waters affected by runoff; and (3) develop a new soil-phosphorus index based on molecular biological and biochemical assays of soil microorganisms. Current AFRI funding opportunities for fiscal year 2011 include projects in carbon cycle science and in risk assessment of biotechnology generated agricultural products.

#### AGRICULTURE RESEARCH SERVICE (ARS)

Since fiscal year 2009, the ARS budget has decreased by more than a staggering thirteen percent. This disturbing trend is continued with the Administration's proposed fiscal year 2011 budget for the ARS of \$1.22 billion, a further 4 percent reduction from fiscal year 2010. ASM strongly urges Congress to fund the ARS with at least \$1.4 billion in fiscal year 2011 to begin to regain the critical research capabilities lost with previous reductions.

The ARS is the Department's principal in house research component, with an 8,000 member workforce that includes 2,100 scientists from diverse disciplines. It maintains about 1,200 research projects at more than 100 U.S. locations and four overseas laboratories. Its national research programs include food safety, global climate change, bioenergy, and food animal production, among others. To strengthen its own research efforts, ARS has a long history of partnering with commercial firms to transfer ARS technologies to the marketplace.

The ARS portfolio also utilizes international research partnerships to address global issues. Food safety and food security, for example, must be dealt with far beyond the United States, which imports 15–20 percent of its food supply and is vulnerable to migrating pathogens. Current collaborations include an Argentina study of immune responses to the virus that causes foot and mouth disease in cattle, to identify the genetic basis of why some animals are more resistant to disease; and the creation of a virtual Joint U.S.-Sino Food Safety Research Center with Shanghai Jiao Tong University, to promote training and research programs in China and the cooperative development of new analysis methods like biomarker screening for *Salmonella* and other foodborne pathogens.

#### FOOD SAFETY AND INSPECTION SERVICE (FSIS)

The ASM endorses the Administration's fiscal year 2011 budget for USDA's Food Safety and Inspection Service of \$1.05 billion. Sufficient funding for the FSIS is crucial to successful oversight of the Nation's food supply.

The FSIS provides the USDA regulatory force to ensure the safety of domestic and imported meat, poultry and egg products (liquid, frozen, and dried). It employs about 9,250 full-time staff, including more than 8,500 deployed in the field. FSIS personnel inspect more than 6,280 federally regulated meat, poultry, and egg product plants in 50 States, Puerto Rico, Guam and the U.S. Virgin Islands. In fiscal year 2009, those facilities processed 150 million head of livestock and nine billion poultry carcasses.

The FSIS science-based inspection system, the Hazard Analysis and Critical Control Point (HACCP) system, emphasizes prevention and control of foodborne threats to public health. FSIS inspectors verify that individual food producers and processors meet HACCP requirements, determined by routine sampling of products for

pathogens like *Salmonella* and *Listeria monocytogenes*. In fiscal year 2009, FSIS personnel condemned more than 527 million pounds of poultry and 227,000 head of livestock during pre and post slaughter inspections. That year, more than 3.4 billion pounds of meat and poultry were presented to FSIS for import from 20 eligible countries, with 6.6 million pounds refused entry or rejected post inspection. Also in fiscal year 2009, there were 71 recalls of FSIS regulated commercial products, totaling 9.5 million pounds; and 27 recalls were linked to contamination by *Listeria* and *E. coli* bacteria.

#### EDUCATION AND COLLABORATION

The USDA is the lead Federal agency for higher education in the food and agriculture sciences; in particular, NIFA's Office of Higher Education Programs links teaching, research and extension activities. Its mission includes the training of food and agriculture scientists and other professionals. Ten percent of the AFRI budget is marked for USDA Strengthening Awards and postdoctoral fellowships. The proposed fiscal year 2011 budget allocates up to \$5 million for pre- and postdoctoral grants, designed to create "a cadre of NIFA Fellows" as agriculture's next generation of scientists, educators, and practitioners. Many of the AFRI funded programs require that education and outreach activities be integrated with research components.

Fiscal support for USDA science yields benefits that reach far beyond the Agency's immediate responsibilities. The Agency routinely establishes collaborations with other Federal agencies, State agencies, land grant universities, non profit organizations, professional societies, commodity groups and grower associations, private industry, the military, various foreign government and academic entities, and other groups. For example, FSIS participates in the Foodborne Diseases Active Surveillance Network with the FDA and Centers for Disease Control and Prevention (CDC), and, with the FDA, is responsible for the Healthy People 2010 food safety objectives. In October, USDA agreed to help FDA personnel develop new safety rules for fresh produce. Last year, the FDA and the USDA's Animal and Plant Health Inspection Service created an online tool to help farmers and producers identify and fix vulnerabilities in their production processes. FSIS will partner with other government agencies to provide on-site expertise at the new Commercial Targeting and Analysis Center for Import Safety, recently opened in Washington, DC, by the U.S. Customs and Border Protection agency.

The proposed fiscal year 2011 USDA budget will support much needed improvements in the Agency's ability to carry out its regulatory duties more efficiently and more quickly. Computing capabilities will be upgraded and expanded within key program areas like FSIS. The USDA expects to begin phased in implementation of its Public Health Information System (PHIS) in October, automating food safety verification and sampling procedures by FSIS personnel. PHIS will link in real time with the CDC's PulseNet human outbreak system, addressing in part the GAO's criticism of interagency gaps in Federal food oversight.

#### CONCLUSION

The ASM urges Congress to increase research and education funding in the USDA budget, and provide at least \$1.5 billion for NIFA, at least \$429 million for AFRI, at least \$1.4 billion for ARS, and \$1 billion for FSIS.

Research in the agricultural and biological sciences is imperative to combat current and future threats to human, environmental, plant and animal health. The research supported by the USDA should be a priority that deserves steady, predictable and sustainable funding; the future of our agricultural systems, a basis for human health, relies on it.

The ASM appreciates the opportunity to provide written testimony and would be pleased to assist the subcommittee as it considers the fiscal year 2011 appropriation for the USDA.

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#### PREPARED STATEMENT OF THE AMERICAN SOCIETY FOR NUTRITION (ASN)

The American Society for Nutrition (ASN) appreciates this opportunity to submit testimony regarding fiscal year 2011 appropriations for the U.S. Department of Agriculture (USDA) and specifically, its research programs. ASN is the professional scientific society dedicated to bringing together the world's top researchers, clinical nutritionists and industry to advance our knowledge and application of nutrition to promote human and animal health. Our focus ranges from the most critical details of research to very broad societal applications. ASN respectfully requests \$108 mil-



lion in fiscal year 2011 for the Human Nutrition Research program at the Agricultural Research Service. We request \$500 million for the Agriculture and Food Research Initiative in fiscal year 2011, which is housed under the National Institute of Food and Agriculture (NIFA).

Basic and applied research on nutrition, food production, nutrient composition, food processing and nutrition monitoring is critical to American health and the U.S. economy. Awareness of the growing epidemic of obesity and the contribution of chronic illness to burgeoning healthcare costs has highlighted the need for improved information on dietary intake and improved strategies for dietary change. Demand for a safer and more nutritious food supply continues to increase. Preventable chronic diseases related to diet and physical activity cost the economy over \$117 billion annually, and this cost is predicted to rise to \$1.7 trillion in the next 10 years. Nevertheless, funding for food and nutrition research at USDA over the past two decades has neither kept pace with inflation, nor the growing complexity of our food supply and public health needs. This decline in our national investment in agricultural research seriously threatens our ability to sustain the vitality of food, nutrition and agricultural research programs and in turn, threatens the future of our economy and the health of our Nation.

USDA historically has been identified as the lead nutrition agency and the most important Federal agency influencing U.S. dietary patterns. Through the nutrition and food assistance programs, which form roughly 60 percent of its budget, USDA has a direct influence on the dietary intake (and ultimately the health) of millions of Americans. It is important to understand better the impact of these programs on the food choices, dietary intake, and nutritional status of those vulnerable populations which they serve. Research is the key to achieving this understanding and the foundation upon which U.S. nutrition policy is built.

USDA is in full or in part responsible for the development and translation of Federal dietary guidance, implementation of nutrition and food assistance programs and nutrition education; and, national nutrition monitoring. The USDA Human Nutrition Research programs ensure nutrition policies are evidence-based, ensure we have accurate and valid research methods and databases, and promote new understanding of nutritional needs for optimal health.

#### ARS HUMAN NUTRITION RESEARCH PROGRAM

ASN's recommendation of \$108 million for the Human Nutrition Research program at ARS is based on three major components: a requested increase by the President for specific projects, funding needs related to national nutrition monitoring, and stabilizing, in a graded fashion, funding for the six Human Nutrition Research Centers (HNRCs).

#### THE PRESIDENT'S REQUEST

ASN strongly supports the President's budget request of an additional \$6.75 million for the Human Nutrition Program under ARS. These dollars would be aimed at: supporting key research projects such as one studying whether and how American diets adhere to the Dietary Guidelines; bolstering the nutrition monitoring program, What We Eat in American (WWEIA); and, funding critical updates to [www.nutrition.gov](http://www.nutrition.gov), which is maintained by the National Agricultural Library.

#### WHAT WE EAT IN AMERICA SURVEY

In addition to supporting the specific request made in the President's budget, ASN urges Congress to consider additional needs such as those of the What We Eat in America Survey (WWEIA). WWEIA is another example of the unique nutrition research at ARS. This program allows us to know not only what foods Americans are eating, but also how their diets directly affect their health. This survey is a partner to the National Health and Nutrition Examination and Survey (NHANES) that is run by the CDC's National Center for Health Statistics. Information from the survey guides policies on food safety, food labeling, food assistance, military rations, pesticide exposure and dietary guidance. In addition to having an impact on billions of dollars in Federal expenditures for nutrition assistance programs, the survey data leverages billions of private sector dollars allocated to nutrition labeling, food product development and production. For example, data collected through WWEIA provided critical information to the Institute of Medicine expert panel reviewing the WIC food package a few years ago. The panel's recommendations to USDA, based on these data, guided a revision of the food package. The changes have now been implemented and are having a positive influence on the nutritional intake of WIC participants.

Despite its enormous value and importance, WWEIA has been flat-funded at \$11.5 million for over 14 years and is in jeopardy. While we are grateful that the President proposed \$900,000 for the survey, it does not go far enough. The USDA budget for WWEIA should be increased two-fold to \$23 million to make up for losses to inflation over the years and to ensure this program can remain a state-of-the-art, 21st century data collection effort. Otherwise, we risk losing this national treasure and the essential information it provides.

#### SETTING THE STAGE FOR A SUCCESSFUL FUTURE

USDA has built a program of human nutrition research housed in six HNRCs<sup>1</sup> geographically disperse across the Nation and affiliated with the ARS, which links producer and consumer interests and forms the core of our knowledge about food and nutrition. More than a decade of flat funding at ARS for this program seriously jeopardizes the future of the centers, their important research projects, and the critical infrastructure provided by the USDA from which the HNRCs and scientists benefit. These unique centers are working closely with a wide variety of stakeholders to determine just how specific foods, food components, and physical activity can act together during specific life-stages (e.g. prior to conception, in childhood, in older adult years) to promote health and prevent disease. The HNRCs are a critical link between basic food production and processing and health, including food safety issues. Moreover, the center structure adds value by fully integrating a multitude of nutritional science disciplines that cross both traditional university department boundaries and the functional compartmentalization of conventional funding mechanisms.

In addition to supporting the specific request made in the President's budget and additional support for WWEIA, ASN urges Congress to consider a renewed commitment to the Human Nutrition Research Centers program over the next 5 years that would lead to a doubling of its current budget to \$180 million by fiscal year 2015.

An important basic premise of research in the HNRCs is that many chronic diseases, such as diabetes and obesity, can be prevented by lifestyle issues, the most important of which are: consuming appropriate amounts of a well-balanced, healthful diet; and regularly engaging in adequate levels of physical activity. Using state-of-the-art facilities and a concentration of critical interdisciplinary scientific teams, the HNRCs are conducting the highest quality translational research. Also of importance are the long-term experiments involving the derivation of dietary reference intake values and nutrient requirements of individuals. Often compared to the intramural program at the National Institutes for Health, these centers tackle projects that are unlikely to be funded through other means, such as through competitive grants or by industry.

Flat-funding coupled with inflation has led to considerable funding deficits that threaten to compromise the Centers' abilities to continue their work at the level necessary to solve the significant nutrition problems facing our country. For example, the ARS HNRC located at Tufts University in Boston, MA has been flat-funded at \$15 million since 2004. The Center today would need over \$19 million in funding just to keep up with the costs of inflation over the past 6 years—a 28 percent increase. The other five centers have had similar flat-funding during this time period.

Beginning next year in fiscal year 2012, the provision of approximately \$18 million in additional funds each year would result in a budget by fiscal year 2015 that is double that of today. By making this stepwise commitment to the Human Nutrition Research program, Congress would ensure that it, through the six HNRCs, can continue current research projects, plan for the future and restore purchasing power lost to inflation over a decade of flat budgets.

#### AGRICULTURE AND FOOD RESEARCH INITIATIVE COMPETITIVE GRANTS PROGRAM

The Food, Conservation, and Energy Act of 2008 established the Agriculture and Food Research Initiative (AFRI), a new competitive grants program authorized at \$700 million annually, for research, extension, and education in support of our Nation's food and agricultural systems within the newly established National Institute of Food and Agriculture (NIFA) at USDA. This unique program, the successor to USDA's National Research Initiative (NRI) and the Initiative for Future Agriculture and Food Systems (IFAFS), takes research and innovation beyond the development

<sup>1</sup>Of the six HNRCs, three are fully administered by ARS and are located in Davis, CA; Beltsville, MD; and Grand Forks, ND. The other three are administered through cooperative agreements with Baylor University Medical Center in Houston, TX; Tufts University in Boston, MA; and the University of Arkansas in Little Rock.

phase, into implementation through contemporary education and extension programs.

ASN is pleased that the NIFA has identified human nutrition and specifically, childhood obesity, as a top priority. AFRI includes programs aimed to improve the Nation's nutrition and health which focus on two objectives: (1) improving human health by better understanding an individual's nutrient requirements and the nutritional value of foods; and (2) promoting research on healthier food choices and lifestyles. For example, USDA-funded projects funded by the Human Nutrition and Obesity program have led to a better understanding of the behavioral and environmental factors that influence obesity, and to the development and evaluation of effective interventions. Specifically, USDA competitive grants have funded nutrition education interventions focusing on the reduction of childhood obesity in low-income families.

ASN believes the program should be funded at its full authorization level of \$700 million, but we understand that in the current fiscal climate, that is unlikely. However, with the Nation and world facing unprecedented health, food security and nutrition challenges, now is the time to renew investment in our Nation's agricultural research enterprise. We applaud the President's strong request of \$429 million for the program with an additional \$50 million for nutrition and obesity research, but urge Congress to take this a step further and fund AFRI at \$500 million in fiscal year 2011. Such funding will not only position the program to achieve its full funding as we approach the next Farm Bill, but it will provide America's agriculture, food and nutrition scientists, land managers and farmers with the tools necessary to solve problems and keep the country competitive, while also protecting the natural resource base and environment, enhancing human nutrition and fostering vibrant rural communities.

The AFRI and the Human Nutrition Research Program under ARS are synergistic programs equally important to the nutrition field, because together they provide both the infrastructure and the investigator-initiated, peer-reviewed research that generates new knowledge and allows for rapid progress towards meeting national dietary needs. These programs allow USDA to make the connection between what we grow and what we eat. And through strategic nutrition monitoring, we learn more about how dietary intake affects our health.

ASN thanks your Committee for its support of the ARS and the AFRI Competitive Grants Program.

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#### PREPARED STATEMENT OF THE AMERICAN SOCIETY OF PLANT BIOLOGISTS (ASPB)

On behalf of the American Society of Plant Biologists (ASPB) we submit this statement for the official record in support of increased funding for the U.S. Department of Agriculture's (USDA) National Institute of Food and Agriculture in fiscal year 2011, specifically funding the Agriculture and Food Research Initiative at the requested level of \$429 million. This testimony highlights the importance of biology, particularly plant biology, as the Nation seeks to address vital issues including a sustainable food supply, climate change and energy security. We would like to thank the subcommittee for its consideration of this testimony and for recognizing that its support of agricultural research is an important investment in America's future.

ASPB is an organization of more than 5,000 professional plant biologists, educators, graduate students, and postdoctoral scientists. A strong voice for the global plant science community, our mission—which is achieved through engagement in the research, education, and public policy realms—is to promote the growth and development of plant biology and plant biologists and to foster and communicate research in plant biology. The Society publishes the highly cited and respected journals *Plant Physiology* and *The Plant Cell*, and it has produced and supported a range of materials intended to demonstrate fundamental biological principles that can be easily and inexpensively taught in school and university classrooms by using plants.

#### FOOD, FUEL, CLIMATE CHANGE, AND HEALTH: PLANT BIOLOGY RESEARCH AND AMERICA'S FUTURE

Plants are vital to our very existence. They harvest sunlight, converting it to chemical energy for food and feed; they take up carbon dioxide and produce oxygen; and they are almost always the primary producers in the Earth's ecosystems. Indeed, plant biology research is making many fundamental contributions in the areas of fuel security and environmental stewardship; the continued and sustainable development of better foods, fabrics, and building materials; and in the understanding of basic biological principles that underpin improvements in the health and nutri-

tion of all Americans. To go further, plant biology research can help the Nation both predict and prepare for the impacts of climate change on American agriculture, and it can make major contributions to our Nation's efforts to combat global warming.

In particular, plant biology is at the center of numerous scientific breakthroughs in the increasingly interdisciplinary world of alternative energy research. For example, interfaces among plant biology, engineering, chemistry, and physics represent critical frontiers in both basic biofuels research and bioenergy production. Similarly, with the increase in plant genome sequencing and functional genomics, the interface of plant biology and computer science is essential to our understanding of complex biological systems ranging from single cells to entire ecosystems.

Plant biology also has much to offer to our basic understanding of biology. Many common biological problems can best be addressed using plants. For example, plants cells are totipotent and, unlike animal cells, can be regenerated to whole plants. Many genetic studies are best done in plants due to the ability to analyze large numbers of individuals. Fundamental biological discoveries (e.g., the discovery of gene silencing) derive from initial studies in plants.

Despite the fact that plant biology research—the kind of research funded by USDA—underpins so many vital practical considerations for our country, the amount invested in understanding the basic function and mechanisms of plants is relatively small when compared with the impact it has on multibillion dollar sectors of the economy like energy, agriculture, health and nutrition.

#### RECOMMENDATIONS

ASPB is in an excellent position to articulate the Nation's plant science priorities as they relate to agriculture. Our recommendations are as follows:

- It is ASPB's hope that USDA will have an elevated role to play as part of the expanding Federal research landscape. USDA already funds research that is intended to provide a foundation for creating sustainable food and new energy supplies; however, much higher investment in competitive funding is needed if the Nation is to continue to make ground-breaking discoveries. ASPB strongly encourages the appropriation of at least the requested level of \$429 million in fiscal year 2011 for the Agriculture and Food Research Initiative (AFRI). ASPB encourages efforts to fully fund AFRI at the \$700 million level, as currently authorized in the Farm Bill. This is justified since AFRI will play a vital role in maintaining America's food and energy security through funding innovative research.
- There are clear opportunities to use biological systems to ameliorate and respond to climate change, such as through carbon sequestration or modification of plants to resist environmental stress. Therefore, ASPB calls for additional funding focused on studies of the effect of climate change on agricultural cropping systems, basic studies of its effects on plant growth and development, and targeted research focused on modification of plants to resist climate change and for use in carbon sequestration.
- Current estimates predict a significant shortfall in the needed scientific and engineering workforce as the demographics of the U.S. workforce change. For example, there is a clear need for additional scientists in the areas of interdisciplinary energy research and plant breeding. USDA has not traditionally been a major funding agency for education and training, other than that which occurs through the funding of individual investigator and center grants. So ASPB applauds the pending inauguration of the NIFA Fellows program. However, given the expected need for additional scientists and engineers who are well-grounded in agriculture research and development activities, ASPB calls for increased funding of specific programs (e.g., training grants and fellowships) that are targeted to provide this needed workforce over the next 10 years and to adequately prepare these individuals for careers in the agricultural research of the future. It should be noted that this recommendation is directly in-line with the findings of the recently published National Research Council (NRC) report entitled "A New Biology for the 21st Century: Ensuring the United States Leads the Coming Biology Revolution."
- Considerable research interest is now being paid to the use of plant biomass for energy production. However, if crops are to be used to their full potential, considerable effort must be expended to improve the understanding of their basic biology and development, as well as their agronomic performance. Therefore, ASPB calls for additional funding that would be targeted to efforts to increase the utility and agronomic performance of bioenergy crops.
- The launch of NIFA in 2009 brought to the table numerous representatives from Federal research agencies such as the Department of Energy, National

Science Foundation, and the National Institutes of Health that welcomed the new research structure at USDA. With NIFA now in place, USDA should be able to cultivate stronger interagency relationships (as well, potentially, as relationships with private philanthropies) and take on bolder new initiatives to address grand challenges related to food, energy, the environment, and health. Although ASPB is excited to see this new research infrastructure take shape, ASPB wants to ensure that USDA remains committed to individual grantees, in addition to group awards and larger multi-institution partnerships. Truly paradigm shifting discoveries cannot be predicted and can only be insured by maintaining a broad, diverse, and robust research agenda.

- The Agricultural Research Service (ARS) provides vital research to serve USDA's mission and objectives and the Nation's agricultural research needs. As USDA begins to transform its extramural research programs through NIFA, ASPB asks that the parallel reorganization of the Agency's intramural research programs around the five core challenges identified by the USDA be carried out with due care and diligence. Indeed, ASPB supports continued robust funding for ARS.

Thank you for your consideration of our testimony on behalf of the American Society of Plant Biologists. Please do not hesitate to contact the American Society of Plant Biologists if we can be of any assistance in the future. For more information about the American Society of Plant Biologists, please see [www.aspb.org](http://www.aspb.org).

#### LETTER FROM AMICUS THERAPEUTICS

JUNE 23, 2010.

Hon. HERB KOHL,  
*Chairman, Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies, Washington, DC.*

DEAR CHAIRMAN KOHL: My name is John F. Crowley of Princeton, New Jersey. I am honored today to present this letter of testimony to you and the Senate Committee on Appropriations, Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies, and thank you for this opportunity. I do so as the chairman and CEO of Amicus Therapeutics of Cranbury, New Jersey, a biopharmaceutical company developing orally administered, small molecule drugs called pharmacological chaperones, a novel, first-in-class approach for treating a broad range of diseases with unmet medical needs, including lysosomal storage disorders and diseases of neurodegeneration. Amicus' lead program is in Phase 3 for the treatment of Fabry disease, a rare lysosomal storage disease affecting an estimated 10,000 individuals worldwide. I also do so as the father of three children, two of whom bravely face each day living with Pompe disease, another rare and chronic lysosomal storage disorder. Pompe is a progressive, multi-systemic, often fatal muscular disease. From both of my perspectives, I am most appreciative that the subcommittee is discussing the FDA's review process for orphan products to treat rare diseases. The time to consider change and build on past successes could not be better.

#### A FOUNDATION OF SUCCESS

The Orphan Drug Act of 1983 has brought unprecedented success. To date, in excess of 1,000 orphan product designations have been granted by the FDA's Office of Orphan Product Development and more than 250 drugs and biologics have received approval by the FDA, collectively helping hundreds of thousands of adults and children with rare diseases. Among these are accomplishments I have participated in professionally and, in the case of my own children, have witnessed most personally. There are an estimated 7,000 rare diseases, each one affecting 200,000 or fewer individuals, but collectively affecting 25 million Americans. Unfortunately, treatments exist for only a fraction of these devastating, life-threatening diseases leaving so many people of all ages with significant unmet medical need. And of those treatments, the majority of approved orphan drugs are for those rare diseases with higher prevalence.

#### CONTINUED UNMET MEDICAL NEED

Rare or orphan diseases with lower prevalence remain without treatment. Of 588 rare diseases included in a recent study by H.E. Heemstra, et al, (*Drug Discovery Today* 14 (23-24):1166-73), 64 percent (115/179) of the more common rare diseases had at least one orphan designation, while only 32.5 percent (133/409) of the ultra-rare diseases had at least one orphan designation. According to an Orphan Drug

Development Trends report published by BioMedical Insights in January of this year, 83 percent of rare diseases are ultra-rare, yet only 11 percent of orphan designations issued between 1997 and 2009 were for these “ultra-rare” diseases (144/1,310). What do these numbers translate to for the average patient family in the rare disease community? No treatment options. After a rollercoaster of a diagnostic journey that takes an average of 5 years, the majority of individuals and families facing rare, usually progressive and often fatal diseases, may be “lucky” enough to finally learn the name and prognosis of what they or their loved one has, but chances are they can do nothing about it. In 2010, in the United States of America, that extent of unmet medical need simply should not exist.

For most of these rare and extremely rare diseases, perhaps as many as two-thirds, medical research is absent—completely. Affected patients, their families and friends strive to bring attention to their causes. For other diseases, such as Tay-Sachs, for example, medical research is just now gaining momentum, despite it being one of the most commonly known rare, genetic diseases, with one of the oldest advocacy groups in the country, and the first disease for which a carrier genetic test was perfected back in 1970. Yet it could be many more years before a safe, effective treatment is ready for the clinic, and tens of children and adults will still die from this neurodegenerative disease. As a past-president of the National Tay-Sachs & Allied Diseases Association, I’ve seen the hope sustained by parents listening to academic researchers, while they watch Tay-Sachs ravage their young children physically and mentally. And for those rare diseases fortunate to have a treatment, not all is perfect. As can be the case with Pompe disease, for example, many patients cannot tolerate the treatment due to immunogenicity or other significant issues. For others, the treatment may not be effective but there are no other options. Much work remains to be done in orphan drug development to evolve the unmistakably critical work already achieved for rare diseases.

#### ABILITY TO MEET THE CHALLENGES

In the year 2010, we have the collective ability to tackle the challenges of understanding and developing viable treatment options for rare and ultra-rare diseases with unmet medical need. Basic scientific, biomedical and preclinical research is taking place with groundbreaking technology in laboratories at colleges and universities, independent academic medical centers, at the National Institutes of Health, and in the biotech industry. Initiatives such as the Therapeutics of Rare and Neglected Diseases (TRND) Program at the National Human Genome Research Institute (NHGRI) have impressive capabilities and hold great promise for discovery at the level of public/private collaboration that is necessary to help address these challenges. In particular, this is a new and exciting approach to moving forward from screening and developing compounds through the junctures of pre-clinical and clinical work, optimizing resources and harnessing the varied expertise of collaborators along the way.

Collaboration is now mandated for Federal funding issued by the NIH Office of Rare Diseases through its Rare Disease Clinical Research Centers Consortia program. These grants support the formation of cooperative agreements for: collaborative clinical studies, investigator training, conducting pilot and demonstration projects, providing a test bed for data collection, management, mining and sharing, and access to rare disease information for basic and clinical researchers, academic and practicing physicians, patients, and the lay public—all across diverse geographies, institutions and stakeholders. In fact, the patient community, with its advocates, outreach experts and educators, can be considered a driving force in bringing the professionals together.

Families and friends of children and adults affected by these debilitating, horrific, often fatal rare diseases no longer passively sit around sick rooms and hospital rooms. They—we, because I am one of them, are well aware of the promising developments taking place in the clean rooms of industry and research institutions and are confident that technology can match our sense of urgency. Patient advocates are proactive, agents for changing how this research can be conducted, how quickly it gets translated to the clinic, all with the hope it will positively influence their loved one’s clinical outcome. Today’s patient advocacy and disease organizations are partners in social and venture philanthropy. They want the exciting and promising technology that exists for their diseases to see the light of day, and that developing treatments and potential cures can be realities in their lifetimes. Here are just two examples.

The Cystic Fibrosis Foundation is one such health venture philanthropist. In 2000, there were few potential treatments in the CF pipeline. Today, there are more than 30 treatments in development, a few already available to patients, with a pipe-

line portfolio ranging from gene therapy, protein rescue, mucus alteration, restoring airway surface liquid (ion transport), anti-inflammatory, anti-infective, transplantation, and nutrition. In the area of protein rescue alone, the CF Foundation invested more than \$100 million with Vertex Pharmaceuticals and \$25 million with PTC Therapeutics for two different small molecules in the past few years.

Fight Spinal Muscular Atrophy dedicates itself to research for a cure for this group of diseases which affect the motor neurons of the spinal cord and brain stem. In its infantile form, SMA kills more babies than any other genetic disease. With grants up to \$250,000 each, FightSMA is a social philanthropist funding about 20 academic and medical institutions in the United States and internationally. The organization brings approximately 25 SMA researchers together for an annual scientific conference to encourage collaboration at the same time that SMA-affected families come to meet each other for support and learn from these researchers.

It is exactly this type of community-driven, cross-fertilization and financial support of ideas, and sharing of disease experience that has occurred at advocacy organization conferences for years that the patient community is more recently asking take place on a broader scale in clinical research and drug development. Patients are appreciative of the active role of the Office of Rare Diseases at NIH in supporting these meetings and of the Office of Orphan Product Development participation at many programs. Collaborative approaches are in the United States and abroad, originated by highly respected organizations such as NORD and now assumed by their counterparts, such as EURORDIS, CORD and ICORD. The 2010 European Conference on Rare Diseases held last month in Krakow, Poland, attracted more than 600 participants from 43 countries, with one-third from Eastern Europe: the aim to discuss public policies and actions that will improve the lives of people with rare diseases. The rare disease community may be growing, but it represents a world that is getting smaller all the time. The demands of the diseases themselves always have been there; however, the presence of the diseases is augmented by the fast-paced technology available to researchers, the charged atmosphere of advocacy, immediate access to information about diseases, research and support groups, and connectiveness through the Internet and social media for all disease stakeholders.

Collectively, these activities represent a trend toward acceleration of all aspects of orphan drug development to ultimately, and most importantly, benefit patients living with rare diseases.

#### KEEPING PACE FOR CHANGE

Given these changes in the rare disease landscape, it is timely that the subcommittee is discussing the FDA's review process for orphan products. The sheer size of patient populations is an important factor for consideration in study design. Affected individuals are part of such small individual patient populations; they may represent disease prevalence of as many as 67:100,000 to as few as 2:100,000. No one rare disease exceeds an incidence of 200,000 in the United States. However, as an overarching group of 25 million in this country alone, they have several commonalities worthy of consideration. Limited individual disease experience makes it unlikely that there are organized registries from which to draw information for the majority of these diseases, and unrealistic to consider conducting natural history studies as prelude to or in parallel with clinical trials. (The topic of disease and product registries currently is a controversial one in the rare disease community and one worth exploring, as well.) All numbers of subjects for any orphan product study should be carefully considered based on current disease situations. Given that these trials, especially registration studies requiring larger numbers of subjects, typically necessitate global recruitment, protocols should be able to satisfy institutional review boards/ethics committees internationally. In the ultra-rare category, consideration also should be given to combined Phase 1/2 and Phase 2/3 studies with a Phase 4 commitment from sponsor companies making these investments.

The subcommittee should respectively consider funding that enables the Agency to focus on orphan diseases/orphan products beyond the fine work already being conducted by the Office of Orphan Product Development. The multi-systemic, complex nature of the majority of rare diseases, as genetic, metabolic, inborn errors of metabolism, further complicates a simple route forward for the guidance and development of well-designed clinical protocols. Therefore, study design guidance and review for rare diseases should also have an approach characteristically distinct from that used with common disease guidance and review. The FDA would benefit from a dedicated team of experts in the genetic and metabolic disorders that together with regulatory colleagues can offer guidance to study sponsors that will result in clinical protocols that account for limited patient numbers, the most current collective thinking on disease biomarkers, surrogate endpoints and better use of

pharmacogenetics. Along these same lines, the Agency might consider having reviewers, staff other than OOPD, spend more time with rare disease patient organizations to learn from their leadership and members what they think and know of clinical trials, barriers to participation, etc. This might be mutually beneficial for educational purposes and understanding the rare disease patient experience.

#### THE COST OF CHANGE

This suggested interaction might enhance the understanding for addressing the tolerance for risk in drug development in the rare disease space. Individuals directly affected by these highly unusual disorders, or their parents, custodial family members and caregivers are experiencing unusual, almost unique and unprecedented unmet need. They have a sense of urgency few if any can understand, but this does not necessarily cloud their judgment or ability to understand the risks and benefits of clinical trial participation. There should be no less scrutiny of safety for patients with ultra-orphan diseases but many of the traditional pre-clinical and clinical safety studies typically required of most drugs need to be reevaluated in the context of the cost and time associated and the severity of the unmet need.

Certainly, the protracted timelines too often impose the ultimate cost on affected families awaiting treatment for their rare disease . . . the loss of their child or other loved one. It behooves the Agency to reassess the process and the extraordinary financial costs involved in developing orphan drugs. For example, the last five drugs developed and approved to treat lysosomal storage diseases have cost more than \$200 million each in research and development expenses alone to develop, while addressing populations in the United States of less than 3,000 patients. There is no current economic framework that exists to promote this kind of investment. While the industry is appreciative of the existing incentives established by the Orphan Drug Act 27 years ago, it is time to update these to ensure ongoing and future innovation to benefit rare diseases. Some very practical considerations are: investment tax credits, permanent R&D credits and tax grants for companies conducting research for ultra-orphan treatments, accelerated clinical studies, and special tax treatments for investments in smaller companies with fewer than 250 employees.

Change does not come easily. It was not an easy process when a group of parents lead by Abbey Meyers spearheaded the development of the Orphan Drug Act in 1983. In January of 1984, when Ronald Reagan signed the Orphan Drug Act into law, with Democrats and Republicans at his side, he stated that: "I only wish that with the stroke of this pen that I could also decree that the pain and suffering of people living with these diseases would cease as well." It didn't, but the Act did create an environment with a system of special incentives for industry and certain government supported programs that spawned a new era of research and drug development. We have come very far in that last quarter of a century but we have much further to go. The change brought about by the Orphan Drug Act improved hundreds of thousands of lives in this country and abroad, helped launch an industry and established the global rare disease advocacy movement. It does not come easily for every family that struggles with illness and then receives a life-altering diagnosis of a rare disease with no treatment or cure. But each of us committed to orphan drug development, including the FDA and those responsible for seeing the Agency is appropriately funded, owe those families a more-than-fighting chance that their medical needs will be met.

Respectfully submitted,

JOHN F. CROWLEY,  
*Chairman and CEO.*

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#### PREPARED STATEMENT OF THE ANIMAL WELFARE INSTITUTE (AWI)

The Animal Welfare Institute welcomes this opportunity to submit testimony in support of funding for animal welfare-related activities within the U.S. Department of Agriculture.

#### USDA/APHIS/ANIMAL CARE/ANIMAL WELFARE ACT (AWA) ENFORCEMENT

##### *AWI Request: \$23 Million (Near-Level Funding)*

Over the past decade, the subcommittee has responded to the urgent need for increased funding for the Animal Care (AC) division to improve its inspections of nearly 16,000 sites, including animal dealers, commercial breeding facilities, laboratories, zoos, circuses, and airlines to ensure compliance with AWA standards. Animal Care now has 115 inspectors (with two vacancies), compared to 64 inspectors



at the end of the 1990s. During fiscal year 2009, they conducted 13,948 inspections, including required annual visits to all research facilities that alone house over 1 million animals (excluding birds, rats, and mice who are not covered by law). Moreover, AC inspectors engaged in extended and more time-consuming follow-up with licensees regarded as problems because of the nature and frequency of their violations.

It is important to sustain the progress that has been made. This budget request of \$23 million provides a minimal increase over fiscal year 2010 to cover pay costs as well as the added responsibilities associated both with the growing number of licensed/registered facilities, and with enforcing the Congressional ban on imports from foreign puppy mills.

#### APHIS/ANIMAL CARE/HORSE PROTECTION ACT (HPA) ENFORCEMENT

##### *AWI Request: Support Administration's Request for \$900,000*

The goal of the Horse Protection Act, passed in 1970, is to end the cruel practice of soring, by which unscrupulous owners and/or trainers primarily of Tennessee Walking Horses intentionally inflict pain on the legs and feet of horses, through the application of chemical and mechanical irritants, to produce an exaggerated gait. In 2008, the American Association of Equine Practitioners condemned soring as "one of the most significant welfare issues faced by the equine industry." Three Girl Scouts bravely documented the brutality of this crime in their video "See it through my eyes." (Available at [www.youtube.com/watch?v=kqFeYu1CrjU](http://www.youtube.com/watch?v=kqFeYu1CrjU))

Throughout its history, however, the law has been openly flouted and inadequate funding has hampered enforcement. USDA inspectors are able to attend fewer than 6 percent of Tennessee Walking Horse shows. Consequently, there is continued reliance on an industry-run system of certified Horse Industry Organization (HIO) inspection programs that utilize Designated Qualified Persons (DQPs), usually industry insiders with a history of looking the other way. Reliance on DQPs has been an abysmal failure. Statistics clearly indicate that the presence of USDA inspectors at shows results in violations being cited at a far higher rate than occurs when DQPs are present. The greater the likelihood of a USDA inspection, the greater the deterrent effect on those who routinely sore their horses. Enforcement of this law should not be entrusted to individuals with a stake in the status quo.

USDA is to be commended for seeking to do a more rigorous job of enforcement than has been done in the past. For instance, in 2009, inspectors cited twice as many violations at the largest show, the National Celebration, as in the previous year. However, the top three winning horses at the Celebration were afterwards found to have been in apparent violation of the HPA.

Given the problems as outlined above and in separate, more detailed testimony signed by AWI and many other groups ([www.awionline.org/hpa](http://www.awionline.org/hpa)), it is clear that USDA cannot make progress in this area with current funding levels. We ask that Congress appropriate the \$900,000 for HPA enforcement as provided in the Administration's budget. This sum would allow government oversight at many more horse shows and greater investment in technologies (gas chromatography/mass spectrometry and thermography) that improve detection of sored horses. It should be noted that in fiscal year 2007, the use of GC/MS, which detects foreign substances used to sore horses, resulted in positive findings in 50 percent of the animals tested.

#### APHIS/INVESTIGATIVE AND ENFORCEMENT SERVICES (IES)

##### *AWI Request: \$15 Million*

IES handles investigations related to enforcement of the laws and regulations for APHIS' programs, which involves collection of evidence; both civil and criminal investigations; and investigations carried out in conjunction with Federal, State, and local enforcement agencies. In addition, IES, in collaboration with USDA's Office of the General Counsel, handles other types of enforcement actions, including stipulations and formal administrative proceedings. We respectfully request a \$15 million appropriation for IES to enable the Service to fulfill its full range of responsibilities, particularly its increasing Horse Protection Act and Animal Welfare Act investigatory demands.

The number of HPA investigations undertaken by IES has jumped dramatically in the past half dozen years from a mere 7 in 2004 to 152 this year. IES must have additional funds to deal with this substantially increasing workload. Further, it is anticipated that HPA enforcement by Animal Care will continue to rise to reach a level where it will actually serve as a deterrent, and thus IES must be equipped to handle the ever-increasing number of cases that are expected. New strategies are being employed to further strengthen enforcement, including the consolidation of

cases of alleged violations (Form 7077s) over a 2-year period, thereby demonstrating that violations are not isolated but of an ongoing nature.

We applaud and encourage increased attention by Animal Care, IES, and OGC in their efforts to stop the abuse of gaited horses. We are confident that, with the support of Congress, USDA can ensure a fair, competitive field that permits horses and their riders to win shows based upon the natural animated gait of the horses rather than a freakish gait induced by an array of agonizing techniques applied to the front feet and legs of the horses.

AGRICULTURAL RESEARCH SERVICE/NAL/ANIMAL WELFARE INFORMATION CENTER (AWIC)

*AWI Request: \$1,978,400*

We very much appreciate the subcommittee's continuing support for the Animal Welfare Information Center (AWIC). AWIC's services are vitally important to the Nation's biomedical research enterprise, as well as other regulated entities, because they facilitate compliance with specific requirements of the Federal animal welfare regulations and policies governing animal-related research. It proves its worth time and time again.

The AWIC was established in 1986 in response to a mandate in the Improved Standards for Laboratory Animals amendment to the Animal Welfare Act (AWA). The Center serves as a clearinghouse, training center, and education resource for those involved in the use of animals for research, testing, and teaching, as well as other entities covered by the AWA. It provides training and compiles, distributes, and posts on its Web site information resources from the scientific literature to assist researchers who use animals. The subjects covered include husbandry, handling, and care of animals; personnel training; animal behavior; alternatives; improved methodologies; environmental enrichment; and pain control via anesthesia and analgesia and other methods. It also serves as a resource for the wider scientific and agricultural communities by providing access to material on zoonotic diseases such as avian influenza, transmissible spongiform encephalopathies, tuberculosis, West Nile Virus, foot and mouth disease, the H1N1 virus, and others. Its activities contribute significantly to science-based decision-making in animal care.

In fiscal year 2009, staff conducted 13 sessions of AWIC's workshop, "Meeting the Information Requirements of the Animal Welfare Act" (evaluations of which are overwhelmingly positive, with participants indicating a high degree of new information acquisition); this was an increase of six over fiscal year 2008. At the end of 2009 in Kansas City, AWIC and APHIS/Animal Care jointly presented the workshop "Considering Alternatives; Making a Difference," which was open, without cost, to any research facility personnel; about 60 people attended. AWIC and AC will collaborate again this April, again in Kansas City, on a workshop for Animal Care inspectors to help them better understand the alternatives requirement. It will train them to do alternatives searches so that they can better evaluate the products of such searches conducted by research institutions.

The AWIC Web site (<http://awic.nal.usda.gov/>) is one of the most accessed sites at NAL, with an average of over 363,000 page-views each month in fiscal year 2009, a 7 percent increase over fiscal year 2008. Many improvements to the Web site have been made in the past year, including increased timeliness and accessibility through Facebook, a Twitter account, and a blog. Currently, 250 full text documents are available on the Web site; 11 new ones were added in fiscal year 2009, and already completed or in process for fiscal year 2010 are documents on big cats, camels (update), blood collection, zebra fish, swine, elephants (update), rodent enrichment, sheep and goats, reducing animal numbers in research, and interpretive summaries of the Animal Welfare Act. Making this information available in a timely fashion urgently requires additional staff.

The need and demand for AWIC's services continue to outstrip its resources. We write in support of an appropriation of \$1,978,400, which is urgently needed to fund, in addition to current salaries and other expenses, AWIC's services and its ongoing efforts to improve their delivery:

- \$300,000—To support the addition of 2 FTEs to the professional staff.
- \$100,000—Develop Web-based training modules, including interactive modules, in order to provide online delivery of training opportunities.
- \$50,000—Present workshops for research personnel, in collaboration with Animal Care, similar to those held in 2009 in Kansas City described above. The workshops must be free of charge to the institutions in order to encourage attendance.
- \$20,500—Internet services.
- \$10,000—AWIC staff training.

- \$15,000—To fund an internship program that would provide opportunities for postgraduate students (including veterinarians) to work on special projects, such as creating specialized information resources on animal (especially zoonotic) diseases.
- \$200,000—Resume acquisition of veterinary publications that NAL discontinued several years ago, and increase the pace of indexing all such publications.
- \$259,000—Overhead to ARS and NAL.
- \$50,000—Meet congressional mandate to digitize more materials; in particular, scanning historically relevant animal welfare materials dating from the 1800s.
- \$65,000—Funding is urgently needed to update Essentials for Animals in Research, as well as certain animal care manuals, and then to translate them, as well as, and perhaps most especially, the Animal Welfare Act and its regulations, into Spanish; develop training DVDs, etc. In the past, this program yielded very useful products, including the original Essentials for Animal Research: A Primer for Research Personnel (which was also translated into Spanish and is still among the top 10 downloaded documents); a video on normal animal behaviors; and a training video on using animals in research. It also provided support for the first World Congress on Animal Use in the Life Sciences, and for the proceedings of conferences for the Scientists Center for Animal Welfare.

The growing numbers of Spanish-speaking animal-care personnel in U.S. research facilities and zoos, as well as increasing interest on the part of the scientific communities in Central and South America, have made the availability of Spanish-language materials a priority.

AWIC's value to the research community and other entities that must comply with the Animal Welfare Act, and to the general public, justifies this modest proposed increase in its budget.

#### FOOD SAFETY AND INSPECTION SERVICE/HUMANE METHODS OF SLAUGHTER ACT ENFORCEMENT

##### *AWI Request: Reallocate \$2 Million From Existing Activity (HATS)*

We request that \$2 million of the FSIS Humane-handling Activities Tracking (HATS) funding be allocated to strengthen Humane Methods of Slaughter Act enforcement via creation of a mobile team of slaughter plant auditors or by hiring additional District Veterinary Medical Specialists. While past appropriations have contributed to improved HMSA oversight, inadequate enforcement remains a problem. We have accumulated evidence of repeated violations at particular Federal slaughter plants, as well as data demonstrating that humane slaughter and handling violations are reported with greater frequency in the presence of outside inspection personnel, such as the DVMSs, as compared to in-plant personnel.

Based on these findings, we respectfully request that funds be appropriated toward one of two alternatives: (1) to convene a roving slaughter inspection team that would conduct mostly unscheduled audits of handling and slaughter practices in Federal plants to ensure compliance with humane standards; or (2) to increase the presence of outside personnel by hiring additional DVMSs to provide scheduled and unscheduled plant audits in accordance with their preexisting duties as prescribed by FSIS. Hiring and training of these new personnel could be funded from \$2 million of the \$3 million currently allocated to the Humane-handling Activities Tracking computer system.

#### OFFICE OF INSPECTOR GENERAL/ANIMAL FIGHTING ENFORCEMENT

##### *AWI Request: Support Administration's Request for \$90.3 Million*

In 2007, violations of the AWA's animal fighting provisions, as well as the possession of related implements, became felonies. AWI supports providing OIG with adequate funding to allow it to pursue animal fighting cases vigorously. Animal fighting is often associated with other violent crimes, including drugs, weapons violations, and even homicide, thus posing a threat to both the welfare of animals and the welfare of our communities. This level of funding is also needed to enable OIG to carry out audits and investigations to improve compliance with the Humane Methods of Slaughter Act, the Horse Protection Act, and the downed animal rules.

Thank you for your consideration of our comments.

#### PREPARED STATEMENT OF THE ASSOCIATION OF CLINICAL RESEARCH ORGANIZATIONS (ACRO)

Chairman Kohl, Ranking Member Brownback, and members of the subcommittee: The Association of Clinical Research Organizations (ACRO) represents the world's

leading clinical research organizations (CROs). Our member companies provide a wide range of specialized services across the entire spectrum of development for new drugs, biologics and medical devices, from pre-clinical, proof of concept and first-in-man studies through post-approval and pharmacovigilance research. With more than 70,000 employees engaged in research activities in more than 115 countries around the world, ACRO advances clinical outsourcing to improve the quality, efficiency and safety of biomedical research. Last year, member companies were involved in conducting more than 9,000 clinical trials that included nearly 2 million research participants.

From approving new drugs and biologics to ensuring the safety of the food supply, the U.S. Food and Drug Administration faces many challenges across a diverse portfolio. And, whether the issue is assessing the safety of marketed drugs or monitoring the conduct of clinical trials, that portfolio is increasingly global in scope. Thus, we applaud Commissioner Hamburg's commitment to international cooperation and engagement. In fact, under Section 903 of the Food Drug and Cosmetic Act, it is part of the FDA's mission to "(b)(3) participate through appropriate processes with representatives of other countries to reduce the burden of regulation, harmonize regulatory requirements, and achieve appropriate reciprocal arrangements."

Today, FDA-regulated products are part of an international marketplace in which consumers shop, and borders are no longer barriers. In 2007, the United States imported more than \$2 trillion worth of FDA-regulated products from roughly 200 countries or territories. Both the number of drugs manufactured at foreign sites and the number of foreign sites making FDA-regulated drugs have more than doubled since 2001. Given these realities of the 21st century, international activities at FDA are no longer "discretionary"; rather, they are an integral part of our Nation's public health apparatus.

Like many other important economic activities, the conduct of clinical research has become increasingly globalized in recent years. For example, in 2004 clinical trial activity in India totaled \$30 million; the estimate for 2010 is \$1.5 billion, a figure that will constitute 5 percent of all clinical trials worldwide. According to [clinicaltrials.gov](http://clinicaltrials.gov), today 53 percent of clinical studies are performed in the United States, 24 percent are performed in Europe, and 23 percent are performed in the rest of the world.

The expansion of clinical research to foreign countries results in benefits to U.S. patients. As *The Case for Globalization*, (a white paper ACRO commissioned in 2009,) suggested, a cancer trial that would take 5.8 years using only U.S. patients would be completed in only 1.9 years when global research sites are used. While this globalization is a positive trend for many reasons, it presents challenges as well, especially in terms of the FDA's capacity to oversee non-U.S. drug development and manufacturing.

Globalization of the biomedical research industry has greatly increased the demand on the FDA's resources. Between 2004 and 2007, the number of FDA-regulated investigators increased by 15.9 percent in Central and Eastern Europe (CEE), by 12.1 percent in Latin America and by 10.2 percent in the Asia-Pacific region. (Meanwhile, the number of North American and Western European investigators declined by 5.2 percent and 6.1 percent, respectively.) Yet, despite the tremendous growth of clinical research abroad, 83 percent of FDA clinical investigator inspections between 2000 and 2008 were conducted in the United States and only 10 percent outside the United States and Western Europe.

As part of the Alliance for a Stronger FDA, ACRO supports an FDA budget that provides adequate resources to fulfill the Agency's far-flung obligations. Beyond the agency-wide budget, ACRO is especially interested in funding for the FDA's Office of International Programs (OIP). The President's proposed budget for fiscal year 2011 requests only \$16.9 million for OIP.

ACRO recommends funding OIP at \$35 million in fiscal year 2011. Such an increase would not only improve the FDA's capacity to perform audits and inspections around the world, but facilitate capacity-building in, and in cooperation with, the non-U.S. regulatory authorities whose competence and strength will ultimately impact the safety and efficacy of the drugs and biologics used by patients in the United States. Simply, the FDA remains the gold standard among drug regulators worldwide. As such, it is imperative for the FDA to increase its oversight capabilities in countries where many of the drugs it will approve in the future are being tested and to actively partner with its foreign counterparts. A budget of \$35 in fiscal year 2011 would allow the Office of International Programs to accelerate the necessary globalization of the FDA's presence.

Thank you for allowing ACRO to submit this statement. Please feel free to have your staff contact us with any questions.

LETTER FROM THE CALIFORNIA ASSOCIATION OF WINEGRAPE GROWERS;  
WINEAMERICA; THE WINEGRAPE GROWERS OF AMERICA; AND THE WINE INSTITUTE

APRIL 7, 2010.

Hon. HERB KOHL,  
*Chairman, Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies, Washington, DC.*

Hon. SAM BROWNBACK,  
*Ranking Member, Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies, Washington, DC.*

DEAR CHAIRMAN KOHL AND SENATOR BROWNBACK: Our organizations are pleased to provide recommendations to fund important programs that will allow the national grape and wine industry to continue its record of growth in job creation, exports and rural development efforts to attract tourism and diversify local economies.

RECOMMENDATION: FUNDING FOR GRAPE RESEARCH

Grapes are the Nation's eighth largest crop. Grape growing contributes to the U.S. economy in diverse ways. It generates jobs, exports, tax revenues, tourism and enhances the quality of life in rural communities while producing outstanding wines, juices, raisins, and table grapes. But wine and grapes and grape products are subject to intense global competition that may seriously affect the ability of our industry to successfully compete. The industry's future success will hinge on public and private policies that facilitate, rather than impede, responses to new competitive conditions.

The Federal Government does not subsidize grape production. American grape growers compete in the global market with growers who are subsidized by their countries. Our success in maintaining a competitive edge is directly tied to investment by industry and government in research and extension of research results to stimulate innovation by industry and accelerate the adoption of new best practices. This will keep grapes and wine competitive, enhance our environmental stewardship, create new jobs and generate revenues to keep rural communities healthy.

THE VITICULTURE CONSORTIUM

We support funding for the very successful Viticulture Consortium which has been administered as a national competitive peer-and-industry reviewed program. It is one of the finest examples of collaboration between industry, Federal and State resources to provide and enhance efforts to improve a major agricultural industry's quality and cost effectiveness. Initiated in fiscal year 1996, the Viticulture Consortium is administered by Cornell University, Pennsylvania State University and the University of California and funds competitive grants in about 20 States for grape-related research. The program is designed to focus research efforts to avoid duplication and target resources to strategic priorities that will accelerate innovation and knowledge-based tools to enhance the competitiveness of the grape and grape products industries that are facing intense margin pressures and loss of market share to imports. The Consortium leverages Federal, State and industry funding to maximize coordination, collaboration and efficiency, eliminate duplication and ensure the extension of research results to industry users.

We respectfully recommend increasing funding for the Viticulture Consortium to \$3 million.

ARS GRAPE RESEARCH

The President's fiscal year 2011 budget increases ARS funding for grape-related research. We support those increases:

We support the:

- President's budget increase for USDA/ARS Crop Breeding and Protection, specifically the \$400,000 to breed new table grape varieties that are tolerant to drought stress and \$500,000 to phenotype the grape collection for drought tolerance and winter hardiness.
- President's budget increase for USDA/ARS Plant, Animal, and Microbial Collections, specifically the \$400,000 to strengthen the National Plant Germplasm System to expand capacity and conservation of horticultural crops.
- President's budget increase for USDA/ARS Adapting American Agriculture to a Changing Global Climate, specifically the \$500,000 to develop greenhouse gas mitigation solutions and carbon sequestration management practices for specialty crops.

## RECOMMENDATION: FUNDING FOR PIERCE'S DISEASE CONTROL, CONTAINMENT AND RESEARCH

Pierce's disease, a fatal infection of grape vines by the bacterium *Xyella fastidiosa* (XF), is being spread throughout California by the Glassy-winged Sharpshooter (GWSS). GWSS was first detected in California in 1989. It has invaded much of southern California and is effectively contained in the southern San Joaquin Valley and southern California. This vigorous and difficult-to-control insect vector, indigenous to the southeastern United States and northern Mexico, threatens California's entire grape and wine-producing community. Commercial grape varieties grown in California cannot tolerate infection by the If bacterium and are quickly killed or rendered uneconomical. There is no cure for Pierce's disease.

The onslaught of the GWSS and its spread of Pierce's disease has triggered a massive and expensive cooperative response by the Federal and State agencies, California nurseries, citrus and winegrape growers to contain, control and develop long-term viable management solutions. There are many other crops threatened by the agents that cause Pierce's disease, including almonds, citrus, stone fruits, alfalfa, and oleander. The risks to California agriculture presented by the GWSS were recognized by a USDA declaration of emergency June 23, 2000, and subsequent allocation of CCC funds to conduct research, manage and fight the disease.

While progress is being made, annual discoveries have shown the need to continue funding this vital program. Last year GWSS egg masses were found on nursery plants shipped to Amador and San Luis Obispo counties. This underscores the importance of an aggressive containment and control program with a strong nursery shipping inspection component.

Congress has appropriated money to fund GWSS and Pierce's disease research beginning in fiscal year 2001 and every year thereafter. To date, other stakeholders have contributed \$99.5 million to assist in funding research and inspection efforts. The breakdown is as follows: California State government: \$59.5 million; local government: \$1.3 million; growers and vintners: \$38.7 million. California's experience in controlling and containing Pierce's disease assists States that have infestations by sharing resources on how to stop the spread and eventually eradicate the disease and the insect that spreads it.

Our organizations strongly support an increase in funding for the Animal and Plant Health Inspection Service (APHIS) for the control and containment to \$30 million.

We also request \$3 million in National Institute of Food and Agriculture funding for research work on Pierce's disease at the University of California.

## MARKET ACCESS PROGRAM

The Market Access Program (MAP) provides export assistance to over 70 different agricultural industries, most producing specialty crops. This assistance is frequently the only kind of government export assistance given these producers to allow them to compete in world markets against highly subsidized European producers. The wine industry has made excellent use of the MAP program. According to Wine Institute, exports have increased 80 percent by value over the past 10 years, and despite an export rise of 6 percent in value in 2008 over the prior year, our industry has less than 6 percent of the world's wine export market. Clearly, there is considerable potential to increase our share.

MAP is funded at \$200 million per year in mandatory funds in the Food, Conservation and Energy Act of 2008. Funding for the MAP pales in comparison to the support given other major world producers.

We respectfully request that the full amount of mandatory funding remain intact for this program in fiscal year 2011.

Chairman Kohl and Senator Brownback, we appreciate your consideration of our requests.

Sincerely,

CAMRON KING, PROGRAM MANAGER,  
*California Association of Winegrape Growers.*

BILL NELSON, PRESIDENT,  
*WineAmerica.*

RON BITNER, CHAIRMAN,  
*Winegrape Growers of America.*

SALLY HOPE MURPHY,  
*Wine Institute.*

## PREPARED STATEMENT OF CAMPAIGN FOR CONTRACT AGRICULTURE REFORM (CCAR)

Chairman Kohl, Ranking Member Brownback, and members of the subcommittee: My name is Steven Etka. I am submitting this testimony on behalf of the Campaign for Contract Agriculture Reform (CCAR) regarding fiscal year 2011 funding requests for USDA's Grain Inspection, Packers and Stockyards Agency (GIPSA).

The Campaign for Contract Agriculture Reform (CCAR) is a national alliance of organizations working to provide a voice for farmers and ranchers involved in contract agriculture, as well as the communities in which they live. The goal of the campaign is to assure that the processor-producer relationship serves as a fair partnership, rather than a dictatorship.

The Packers and Stockyards Act of 1921 prohibits packers, swine contractors, and live poultry dealers from engaging in unfair, unjustly discriminatory, or deceptive trade practices. The Act is administered by the Grain Inspection, Packers and Stockyards Agency (GIPSA).

Contract poultry growers regularly experience unfair and deceptive treatment in their dealings with the live poultry dealers with whom they contract. While it is GIPSA's job to take action against these companies when such practices occur, the Agency's capacity to do so has been greatly limited by staff resources. As a result, many growers have had to wait years for their cases to be addressed, and others have had cases unresolved because of lack of resources at GIPSA. Because of the vulnerable economic positions that most growers are in, justice delayed on enforcement of unfair practices is indeed justice denied.

Therefore, we are greatly encouraged by the new dedication to the mission of GIPSA by the Obama Administration, the recent actions taken by the Agency to increase enforcement of the Packers and Stockyards Act, and their willingness to do what's necessary to make further improvements. In keeping with that new commitment, the Administration's fiscal year 2011 budget requests an increase of \$2.035 million for the Packers and Stockyards Program within GIPSA, to add 16 additional staff years to strengthen enforcement of the Act.

As described in USDA's Fiscal Year 2011 Budget Justification document (page 20-7):

"This increase will strengthen direct enforcement of the Packers and Stockyards (P&S) Act and promote greater voluntary compliance with the Act through an expanded GIPSA presence within the industry. The P&S Act provides an important safety net for livestock producers and poultry growers in rural America by prohibiting unfair, deceptive, and fraudulent practices in the livestock, poultry, and meatpacking industries. As such, compliance with the Act is a measure of the level of protection provided in the marketplace. The Agency strives to increase industry compliance to maximize the level of protection afforded to all market participants. GIPSA conducts routine and ongoing regulatory inspections and audits to assess whether subject entities are operating in compliance with the Act, and conducts investigations of potential P&S Act violations identified by either industry complaints or previous GIPSA regulatory inspections. All activities are carried out by professionals including economists, attorneys, accountants, and agricultural marketing professionals. Economic conditions will result in a continued increase in complaints and, therefore, an increased need for GIPSA protection under the Packers and Stockyards Act. Additional resident agents and investigative attorneys are needed to expand investigative, regulatory, and audit activities in order to raise industry compliance levels from the 80 percent level attained in 2008; enhance market protections for buyers and sellers of livestock, poultry, and meat; and enforce the amendments in the 2008 Farm Bill. Funding will also provide for attorneys to provide additional legal support for enforcement of the P&S Act."

We strongly urge the subcommittee to provide the increased resources requested by GIPSA for Packers and Stockyards Act enforcement. Without swift and thorough enforcement of the act, contract growers will continue to experience trade practice abuses that are unacceptable.

## PREPARED STATEMENT OF THE COLORADO RIVER BOARD OF CALIFORNIA

This testimony is in support of funding for the U.S. Department of Agriculture (USDA) with respect to its on-farm Colorado River Basin Salinity Control Program for fiscal year 2011. This program has been carried out through the Colorado River Basin Salinity Control Act (Public Law 93-320), since it was enacted by Congress in 1974. With the enactment of the Federal Agricultural Improvement and Reform Act (FAIRA) in 1996 (Public Law 104-127), specific funding for salinity control projects in the Colorado River Basin were eliminated from the Federal budget and

aggregated into the Department of Agriculture's Environmental Quality Incentives Program (EQIP) as one of its program components. With that action, Congress concluded that the salinity control program could be more effectively implemented as one of the components of the EQIP. In 2008, Congress passed the Food, Conservation, and Energy Act (FCEA). The FCEA addressed the cost sharing required from the Basin Funds. In so doing, the FCEA named the cost sharing requirement as the Basin States Program (BSP). The BSP will provide 30 percent of the total amount that will be spent each year by the combined EQIP and BSP effort.

The Program, as set forth in the Act, benefits both the Upper Basin water users through more efficient water management and the Lower Basin water users, hundreds of miles downstream from salt sources in the Upper Basin, through reduced salinity concentration of Colorado River water. California's Colorado River water users are presently suffering economic damages in the hundreds of millions of dollars per year due to the River's salinity.

The Colorado River Board of California (Colorado River Board) is the State agency charged with protecting California's interests and rights in the water and power resources of the Colorado River system. In this capacity, California along with the other six Colorado River Basin States through the Colorado River Basin Salinity Control Forum (Forum), the interstate organization responsible for coordinating the Basin States' salinity control efforts, established numeric criteria in June 1975 for salinity concentrations in the River. These criteria were established to lessen the future damages in the Lower Basin States of Arizona, California, and Nevada, as well as assist the United States in delivering water of adequate quality to Mexico in accordance with Minute 242 of the International Boundary and Water Commission.

The goal of the Colorado River Basin Salinity Control Program is to offset the effects of water resources development in the Colorado River Basin after 1972 as each State develops its Colorado River Compact apportionments. In close cooperation with the U.S. Environmental Protection Agency (EPA) and pursuant to requirements of the Clean Water Act (Public Law 92-500), every 3 years the Forum prepares a formal report analyzing the salinity of the Colorado River, anticipated future salinity, and the program elements necessary to keep the salinity concentrations (measured in Total Dissolved Solids—TDS) at or below the levels measured in the Colorado River system in 1972 at Imperial Dam, and below Parker and Hoover Dams. The latest report was prepared in 2008 titled: 2008 Review, Water Quality Standards for Salinity, Colorado River System (2008 Review). The plan necessary for controlling salinity and reducing downstream damages has been captioned the "Plan of Implementation." The 2008 Review includes an updated Plan of Implementation.

Concentrations of salts in the River annually cause about \$376 million in quantified damage in the United States (there are significant un-quantified damages as well). For example, damages occur from:

- A reduction in the yield of salt sensitive crops and increased water use for leaching in the agricultural sector;
- A reduction in the useful life of galvanized water pipe systems, water heaters, faucets, garbage disposals, clothes washers, and dishwashers, and increased use of bottled water and water softeners in the household sector;
- An increase in the use of water for cooling, and the cost of water softening, and a decrease in equipment service life in the commercial sector;
- An increase in the use of water and the cost of water treatment, and an increase in sewer fees in the industrial sector;
- A decrease in the life of treatment facilities and pipelines in the utility sector;
- Difficulty in meeting wastewater discharge requirements to comply with National Pollutant Discharge Elimination System permit terms and conditions, and an increase in desalination and brine disposal costs due to accumulation of salts in groundwater basins, and fewer opportunities for recycling due to groundwater quality deterioration; and
- Increased use of imported water for leaching and the cost of desalination and brine disposal for recycled water.

For every 30 milligram per liter increase in salinity concentrations, there are \$75 million in additional damages in the United States. Although the Program, thus far, has been able to implement salinity control measures that comply with the approved plan, recent drought years have caused salinity levels to rise in the River. Predictions are that this will be the trend for the next several years. This places an added urgency for acceleration of the implementation of the Program.

Enactment of the Farm Security and Rural Investment Act of 2002 provided an opportunity to adequately fund the Salinity Program within EQIP. The Colorado River Basin Salinity Control Advisory Council has taken the position that the USDA



portion of the effort be funded at 2.5 percent of the EQIP funding, but at least \$20 million annually. Over the past few years, the Natural Resources Conservation Service (NRCS) has designated 2.5 percent of EQIP funds be allocated to the Colorado River Salinity Control program. The Colorado River Board supports the recommendation of the Advisory Council and urges this subcommittee to support funding for the Colorado River Basin Salinity Control Program for 2011 at this level.

These Federal dollars will be augmented by the State cost sharing of 30 percent with an additional 25 percent provided by the agricultural producers with whom USDA contracts for implementation of salinity control measures. Over the past years, the Colorado River Basin Salinity Control program has proven to be a very cost effective approach to help mitigate the impacts of increased salinity in the Colorado River. Continued Federal funding of this important Basin-wide program is essential.

In addition, the Colorado River Board recognizes that the Federal Government has made significant commitments to the Republic of Mexico and to the seven Colorado River Basin States with regard to the delivery of quality water to Mexico. In order for those commitments to continue to be honored, it is essential that in fiscal year 2011, and in future fiscal years, that Congress continues to provide funds to USDA to allow it to provide needed technical support to agricultural producers for addressing salinity control in the Basin.

The Colorado River is, and will continue to be, a major and vital water resource to the 18 million residents of southern California as well as throughout the Colorado River Basin. As stated earlier, preservation and improvement of the Colorado River water quality through an effective salinity control program will avoid the additional economic damages to users of Colorado River water in California, Arizona, and Nevada.

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LETTER FROM THE COLORADO RIVER COMMISSION OF NEVADA

MARCH 5, 2010.

Hon. HERB KOHL,  
*Chairman, Subcommittee on Agriculture, Rural Development, and Related Agencies,*  
*Washington, DC.*

RE: Support of Funding of the Department of Agriculture's Fiscal Year 2011 Appropriations

DEAR CHAIRMAN KOHL: As a Nevada representative of the Colorado River Basin Salinity Control Forum, the Colorado River Commission of Nevada supports full funding of the Department of Agriculture's fiscal year 2011 appropriations for the Environmental Quality Incentives Program (EQIP) and recommends that this Committee advise the Administration that 2.5 percent or, at a minimum, \$20,000,000, of the EQIP funds be designated for the Colorado River Basin Salinity Control Program.

Salinity remains one of the major problems in the Colorado River. Congress has recognized the need to confront this problem with its passage of Public Law 93-320 and Public Law 98-569. Your support of the current funding recommendations for the Colorado River Basin Salinity Control Program is essential to move the program forward so that the congressionally directed salinity objectives are achieved.

Sincerely,

GEORGE M. CAAN,  
*Executive Director.*

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PREPARED STATEMENT OF THE CYSTIC FIBROSIS FOUNDATION

Chairman Kohl and Ranking Member Brownback, it is my pleasure to submit this statement on behalf of the Cystic Fibrosis Foundation. We commend the subcommittee for convening this hearing to consider Food and Drug Administration (FDA) review of products for rare and neglected diseases and to assess the impact of priority review vouchers for tropical diseases. For all of those affected by rare and neglected diseases, an efficient and effective review system is absolutely critical. Delays in the evaluation of safety and effectiveness of promising new therapies for rare diseases adversely impact those affected by these diseases, and we support efforts by the Agency to improve its review record as well as the oversight provided by Congress.

## THE CF PIPELINE

Cystic fibrosis (CF) is a disease that affects only 30,000 Americans and 70,000 individuals worldwide. The effects of this disease are severe, despite significant therapeutic advances, outstanding management of the disease by patients and their physicians, and enhanced adherence to standards of clinical care. There is a pressing need for improved therapies for CF, and as new treatments are developed, efficient review is necessary.

Through aggressive investment in and management of the CF therapeutic development program, the Cystic Fibrosis Foundation is now managing a rich portfolio of potential new treatments with more than 30 drugs in the clinical development pipeline. Included in our research efforts are drugs that may correct the genetic defects that cause CF. The CF Foundation is assuming an expansive role in research, supporting basic research, functioning as a venture philanthropist through investment in biotechnology companies for development of new CF therapies, and coordinating CF care quality improvement through a patient registry that includes most CF patients in the Nation.

The venture philanthropy effort has yielded a number of potential CF treatments. Our efforts to date have focused on translating basic research findings into agents for clinical testing, coordinating the clinical trials network for testing CF treatments, and removing barriers to participation in trials by CF patients. As promising treatments will soon emerge from the development pipeline, our attention is increasingly focused on guaranteeing an efficient FDA review process.

We have identified a number of issues that should be addressed to improve FDA review of CF therapies, and we believe that FDA action on these issues would benefit review of all rare disease treatments. These issues include: (1) identification of and regulatory agreement regarding endpoints for approval of rare disease treatments; (2) making widely and readily known the process for validation of biomarkers to identify subpopulations of CF patients who might benefit from therapies approved for other populations; (3) consistency between FDA and the European Medicines Agency, to eliminate difficulties associated with conducting parallel and duplicative trials in orphan populations; and (4) regulatory guidance regarding methods for evaluating supplemental uses of devices, including nebulizers, without undertaking trials that are prohibitive for cost and other reasons. We also encourage the Agency to ensure that it receives appropriate expert advice and guidance on rare diseases as products for those diseases are reviewed.

We are encouraged by initiatives that the Agency has undertaken to enhance its scientific expertise for review of rare diseases and more generally by the willingness of FDA leaders and review staff to engage in constructive dialogue to address the problems of rare disease review that we have identified.

The joint regulatory science initiative of FDA and the National Institutes of Health (NIH) signals the firm commitment of the agencies to enhance the scientific expertise of FDA review staff. This effort, still a relatively new one, promises to provide special benefits in strengthening the scientific knowledge and experience for rare disease treatment review. In addition, the Agency directed important resources and attention to rare disease treatments by naming a lead reviewer on rare diseases. We have also found the Agency to be willing to engage in constructive dialogue to address other problems posed by rare disease review and those issues that are specific to CF product review.

We applaud the subcommittee for turning its attention to FDA review of treatments for rare diseases and to evaluating initiatives or programs that might enhance such review. The priority review voucher program for rare diseases deserves a fair and full evaluation, to ensure it is meeting program goals and to assess whether its expansion to rare diseases might be appropriate. We support a collaborative and constructive approach to enhancing FDA review and are pleased to see that spirit of cooperation in the efforts of the subcommittee.

Thank you again for this opportunity to submit this statement.

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PREPARED STATEMENT OF THE FARM CREDIT ADMINISTRATION (FCA)

Mr. Chairman, members of the subcommittee, I am Leland A. Strom, chairman and chief executive officer of the Farm Credit Administration (FCA or Agency). On behalf of my colleagues on the FCA Board, Kenneth Spearman of Florida and Nancy Pellett of Iowa, and all the dedicated men and women of the Agency, I am pleased to provide this testimony.

Before I discuss the Agency's role, responsibilities, and budget request, I would like to thank the subcommittee staff for its assistance during the budget process. Also, I would respectfully bring to the subcommittee's attention that the funds used

by FCA to pay its administrative expenses are assessed and collected annually from the Farm Credit System (FCS or System) institutions we regulate and examine—the FCS banks, associations, and service corporations, and the Federal Agricultural Mortgage Corporation (Farmer Mac). FCA does not receive a Federal appropriation.

Earlier this fiscal year, the Agency submitted a proposed total budget request of \$59,537,346 for fiscal year 2011. FCA's proposed budget for fiscal year 2011 includes funding from current and prior assessments of \$59,400,000 on System institutions, including Farmer Mac. Almost all this amount (approximately 83 percent) goes for salaries, benefits, and related costs.

The fiscal year 2011 proposed budget is driven largely by two factors: (1) stress on the System caused by conditions in the agricultural and the general economy and (2) the large number of retirements that FCA anticipates in the coming 5 years. Although the System remains safe and sound overall, risks have increased across the System, and conditions in several institutions have deteriorated. As a result, we are hiring additional staff members to provide more intensive examination and oversight. We are also hiring employees to fill the positions of those who will be retiring soon. The funding we've requested for fiscal year 2011 will allow us to provide the additional supervision and oversight required in challenging economic times and to ensure that we maintain a staff with the skills necessary to properly examine, oversee, and regulate the System.

#### MISSION OF THE FARM CREDIT ADMINISTRATION

As directed by Congress, FCA's mission is to ensure a safe, sound, and dependable source of credit and related services for agriculture and rural America. The Agency accomplishes its mission in two important ways. First, FCA protects the safety and soundness of the FCS by examining and supervising all FCS institutions, including Farmer Mac, and ensures that the institutions comply with applicable law and regulations. Our examinations and oversight strategies focus on an institution's financial condition and any material existing or potential risk, as well as on the ability of its board and management to direct its operations. We also evaluate each institution's compliance with laws and regulations to serve all eligible borrowers, including young, beginning, and small farmers and ranchers. If a System institution violates a law or regulation or operates in an unsafe or unsound manner, we use our supervisory and enforcement authorities to ensure appropriate corrective action. Second, FCA develops policies and regulations that govern how System institutions conduct their business and interact with customers. FCA's policy and regulation development focuses on protecting System safety and soundness; implementing the Farm Credit Act; providing minimum requirements for lending, related services, investments, capital, and mission; and ensuring adequate financial disclosure and governance. The policy development program includes approval of corporate charter changes, System debt issuance, and other financial and operational matters.

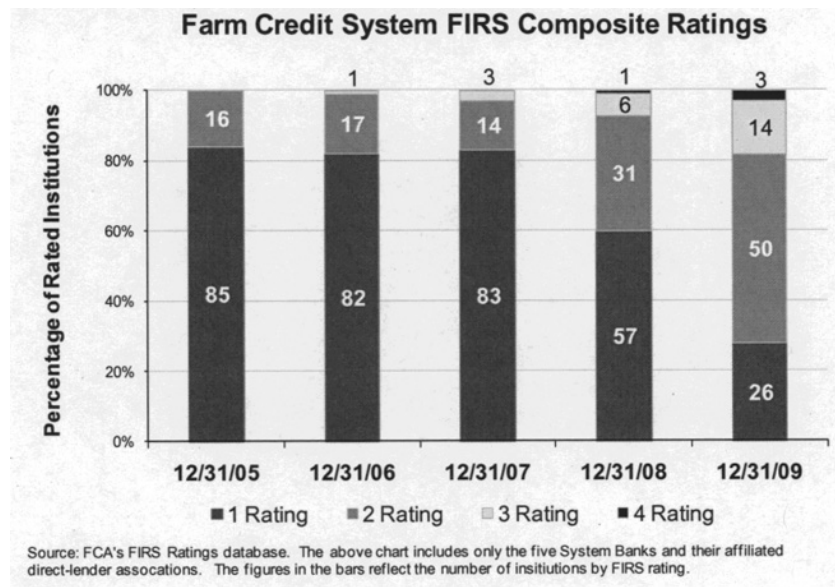
#### EXAMINATION PROGRAMS FOR FCS BANKS AND ASSOCIATIONS

The Agency's highest priority is to maintain appropriate risk-based oversight and examination programs. With changes in the System and human capital challenges within our Agency (pending retirements, normal attrition of staff, and the ever-increasing need for more sophisticated skills in the financial sector), we have undertaken a number of initiatives to enhance our skills and expertise in key examination functions. On a national level, we actively monitor risks that may affect groups of System institutions or the entire System, including risks that may arise from the agricultural, financial, and economic environment in which the System institutions operate.

The scope and frequency of each examination is based on our assessment of an institution's internal controls and the ability of its board and management to manage risks. FCS institutions are required to have prudent loan underwriting and loan administration processes, to maintain adequate asset-liability management, to establish high standards for governance, and to issue transparent shareholder disclosures. Furthermore, we also are requiring institutions to complete stress tests to determine their ability to withstand increased risk and to develop appropriate contingency plans. The frequency and depth of our examinations may vary, but each institution is provided a summary of our activities and a report on its overall condition at least every 18 months. Most issues are resolved through corrective actions established in the Report of Examination or other communication. In certain cases, FCA will use its enforcement powers to effect changes in the institution's policies and practices to correct unsafe or unsound conditions or violations of law or regulations.

We evaluate each institution's risk profile on a regular basis. The Financial Institution Rating System (FIRS) is the primary risk categorization and rating tool used

by examiners to indicate the safety and soundness of an institution. FIRS ratings range from one for a sound institution to five for an institution that is likely to fail. As of December 31, 2009, FIRS ratings as a whole continued to reflect the sound financial condition of the FCS, although some individual institutions are showing stress from conditions in agriculture and the general economy.



As shown in the preceding chart, FIRS ratings were downgraded in several institutions in 2009, continuing a declining trend over recent years. In addition, at December 31, 2009, two FCS institutions were under a formal enforcement action and two others were placed under enforcement actions shortly after the first of the year. There are no FCS institutions in conservatorship or receivership. As a result of declining ratings, we have increased supervisory oversight at a number of institutions and dedicated additional resources in particular to those 17 institutions rated 3 or worse. Although these 17 institutions represent only 4 percent of System assets and do not threaten the System's consolidated performance, they require significantly greater Agency resources to oversee. Overall the System remains financially strong and adequately capitalized. Additionally, the FCS does not pose material risk to investors in FCS debt, to the Farm Credit System Insurance Corporation, or to FCS institution stockholders.

#### REGULATORY AND CORPORATE ACTIVITIES

*Regulatory Activities.*—Congress has given the FCA Board statutory authority to establish policy, prescribe regulations, and issue other guidance to ensure that FCS institutions comply with the law and operate in a safe and sound manner. The Agency's regulatory philosophy focuses our efforts on developing balanced, flexible, and legally sound regulations. Some of the Agency's current regulatory and policy projects include the following:

- Enhancing our risk-based capital adequacy framework for the FCS to more closely align it with that of the Federal banking agencies and the Basel II standardized approach.
- Revising lending and leasing-limit regulations to ensure that FCS institutions maintain effective policies to measure and manage exposure to single counterparties, industries, and market segments, and to large complex loans.
- Reviewing regulations and policies on loan pricing, terms, and conditions to ensure that System practices and procedures are safe and sound and reflect sensitivity to market conditions.
- Developing regulations with the Federal banking agencies to implement the Secure and Fair Enforcement for Mortgage Licensing Act of 2008.

- Revising regulations to enhance System disclosures of senior officer compensation and supplemental benefit programs and issuing guidance for System compensation policies and best practices.
- Strengthening investment-management and liquidity regulations to ensure prudent practices are in place for the safe and sound management of FCS investment portfolios.

*Corporate Activities.*—While FCS institutions have declined in number over the years, their complexity has increased, which has resulted in greater demands on both examination staff resources and expertise. Generally, these mergers have resulted in larger, more cost-efficient, and better capitalized institutions with a broad, diversified asset base, both by geography and commodity. As of January 1, 2010, the System had 88 direct-lender associations, five banks, five service corporations, and two special-purpose entities. Thus far in fiscal year 2010, we have received and approved six restructuring applications.

#### CONDITION OF THE FCS

Agricultural economic conditions and the System's operating environment continue to be unsettled. In February 2010, USDA forecast a 7.8 percent increase in net cash farm income for 2010 largely because of an approximate 10 percent increase in cash receipts from livestock and related products. Improved demand for livestock and dairy products, combined with lower production, has improved prices and profitability in these sectors. However, many of these producers remain financially vulnerable because of a substantial reduction in equity over the past couple years. Also, the USDA report forecast weakening in other sectors. Profit margins for some crop producers could be lower in 2010 since commodity prices are generally lower than a year ago and input prices are higher. Crop cash receipts are expected to decline about 4 percent. Profitability in the ethanol industry improved in the fall of last year although ample ethanol supplies pressured margins in early 2010. Uncertainty has increased in the global economy in part because of fiscal difficulties in several European countries and elevated unemployment rates in the United States. This uncertainty will likely lead to a somewhat tepid economic recovery and to a challenging operating environment for the FCS in 2010.

Despite a very challenging year affecting the credit markets, the System's overall condition and performance remained sound in 2009. The System is well positioned to withstand the continuing challenges coming from the general economy and stress in some sectors of the agricultural economy. Total capital increased to \$30.0 billion at December 31, 2009, up from \$27.1 billion a year earlier. Also, more than 82 percent of total capital is in the form of earned surplus, the most stable form of capital. The ratio of total capital to total assets increased to 13.9 percent at year-end 2009, compared with 12.7 percent the year before as asset growth slowed considerably and the System continued to grow its capital base.

Gross loans grew by a modest 2.1 percent in 2009, compared with double-digit growth for several years. System borrowers were negatively impacted by the overall stress in the general economy and certain sectors of the agricultural economy. Credit quality declined but remained satisfactory overall. Nonperforming loans increased by \$1.1 billion to \$3.5 billion as of December 31, 2009, and represented 11.8 percent of total capital at the end of 2009, up from 8.9 percent at the end of 2008.

In 2009, the System earned \$2.9 billion, a 2.2 percent decrease from 2008. The return on assets remained at the very favorable level of 1.33 percent. The System's liquidity position equaled 178 days at December 31, 2009, essentially unchanged from a year earlier and well in excess of the 90-day regulatory minimum.

Further strengthening the System's financial condition is the Farm Credit Insurance Fund (Insurance Fund), which has grown to more than \$3.2 billion. The Insurance Fund protects investors in Systemwide consolidated debt obligations. The Farm Credit System Insurance Corporation administers the Insurance Fund.

The economic and financial market turmoil in 2008 dissipated somewhat in 2009, and certain sectors of the capital markets began to function more normally. This helped the System to maintain its overall financial strength, serve its mission, and build the Insurance Fund in 2009. Even though the System is a Government-sponsored enterprise (GSE) with solid financial performance, not all of the liquidity has returned to the financial markets. Investor demand for longer-term Systemwide debt securities, particularly those with maturities over 5 years, remained moderate, and long-term funding costs, while declining, remained volatile. Government actions to stabilize the financial markets and funding for other GSEs have provided some ancillary benefit to System funding, which helped support solid System earnings performance in 2009. Also, the System has enhanced its domestic marketing and in-

ternal liquidity reserve requirements. For 2010, the System expects debt markets to remain accessible.

#### FEDERAL AGRICULTURAL MORTGAGE CORPORATION

Congress established Farmer Mac in 1988 to provide secondary market arrangements for agricultural mortgage and rural home loans. Farmer Mac creates and guarantees securities and other secondary market products that are backed by mortgages on farms and rural homes. The 2008 Farm Bill expanded Farmer Mac's program authorities by allowing it to purchase and guarantee securities backed by eligible rural utility loans made by cooperative lenders. Through a separate office required by statute (Office of Secondary Market Oversight), the Agency examines, regulates, and monitors Farmer Mac's operations.

Like the FCS, Farmer Mac is a GSE devoted to agriculture and rural America. Farmer Mac is not subject to any intra-System agreements or the joint and several liability of the FCS banks. Also, the Insurance Fund does not back Farmer Mac's securities. However, by statute, in extreme circumstances Farmer Mac may issue obligations to the U.S. Treasury Department, not to exceed \$1.5 billion, to fulfill the guarantee obligations of Farmer Mac Guaranteed Securities.

Farmer Mac made significant financial progress during 2009 compared with 2008. Net income for the year ending December 31, 2009, was \$82.3 million, compared with a net loss to common stockholders of \$154.1 million in 2008. At year-end 2009, capital surplus had grown to \$120.2 million, up significantly from \$13 million as of December 31, 2008. The total portfolio of loans, guarantees, and commitments grew to \$10.7 billion. Farmer Mac continues to have access to the debt markets to fund its program assets.

In January of 2010, Farmer Mac raised \$250 million in capital from a private offering of shares of noncumulative perpetual preferred stock of Farmer Mac II LLC, a recently formed operating subsidiary in which Farmer Mac owns all of the common equity. Farmer Mac used the proceeds to repurchase and retire \$150 million of Farmer Mac's outstanding Series B preferred stock, with additional proceeds available for other corporate purposes. The new preferred stock has a lower net effective cost than the recently retired capital and will improve Farmer Mac's ability to generate new capital through earnings.

Farmer Mac's program loan portfolio shows stress in certain subsectors such as ethanol; however, risk in the portfolio remains manageable. Improvements related to the ethanol industry reduced the nonperforming loan rate to 1.41 percent at December 31, 2009, compared with 1.61 percent at December 31, 2008. Loans more than 90 days delinquent decreased from 1.35 percent at December 31, 2008, to 1.13 percent at December 31, 2009.

Regulatory activity for 2010 includes plans to issue an Advance Notice of Proposed Rulemaking to consider modifying regulations governing nonprogram investments and liquidity at Farmer Mac. Additionally, FCA plans to finalize a rule this year governing the Risk-Based Capital Stress Test that would update the model to address Farmer Mac's new rural utility financing authority and certain other technical changes in parts of the stress test.

#### CONCLUSION

We at FCA remain vigilant in our efforts to ensure that the Farm Credit System and Farmer Mac remain financially sound and focused on serving agriculture and rural America. It is our intent to stay within the constraints of our fiscal year 2011 budget as presented, and we continue our efforts to be good stewards of the resources entrusted to us. While we are proud of our record and accomplishments, I assure you that the Agency will continue its commitment to excellence, effectiveness, and cost efficiency and will remain focused on our mission of ensuring a safe, sound, and dependable source of credit for agriculture and rural America. This concludes my statement. On behalf of my colleagues on the FCA Board and at the Agency, I thank you for the opportunity to share this information.

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#### PREPARED STATEMENT OF FASTERCURES/THE CENTER FOR ACCELERATING MEDICAL SOLUTIONS

Chairman Kohl, Senator Brownback, and members of the subcommittee, on behalf of FasterCures I am writing to thank you for your continued support of the U.S. Food and Drug Administration (FDA) over the past several appropriation cycles and to urge you to once again authorize an increase in the fiscal year 2011 budget for this critical agency. FasterCures is a nonprofit think tank and center of the Milken

Institute that works across sectors and diseases to improve the effectiveness and efficiency of the medical research enterprise, and we view improvements at FDA as key to accelerating progress in disease research.

Together with the Alliance for a Stronger FDA, of which we are a member, FasterCures requests that the budget authority appropriation for the FDA in fiscal year 2011 be increased to \$2.857 billion. This request is exclusive of user fees. It represents a \$495 million increase over the fiscal year 2010 budget and a \$341 million increase over the President's request for fiscal year 2011. This increase would ensure that the FDA could not only adequately sustain its existing activities at their current levels, but also continue to meet its increasingly robust set of public health and safety responsibilities without compromising its scientific base.

Regulatory science is the backbone that supports all other FDA activities. It must be strengthened to provide better tools, standards and pathways to evaluate products under development and help patients benefit from biomedical advances.

- In recent years, U.S. investments in research have generated a tremendous amount of knowledge about the relationship between molecular information and human health. Yet the development of new therapies has declined, and the cost to develop them has increased.

- We need 21st century science to support the evaluation of 21st century medical products.

- Improvements in regulatory science will support better assessment of drug and device safety, and create efficiencies in the development process.

Deficiencies in capital—human, scientific and financial—are creating a widening gap between the microscope and the marketplace, and hindering the FDA's ability to achieve its mission.

- Staffing levels from the 2010 appropriation have only just been restored to the previous high level achieved in 1994.

- Increasing internationalization, scientific complexity and drug development costs add mounting pressure on the Agency.

- It takes about 15 years, on average, to take a promising scientific discovery from the research lab through the development, testing and regulatory review approval process, and get it into the hands of patients.

- For the more than 100 million Americans who suffer from cancer, Alzheimer's disease, diabetes, Parkinson's disease, heart disease and others for which there are no cures—and in many cases, few meaningful treatment options—this is simply too long to wait.

Challenges are growing, while capacity is shrinking.

- While new responsibilities continue to be added, the FDA's base is eroding.

- CDRH staff, including its field force, has decreased in recent years, while scientific discovery continues to move at a rapid pace.

- Generic drug submissions outpace the capacity to review them.

A consistent multi-year funding approach is essential.

- The Institute of Medicine, U.S. Government Accountability Office, and FDA Science Board have highlighted deficiencies in the FDA's ability to carry out its responsibilities, noting resource limitations.

- The Science Board report (December 2007) is particularly clear that a fundamental source of problems is chronic under-funding.

- No systemic improvement is likely without resources to increase food science and inspection capacity, further fund drug and device approvals and safety monitoring, and upgrade mission-critical information technology systems.

Compared with other public health agencies, the FDA's budget is still relatively small, and out of alignment with its growing responsibilities.

- The FDA is responsible for regulating products that represent one-quarter of all consumer spending.

- Twenty-five years ago, the FDA and the Centers for Disease Control and Prevention (CDC) were roughly the same size, but since that time, the CDC's compound annual growth rate has grown to nearly double that of FDA.

- With over 80 percent of its budget going to staff and operational costs—including salary and benefits for approximately 10,000 employees as well as rent, supplies, telecommunications, etc.—at the current rate of growth, the Agency will not be able to sustain, much less grow, its current scope.

- FDA needs excellent staff with cutting edge scientific expertise, but it also needs strong, selective scientific research programs that are appropriately mission-driven in all of the areas of FDA responsibility (e.g. generic biologic review, adverse event tracking, drug import field exams, foreign manufacturing facility review, etc.)

Increasing the FDA's budget in fiscal year 2011 will strengthen its ability to operate a modern, scientifically based regulatory program.

—The FDA must be strong enough to accept the baton of innovation from the research community in order to ensure that patients are able to benefit from advances in biomedical and laboratory science.

We commend Dr. Hamburg and the Agency for their commitment to excellence and for recognizing the valuable role of regulatory science in creating new pathways and standards for product development and approval.

Attached is a chart that breaks down our budget request by function, comparing it to both the President's request and previous year's budgets.

Thank you very much for your consideration and for the opportunity to submit this testimony. I would be happy to answer any questions you may have.

PRESIDENT OBAMA'S FISCAL YEAR 2011 REQUEST FOR THE FDA COMPARED TO THE ALLIANCE  
FOR A STRONGER FDA'S FISCAL YEAR 2011 REQUEST (WITH FURTHER COMPARISON TO FISCAL  
YEARS 2008, 2009 AND 2010)

[Budget Authority Appropriations, does not include user fees]

Function Note: budget authority only, by center	Fiscal year 2008 actual (December 2007)	Fiscal year 2009 final (March 2009)	Fiscal year 2010 final (October 2009)	Fiscal year 2011 alliance request	Fiscal year 2011 President's request
Food .....	\$510 million	\$649 million	\$784 million	\$955 million	\$856 million
Human Drugs .....	353 million	413 million	465 million	580 million	484 million
Biologics .....	155 million	183 million	206 million	255 million	215 million
Animal Drugs/Feed .....	97 million	116 million	135 million	165 million	141 million
Devices & Radiological Health .....	238 million	280 million	315 million	385 million	326 million
Natl. Ctr. for Toxicological Research .....	44 million	52 million	59 million	72 million	61 million
HQ, Office of Commissioner and Other .....	97 million	121 million	144 million	183 million	162 million
Rent & Facilities Cost .....	220 million	223 million	237 million	250 million	259 million
 SUBTOTAL, Salaries and Expenses .....	 1.714 billion (+ \$145 million over fiscal year 2007)	 2.039 billion (+ \$325 million over fiscal year 2008)	 2.346 billion (+ \$307 million over fiscal year 2009)	 2.845 billion	 2.504 billion
 Building and Facilities Re- pair .....	 8 million	 16 million	 16 million	 12 million	 12 million
 TOTAL, ALL Budget Authority Approp- riations (no user fees) .....	 1.722 billion	 2.055 billion	 2.362 billion	 2.857 billion (Proposes + \$495 million over fiscal year 2010)	 2.516 billion (Proposes \$154 million over fiscal year 2010)

Because OMB includes new and proposed user fees in their totals, these numbers vary considerably from those being discussed by the Administration and reported by many sources.

Subsequently, the Administration amended its request to ask for an additional \$8 million for earmarks within the food program. This is reflected in the chart, but may not be in all budget descriptions.

PREPARED STATEMENT OF FEEDING AMERICA

Thank you Mr. Chairman and members of the subcommittee for the opportunity to submit written testimony on the President's fiscal year 2011 budget for the U.S. Department of Agriculture (USDA). As president and CEO of Feeding America, I am pleased to be able to share with you the needs and interests of the more than 37 million people served by our network of 200 food banks and more than 62,000 local feeding agencies. I also want to thank you and your colleagues for the continuing and generous support this subcommittee has always provided for nutrition programs and for your leadership in the fight to end hunger in this Nation.

As you know, our network and those we serve are heavily reliant on the programs administered by the Food and Nutrition Service of USDA. We greatly appreciate the difficult challenges this agency takes on in administering our Nation's domestic nu-



trition assistance programs. Over the years we have formed a successful partnership with FNS and its regional offices. Federal commodity donation programs like The Emergency Food Assistance Program (TEFAP) and the Commodity Supplemental Food Program (CSFP) make it possible for our network to distribute millions of pounds of nutritious foods to the food pantries, shelters, soup kitchens, and after school programs (like Kids Cafes) that we operate throughout the country. This partnership and our close working relationship with FNS also has helped our network engage in promoting and helping hungry people access other nutrition programs, like SNAP, Child Nutrition, and WIC.

If we are ever going to end hunger in this country we all must continue to work together so that the 49 million people in our Nation who are defined by USDA as “Food Insecure” are able to fully access the critically important tools provided by Federal nutrition programs.

#### TEFAP AND COMMODITY DISTRIBUTION PROGRAMS

Feeding America food banks are the largest user of commodities provided through The Emergency Food Assistance Program (TEFAP). This program provides a consistent source of food that allows many feeding agencies to keep their doors open, and as noted below, helps us leverage private, charitable donations to significantly expand the amount of food and resources we distribute through our food bank network.

The Feeding America food bank network depends on USDA commodities to ensure a guaranteed supply of foods to distribute to our pantries, shelters, soup kitchens and community feeding programs. In fiscal year 2009, a total of \$2.2 billion worth of food was distributed through our food banks and local agencies. The value of TEFAP and CSFP commodities accounted for \$436 million of this amount.

*TEFAP Commodities.*—With the generous support of this Congress in enacting the American Recovery and Reinvestment Act (ARRA), funding for TEFAP commodities was increased by \$150 million for fiscal year 2009 and fiscal year 2010. Of this amount States could use \$50 million for distribution grants. Unfortunately, the additional commodities bought with the ARRA funding will run out by the end of March, 2010. This is happening at a time when the numbers of people coming to our agencies for food assistance (already at record levels) continues to grow, and unemployment remains high. The rising demand, together with a significant decline in available bonus commodities for the program and the end of ARRA commodities, is seriously depleting our food inventories, and many of our feeding agencies soon may be facing empty shelves. We estimate that an additional \$200 million in TEFAP commodity assistance is needed to continue serving the growing numbers of people who are seeking food assistance through emergency feeding agencies.

Feeding America recommends that an additional \$200 million be added in emergency funding for TEFAP commodities to ensure that emergency feeding programs can continue to serve the growing numbers of hungry Americans coming to them for help.

*Safe Storage and Distribution of Commodities.*—As in past years, the Administration budget proposal for TEFAP commodity distribution grants requests the same amount (\$50 million) to help State and local agencies with the costs of storing, transporting and distributing TEFAP commodities. Funding to protect the food commodities and transport and distribute them is critically important, especially now that many States are facing budget crises that are challenging their ability to fund this essential work. It has been very difficult to cover these costs as demand has increased, and we are hopeful that the subcommittee will find more funding to help make sure the food we have can be safely stored, transported and distributed.

Feeding America recommends that the Committee fully fund the TEFAP grant program for commodity distribution at the fully authorized level of \$100 million.

*TEFAP Infrastructure Grants.*—The Administration budget request proposes to zero out the \$6 million in funding for TEFAP infrastructure grants that was approved by this Committee for fiscal year 2010. These grants, yet to be awarded by the Administration for fiscal year 2010, are critically important to help food banks with the costs of maintaining and improving their facilities and equipment and ensuring safe food storage and handling. Many of our food banks, particularly those located in rural areas are struggling to update their facilities and equipment. Efforts to improve the amount of fresh fruits and vegetables distributed also are hindered by outdated refrigeration and storage units. Moreover, the poor economy in many regions is handicapping efforts to raise sufficient private funding for capitol improvement projects.

We recommend that the USDA release the Infrastructure grant funding appropriated by the Committee for fiscal year 2010 as quickly as possible, and that the Committee continue to fund this extremely important program to our network.

*Commodity Supplemental Food Program.*—The Administration budget request recommends \$176.8 million for the Commodity Supplemental Food Program. More than one-third of our food banks operate CSFPs in States approved for this program. We are pleased that your Committee has long-supported the CSFP, which is critically important to so many needy elderly and young mothers and children. The addition of new States to this program last year has opened the way for many more hungry people to receive the nourishment they need. It is our hope that caseloads in States with programs can be increased and that over time more States and localities will be able to offer CSFPs. The decline in bonus commodities available to this and other nutrition programs is worrisome, and we hope that this does not impede progress in reaching the many people, especially seniors, who require the nutritious supplemental food packages provided by the CSFP.

We support the Administration proposal for CSFP funding for fiscal year 2011 and the position of our colleagues in the national CSFP Association.

#### CHILD NUTRITION

Recognizing the many gaps in our child nutrition programs, our food banks are heavily engaged in promoting and feeding children through innovative child nutrition programs. Along with offering nutritious foods to over 14 million children through our food pantries, shelters and soup kitchens, our food banks operate more than 1,600 Kids Cafes serving more than 115,000 children each year. These after school programs are able to operate with support from the Child and Adult Care Food program and private donations. They are run in a wide variety of local settings like Boys and Girls clubs, churches, community centers, and schools. Kids Café programs had their origin in Savannah, Georgia, where in 1989 two young brothers were found late one night searching for something to eat in a housing project community kitchen.

More recently, our food banks have taken on the issue of gaps in our child nutrition programs by initiating weekend feeding programs for low income children. These programs, commonly known as Backpack programs, operate in partnership with local schools and community agencies and provide child-friendly, non-perishable, nutritious foods for children to take home on the last day before a weekend or school holiday. Backpack programs originated in Little Rock, Arkansas after a school nurse contacted the local food bank to ask for help when she noticed that many children were coming to her on Mondays complaining of stomach aches and dizziness. There now are more than 140 Feeding America members and partner organizations operating 3,600 Backpack programs that serve more than 190,000 children.

The Administration fiscal year 2011 budget for Child Nutrition Programs would maintain current services for all of the current programs. More importantly it proposes to increase funding for child nutrition programs by \$1 billion annually (or \$10 billion over 10 years) to make the needed changes to these programs to help achieve the President's goal of ending childhood hunger by 2015. Feeding America fully supports the President's ambitious and achievable goal and budget proposal.

Child Nutrition programs are the foundation upon which to build a Nation where all of our children have access to the nutritious foods essential to help them learn and thrive and lead healthy and productive lives. It is critically important that comprehensive child nutrition reauthorization legislation be enacted this year, and that enough funding be provided to make this happen.

Too many low-income children in this country are unable to access child nutrition programs when they need them. For example, only 2.2 million children participate in the Summer Food Service Program, which is targeted to children living in low-income areas. This compares to some 19 million low-income children receiving free and reduced price school lunches during the school year. Summer food and child care feeding programs are handicapped by excessive sponsor requirements, proscriptive eligibility rules and administrative and paperwork burdens that limit access to these programs and reduce cost efficiencies. At a time when State and local governments are struggling with budget cutbacks, these administrative barriers hinder sponsorship of Federal nutrition programs that could help millions of children without adding fiscal burdens to States and communities.

Feeding America recommends that changes to child nutrition programs be accomplished this year to expand their quality and reach to all children, and that these changes fill the gaps in current services. Our priorities call for (1) expanding the reach and quality of foods for hungry children in schools, child care, After school

and summer sites; (2) providing start-up funding and outreach to increase the number of Summer Food Service programs in unserved and underserved areas; (3) funding innovative programs, like the Backpack Program, to help hungry children when they do not have access to nutrition programs, and (4) better coordinating programs and streamlining and simplifying rules that prevent or hinder the operation of child nutrition programs. [See attachment at the end for a more detailed list of Feeding America priorities.]

#### SNAP OUTREACH AND APPLICATION ASSISTANCE

Our food banks are working closely with FNS staff at the Federal, State and local level to conduct SNAP outreach. As you know, too many people who are eligible for SNAP benefits are not receiving them. Data shows that about one-third of those who are eligible for SNAP do not participate in this program. There are many reasons for this, and high among them are long and complicated application forms and processes. Our food banks are committed to addressing this problem by working with local Federal, State and local SNAP agencies to offer on-site application assistance to clients wading through the difficult and time-consuming process of qualifying for these critically important benefits.

While this is not part of a specific Administration budget request we hope that this partnership will continue and be expanded through waivers and other methods to help ensure that all of those who are eligible for SNAP can qualify and receive these vitally important benefits.

#### CONCLUDING REMARKS

Feeding America is profoundly aware of the current economic crisis and the challenges this presents to our legislators and those they represent. Our Nation's nutrition programs provide the foundation upon which to build a future where all of Americans have access to nutritious foods that will help them live healthy and productive lives. As they have so often in the past when our Nation faced war, a Great Depression, and social and economic upheavals, Federal nutrition programs offer the way to effectively respond to our current economic crisis and to the needs of those struggling to nourish themselves and their families.

Millions in this country are struggling to keep their jobs, homes, and food on the table. Food Banks and local feeding agencies often are the first to see the devastated faces of those who never imagined that they would be seeking help at a food pantry, shelter, or soup kitchen. The charitable sector has truly stepped up to try and serve the growing numbers of those in this Nation who are hungry. But, as we learned in the Great Depression and are reminded of in the current Great Recession, charity alone cannot meet the need.

The government and charitable sector must work together and Federal nutrition programs must be the solid foundation upon which to build the structure that finally succeeds in ending the scourge of hunger in this Nation. No one in this country should have to wonder where their next meal will come from, or how they will afford to buy nutritious foods for their families.

Thank you so much for allowing me to present this written testimony. I hope you will not hesitate to contact me or my colleagues in our Washington office if we can be of assistance in helping you and the President finally put an end to hunger among children and for all of those living in our great Nation.

#### ATTACHMENT

##### CHILD NUTRITION PRIORITIES

Feeding America food banks play a critical role in directly supporting and advocating for child nutrition. In 2009, our food bank network provided food to 13.9 million children, or one out of every five of all children in the United States. As the Congress prepares to reauthorize and strengthen these child nutrition programs, our food banks are actively engaged in developing and promoting legislative changes that will move the Nation forward in the crusade to end childhood hunger in America. President Obama's commitment to achieving this goal by the year 2015 is running behind schedule. The Congress must move quickly to complete action on a child nutrition bill that makes a substantial investment of no less than the Administration request to ensure that all of our children have access to a safe, nutritious, and healthy diet.

Our child nutrition legislative priorities will: (1) strengthen the quality and efficiency of all child nutrition programs; (2) fill the gaps in food service for millions of low-income children, and (3) offer creative ideas for new and innovative approaches to ending childhood hunger.

High on our priority list are proposals to reach more needy children through the Summer Food Service and Child and Adult Care Food Programs (SFSP & CACFP). Too many low-income children receiving free or reduced-price school lunches during the school year (some 19 million) do not have access to the SFSP, which reaches only 2.2 million children. Similarly, because of the limited number of after-school programs currently being operated through CACFP, too many low-income children find themselves without access to nourishing food after the school day ends. Moreover, as the economy worsens, many low-income children are going hungry during weekends and school holidays. The Feeding America food banks operating summer food and afterschool programs, the Kids Café program, and weekend food box (or Backpack) programs strongly urge the Congress to make the following program improvements.

*Afterschool and Child Care Nutrition (Child and Adult Care Food Program)*

Expand supper funding for At-Risk After-School Programs beyond the current 14 States and localities (CT, DC, DE, IL, MD, MI, MO, NV, NY, OR, PA, VT, WI, and WV) to all 50 States.

Reduce the area eligibility threshold for At-Risk After-School Programs from 50 percent of children eligible for free or reduced-price school meals down to 40 percent.

Provide child care centers and home day cares with the option of providing a third meal.

Provide funding for outreach to recruit new sponsors to participate in CACFP.

Increase funding for CACFP expansion grants.

Require the publication of a CACFP manual to help applicants and program sponsors.

*Weekend Nutrition (The Backpack Program)*

Create a Pilot Program to fund a series of projects to explore various methods for providing food to low-income children on weekends and extended school holidays. Require that Backpack Programs be included as a model for one or more of the pilots and include funding for a USDA evaluation.

Provide authority for schools to designate Fruit and Vegetable Program purchases for distribution through Weekend box or Backpack Programs.

*Summer Nutrition (The Summer Food Service Program; Rural Summer Initiatives)*

Reduce the area eligibility threshold for SFSP from areas where 50 percent of children are eligible for free or reduced-price school meals to areas where 40 percent are eligible.

Expand the California SFSP pilot, which authorized use of the SFSP program year round, to more or all States, with the provision that meals may be served after-school year round to reduce need for separate program applications and criteria for summer and CACFP afterschool programs.

Increase the percentage of second meals that sponsors may be reimbursed for to recognize the variable nature of attendance in the summer and the need to reduce food waste.

Provide outreach funding to get new sponsors/sites/participants into the SFSP program by, among other things, providing funding for USDA and/or States to develop and implement aggressive outreach programs to get more children into summer food programs, and offering Start-up grants for new SFSP sponsors to encourage them to begin new programs.

Eliminate the restrictions on non-profit sponsors on the number of operating sites and participants they may serve.

Create a series of pilot programs to explore innovative methods of reaching more children through the SFSP in underserved areas. [NOTE: Fiscal year 2010 appropriations provided \$85 million for USDA to test innovative methods for reaching children in the summer.] Ideas we recommend include:

—Funding for mobile meal programs.

—Creation of a commodity box program pilot, targeted to children in rural areas that are not served through traditional congregate meal programs. Operated through schools, government, or non-profit agencies using school meals data to identify need, with option of picking up a box of items containing the equivalent to meals received through the SFSP.

*In-School Nutrition (National School Lunch Program and School Breakfast Program)*

Expand the School Breakfast Program to more schools and more children by increasing school options and incentives for providing breakfasts at schools; including in-classroom breakfast options and allowing universal school breakfasts in targeted schools with high percentages of low-income students.

Expand the “free” meal category for school meals from 130 percent to 185 percent of poverty, resulting in the elimination of the “reduced price” meal category.

Improve the nutritional quality of meals served in schools and of foods available on the school campus.

*Special Supplemental Nutrition Program for Women, Infants and Children (WIC)*

Ensure adequate funding to serve the growing caseload of women, infants, and children receiving WIC food packages and participating in the accompanying nutrition services.

*Cross-Program Child Nutrition Initiatives*

Increase base reimbursement rates for all child nutrition programs (school meals, CACFP, SFSP, etc.) to cover the higher meal costs due to inflation and improved nutritional quality.

Provide for more frequent indexing of reimbursement rates for all child nutrition programs. For example, provide semi-annual indexing and round up rates (currently rounded down).

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PREPARED STATEMENT OF FLORIDA STATE UNIVERSITY (FSU)

Florida State University is requesting \$5,000,000 in fiscal year 2011 for the Risk Reduction for Agricultural Crops Program from the National Institute of Food and Agriculture (NIFA).

Mr. Chairman, I would like to thank you and the members of the subcommittee for this opportunity to present testimony before this Committee. I would like to take a moment to briefly acquaint you with Florida State University.

Located in Tallahassee, Florida’s capitol, FSU is a comprehensive Research university with a rapidly growing research base. The University serves as a center for advanced graduate and professional studies, exemplary research, and top-quality undergraduate programs. Faculty members at FSU maintain a strong commitment to quality in teaching, to performance of research and creative activities, and have a strong commitment to public service. Among the current or former faculty are numerous recipients of national and international honors including Nobel laureates, Pulitzer Prize winners, and several members of the National Academy of Sciences. Our scientists and engineers do excellent research, have strong interdisciplinary interests, and often work closely with industrial partners in the commercialization of the results of their research. Florida State University had over \$200 million this past year in sponsored research awards.

Florida State University attracts students from every State in the Nation and more than 100 foreign countries. The university is committed to high admission standards that ensure quality in its student body, which currently includes National Merit and National Achievement Scholars, Rhodes and Goldwater Scholars, as well as students with superior creative talent. Since 2005, FSU students have won more than 30 nationally competitive scholarships and fellowships including 3 Rhodes Scholarships, 2 Truman Scholarships, Goldwater, and 18 Fulbright Fellowships.

At Florida State University, we are very proud of our successes as well as our emerging reputation as one of the Nation’s top public research universities. Our new President, Dr. Eric Barron, will lead FSU to new heights during his tenure.

Mr. Chairman, I bring two items of interest to you today. The first is a project vital to many of our Nation’s farmers and the second is our strong support for the President’s fiscal year 2011 budget requests for two programs within the USDA—the Agriculture and Food Initiative and the Expanded Food and Nutrition Education Program. First, let me tell you about our project.

Droughts in the southeastern U.S. have had significant impacts on the water resources. The Federal Government can reduce these risks by using modern technologies such as climate models, to predict future climate, and decision-support tools to help mitigate some uncertainties and provide adaptation strategies for the agricultural and environmental sectors. The Southeast Climate Consortium (SECC), which includes three Florida universities: Florida State University, University of Florida, University of Miami. The SECC has been at the forefront of research and extension for the application of climate predictions to risk reduction for agriculture and natural resources. With support from USDA and NOAA, the SECC has developed new methods to predict the consequences of climate variability and climate change for agricultural crops, forests, and water resources in the southeastern USA.

The SECC is a model for employing regional climate forecasts for agricultural purposes; because of its success, USDA has considered establishing other such regional activities throughout the United States to coordinate regional research efforts. Examples of coordinated research efforts have FSU leading efforts to provide climate

forecasts and risk reduction methodology. UF will translate this climate information into risks and environmental impacts on agriculture and will work with Extension to provide information to the agricultural community. UM will provide economic modeling capacities. Research efforts with other regional players in GA, AL, SC, and NC are coordinated to provide an overall regional climate strategy. Together, all university partners are developing new tools to manage climate risks to water quality. These tools and applications have strong support of extension in all these SE States.

The new tasks are to develop improved methods to forecast droughts and other extreme climate events. These forecasts will be incorporated into decision support systems to help agricultural, forest, and natural resource managers to reduce risks of losses. We will develop new partnerships and methods for incorporating climate forecasts into agricultural and water policy decisions and continue the development of a decision support system to provide seasonal and multi-year projections for agricultural water use. Lastly, we will initiate research to determine risks and appropriate agricultural responses to longer term trends in climate.

Florida State University, on behalf of the Southeast Climate Consortium, seeks \$5.0 million in fiscal year 2011 for this project.

Mr. Chairman, I would also like to express strong support for the President's fiscal year 2011 budget requests for two programs within the USDA.

The Agriculture and Food Initiative (AFRI) is seeking \$428.845 million to enhance funding levels for several areas critical to our Nation's continued progress. These areas include bioenergy, global climate change, global food security, nutrition and health, and the agricultural workforce. Two areas within AFRI that we feel strongly about are providing avenues to address changes in our climate related to agriculture and programs related to nutrition and nutrition education. A second programmatic area within USDA is the Expanded Food and Nutrition Education Program (EFNEP). The President has requested \$68.070 million for fiscal year 2011, the same level appropriated in fiscal year 2010. We understand the difficult choices that the President and your Committee must make in this difficult budget climate and, for that reason, we support level funding for this important program for fiscal year 2011. Our faculty members at FSU are very involved in both these important areas, and we respectfully request that the Committee endeavor to find funding to help move these important endeavors forward in fiscal year 2011.

Mr. Chairman, I appreciate your consideration of our project request as well as the President's budget request for AFRI and EFNEP. Thank you.

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PREPARED STATEMENT OF FRIENDS OF AGRICULTURAL RESEARCH—BELTSVILLE, INC.  
(FAR-B)

Mr. Chairman, and members of the subcommittee, thank you for this opportunity to present our statement regarding funding for the Department of Agriculture's Agricultural Research Service (ARS), and especially for the Agency's flagship research facility, the Henry A. Wallace Beltsville Agricultural Research Center (BARC), in Maryland. Our organization—Friends of Agricultural Research—Beltsville promotes the Center's current and long-term agricultural research, outreach, and educational missions. In this request, we support \$13 million of increases proposed in the President's budget for the Beltsville Agricultural Research Center. Also, we ask restoration of \$111,000 of decreases proposed for the U.S. National Arboretum, Washington, DC, and \$2,918,000 of decreases proposed for the Beltsville Agricultural Research Center. These actions, if approved, would restore the increases for the Beltsville Agricultural Research Center to \$13 million.

Before turning to explanatory specifics, please allow us to note for the record that during this calendar year the Beltsville Agricultural Research Center will mark a great historical milestone, a milestone to celebrate the many great and small accomplishments that BARC research has contributed to the Nation's agricultural bounty and to the overall march of scientific progress. A century has passed since 1910, the year research at Beltsville began with the assembly of a dairy cattle herd for research purposes. The ensuing BARC story is by all rights a great national story—a story of world-class accomplishment. BARC Director Joseph Spence and his staff are planning worthy events to commemorate the centennial year.

The Friends of Agricultural Research—Beltsville (FAR-B) is honored to be both a participant in the centennial planning process and a contributor to coming events. We would be pleased, Mr. Chairman, to answer any questions, to collect any information or documents the subcommittee might wish regarding the centennial.

We now turn to the specifics of our testimony for fiscal year 2011. Most fiscal year 2011 increases in the President's budget for BARC appeared (sometimes under

slightly different headings) in our testimony for fiscal years 2009 or 2010. We strongly support all the proposed increases.

*Animal Breeding and Protection, \$1,500,000.*—The promise of understanding the genome of plants and animals is being fully exploited at Beltsville. In groundbreaking research conducted here, scientists have been able to quickly and accurately identify dairy bulls that will produce daughters that are the most efficient milk producers. Now a simple test at birth can predict at twice the former accuracy and at a cost of about \$250 the potential of a bull to sire high producing cows. Traditionally, bull prediction methods have required farmers to maintain and study cows for several years, at a cost up to \$50,000 per bull. The potential for developing and expanding this breakout technology is huge and at great savings to farmer and consumer alike.

*Colony Collapse of Honey Bees, \$500,000.*—The loss of honey bees has and will continue to have a major effect on American agriculture. Crops such as almonds are entirely dependent on the honey bee for pollination. Research conducted at Beltsville is regarded as the most significant and effective at addressing the issue of colony collapse disorder and the funds will make use of the recently reported DNA sequence of nosema, a pathogen that is associated with colony collapse disorder. BARC scientists determined the DNA sequence for nosema.

*Crop Breeding and Protection, \$1,250,000.*—A number of crops of great agronomic importance to the United States are at risk from emerging diseases that can devastate crop yield. Research to identify germplasm that is resistant to these emerging diseases is being conducted at BARC. The research combines BARC's unique germplasm resources with outstanding breeding research ability to develop improved crop varieties with resistance to emerging diseases.

*Food Safety, \$1,500,000.*—The Beltsville Area has established the largest single food safety unit in ARS. This research unit will focus on a number of issues, including safety of fruits and vegetables and food safety issues related to organic agriculture. The ability exists at BARC to raise crops and animals under farm conditions, and then to process, store, and package the resulting products. The ability to propose and test interventions that greatly reduce pathogen exposure in foods, and ultimately in people, is a unique feature of the food safety research program at BARC.

*Global Climate Change, \$800,000.*—BARC has unique growth chambers that can measure and observe plant growth at every stage or part from root to stem, and under every conceivable atmospheric condition. BARC is using these chambers to measure the effects of increasing atmospheric CO<sub>2</sub> and changes in environmental temperatures. Studies are underway not only on agronomically important crops, but also on invasive weeds. BARC research shows that environmental changes may enhance the rapid growth of invasive plants, thus threatening to exacerbate already costly problems for American agriculture.

*Human Nutrition, \$5,400,000.*—Obesity negatively impacts the health and productivity of the American public. Moreover, obesity comes with greatly increased risk of chronic diseases that dramatically add to the economic costs of healthcare. The Beltsville Human Nutrition Research Center (BHNRC) is researching barriers and facilitators that may discourage or encourage Americans from following recommended Dietary Guidelines; that is, why adults and children from major U.S. racial/ethnic groups may or may not follow dietary guidelines. A major research emphasis is to prevent obesity through a better understanding of why people make the food choices they do. This research also will help USDA design and implement more effective food assistance programs. Furthermore, this research will help to define the progress of efforts to prevent obesity in children because it takes advantage of the unique national food consumption survey "What We Eat in America", conducted by BHNRC and is the Nation's nutrition monitoring effort.

*Local Food Systems, \$500,000.*—BARC scientists are working with farmers on Maryland's Eastern Shore to learn how to improve on-farm conservation practices that will improve water quality in the Chesapeake Bay. The research goals—targeting the entire range of Eastern Shore farming practices—include reducing fertilizer and pesticide usage. A central goal is to create agronomic and animal waste management practices that will reduce fertilizer usage and control pollution runoff. Biocontrol studies are searching out ways to minimize the need for pesticides. Scientists also are using advanced remote sensing and hydrological technologies to protect the health of the Chesapeake watershed. Because BARC is a working farm and has established collaborations with producers on the Eastern Shore, BARC is an ideal place to study the utilization of farm-generated waste products. Farm-generated waste products can be environmentally harmful, have little or no value to the farmer, and be costly to dispose of. Work at Beltsville has led to the effective development of technologies and products that take waste by-products and convert

them to valuable new products. Examples include biofuels and plastics made without petroleum.

*Plant, Animal, and Microbial Collections, \$1,250,000.*—BARC maintains and expands the Federal government's unique collections of biological materials and organisms that are of utmost importance in identifying pests and parasites in the United States and are critical for preventing unwanted pests from entering the United States through imports or by international travelers, as well as demonstrating that our exports are safe. These unique, irreplaceable collections include the invaluable reference collections of insects, nematodes, parasites, and fungi, and the national Germplasm Resource Information Network. These world-class collections and information systems attract leading experts from around the world in efforts to globally control diseases and pests. The continued availability of research in this general area of systematics is essential for trade, for homeland security, and for the protection of American agriculture.

*Reduce World Hunger, \$300,000.*—This research will collect phenotypic data and use genome sequence derived markers to characterize germplasm for traits of importance in food animals. Of most significance, this work will utilize BARC's Animal Improvements Laboratory, which is a truly unique research operation that builds on 100 years of expertise at BARC.

Now we turn to proposed decreases, all listed as earmarks in the President's budget. We recommend restoration of these funds.

*Medicinal and Bioactive Crops, \$111,000.*—This funding is critical to continue research on the beneficial bioactive components in plants and herbs. These components have been shown at BARC to enhance human health.

*Biomedical Materials in Plants, \$1,700,000.*—Plants can be used as factories to manufacture vaccines and other pharmaceuticals for animals and humans. This research focuses on development of alternative crops to produce these biomedical products.

*Bioremediation Research, \$111,000.*—Munitions storage sites and bombing ranges in parts of the United States have left huge tracts of soils and lands contaminated by highly toxic residues from such explosives as TNT. Those soils and lands now are limited environmentally for commercial or agricultural purposes. These funds support ongoing research to determine if forage plants can remove TNT and its metabolites from contaminated sites. Beltsville is a world recognized leader in the field of bioremediation. This work is not done anywhere else in ARS.

*Foundry Sand By-Products Utilization, \$638,000.*—Waste sands from the metal casting industry currently are dumped in landfills. This project is working with industry on guidelines for beneficial uses of these sands.

*Potato Diseases, \$61,000.*—These funds are used for research activities on genetic improvement of potato and reducing diseases of potato. While a small amount of money, these funds are used to supplement ongoing efforts in this important area.

*Poultry Diseases, \$408,000.*—Coccidiosis, a parasitic poultry disease, costs the industry almost \$1 billion per year. This research focuses on understanding the genetics of both the parasite and the host chicken to identify targets that will allow better disease prevention and control.

Mr. Chairman, that concludes our statement. We again thank you for the opportunity to present our testimony and for your interest and support.

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#### PREPARED STATEMENT OF THE INFECTIOUS DISEASES SOCIETY OF AMERICA (IDSA)

The Infectious Diseases Society of America (IDSA) appreciates this opportunity to speak in support of Federal efforts to prevent, detect and respond to infectious diseases in the United States and abroad as part of the fiscal year 2011 funding cycle. IDSA supports an overall increase of \$495 million for the Food and Drug Administration (FDA) for fiscal year 2011. Within this overall increase, we support an additional \$20 million for FDA's antimicrobial resistance and antibacterial drug review programs, which will allow FDA to more aggressively address staffing problems within the Agency's division with oversight over antibacterial human drug reviews to enable that division to quicken its pace in developing critical guidance for industry on antibacterial drug clinical trial designs; fund Critical Path initiatives specific to antibacterial drug development; update antibacterial drug and antimicrobial susceptibility testing (AST) device susceptibility breakpoints for inclusion in product labeling; and review the safety of antibacterial drug use in food animals. We also support an increase of \$13.25 million for FDA's new regulatory science initiative and an increase of \$3 million for the National Antimicrobial Resistance Monitoring System (NARMS).



IDSA represents more than 9,000 infectious diseases physicians and scientists devoted to patient care, prevention, public health, education and research. Our members care for patients of all ages with serious infections, including meningitis, pneumonia, tuberculosis (TB), resistant infections caused by methicillin-resistant *Staphylococcus aureus* (MRSA), *Escherichia coli* (E. coli) and *Salmonella*, and cancer and transplant patients who have life-threatening infections caused by unusual microorganisms, food poisoning, and HIV/AIDS, as well as emerging infections like the 2009 H1N1 virus and severe acute respiratory syndrome (SARS).

#### OVERALL FDA FUNDING RECOMMENDATION

The increases in FDA's appropriations over the past few years have been critical to strengthening the Agency. Nonetheless, there remains an extraordinarily large gap between FDA's responsibilities and its resources. Every year, the Agency's job becomes more complex scientifically and more difficult to perform. Moreover, new laws affecting FDA recently have been enacted, further straining the FDA's ability to meet the expectations of the Congress and the American people. It is also important to note that FDA's appropriation is quite small, especially when matched against its jurisdiction over one-quarter of consumer spending, 80 percent of the food supply and all of the drugs, biologics, medical devices, animal drugs, cosmetics and dietary supplements used anywhere in the United States. FDA must also deal with the food and medical products that are sourced from overseas. IDSA is recommending a \$495 million increase for FDA in fiscal year 2011. This is the amount we believe is needed to enable FDA to make further progress in carrying out its existing responsibilities.

#### SPECIFIC FUNDING RECOMMENDATIONS

Within this increased funding, IDSA supports a strengthening of efforts which will support FDA's antimicrobial resistance programs and antibacterial drug review efforts. Specifically, we support at least a \$20 million increase for FDA's activities in these areas in fiscal year 2011. We also support an increase in FDA funding for the new regulatory science initiative and an increase for the National Antimicrobial Resistance Monitoring System (NARMS).

#### THE ANTIBIOTIC PIPELINE: PROBLEMS AND SOLUTIONS

Since antibiotics were first discovered and used in the 1940s to save American soldiers during World War II, they have saved millions of lives and eased patients' suffering. In fact, antibiotics often have been referred to as "miracle drugs," since patients only need to take them for a few days to completely resolve most infections.

However, antibiotics also are unique among all medicines in two very unfortunate ways. First, over time, these drugs lose their ability to treat the diseases for which they were approved—due to antibiotic resistance. And, second, the phenomenon of antibiotic resistance has required that newly approved antibiotics be used sparingly so that we can prolong their effectiveness against life-threatening infections. These two issues, resistance and the resulting need for protective antibiotic stewardship measures, have created very real clinical challenges in physicians' ability to treat infectious diseases. Unfortunately, they also have resulted in a market failure that has caused most pharmaceutical companies to withdraw from antibiotic research and development (R&D). The sad result—the antibiotic pipeline is drying up, placing Americans and other people around the world at serious risk.

A January 2009 IDSA report published in the journal *Clinical Infectious Diseases* (CID) analyzes antibiotics in development and shows the pipeline is bare, particularly for infections caused by a group of bacteria known as the ESKAPE Pathogens (*Enterococcus faecium*, *Staphylococcus aureus*, *Klebsiella pneumoniae*, *Acinetobacter baumannii*, *Pseudomonas aeruginosa*, and *Enterobacter* species), so-called because they effectively escape the effects of approved antibiotic drugs. Of significance, these ESKAPE pathogens cause the majority of U.S. healthcare-associated infections. A report released by the European Centre for Disease Prevention and Control (ECDC) and the European Medicines Agency (EMA) in September 2009 confirms IDSA's assessment finding only 15 antibacterial drugs in development with the potential to offer a benefit over existing antibacterial drugs. Only five of these antibiotics had progressed to clinical trials to confirm clinical efficacy (Phase III or later).

The lack of new antibacterial drugs in development is deeply troubling to health experts and has the potential to change the practice of medicine as we know it. A number of advanced interventions that we currently take for granted, e.g. surgery, cancer treatment, transplantation and care of premature babies, may be impossible to perform if we get to the point where effective antibacterial drugs are no longer

available. Our ability to care for patients with serious and life-threatening infections already has been significantly diminished—morbidity and mortality are on the rise.

In addition to market failure due to antibacterial resistance, pharmaceutical companies often report that uncertainty caused by a lack of clear FDA guidance on appropriate clinical trial designs is a significant impediment to antibacterial R&D efforts. IDSA requests that FDA funding be sufficiently increased to allow the Agency to quickly provide regulatory certainty and to explore other incentives needed to motivate major drug companies to become engaged again in antibacterial R&D.

FDA has made some progress over the past several years in publishing new clinical trial guidelines. However, clear clinical trial design guidance is still urgently needed, including guidances for community-acquired bacterial pneumonia, hospital-acquired bacterial pneumonia, ventilator-associated bacterial pneumonia, complicated skin and skin structure infections and other serious infections. FDA must have adequate funding to hire additional staff quickly to finalize these guidances. Otherwise, more companies will leave this area of drug development.

Moreover, IDSA strongly urges FDA to commission a study through the Tufts Center (or some other similar entity) seeking a report on strengths and weaknesses in the antibacterial and related diagnostics R&D pipelines with a particular emphasis on products needed to treat, detect, and prevent serious and life-threatening infections caused by ESKAPE pathogens. The study also should provide recommendations as to what combination of incentives, considering each phase of product development, will work to spur greater R&D of such products among the biotechnology, pharmaceutical, and diagnostics industries as well as within academic settings.

#### SUPPORT FOR REGULATORY SCIENCE

IDSA is encouraged by the recent announcement of the initiative between FDA and the National Institutes of Health designed to accelerate the process from scientific breakthrough to the availability of new, innovative medical therapies for patients. The initiative involves two interrelated scientific disciplines: translational science, the shaping of basic scientific discoveries into treatments; and regulatory science, the development and use of new tools, standards and approaches to more efficiently develop products and to more effectively evaluate product safety, efficacy and quality.

In order to improve the regulatory science, the two agencies will jointly make \$6.75 million available over 3 years for work in this area. The research supported through this initiative will add to the scientific knowledge base by providing new methods, models or technologies to inform the scientific and regulatory community about better approaches to evaluating safety and efficacy in medical product development. IDSA is concerned, however, that this amount of funding will be insufficient to lead to the types of breakthroughs needed to bring new antibacterial drug products to the market in a more timely fashion. We support an increase of \$13.25 million in this funding, to a total of \$20 million, to support science around antibacterial drug development.

#### ANTIBACTERIAL BREAKPOINTS

Physicians need accurate information on susceptibility interpretative criteria (“breakpoints”) to use antibacterial drugs wisely. Breakpoints are the science behind standard laboratory policy and are the basis upon which antibacterial drug selection determinations are made. The real-life impact of relying upon inaccurate (including out-of-date) breakpoints are thousands of wrong treatment decisions being made every day in this country. Without accurate breakpoint information, patients’ safety and lives are at risk. That is why updating antibacterial drug product labeling and AST instruments/systems in a timely manner are so critically important. Again, FDA must have the funding necessary to allow for additional staff to be able to update these breakpoints on a timely and consistent basis.

#### ANTIBACTERIAL USE AND RESISTANCE ON U.S. FARMS

Another area of serious concern is the inappropriate use of antibacterial drugs in food animal production. An additional \$5 million should be allocated to allow FDA to complete, update and publish reviews on the safety of antimicrobials important in human medicine currently used for non-therapeutic purposes in food-producing animals for their role in the selection and dissemination of antibiotic resistant food-borne pathogens, these reviews. Since 2003, FDA’s Center for Veterinary Medicine (CVM) has required that the pre-approval safety review for all new antibiotic veterinary drugs include an evaluation of the likelihood that the proposed drug use in animals will lead to resistant infections in humans. Because almost all antibacterial drugs being used for growth promotion and other non-therapeutic purposes in live-

stock production were approved by the FDA before 2003, most have either not undergone reviews with respect to antibacterial resistance or have undergone reviews that are inconsistent with current standards. In order to ensure that these drugs meet current safety standards, it is important to do post-market safety reviews of those classes of antibiotics important to human medicine that are also being used for routine non-therapeutic purposes in animal agriculture. These would include penicillins, tetracyclines, macrolides, lincosamides, streptogramins, aminoglycosides, and sulfonamides. By providing an additional \$5 million, the subcommittee can ensure that FDA completes and publishes these critical reviews.

Finally, an additional \$3 million should be provided to the National Antimicrobial Resistance Monitoring System (NARMS). Jointly operated by FDA, the Department of Agriculture (USDA) and the Centers for Disease Control and Prevention (CDC), NARMS is a national public health surveillance system that tracks changes in the susceptibility of certain enteric bacteria to antimicrobial agents of human and veterinary medical importance. Systematic collection and analyses of data is essential to address the growing problem of antibacterial resistant infections.

NARMS has been level-funded at about \$7 million for the last several years; however, at that level it has been unable to keep up with life-threatening pathogens, such as MRSA, E. coli and Salmonella. Additional funding will enable increased surveillance, to include additional bacterial species and numbers and/or types of samples as well as allow researchers to utilize more sensitive methods. The additional funding will also allow NARMS to initiate farm-level surveillance of antibiotic-resistant bacteria.

Today's investment in infectious diseases research, surveillance, prevention, and treatments will pay significant dividends in the future by dramatically reducing healthcare costs and improving the quality of life of millions of Americans and others. In addition, U.S. leadership in infectious diseases research and prevention will translate into worldwide health benefits. We urge the subcommittee to continue to demonstrate leadership and foresight in this area by appropriating the much-needed resources outlined above in recognition of the lives and dollars that ultimately will be saved.

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PREPARED STATEMENT OF THE INTERNATIONAL WALKING HORSE ASSOCIATION  
(IWHA)

IWHA submits the following testimony seeking an increase in funding for the USDA/APHIS Horse Protection Program to \$900,000, as requested in the President's budget for fiscal year 2011. This funding is urgently needed to by APHIS in order to fulfill the intent of the Horse Protection Act, which is to abolish the cruel practice of soring horses for show ring competition—by increasing the USDA's oversight and enforcement of the Horse Protection Act (HPA).

In 1970, Congress passed the HPA with the clear intent to end soring, the intentional infliction of pain to the limbs horses to produce an exaggerated gait, practiced primarily in the Tennessee Walking Horse show industry. The practice creates an unfair advantage in the show ring for those who engage in it, and has significant negative impacts to both the breed itself and to commerce in and related to the breed.

Soring often involves the use of various chemicals which are painted on the lower front legs of a horse, then the legs are wrapped for days in plastic wrap and bandages to "cook" the chemicals deep into the horse's flesh, but it may also involve various means of physical abuse. The desired result is that horse's legs and or feet become extremely painful and sensitive. Then when the horse is ridden, by attempting to relieve its front feet and legs of pain, it most often performs an exaggerated gait which is highly rewarded in the show ring. Some of the physical methods mentioned include inserting foreign objects such as metal screws or hard acrylic between the shoes and the horse's hoof, and/or cutting a horse's hoof down to the sensitive live tissue to cause extreme pain every time the horse bears weight on the hoof; a practice known as pressure shoeing. Other cruel secondary practices involve such practices as applying painful chemicals such as salicylic acid to slough off scarred tissue, in an attempt to remove evidence of soring.

The Horse Protection Act authorizes the USDA to inspect Tennessee Walking Horses and Racking Horses—in transport to and at shows, exhibits, auctions and sales—for signs of soring, and to impose penalties against violators. Unfortunately, in recent years the enforcement of the Act has been plagued by underfunding. As a result, the USDA has not been able to adequately enforce the Act, allowing this extreme and deliberate cruelty to persist on a widespread basis.

The most effective way to meet the goals of the Act is for USDA officials to be present at more Tennessee Walking Horse shows. However, the current funding provision allows USDA attendance at only about 6 percent of shows. Although the USDA set up and has oversight of an industry-run system of certified Horse Industry Organization (HIO) inspection programs, which are charged with inspecting horses for signs of soring at the majority of shows. These HIOs have often hired industry insiders who have an obvious stake in preserving the status quo. In the absence of strict USDA oversight, these programs often fail to accomplish the intent of the Act, and in some cases even take advantage of the lack of USDA oversight in order to thwart the intent of the Act. Statistics clearly show that when USDA inspectors are in attendance to oversee shows, the numbers of noted violations for some of the HIOs are many times higher than at shows where industry inspectors alone are conducting the inspections. By all measures, the overall DQP program has been a failure—the only remedy is to abolish it or greatly reduce dependence on this conflicted industry-run program of self-regulation and give USDA the resources it needs to adequately enforce the Act.

USDA appears to have recently attempted to step up its enforcement efforts, as evidenced in 2009 by a more than twofold increase over the previous year in the number of violations cited at the industry's largest show (the Tennessee Walking Horse National Celebration). However, the top three prize winning horses at that show were all found after their wins to have been in violation of the HPA, yet their owners and trainers were allowed to keep the titles and prizes awarded. Horses identified as sored at shows also continue to be shown in subsequent events, and their owners continue to win lucrative prizes and accolades. USDA needs enhanced resources to carry out its responsibilities as Congress intended, and the public expects.

Lack of a consistent presence by USDA officials at Tennessee Walking Horse events has fostered a cavalier attitude among industry insiders, who have not stopped their abuse, but have only become more clandestine in their soring methods. The continued use of soring to gain an advantage in the show ring has ruined the reputation of the Tennessee Walking Horse, both as a breed and show industry. The continued allowance of soring creates an unfair advantage for those who are willing to break the law in order to win in the show ring. Besides the cruelty to the horses, the continued acceptance of sored horses in the show ring unfairly disadvantages those with sound horses from competing fairly for prizes, breeding fees, and the value of their horses. Meanwhile, other owners whose horses are in training with unscrupulous trainers are often unwittingly suffering property damage and being duped into believing that their now abused, often permanently scarred horses are naturally superior.

Currently, when USDA inspectors arrive at shows, many exhibitors load up and leave to avoid being caught with sored horses. While USDA could stop these trailers on the way out, Agency officials have stated that inspectors are wary of going outside of their designated inspection area, for fear of harassment and physical violence from exhibitors. Recently, armed security has been utilized to allow such inspections, at additional expense to this program. The fact that exhibitors feel they can intimidate government officials without penalty is a testament to the inherent shortcomings of the current system.

Further, in years past, inspections were limited to physical observation and palpation by the inspector. More recently, new technologies, such as thermography and “sniffer” devices (gas chromatography/mass spectrometry machines), have been developed, which can help inspectors identify soring more effectively. However, USDA has been unable to purchase and put enough of this equipment in use in the field, allowing for industry insiders to continually evade detection. With increased funding, the USDA could purchase this equipment and train more inspectors to use it properly, greatly increasing its ability to enforce the HPA.

The egregious cruelty of soring is not only a concern for animal protection and horse industry organizations, but also for equine veterinarians. In 2008, the American Association of Equine Practitioners (AAEP) issued a white paper condemning soring, calling it “one of the most significant welfare issues faced by the equine industry.” It called for the abolition of the DQP Program, saying “the acknowledged conflicts of interest which involve many of them cannot be reasonably resolved, and these individuals should be excluded from the regulatory process.” The AAEP further stated, “The failure of the HPA to eliminate the practice of soring can be traced to the woefully inadequate annual budget of \$500,000 allocated to the USDA to enforce these rules and regulations.”

It is unacceptable that nearly 40 years after passage of the Horse Protection Act, the USDA still lacks the resources needed to end this extreme form of abuse and the impact it has on the breed and overall commerce in it. It is time for Congress

to give our public servants charged with enforcing this Act the support and resources they need to fulfill their duty to effectively protect these horses, those who compete fairly in showing them, and the public's interest in an industry that should be realizing its full potential as a positive source of commerce rather than being thwarted by illegal activity.

We appreciate the opportunity to share our views about this serious problem, and thank you for your consideration of our request.

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LETTER FROM THE LACEY ACT COALITION

MARCH 17, 2010.

Hon. HERB KOHL,  
*Chairman, Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies, Washington, DC.*

Hon. SAM BROWNBACK,  
*Ranking Member, Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies, Washington, DC.*

DEAR CHAIRMAN KOHL AND RANKING MEMBER BROWNBACK: We write to request your leadership and support to fund the Animal and Plant Health Inspection Service (APHIS) at the Department of Agriculture to implement its ongoing responsibilities under the Lacey Act plant provisions (Section 8204 of the Food, Conservation, and Energy Act of 2008, Public Law 110-246).

The Lacey Act amendments, passed in 2008 with overwhelming support from Congress, industry, labor and environmental organizations, make it unlawful to trade wood products or other plants taken in violation of the laws of either a U.S. State or a foreign country. This ground-breaking legislation is already beginning to influence the way companies are making sourcing decisions and monitoring their supply chains. Full and effective implementation and enforcement of the Lacey Act will enable American forest product companies to compete fairly in the global marketplace, help keep jobs in the United States, deter the destructive impacts of illegal logging on forests and forest-dependent communities in developing countries, and reinforce initiatives to mitigate climate change.

The law requires U.S. importers of wood products to file a declaration identifying the species name and country of harvest—a critical measure intended by the law's sponsors to increase supply chain transparency and assist U.S. agencies in fair and strong enforcement. The prohibition and the declaration requirement affect a wide array of American industry, so it is critical that the declaration process generates data in a streamlined, cost-effective manner without unduly burdening legitimate trade. To that end, APHIS, which is responsible for implementing the declaration provision, needs \$5.5 million in funding to establish an electronic declarations database and to add internal capacity to perform data analysis needed for monitoring and enforcement purposes.

We recognize that this is a tight budget year; however, support for the Lacey Act amendments is critical as they herald U.S. leadership on a complex global environmental and business issue. Other key allies are watching the United States and looking to emulate this example. Thus we urge you to allocate adequate funds to APHIS in the fiscal year 2011 Agriculture, FDA and Related Agencies Appropriations Act for effective implementation of its new responsibilities under the amended Lacey Act, to help curb the importation of illegally sourced wood products into the United States.

Sincerely,

Amazon Watch  
American Forest and Paper Association  
Conservation International  
Defenders of Wildlife  
Dogwood Alliance  
Double Helix Tracking Technologies  
Environmental Investigation Agency  
Friends of the Earth  
Global Witness  
Hardwood Federation  
Humane Society International  
The Humane Society of the United States

National Wildlife Federation  
Natural Resources Defense Council  
Rainforest Action Network  
Rainforest Alliance  
Rainforest Relief  
Sierra Club  
Sustainable Furnishings Council  
The Forest Trust  
The Nature Conservancy  
TRAFFIC  
United Steelworkers  
Wildlife Conservation Society  
World Wildlife Fund

## LETTER FROM THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MARCH 26, 2010.

Hon. HERB KOHL,  
*Chairman, Subcommittee on Agriculture, Rural Development, and Related Agencies,*  
*Washington, DC.*

Re: Support for fiscal year 2011 Federal funding of 2.5 percent of the U.S. Department of Agriculture's Environmental Quality Incentives Program (at least \$20 million annually) for the Colorado River Basin Salinity Control Program

DEAR SENATOR KOHL: The Metropolitan Water District of Southern California (Metropolitan) has adopted a position supporting funding for the Department of Agriculture's Colorado River Basin Salinity Control Title II program.

For 70 years, Metropolitan has provided imported water to the Southern California region from the Colorado River and the State Water Project originating in Northern California. Our mission is to provide high quality, reliable drinking water supplies primarily for municipal and industrial use. Metropolitan is the Nation's largest provider of imported water to an urban area. The population today in our service area is 19 million and it is projected to rise to 25 million within the next 25 years. Metropolitan is comprised of 26-member public agencies that serve an area spanning 5,200 square miles and six southern California counties.

Water imported via the Colorado River Aqueduct (CRA) has the highest salinity of Metropolitan's imported sources of supply, averaging around 630 milligrams per liter since 1976 and causing economic damages. For example, damages occur from:

- A reduction in the yield of salt sensitive crops and increased water use for leaching in the agricultural sector;
- A reduction in the useful life of galvanized water pipe systems, water heaters, faucets, garbage disposals, clothes washers, and dishwashers, and increased use of bottled water and water softeners in the household sector;
- An increase in the use of water for cooling, and the cost of water softening, and a decrease in equipment service life in the commercial sector;
- An increase in the cost of water treatment and sewer fees in the industrial sector;
- A decrease in the life of treatment facilities and pipelines in the utility sector;
- Difficulty in meeting wastewater discharge requirements to comply with National Pollutant Discharge Elimination System permit terms and conditions, and an increase in desalination and brine disposal costs due to accumulation of salts in groundwater basins, and fewer opportunities for recycling due to groundwater quality deterioration;
- Increased use of imported water for leaching; and
- Increased cost of desalination and brine disposal for recycled water.

Concern over salinity levels in the Colorado River has existed for many years. To deal with the concern, the International Boundary and Water Commission approved Minute No. 242, Permanent and Definitive Solution to the International Problem of the Salinity of the Colorado River in 1973, and the President approved the Colorado River Basin Salinity Control Act in 1974. High total dissolved solids in the Colorado River as it entered Mexico and the concerns of the seven Colorado River Basin States regarding the quality of Colorado River water in the United States drove these initial actions. To foster interstate cooperation on this issue and coordinate the Colorado River Basin States' efforts on salinity control, the seven Basin States formed the Colorado River Basin Salinity Control Forum (Forum).

The salts in the Colorado River system are indigenous and pervasive, mostly resulting from saline sediments in the Basin that were deposited in prehistoric marine environments. They are easily eroded, dissolved, and transported into the river system.

The Colorado River Basin Salinity Control Program reduces salinity by preventing salts from dissolving and mixing with the River's flow. Irrigation improvements (sprinklers, gated pipe, lined ditches) and vegetation management reduce the amount of salt transported to the Colorado River. Point sources such as saline springs are also controlled. The Federal Government, Basin States, and contract participants spend close to \$50 million annually on salinity control programs.

The Program, as set forth in the Act, benefits both the Upper Colorado River Basin water users through more efficient water management and the Lower Basin water users, hundreds of miles downstream from salt sources in the Upper Basin, through reduced salinity concentration of Colorado River water. California's Colorado River water users are presently suffering economic damages in the hundreds of millions of dollars per year due to the River's salinity.

By some estimates, concentrations of salts in the Colorado River cause approximately \$350 million in quantified damages in the lower Colorado River Basin States each year and significantly more in unquantified damages. Salinity control projects have reduced salinity concentrations of Colorado River water on average by over 100 milligrams per liter with an economic benefit of \$264 million per year (2005 dollars) in avoided damages.

Metropolitan urges this subcommittee to support funding for the Colorado River Basin Salinity Control Program for fiscal year 2011 of 2.5 percent of the U.S. Department of Agriculture's Environmental Quality Incentives Program (at least \$20 million annually) for the Colorado River Basin Salinity Control Program.

These Federal dollars will be augmented by the State cost sharing of 30 percent with an additional 25 percent provided by the agricultural producers with whom USDA contracts for implementation of salinity control measures. Over the past years, the Colorado River Basin Salinity Control program has proven to be a very cost effective approach to help mitigate the impacts of increased salinity in the Colorado River. Continued Federal funding of this important basin-wide program is essential.

I would appreciate it if you make this statement a part of the formal hearing record concerning fiscal year 2011 appropriations for the Department of Agriculture. I thank you for your subcommittee's support of this program in years past and hope that you will again support funding to continue this valuable program.

With best regards,

JEFFREY KIGHTLINGER,  
*General Manager.*

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PREPARED STATEMENT OF THE NATIONAL ASSOCIATION OF STATE ENERGY OFFICIALS  
(NASEO)

Chairman Kohl and members of the subcommittee, I am Phil Giudice, Chairman of the National Association of State Energy Officials (NASEO). NASEO is submitting this testimony in support of funding of at least \$39 million in discretionary appropriations for the Rural Energy for America (REAP) (section 9007 of the 2008 Farm Bill) in addition to the \$70 million in mandatory funding. The REAP program was created as part of the 2002 Farm Bill and it has been a huge success. Over 3,500 clean energy projects have been implemented in every State since 2003. These activities have included energy efficiency projects, as well as wind, solar, biomass, anaerobic digesters, biodiesel, and geothermal. Technical assistance has also been a big factor in this program. Funding requests are generally three times the amount of available funds. NASEO has worked with farmers, our State agricultural agencies and rural interests to promote this successful program. As we face dramatically increasing energy bills for all sectors of the economy (and increased volatility in energy prices), it is critical that we do more to address the energy problems of rural America.

Greater energy efficiency and renewable energy use in the farm sector will help create jobs, reduce climate change, increase agricultural productivity and improve the environment. If significantly increased energy funding can be provided for the energy title of the Farm Bill, then this could effectively combine with efforts through the Energy and Water Development Appropriations Bill, such as the State Energy Program, biorefineries, expanded alternative fuels programs, alternative fuels infrastructure, etc.

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PREPARED STATEMENT OF THE NATIONAL COMMODITY SUPPLEMENTAL FOOD  
PROGRAM ASSOCIATION (NCSFPA)

The Honorable Herb Kohl, Mr. Chairman, and subcommittee members: Thank you for this opportunity to present information regarding the USDA/FNS Commodity Supplemental Food Program (CSFP).

The National Commodity Supplemental Food Program Association (NCSFPA) requests the Senate Agriculture Appropriations Subcommittee fund CSFP for fiscal year 2011 at \$176.788 million, as requested by the U.S. Department of Agriculture, and include language directing the Department to utilize all available resources to supplement the CSFP food package and meet the rising demand for nutritional assistance among our vulnerable senior population.

This first effort at national food assistance began in 1969 with monthly packages designed to supplement protein, calcium, iron, vitamins A and C for low-income mothers and children (preceding WIC); nutrients shown to be lacking in the diets

of low-income households. Low-income seniors added in 1983 now comprise 96 percent of all CSFP participants.

CSFP is a unique program that brings together Federal and State agencies, along with public and private entities. The USDA purchases specific nutrient-rich foods at wholesale prices. State agencies provide oversight, contract with community and faith based organizations to warehouse and distribute food, certify eligibility and educate participants. The local organizations build broad collaboration among non-profits, health units, and area agencies on aging for simple, fast access to the supplemental foods (canned fruits and vegetables, juices, meats, fish, peanut butter, cereals, grain products, cheese and dairy products from American farmers) and nutrition education to improve participants health and quality of life. This partnership reaches even homebound seniors in both rural and urban settings with vital nutrition and remains an important "market" for commodities supported under various farm programs.

In fiscal year 2009, the CSFP provided services through 150 non-profit community and faith-based organizations at 1,800 sites located in 32 States, the District of Columbia, and two Indian Tribal Organizations (Red Lake, Minnesota and Oglala Sioux, South Dakota). On behalf of those organizations NCSFPA would like to express our gratitude for the increased fiscal year 2010 funding. We are most appreciative for the funding increase that has allowed CSFP to begin in seven new States, Arkansas, Delaware, Georgia, Maine, New Jersey, Oklahoma, and Utah, and has also resulted in a significant increase in the number of individuals who are now able to participate in the program in the other CSFP States.

CSFP's 41 years of service is a testimony to the power of community partnerships of faith-based organizations, farmers, private industry and government agencies. The CSFP offers a unique combination of advantages unparalleled by any other food assistance program:

- The CSFP specifically targets our Nation's most nutritionally vulnerable populations: young children and low-income seniors—many of whom will not qualify for other nutrition assistance programs.
- The CSFP provides a monthly selection of food packages tailored to specific nutritional needs. Eligible participants are guaranteed [by law] a certain level of nutritional assistance, nutrition education, and food preparation guidance each month. The nutritional content of the food provided has improved with the introduction of low-fat cheese, canned fruits packed in fruit juice, and low-salt canned vegetables.
- The CSFP purchases foods at wholesale prices, directly supporting American farmers. The average food package cost is estimated at \$19.82 and the retail value is \$50.00–\$60.00.
- The CSFP involves the entire community. Thousands of volunteers and private companies donate money, equipment, and most importantly time and effort to deliver food to needy and homebound seniors. These volunteers not only bring food but companionship and other assistance to seniors who might have limited support systems. (See Attachment 1.)

In a recent CSFP survey, more than half of seniors living alone reported an income of less than \$750 per month. One-half of respondents from two-person households reported an income under \$1,000 per month. Twenty-five percent were enrolled in the Supplemental Nutrition Assistance Program (SNAP) and 50 percent said they ran out of food during the month. Seventy percent of senior respondents said they choose between medicine and food.

The Senate Agriculture Appropriations Subcommittee has consistently supported CSFP, acknowledging it as a cost-effective way of providing nutritious supplemental foods. Congress provided funding to meet the rising need among the elderly in the fiscal year 2010 appropriation. USDA's budget request will provide adequate resources for our monthly caseload of 604,931 mothers, children and seniors, and we urge the subcommittee to accept it. We also want to be sure that you are aware that four additional States are either considering or preparing to submit applications to USDA for approval. Should USDA's approval be granted, it may be necessary to reconsider if funds beyond those requested will be required to allow newly approved States to begin operations in fiscal year 2011.

CSFP and other nutrition programs such as SNAP, are only supplemental programs by design. Together they cover a shortfall that many seniors face each month. These programs must have support to meet the increasing need as part of the "safety net".

"The Managers fully support continued operation of this program and recognize the need for a substantial expansion of CSFP . . . the Managers encourage the Secretary to approve all remaining States for expansion and to expand caseload in all



participating States.”—Joint Statement of Managers, H.R. 2419, the Food, Conservation and Energy Act of 2008.

“CSFP has charms worth considering in designing human service programs . . . the program’s trademarks were its simplicity and accessibility . . . CSFP in particular represents a guaranteed source of high quality food, delivered in a balanced package.”—The Role of CSFP in Nutritional Assistance to Mothers, Infants, Children and Seniors. The Urban Institute, August 2008.

	Amount in millions
The National Commodity Supplemental Food Program Association requests the following:	
To continue serving our monthly caseload of 604,931 needy seniors (96 percent of participants), women, infants and children (4 percent of participants). . . . .	\$175.888
To meet USDA’s commodity procurement expenses. . . . .	0.9
Total fiscal year 2011 request . . . . .	176.788

A 1997 report by the National Policy and Resource Center on Nutrition and Aging at Florida International University, Miami—Elder Insecurities: Poverty, Hunger, and Malnutrition indicated that malnourished elderly patients experience 2 to 20 times more medical complications, have up to 100 percent longer hospital stays, and incur hospital costs \$2,000 to \$10,000 higher per stay. Proper nutrition promotes health, treats chronic disease, decreases hospital length of stay and saves healthcare dollars. America is aging. CSFP must be an integral part of Senior Nutrition Policy and plans to support the productivity, health, independence and quality of life for America’s seniors, many of whom now need to continue working at least part-time beyond retirement age to afford basics.

The CSFP is committed grassroots operators and dedicated volunteers with a mission to provide quality nutrition assistance economically, efficiently, and responsibly always keeping the needs and dignity of our participants first. We commend the Food Distribution Division of Food and Nutrition Service of the Department of Agriculture for their continued innovations to strengthen the quality of the food package and streamline administration.

## FISCAL YEAR 2008 NATIONAL CSFP ASSOCIATION ADMINISTRATIVE EXPENSE/VALUE SURVEY

Programs	USDA reimbursed cash	Not reimbursed by USDA cash	CSFP expendi- tures cash	Goods and serv- ices donated to agency value	Volunteer labor hours value	Annual total pro- gram value	Percent paid by USDA	Extra goods do- nated to CSFP participants
New Hampshire .....	\$461,361	.....	\$461,361	.....	\$61,121	\$522,482	88	\$16,097
New York .....	1,947,032	\$2,500,000	4,447,032	\$20,700	3,984	4,471,716	44	6,500
Vermont FB .....	233,132	.....	233,132	.....	.....	233,132	100	.....
Washington, DC .....	434,945	1,600,000	2,034,945	800,000	173,632	3,008,577	14	.....
Pennsylvania .....	912,209	18,637	930,846	32,169	48,259	1,011,274	90	100,000
Kentucky .....	980,911	64,645	1,045,556	.....	24,577	1,070,133	92	624,093
Mississippi .....	437,969	.....	437,969	30,520	199,906	668,395	66	7,104
North Carolina .....	75,126	.....	75,126	.....	.....	75,126	100	.....
South Carolina .....	232,192	.....	232,192	.....	1,342	233,534	99	22,500
Tennessee <sup>1</sup> .....	840,812	.....	840,812	.....	.....	840,812	100	.....
Illinois .....	869,405	.....	869,405	.....	25,643	895,048	97	.....
Indiana .....	269,732	25,000	294,732	25,000	68,502	388,234	69	32,189
Michigan .....	4,861,625	314,317	5,175,942	310,168	1,722,543	7,208,653	67	4,637,316
Minnesota .....	881,829	319,848	1,201,677	2,213	449,733	1,653,623	53	864,844
Red Lake, MN <sup>1</sup> .....	6,204	.....	6,204	.....	.....	6,204	100	.....
Ohio .....	978,890	198,896	1,177,786	65,770	328,264	1,571,820	62	85,774
Wisconsin .....	316,547	50,000	366,547	.....	275,406	641,953	49	54,610
Louisiana .....	4,089,578	.....	4,089,578	330,000	1,104,420	5,523,998	74	.....
New Mexico .....	1,032,128	129,911	1,162,039	248,791	233,955	1,644,785	63	479,843
Texas .....	997,895	157,200	1,155,095	.....	297,774	1,452,869	69	.....
Colorado .....	1,104,198	67,533	1,171,731	57,449	119,319	1,348,499	82	1,343,961
Iowa .....	216,086	353,367	569,453	.....	13,463	582,916	37	.....
Kansas .....	328,548	7,200	335,748	10,000	83,642	429,390	77	89,519
Missouri .....	583,040	.....	583,040	.....	16,608	599,648	97	.....
Montana <sup>1</sup> .....	425,091	.....	425,091	.....	.....	425,091	100	.....
Nebraska .....	820,898	75,529	896,427	40,470	301,447	1,238,344	66	70,479
North Dakota <sup>1</sup> .....	175,413	.....	175,413	.....	.....	175,413	100	.....
South Dakota .....	176,228	8,416	184,644	.....	26,464	211,108	83	.....
Ogala Sioux, SD <sup>1</sup> .....	40,360	.....	40,360	.....	.....	40,360	100	.....
Alaska .....	134,803	63,000	197,803	1,015,000	104,235	1,317,038	10	.....
Arizona .....	940,739	252,000	1,192,739	2,000	184,312	1,379,051	68	2,000,000
California .....	3,373,339	580,027	3,953,366	35,400	1,248,232	5,236,998	64	379,140
Nevada .....	371,461	174,278	545,739	.....	24,960	570,699	65	179,400
Oregon .....	84,166	96,573	180,739	4,436	44,317	229,492	37	5,200

Washington .....	228,871	7,500	236,371	208,000	90,076	534,447	43	.....
Grand Total .....	29,862,763	7,063,877	36,926,640	3,238,086	7,276,137	47,440,863	63	11,306,319

<sup>1</sup> No information provided. Feb. 24, 2009. Client Extras incl.: flu shots, fresh produce, clothing, books, toys, health screenings, personal care items, energy efficient items, dairy, baked goods, eye exams, etc.

PREPARED STATEMENT OF THE NATIONAL COUNCIL OF FARMER COOPERATIVES  
(NCFC)

Mr. Chairman, members of the subcommittee, we would like to thank you for your continued leadership and support for U.S. agriculture. The National Council of Farmer Cooperatives (NCFC) appreciates this opportunity to submit its views regarding the fiscal year 2011 agriculture appropriations bill, and respectfully requests this statement be made part of the official hearing record.

NCFC represents the interests of America's farmer cooperatives. There are nearly 3,000 farmer cooperatives across the United States whose members include a majority of our Nation's 2 million farmers.

We believe that our farmer cooperative members offer the best opportunity for America to realize the farmer-focused ideal of American agricultural policy. These farmer cooperatives allow individual farmers the ability to own and lead organizations that are essential for continued competitiveness in both the domestic and international markets.

America's farmer-owned cooperatives provide a comprehensive array of services for their members. These diverse organizations handle, process and market virtually every type of agricultural commodity produced. They also provide farmers with access to infrastructure necessary to manufacture, distribute and sell a variety of farm inputs. Additionally, they provide credit and related financial services, including export financing.

In all cases farmers are empowered, as elected board members, to make decisions affecting the current and future activities of their cooperative. Earnings derived from these activities are returned by cooperatives to their farmer-members on a patronage basis thereby enhancing their overall farm income.

America's farmer cooperatives also generate benefits that strengthen our national economy. They provide jobs for nearly 250,000 Americans with a combined payroll over \$8 billion. Many of these jobs are in rural areas where employment opportunities are often limited.

Congress faces many challenges in the current budget environment and we appreciate the difficulty of your task. However, we want to emphasize the continued importance of policies under the current Farm Bill that promote an economically healthy and competitive U.S. agricultural sector.

These programs serve a variety of purposes including: meeting the food, fuel and fiber needs of consumers worldwide, strengthening farm income, improving our balance of trade, promoting rural development, and creating needed jobs.

There is a long history of congressional support for farmer cooperatives, recognizing that they serve a variety of essential functions for American agriculture. Some of these functions include: enhancing producers' overall income, managing their risk, capitalizing on new market opportunities, and helping individual farmers work together to compete more effectively in a global economy.

Given these vital tasks that farmer cooperatives perform on behalf of their members, it is extremely important that they retain the flexibility to modernize and adapt to the current and future marketplace confronting U.S. agriculture. Accordingly, in addition to supporting basic farm and commodity programs under the current Farm Bill, we recommend the following:

#### USDA EXPORT PROGRAMS

We continue to strongly support USDA's export programs, which are vital to maintaining and expanding U.S. agricultural exports, counter subsidized foreign competition, meet humanitarian needs, protect American jobs, and strengthen farm income.

NCFC is a longstanding member of the Coalition to Promote U.S. Agricultural Exports. The Coalition supports the Administration's proposed funding increases to several export promotion activities, but Coalition members are very concerned with the Administration's proposed 20 percent reduction to the Market Access Program (MAP). MAP has been very successful in helping develop, maintain, and expand long-term export markets for U.S. agricultural products. U.S. agriculture is reliant on exports, which account for about one-third of farm cash receipts. And, given that over 95 percent of the world's consumers live outside the United States, foreign markets are critical for U.S. agriculture to expand sales and boost incomes. In addition, the ability of cooperatives to use MAP funding helps give individual farmers the ability to market their products overseas, which they otherwise would not be able to do on their own. As part of the 2008 Farm Bill, Congress authorized \$200 million for MAP and we urge the subcommittee to support funding at the authorized level.

NCFC also supports full funding of the Foreign Market Development program, the Export Credit Guarantee Programs, the Dairy Export Incentive Program, and Technical Assistance for Specialty Crops.

#### FOOD AID AND FOREIGN ASSISTANCE PROGRAMS

NCFC strongly supports maintaining funding for America's food aid programs to meet humanitarian needs, enhance the potential growth in recipient countries, and stimulate the economy in the United States. Given the ongoing food crisis for many nations, the amount and dependability of U.S.-produced food aid from USDA's Food for Peace program (Public Law 480) is crucial to our humanitarian assistance efforts. Specifically we recommend full funding of Public Law 480 title II for emergency and non-emergency food assistance programs at the \$2.5 billion authorized under the 2008 Farm Bill. We also urge the subcommittee to reject any proposals to divert funds from the Public Law 480 title II program to Local and Regional Purchase programs.

NCFC also supports the goals and objectives and full funding of USDA's Food for Progress and McGovern-Dole International Food for Education and Child Nutrition Program.

#### FOREIGN AGRICULTURAL SERVICE

Additionally, we want to take this opportunity to urge support for needed funding and resources for USDA's Foreign Agricultural Service. This funding is crucial if we are to continue to effectively carry out trade and assistance programs, and to provide the technical assistance and support needed to help maintain and expand U.S. agricultural exports.

#### USDA'S RURAL BUSINESS—COOPERATIVE SERVICE (RB-CS)

Several years ago, the Cooperative Service was eliminated as a separate agency within USDA. Since that time, the focus of research, education and technical assistance for farmer cooperatives has eroded. Funding for such purposes has generally been provided through the salary and expense budget relating to rural development. For fiscal year 2011, the Administration's budget proposal provides \$730 million in both budget authority and program level for salaries and expenses for the rural development mission area, compared to \$715 million for fiscal year 2010.

In addition to ensuring that RB-CS has the funding for resources to assist in enhancing the competitiveness of farmer-owned cooperatives, we suggest the committee include report language directing RB-CS to improve the usability and scope of its statistics and data. In particular, the data should include information regarding farmer cooperatives' positive impact on competition in the market place and on rural communities.

#### ENERGY

Cooperatives play a significant role in the development and marketing of renewable fuels, both ethanol and biodiesel. Many cooperatives are also investigating opportunities for renewable energy from biomass such as dairy manure. In addition, USDA programs are being used more and more by cooperatives to improve energy efficiency in their facilities. We strongly support funding for important grant, loan and related programs which research and promote the development and advancement of biofuels and opportunities for biomass, as well as such programs that assist in reaching energy efficiency goals.

#### VALUE-ADDED PRODUCER GRANTS

USDA's Value-Added Producer Grants (VAPG) Program encourages and enhances farmer and farmer cooperative participation in value-added businesses. These new ventures are intended to help producers capture a larger share of the value of their production and improve their overall income from the marketplace. These activities also promote economic development and create needed jobs in rural areas.

The program is administered on a matching-fund basis, thereby doubling the impact of such grants and helping encourage investment in rural America. As a cost-share program, it is as an excellent example of an effective public-private partnership bringing a number of self-sustaining products to market.

Since the program's inception, NCFC has strongly support the VAPG. However, the program is not useful to cooperatives if they cannot meet the application and eligibility requirements. This was the case for the 2009 program when USDA imposed requirements that were too burdensome, and in some cases impossible, for many cooperatives meet. We are hopeful that the subcommittee will look favorably

upon funding the program up to the \$40 million as authorized under the Farm Bill in the hopes that USDA does not again impose unnecessary and overly stringent requirements on cooperatives and thus limit their participation.

#### B&I LOAN GUARANTEE PROGRAM AND FARMER COOPERATIVES

Access to equity capital is one of the major challenges facing farmer cooperatives. A successful resolution of this challenge is essential in helping farmers capture more of the value of what they produce beyond the farm gate.

For fiscal year 2011, the Administration's budget proposal provides an overall program level of \$942 million, which represents a decrease from the \$993 million in loans estimated to be guaranteed in fiscal year 2010. Accordingly, we recommend that resources be increased to at least the fiscal year 2010 estimated level.

#### RURAL BUSINESS ENTERPRISE GRANTS

The Rural Business Enterprise Grants was reauthorized under the current Farm Bill to help foster rural economic development by encouraging and facilitating equity investments in rural business enterprises, including farmer cooperatives. Again, providing improved access to equity capital is essential to allowing farmers to capitalize on value-added business opportunities through farmer cooperatives. For these reasons, we urge that the program be fully funded as authorized and implemented as Congress intended.

#### RESEARCH

Another important area of emphasis when it comes to enhancing the global competitiveness of farmer cooperatives and American agriculture is research. NCFC is a member of the National Coalition for Food and Agriculture Research, and supports their goals of increasing Federal food and agriculture research. We also joined with over 50 other agriculture groups in supporting funding for the Agriculture and Food Research Initiative, which was authorized in the 2008 Farm Bill.

#### CONSERVATION

We also want to express our strong support for important conservation and related programs administered by USDA's Natural Resources Conservation Service (NRCS). Programs like the Environmental Quality Incentives Program (EQIP) provide needed financial and technical assistance to help farmers and others who are eligible to develop and carry out conservation and related activities to achieve important environmental goals. We support continued funding as prescribed in the Farm Bill for these important working lands conservation programs.

#### COMMODITY PURCHASE PROGRAMS

USDA annually purchases a variety of commodities for use in domestic and international feeding programs, including the school lunch program. NCFC strongly supports such programs to: (1) meet the food and nutrition needs of eligible consumers and (2) help strengthen farm income by encouraging orderly marketing and providing farmers with an important market outlet, especially during periods of surplus production.

As you are well aware, decades of public policy has reinforced the fact that the cooperative stands in the shoes of its farmer-owners, as they act for their mutual benefit. This is consistent with USDA's historic support of cooperative efforts and essential to ensure the continued availability of high quality products on a competitive basis. Therefore, it is important to ensure that farmers and their cooperatives remain fully eligible to participate in these programs.

#### CONCLUSION

Thank you again, Mr. Chairman and members of the subcommittee, for the opportunity to share our views. We look forward to working with the committee to ensure continued benefits for rural communities, consumers, American agriculture and our Nation as a whole.

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PREPARED STATEMENT OF THE NATIONAL ENVIRONMENTAL SERVICES CENTER (NESC)

Chairman Kohl, Ranking Member Brownback and members of the subcommittee: Thank you for the opportunity to offer testimony to the Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies. We request \$3.5 million for the National Drinking Water Clearinghouse (NDWC),

a program that provides water infrastructure services for small communities and rural areas nationwide.

#### INTRODUCTION

My name is Gerald Iwan, and I represent the National Environmental Services Center (NESC), located at West Virginia University in Morgantown, West Virginia. Previously, I was for 20 years the drinking water administrator for the State of Connecticut Department of Public Health, during which time I oversaw the implementation of all regulatory aspects of the Safe Drinking Water Act. In my current assignment with NESC, I manage a unique program with nationally recognized expertise in drinking water, wastewater, and small community infrastructure security and emergency preparedness. NESC provides access to an in-depth repository of information and specialized technical assistance and training services.

#### WATER AND WASTEWATER INFRASTRUCTURE CHALLENGES

More than 41,000 small community water systems in the United States provide drinking water to communities of 3,300 people or less (EPA, 2009). These systems are mandated to comply with the Safe Drinking Water Act (SDWA) in providing reliable and safe water services to their citizens. Small water systems perform with limited financial, human and equipment resources and account for the majority of SDWA violations. The U.S. Department of Agriculture's (USDA) Water and Wastewater Grants and Loans program may be the only option small systems have to obtain funding to address necessary system improvements. However, reliable technical assistance provided by organizations such as NESC is also necessary to help them overcome the many challenges they and their operators face in complying with local, State and Federal regulations.

Recognizing these challenges, the USDA funds "Rural Water and Wastewater Technical Assistance and Training (RWTA) Programs" through authorization in the Consolidated Farm and Rural Development Act (the Farm Bill). NESC's National Drinking Water Clearinghouse is one RWTA program. We have been funded by USDA for 19 years to help communities and rural areas identify and evaluate solutions to water or wastewater problems, improve facility operation and maintenance, and prepare funding applications for water or wastewater treatment facility construction projects.

#### DELIVERABLES PROVIDED BY THE NDWC

The NDWC serves local officials, utility managers, system operators and RWTA professionals in small and rural communities. Telephone callers obtain toll-free drinking water technical assistance from our staff of certified operators, engineers, and scientists. Our quarterly publication *On Tap*, a magazine for small drinking water systems, provides information about water treatment, financing, and management options and has 27,000 subscribers. A comprehensive Web site [www.nesc.wvu.edu](http://www.nesc.wvu.edu) and searchable online databases featuring water, wastewater, security, and emergency preparedness resources for communities of 10,000 or fewer residents provides round-the-clock access to contemporary information for small water systems. Annually, visitors to our Web site view more than 3.5 million pages and download over 1.6 million documents. Training sessions customized for small and rural areas, teleconferences, and more than 700 free and low-cost educational products give people the instruction and tools they need to address their most pressing drinking water issues.

We anticipate an even greater need for NDWC services in 2011 due to the current recession, the severe winter conditions that have produced flood devastation, and the Federal effort to stimulate the economy through infrastructure projects. Stimulus funding in the water sector has been directed to construction, with only a fraction directed to support water and wastewater facility operation and maintenance. Small and rural communities will need increased support from RWTA providers to plan for and protect their current and future utility assets. The NDWC has accordingly expanded its scope of deliverables for fiscal year 2011 to provide additional services. It is imperative that the NDWC continues to receive funding from the Technical Assistance and Training Grants (TAT) account to assist small community drinking water systems.

#### REQUEST

We request a congressionally directed appropriation of \$3.5 million to continue and increase the NDWC program services through the Technical Assistance and Training (TAT) Grants program. Thank you for considering our request.

## PREPARED STATEMENT OF THE NATIONAL ORGANIC COALITION (NOC)

Chairman Kohl, Ranking Member Brownback, and members of the subcommittee: My name is Steven Etka. I am submitting this testimony on behalf of the National Organic Coalition (NOC) to detail our fiscal year 2011 funding requests for USDA programs of importance to organic agriculture.

The National Organic Coalition (NOC) is a national alliance of organizations working to provide a voice for farmers, ranchers, environmentalists, consumers, cooperative retailers and others involved in organic agriculture. The current members of NOC are the Beyond Pesticides; Center for Food Safety; Equal Exchange; Food and Water Watch; Maine Organic Farmers and Gardeners Association; Midwest Organic and Sustainable Education Service; National Cooperative Grocers Association; Northeast Organic Dairy Producers Alliance; Northeast Organic Farming Association-Interstate Policy Council; Organically Grown Company; Rural Advancement Foundation International-USA; and the Union of Concerned Scientists.

USDA/AGRICULTURAL MARKETING SERVICE (AMS)

*National Organic Program**Request: \$10.08 million*

Sales of organic food and beverages had experienced a rapid growth over the last decade, averaging nearly 20 percent per year. Even despite the recession, organic sales grew at a rate of 5 percent in 2009. The National Organic Program (NOP) is the Agency charged with regulating and enforcing the USDA organic label. For years, the exponential growth of the organic industry has far outpaced the resources provided to the NOP, which has greatly limited the ability of NOP to fulfill its regulatory and enforcement role credibly.

Fortunately, both Congress and the Administration have heard this concern, and have responded with a steady increase in funding in the last 2 years to meet these needs. In addition, over the last year, the new leadership at USDA and NOP has taken significant steps to bolster the integrity of the program and public confidence in the organic label through issuance of long overdue regulations (e.g. pasture rule for organic ruminants) and through efforts to seek independent oversight of its accreditation procedures to assure compliance with international standards of quality management. In addition, NOP leadership has made its budget and its plans fully transparent to the public. These changes have met with widespread praise from the full spectrum of stakeholders in the organic sector, from consumers to farmers to handlers.

We are strongly supporting the Administration's fiscal year 2011 request for \$10.08 million for the National Organic Program (NOP), representing an increase of \$3.11 million over last year's level. \$2.11 million of this request is for regulatory review, enforcement and equivalency agreements; with an additional one-time amount of \$1 million for assisting certifying agents in achieving compliance with international certification standards.

In addition, we are requesting inclusion of report language praising the Agency for the significant improvements that have been made over the past year. In previous years, Congress has included report language urging improvements in the program. Now that many of these improvements are being made, it seems fitting for Congress to recognize the progress. We request inclusion of the following report language:

The Committee notes the significant improvements made in the administration of the National Organic Program over the last year, in keeping with the requests of this Committee in previous years. The Committee applauds the Agency for the long-overdue publication of the final pasture rule for organic livestock, the decision to seek independent oversight and recognition of its accreditation procedures by NIST within the Department of Commerce, and for its actions to make the NOP budget and planning process transparent to the public. These actions bolster the integrity of the USDA organic seal and enhance public confidence in that label.

USDA (AMS, ERS, NASS)

*Organic Data Initiative**Request: \$5 million*

Authorized by Section 7407 of the 2002 Farm Bill, the Organic Production and Marketing Data Initiative states that the "Secretary shall ensure that segregated data on the production and marketing of organic agricultural products is included in the ongoing baseline of data collection regarding agricultural production and marketing." Section 10302 of the Farm, Conservation, and Energy Act of 2008 amends



the provision further to provide mandatory funding, and to authorize \$5 million annually in discretionary funding.

As the organic industry matures and grows at a rapid rate, the lack of national data for the production, pricing, and marketing of organic products has been an impediment to further development of the industry and to the effective functioning of many organic programs within USDA. The organic data collection and analysis effort at USDA has made significant strides in recent years, but remains in its infancy. Because of the multi-agency nature of data collection within USDA, organic data collection and analysis must also be undertaken by several different agencies within the Department: The Administration's fiscal year 2011 budget requests \$300,000 for AMS and \$500,000 for NASS organic data collection. We are requesting the full \$5 million to be appropriated for this initiative, to be divided between the three main data collection sub-agencies as follows:

- Economic Research Service (ERS)
- Request: \$1.5 million
- Agricultural Marketing Service (AMS)
- Request: \$3 million
- National Agricultural Statistic Service (NASS)
- Request: \$500,000

USDA/NATIONAL INSTITUTE OF FOOD AND AGRICULTURE (NIFA)

#### *Organic Transitions Program*

*Request: \$5 million*

The Organic Transition Program, authorized by Section 406 of the Agricultural Research, Education and Extension Reform Act (AREERA) for Integrated Research Programs, is a research grant program that helps farmers surmount some of the challenges of organic production and marketing. As the organic industry grows, the demand for research on organic agriculture is experiencing significant growth as well. The benefits of this research are far-reaching, with broad applications to all sectors of agriculture, even beyond the organic sector. Yet funding for organic research is minuscule in relation to the relative economic importance of organic agriculture and marketing in this Nation. Starting in fiscal year 2009, the program has been administered in combination with the NIFA Water Quality integrated research program, to study the watershed impacts of organic systems.

The Organic Transition Program was funded at levels ranging between \$2.1 and \$1.8 million during the period of fiscal year 2003 through fiscal year 2009, and then received a significant increase to \$5 million in fiscal year 2010. The Administration's budget proposes to eliminate funding for the Organic Transition Program, as well as the other section 406 "integrated" programs within the NIFA budget, based on vague assertions that the needs will be met through other competitive grants research programs. The past Administration made similar recommendations regarding the 406 programs, which have been consistently rejected by Congress. We urge the Committee to continue to reject this proposal to defund the Organic Transition Program, and to provide fiscal year 2011 funding at last year's level of \$5 million.

#### *Organic Research and Extension Initiative (OREI)*

*Request: \$10 million*

OREI is USDA's flagship competitive research and education grant program specifically dedicated to the investigation of organic agriculture. The program is consistently oversubscribed and in fiscal year 2009 could only fund 17 percent of the funds requested. The 2008 Farm Bill authorized \$25 million annually in discretionary funds, in addition to mandatory funds authorized. We request that \$10 million be appropriated for OREI for fiscal year 2011.

#### *Agriculture and Food Research Initiative (AFRI)*

*Request: Report language on Conventional/Classical Plant and Animal Breeding*

In recent decades, public resources for classical plant and animal breeding have dwindled, while resources have shifted toward genomics and biotechnology, with a focus on a limited set of major crops and breeds. This problem has been particularly acute for organic and sustainable farmers, who seek access to germplasm well suited to their unique cropping systems and their local environment.

Since fiscal year 2005, the Senate Agriculture Appropriations Subcommittee has included report language raising concerns about this problem, and urging CSREES (now NIFA) to give greater consideration to research needs related to classical plant and animal breeding when setting priorities within the National Research Initiative/

AFRI. Despite this report language, research proposals for classical plant and animal breeding that have sought AFRI funding in recent years have been consistently denied.

In Section 7406 of the Food, Conservation, and Energy Act of 2008, the National Research Initiative was merged with the Initiative for Future Agriculture and Food Systems to become the Agriculture and Food Research Initiative (AFRI). Congress included language within AFRI to make “conventional” plant and animal breeding a priority for AFRI research grants, consistent with the concerns expressed by the Appropriations Committee in preceding appropriations cycles.

When CSREES released its AFRI Program Announcement for fiscal year 2009, it invited research proposals on conventional/classical plant and animal breeding. However, when researchers submitted their initial letters of intent spelling out their research topics in the arena, they were nearly all rejected in the pre-proposal stage.

We are awaiting the fiscal year 2010 AFRI Request for Applications. After numerous meetings with NIFA leadership and letters urging the full inclusion of the classical breeding into the fiscal year 2010 funding priorities, we are anxious to see how the Agency responds to this need, and the strong expressions of both the Congressional appropriators and authorizers on this matter.

We are requesting report language from the subcommittee to reiterate that the funding for classical plant and animal breeding should be a priority area within the AFRI process.

#### *Sustainable Agriculture Research and Education (SARE)*

*Request: \$30 million (\$25 million for research and education grants; and \$5 million for professional development grants)*

The SARE program has been very successful in funding on-farm research on environmentally sound and profitable practices and systems, including organic production. The reliable information developed and distributed through SARE grants have been invaluable to organic farmers. The President’s budget requests \$30 million for SARE program for fiscal year 2011, including \$10 million to start the Federal-State Matching Grant program. Consistent with the President’s request, we are requesting \$25 million for research and education grants (including \$10 million for the Federal-State Matching Grant program) and \$5 million for professional development grants.

#### USDA/RURAL BUSINESS COOPERATIVE SERVICE

##### *Appropriate Technology Transfer for Rural Areas (ATTRA)*

*Request: \$3 million*

ATTRA, authorized by Section 6016 on the Food, Conservation, and Energy Act of 2008, is a national sustainable agriculture information service, which provides practical information and technical assistance to farmers, ranchers, Extension agents, educators and others interested and active in sustainable agriculture. ATTRA interacts with the public, not only through its call-in service and Web site, but also provides numerous excellent publications written to help address some of the most frequently asked questions of farmers and educators. Much of the real-world information provided by ATTRA is extremely helpful to both the conventional and organic communities, and is available nowhere else. As a result, the growth in demand for ATTRA services has increased significantly, both through the Web site-based information services and through the growing requests for workshops. We are requesting \$3 million for ATTRA for fiscal year 2011.

#### USDA/AGRICULTURE RESEARCH SERVICE (ARS)

##### *Classical Plant and Animal Breeding Activities*

*Request: \$9.03 million*

As noted above in the AFRI section of this request, public resources for classical plant and animal breeding have dwindled in recent decades, and as a result, our capacity for public breeding is at critical point. While USDA’s statutory obligation to address this problem through the AFRI competitive grant program remains strong, USDA’s ARS also has an obligation in this regard. Although ARS has the resources and expertise to help reverse this dangerous trend, the Agency has not made a concerted effort in this regard, until now. The Administration’s fiscal year 2011 budget requests an increase of \$4.289 million for “crop breeding to enhance food and production security” and other \$4.75 million for “crop protection to enhance food and production security,” with a clear focus on classical plant and animal breeding activities.

As described on pages 16–19 and 16–29 of the USDA Budget Justifications document:

“Sustainability of our Nation’s food supply depends on a continuous supply of improved plant varieties with protection from emerging diseases, insects, and damaging environmental conditions. While there has been major investment in the public and private sector in new genomic and biotechnology strategies for crop improvement, classical plant breeding research and expertise continues to be a major but unmet need. Developing improved seeds and new varieties requires effective methods and expertise in selecting desired traits (‘phenotyping’) and field evaluation. There is an urgent national and international need for more research and expertise in classical, conventional plant breeding. New emerging diseases such as citrus greening and cereal rusts are threatening the future supply of food crops. Temperature extremes and reduced water supplies provide new challenges for crop production.

“Breeding research is particularly needed to improve complex traits that require long-term research and challenging methods such as developing perennial grains with high seed yields, as well as integrating disease resistance and weather stress tolerance genes from wild and weedy relatives of crop plants. Perennial grain production systems offer benefits in soil and water conservation, and decreased dependence on fertilizer and fuel inputs. The Land Institute, Salinas, Kansas, has led in developing perennial grain varieties and production systems. More breeding and disease protection research is needed to increase the production capacity of perennial grains and to optimize perennial grain production systems.

“The need for classical breeding research and expertise is growing, but the supply of trained classical plant breeders is diminishing worldwide. The entire plant breeding industry faces a shortage of trained plant breeders as a result of industry expansion. Also, traditional partner disciplines for plant breeding, such as statistics, plant pathology, physiology, and entomology have often shifted away from field-based, practical plant breeding applications. ARS has a force of more than 125 plant breeders, working in teams with plant pathologists, biologists, entomologists and other skilled crop scientists. Clearly, ARS has an obligation to increase training, and mentor more new plant breeders to meet this urgent need.”

We strongly agree with the above statement and fully support the request for \$9.03 million to meet this need. In addition, we request report language calling on ARS to report to the Committee about its activities in the area of classical breeding.

#### USDA/FOOD AND NUTRITION SERVICE

##### *WIC Program*

##### *Report Language: Removing Barriers of Access to Organic Foods for WIC recipients*

Despite the growing body of peer-reviewed research demonstrating the human health benefits of organic food, particularly for pregnant mothers and small children, many States have greatly limited or prohibited access to organic foods as part of the WIC program. Some of the barriers are explicit, whereby WIC recipient are expressly prohibited in some States from using their WIC certificates or vouchers for organic versions of WIC foods. Others barriers are indirect, such as rules that make it difficult for retail stores that carry organic foods from participating in the program. Therefore, we are requesting that report language be included in the Food and Nutrition Service section of the fiscal year 2011 Appropriations report, such as:

“The Committee is concerned about the number of States the have set up barriers within the WIC program to hinder or prohibit WIC recipients from purchasing organic food. The Committee strongly urges FNS to actively encourage States to remove barriers to the purchase of organic foods as part of the basic food instrument, and to understand the nutritional and health benefits of organic foods for the vulnerable populations served by this program.”

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#### PREPARED STATEMENT OF THE NATIONAL SUSTAINABLE AGRICULTURE COALITION

Thank you for the opportunity to present our funding requests for the fiscal year 2011 Agriculture, Rural Development, FDA and Related Agencies appropriations bill. The National Sustainable Agriculture Coalition is an alliance of national, regional and local grassroots farm, rural and conservation organizations that together advocate for public policies that support the long-term economic, social and environmental sustainability of agriculture, natural resources and rural communities.

Below is a summary of our requests, followed by a brief description and rationale for each item.

#### NATIONAL INSTITUTE OF FOOD AND AGRICULTURE

##### *Sustainable Agriculture Research and Education Program*

Fiscal year 2010 actual: \$14.5 million (research & education) + \$4.7 million (extension) = \$19.2 million total.

USDA 2011 request: \$15.0 million + \$5.0 million + \$10.0 million (Federal-State Matching Grants) = \$30.0 million total.

NSAC 2011 request: \$18.0 million + \$5.0 million + \$7.0 million = \$30 million total.

##### *Organic Transitions Program*

Fiscal year 2010 actual: \$5.0 million.

USDA 2011 request: \$0.

NSAC 2011 request: \$5.0 million.

##### *Research and Education Grants for the Study of Antibiotic Resistant Bacteria*

Fiscal year 2010 actual: \$0.

USDA 2011 request: \$0.

NSAC 2011 request: \$3.0 million.

#### FARM SERVICE AGENCY

##### *Beginning Farmer Individual Development Account (IDA) Pilot Program*

Fiscal year 2010 actual: \$0.

USDA 2011 request: \$0.

NSAC 2011 request: \$5.0 million.

##### *Direct Farm Ownership and Operating Loans—Program Levels*

Fiscal year 2010 actual: \$650.0 million + \$1,000.0 million.

USDA 2011 request: \$475.0 million + \$900.0 million.

NSAC 2011 request: \$650.0 million + \$1,000.0 million.

#### NATURAL RESOURCES CONSERVATION SERVICE

##### *Conservation Technical Assistance*

Fiscal year 2010 actual: \$887.6 million.

USDA 2011 request: \$923.7 million.

NSAC 2011 request: \$923.7 million.

#### RURAL BUSINESS AND COOPERATIVE SERVICE

##### *Value-Added Producer Grants*

Fiscal year 2010 actual: \$20.4 million.

USDA 2011 request: \$20.4 million.

NSAC 2011 request: \$30.0 million.

##### *Rural Microentrepreneur Assistance Program*

Fiscal year 2010 actual: \$9.0 million (no limitation on \$4 million in Farm Bill direct funding + \$5 million discretionary).

USDA 2011 request: \$11.7 million (no limitation on Farm Bill \$4 million mandatory + \$7.7 million discretionary).

NSAC 2011 request: \$11.7 million (no limitation on Farm Bill \$4 million mandatory + \$7.7 million discretionary).

#### GENERAL PROVISIONS—MANDATORY CONSERVATION PROGRAMS

##### *Conservation Stewardship Program*

Fiscal year 2010 actual: no limitation on mandatory farm bill direct funding.

USDA 2011 request: permanent cut of 770,000 acres.

NSAC 2011 request: no limitation on farm bill direct funding.

##### *Wetlands Reserve Program*

Fiscal year 2010 actual: no limitation on mandatory farm bill funding.

USDA 2011 request: permanent cut of 57,018 acres, including new 15,224 acre cut.

NSAC 2011 request: no limitation on direct farm bill funding.

We also oppose changes in mandatory funding for the other Farm Bill mandatory conservation programs.

## GENERAL PROVISIONS—MARKETING, RURAL DEVELOPMENT, AND RESEARCH

We support mandatory farm bill spending at their Farm Bill levels for the Organic Agriculture Research and Extension Initiative, Beginning Farmer and Rancher Development Program, Outreach and Assistance to Socially Disadvantaged Farmers and Ranchers, Farmers' Market Promotion Program, and Community Food Grants.

We support the general provision for the Regional Innovation Initiative. This initiative proposes a set aside of up to 5 percent from 20 existing programs for a total of \$135 million and allocate these funds competitively among regional pilot projects tailored to local needs and opportunities.

## JUSTIFICATIONS

## NATIONAL INSTITUTE OF FOOD AND AGRICULTURE

Sustainable Agriculture Research and Education Program (SARE). We urge you to support the President's fiscal year 2011 request for \$30 million for SARE, divided among research and education grants (\$25 million) and extension and professional development grants (\$5 million). We propose the Federal-State Matching Grants program be included in the total for research and education grants (as it is in the SARE authorizing law) and funded at \$7 million, or slightly less than the President's request.

SARE has funded farmer-driven research, education and extension initiatives into profitable, environmentally and socially sound practices for over 20 years. Funding SARE at \$30 million would finally jumpstart the Federal-State Matching Grant program as well as the already-approved emphasis on farming systems research, while allowing the existing award-winning research program to continue, including the popular farmer research grant initiative.

By funding the matching grants program as envisioned by Congress, competitive grants could be awarded to State sustainable agriculture centers and institutes to develop innovative sustainable agriculture programs that address high-priority problems and opportunities; embed sustainable agriculture in university and state-wide research, education, and extension; and leverage greater on-farm change. The huge demand for SARE grants has unfortunately limited the amount of funding into larger farming systems work. The proposed increase in research grant funding could begin to remedy this shortfall, and the SARE councils have already approved this shift, pending appropriations.

We strongly urge an increased commitment to SARE through an appropriation of \$30 million in fiscal year 2011 that is consistent with sustainable agriculture's expanding role within our food and farming system and with the program's award-winning and cost-effective delivery of services.

*Organic Transitions Research Program.*—We request \$5 million for fiscal year 2011 to maintain the funding level established in fiscal year 2010. Beginning in fiscal year 2009, this program was combined with the Water Quality integrated program to fund multi-year projects examining the effects of organic systems on water quality. The combined funding will focus resources on one of the most effective solutions to critical water quality problems. Maintaining the funding level established in fiscal year 2010 will allow the organic program to cooperate with other priority natural resource programs to provide environmental solutions in an integrated program with strong farmer delivery mechanisms built in. Without at least level funding, organic research and extension will fall even further behind in its overall share of the research budget, a share which continues to lag behind trends in agriculture.

*Research and Education Grants for the Study of Antibiotic Resistant Bacteria.*—We request that you support \$3 million to fund Research and Education Grants for the Study of Antibiotic Resistant Bacteria (Section 7521 of the 2008 Food, Conservation, and Energy Act). Antibiotic-resistant disease has been identified by the Centers for Disease Control and Prevention as the number one public health challenge in the United States. The 2008 Farm Bill addressed the need to create a program to conduct research to develop animal production systems less dependent on antibiotics. This program has not yet been launched, and we ask the subcommittee to appropriate \$3 million to launch the program.

## FARM SERVICE AGENCY

*Beginning Farmer and Rancher Individual Development Account (IDA) Pilot Program.*—We urge you to invest in the future of a diverse U.S. agriculture by supporting the full \$5 million amount authorized and requested for this exciting new program. This competitive grants program authorized by the 2008 Farm Bill enables beginning farmers and ranchers to open an Individual Development Account

(matched savings account) in order to save for a farming-related asset, including farmland, farming equipment, breeding stock, trees or similar expenditures. A 50 percent local match is needed to obtain the Federal grant. This program creates the technical infrastructure as well as the incentives to assist individuals who might not historically be able to save to make asset-building purchases to get started in farming. It would operate in 15 States initially.

*Direct Farm Ownership and Operating Loans.*—We are grateful that Congress has provided more money in the last 2 years for these loans. However, even with the increased funding, the Farm Service Agency has already indicated that it is likely to run out of money before the current fiscal year ends and would require a supplemental to meet demand. In light of this and in light of the continuing financial crisis, it does not make sense to decrease the credit budget as the Administration proposes. The budget should be at least level with fiscal year 2010 in order to meet increased demand. Lending from FSA is critical for family farms in general and particularly for beginning and socially disadvantaged farmers and ranchers.

#### NATURAL RESOURCES CONSERVATION SERVICE

*Conservation Technical Assistance.*—Conservation Technical Assistance (CTA) is a critical addition to the mandatory conservation technical assistance provided to farmers enrolled in the farm bill conservation programs. Technical assistance is provided to agricultural producers enrolling in financial assistance programs as well as to help farmers with conservation planning and implementation without financial assistance, including conservation compliance plans. CTA also funds assessment of conservation practices and systems that underpin the conservation programs, as well as NRCS collection, analysis, interpretation and dissemination of information on the status and condition of the Nation's soil, water and other resources.

NSAC supports the CTA funding level of \$923.7 million in the President's fiscal year 2011 budget request. We would also support a modest increase in the percentage of Farm Bill mandatory funding that may be used for technical assistance.

#### RURAL BUSINESS AND COOPERATIVE SERVICE

*Value-Added Producer Grants.*—VAPG offers grants to farmers and ranchers developing new farm and food-related businesses that boost farm income, create jobs and increase rural economic opportunity. As farmers and rural communities face tough economic times, VAPG grants encourage the kind of entrepreneurship and innovation in agriculture that enable farms and communities to survive economically. Furthermore, strong interest in farm-to-school and farm-to-hospital programs is generating significantly increased demand for mid-tier value chains and local food enterprises to aggregate local production and make it available in a form usable by cafeterias, exactly the kind of rural development strategy VAPG is designed to support. VAPG is an excellent investment in rural economic recovery. We request VAPG funding of \$30 million in fiscal year 2011.

*Rural Microentrepreneur Assistance Program.*—RMAP provides business training, technical assistance and loans to owner-operated businesses with up to 10 employees. Small businesses make up 90 percent of all rural businesses, and micro-businesses are the fastest growing segment in many rural areas. With nearly one-quarter of rural jobs attributable to micro-enterprises, small business development provides a major economic stimulus opportunity for rural communities. This program is critical to preventing a credit freeze to an essential part of the rural economy. It will help create jobs, attract young people, build assets, create local markets and alleviate poverty. NSAC supports the USDA request that RMAP be funded at \$11.7 million, inclusive of \$4 million of mandatory farm bill funding.

#### GENERAL PROVISIONS—MANDATORY CONSERVATION PROGRAMS

The cuts proposed in the President's fiscal year 2011 budget to the Conservation Stewardship Program, the Environmental Quality Incentives Program, and other mandatory conservation programs would rob nearly \$1 billion from the conservation baseline, or roughly a quarter of the conservation increases gained in the 2008 Farm Bill. These programs lead to critical public benefits and environmental services such as cleaner water, erosion reduction, carbon sinks, energy conservation, improved wildlife habitat and restored wetlands. Farmer demand for these programs exceeds available dollars, a fact the carefully negotiated farm bill funding package took into account. That deal should not be reversed through backdoor limitations. We note in particular that the proposed cut to the Conservation Stewardship Program would wipe out over 6 percent of the program, yet yield just \$2 million in fiscal year 2011 savings, making it the worst possible candidate for a change in mandatory spending. We recognize that an annual cut in EQIP funding has been assumed since before

the passage of the last Farm Bill, but beyond this designated amount, we strongly oppose the proposed 1-year and permanent cuts to these critical programs.

GENERAL PROVISIONS—MARKETING, RURAL DEVELOPMENT, AND RESEARCH

We strongly support full funding (no changes in mandatory funding) for the Organic Agriculture Research and Extension Initiative, Beginning Farmer and Rancher Development Program, Outreach and Assistance to Socially Disadvantaged Farmers and Ranchers, Farmers' Market Promotion Program, and Community Food Grants.

We encourage you to support the Regional Innovation Initiative. The initiative proposes to set aside up to 5 percent from 20 existing programs for a total of \$135 million in budget authority and to allocate these funds competitively among regional pilot projects tailored to local needs and opportunities. These projects would aim to foster regional strategies for activities—such as sustainable renewable energy or local and regional food system development—which can benefit from planning and innovation beyond the normal separate, isolated project-by-project approach. This more coordinated approach is well worth testing.

PREPARED STATEMENT OF THE NATIONAL WALKING HORSE ASSOCIATION (NWhA)

The National Walking Horse Association (NWhA) is a nonprofit organization founded in 1998 and dedicated to the promotion of sound, naturally gaited Walking Horses. We are a Horse Industry Organization (HIO) certified by the USDA to provide inspection services as required in the Horse Protection Act (HPA) of 1970. Despite our DQP program's excellent record for compliance with the HPA—the strongest in the Walking Horse industry—we nevertheless urge the Committee to increase funding for the USDA/APHIS Horse Protection Program to \$900,000, as requested in the President's budget for fiscal year 2011.

This funding is urgently needed to fulfill the intent of the Horse Protection Act—to eliminate the cruel practice of soring which continues to be used on many horses at many horse shows and sales even all these years after the passage of the HPA. The additional funding will allow the USDA to strengthen its enforcement of this law.

NWhA's Designated Qualified Persons (DQPs) inspected over 13,000 horses in 2009 and had a .02 percent violation rate. Our DQPs go through a vigorous training program and do an excellent job of enforcing NWhA's zero tolerance policy for sore horses which goes above and beyond the HPA in some areas. While we are very proud of our record, we recognize that some HIOs have a much lower compliance rate. We also recognize the critical role that USDA plays by attending the many horse shows each weekend during the show season where compliance is typically low.

NWhA appreciates the support of the USDA when its staff attends our shows, but even more important is the USDA presence at horse shows where horses STILL enter the show ring in pain! Our organization and others that are committed to enforcing the HPA cannot do it alone. We need your support for the USDA so that we can work together to make a significant impact in eliminating the practice of soring horses. It is long past time for Congress to make a serious commitment to end this shameful era in the history of our Nation. Thank you.

LETTER FROM THE NATIONAL WIC ASSOCIATION

MARCH 5, 2010.

Hon. HERB KOHL,  
*Chairman, Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies, Washington, DC.*

Hon. SAM BROWNBAC,  
*Ranking Member, Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies, Washington, DC.*

DEAR CHAIRMAN KOHL AND RANKING MEMBER BROWNBAC: We are writing in support the President's fiscal year 2011 budget request to fund WIC—the Special Supplemental Nutrition Program for Women, Infants, and Children—at \$7.603 billion. This funding level should be adequate to serve 10.1 million mothers and young children. However, we urge Congress and the Administration to carefully monitor WIC participation and food cost inflation to assure that the budget request responds to economic conditions.

For more than 35 years, WIC has contributed to healthier pregnancies and birth outcomes, improving children's health, growth and development. WIC children enter school Ready to Learn and show better cognitive performance. As the Nation's premier public health nutrition program, WIC is a cost-effective, sound investment—insuring the health of our children.

This year is no different. WIC currently serves over 9.2 million mothers, infants and children—over half of all America's infants and one-quarter of its children 1–5 years of age. Families turning to WIC for nutrition assistance are vulnerable and at risk. Economic crises compounded their vulnerability. WIC food packages and the nutrition services that accompany them ensure that WIC mothers and your children stay healthy.

We understand that Congress is in the process of developing an Agriculture appropriations bill. It will be important for Congress to provide \$7.603 billion for WIC in the bill including:

- \$125 million for contingency funding;
- We urge Congress to direct USDA to eliminate restrictions on the use of contingency funds for the purchase of breastpumps needed to serve participants;
- \$60 million for management information systems;
- \$14 million for infrastructure funding;
- \$83 million for breastfeeding peer counselors and other related activities;
- To compliment peer counseling activities, we urge Congress to direct USDA to provide State and local WIC agencies flexibility to implement other evidence-based diversified breastfeeding related activities;
- \$10 million for breastfeeding performance bonuses;
- We urge Congress to direct USDA to work closely with State and local WIC agencies to develop appropriate selection criteria for these bonuses:
- \$15 million for evaluating program performance;
- \$10 million for Federal Administrative Oversight to improve the application process; and
- \$5 million for coordination with other programs and modernization of Federal information.

#### TECHNOLOGY INFRASTRUCTURE

We urge you to join in supporting the President's fiscal year 2011 budget request for WIC and the vulnerable mothers and young children who turn to WIC for nutritious foods, nutrition education, breastfeeding support and promotion, healthcare referrals and other essential social service referrals in times of economic uncertainty.

Sincerely,

PATTI HAUSER, RD, CD, MPA,  
*Chair, Board of Directors, National WIC Association.*

THE REV. DOUGLAS GREENAWAY,  
*President and CEO, National WIC Association.*

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#### PREPARED STATEMENT OF THE NATIONAL WIC ASSOCIATION

##### WIC FISCAL YEAR 2011 FUNDING AGENDA

##### *WIC for a Healthier, Stronger America*

The Special Supplemental Nutrition Program for Women, Infants, and Children—WIC—has improved at-risk children's health, growth and development, and prevented health problems for 35 years. WIC children enter school Ready to Learn, showing better cognitive performance.

WIC serves over 9.2 million mothers and young children, over half of all America's infants and one-quarter of its children 1–5 years of age. Still, the National Academy of Sciences has found that there is significant unmet need and many WIC eligibles are unable to receive services due to funding constraints and infrastructure limitations.

##### *Families Turn to WIC in Economic Crises*

Families turning to WIC for nutrition assistance are vulnerable and at-risk. Economic crises compound their vulnerability. WIC food packages and the nutrition services that accompany them ensure that WIC mothers and young children stay healthy. WIC caseload has grown from serving 7.9 million mothers and young children in fiscal year 2004 to over 9.2 million in fiscal year 2009.



*Quality Nutrition Services—at WIC's Heart*

Quality nutrition services are the centerpiece of WIC: nutrition and breastfeeding education, nutritious foods, and improved healthcare access for low and moderate income women and children with, or at risk of developing, nutrition-related health problems, including overweight, obesity, and type-2 diabetes. WIC's committed, results oriented, entrepreneurial staff stretch resources to serve the maximum numbers of women, infants, and children and ensure program effectiveness and integrity.

As the Nation's premier public health nutrition program, WIC is a cost-effective, sound investment—ensuring the health of our children.

NWA's mission: providing leadership to promote quality nutrition services; advocating for services for all eligible women, infants, and children; and assuring the sound and responsive management of WIC.

NWA FUNDING RECOMMENDATIONS

*Fiscal Year 2011 Appropriation*

NWA supports the President's fiscal year 2011 budget commitment to fully fund the WIC Program at \$7.603 billion to serve 10.1 million mothers and young children, of which \$125 million will be placed in a Contingency Fund. Full funding must be adequate to:

- maintain current and anticipated WIC participation levels;
- assure adequate nutrition services and administration (NSA) funding;
- respond to food cost inflation; and
- provide funds for nutrition services to maintain clinic staffing and pay competitive salaries.

NWA urges Congress and the Administration to carefully monitor WIC participation and food cost inflation to assure that the budget request responds to economic conditions. Should the economic recovery take longer than anticipated, more families will turn to WIC for nutrition assistance and WIC may require additional funding.

*NWA Strongly Urges Congress To Support Replenishment of the WIC Contingency Fund.*—The Fund is essential to meet the demand for WIC services in situations of unpredictable caseload or food cost spikes. In fiscal years 2006–2009, unforeseen economic circumstances forced WIC to utilize contingency funds to assure that mothers and young children were not turned away.

*Improving WIC Infrastructure*

*WIC Infrastructure Funding Has Remained Static at Roughly \$14 Million Since 1999.*—Despite a 25 percent growth in participation since 1999, WIC has responded entrepreneurially to limit clinic challenges by shifting from 1-month to 3-month food benefit issuance and where possible, extending clinic hours. WIC needs to build capacity to respond to growth and reduce the risks of systemic problems. The current infrastructure funds level is inadequate to meet other essential program infrastructure needs. This has caused U.S. Department of Agriculture (USDA) to sacrifice the resource base on a single priority to the disadvantage of other infrastructure program needs including special project grants that help WIC State agencies demonstrate effective ways of doing business. NWA recommends: that infrastructure funding be unencumbered and increased from \$14 million to \$40 million.

*Enhancing Service Delivery Through Information Technology*

*Improving the Use of Information Technology To Enhance Service Delivery and Building Management Information Systems (MIS).*—Technology provides a critical foundation for quality WIC services and Program Integrity. Funding WIC technology from existing resources compromises WIC's ability to deliver services and develop responsive MIS systems. To develop and maintain MIS and electronic service delivery systems (EBT)—NWA recommends: Congress provide an additional \$60 million annually in unencumbered funds outside the regular NSA grant to implement MIS core functions, upgrade WIC technology systems, maintain MIS and electronic services, render MIS systems EBT ready, and expedite WIC's transition to EBT.

*Promoting and Supporting Breastfeeding in WIC*

*Breastfeeding Is the Normal and Most Healthful Way To Feed Infants.*—The benefits to infants and mothers are numerous. For children, science shows that human milk: may lower the risk of obesity in childhood and adolescence; promotes and supports development; protects against illness symptoms and duration; improves IQ and visual acuity scores; lowers cancer rates; decreases cavities; improves premature infants' health; and significantly reduces healthcare costs. For mothers: de-

creases the likelihood of ovarian and breast cancers; reduces the risk of osteoporosis and long-term obesity; increases bonding between mother and child; and significantly reduces the incidence of child neglect. NWA recommends: increasing resources to assure more breastfeeding mothers access to critical breastfeeding support to \$83 million.

*Maintaining the Enhanced Value of the Breastfeeding Food Package.*—In 2005, the Institute of Medicine (IOM) recommended an enhanced breastfeeding food package to encourage and support mothers who choose to fully breast feed. USDA Food and Nutrition Service (FNS), in publishing its Interim Final Rule on the WIC Food Packages, correctly emphasized the distinction between the fully breastfeeding food package and other food packages for women when it set the fruit and vegetable cash value vouchers for this food package at \$2 above the value for other food packages for women. The fiscal year 2010 Agriculture Appropriations Act directed FNS to increase the fruit and vegetable cash value voucher for women to \$10, eliminating that important distinction. NWA recommends: To maintain the enhanced value of the fully breastfeeding food package, as recommended by the IOM and as proposed by FNS in the Interim Final Rule, the monthly cash value voucher benefit for fully breastfeeding women be increased by \$2 and that at least \$8 million be provided to make this critical public health nutrition change possible.

*Promoting WIC Breastfeeding Success.*—Breastfeeding rates among WIC women are on the rise. According to the most recent WIC Participant Characteristics Report, breastfeeding rates are at record highs—59 percent initiation and 30 percent at 6 months. Despite the continued rise in breastfeeding rates overall, they are lower than the Healthy People 2010 goal of 75 percent breastfeeding initiation and 50 percent at 6 months. NWA recommends: Congress provide \$10 million in performance bonus payments (to be treated as program income) to State agencies that demonstrate the highest proportion of breast fed infants, as compared to other State agencies participating in the program; or the greatest improvement in proportion of breast fed infants, as compared to other State agencies participating in the program. When providing performance bonus payments to State agencies, FNS should consider a State agency's proportion of participating fully breast fed infants.

#### *Assuring Science Based WIC Food Packages*

*Meeting the IOM Recommendations for Children.*—The IOM recommended to USDA that the WIC food package for children provide a monthly fruit and vegetable cash value voucher benefit of \$8. The IOM sought to provide a reasonable benefit of fruits and vegetables to promote healthier eating choices that would help to stem the incidence of overweight, obesity, and diet related chronic diseases. The current funding level only allows for a monthly value of \$6. NWA recommends: that the monthly cash value voucher benefit for children be increased to \$8 to meet the science recommended by the IOM and that at least \$104 million be provided to make this important public health nutrition change possible.

*Meeting the IOM Recommendations for Culturally Appropriate Foods.*—The IOM recommended to USDA that the WIC food packages provide a wide variety of culturally appropriate foods to appeal to the diverse populations that WIC serves. Included among the specific recommendation were a wide variety of whole grains, varieties of canned fish, and soy beverage, calcium-rich tofu, and yogurt as appropriate milk substitutes. NWA recommends: that Congress make available \$89 million to allow WIC to provide yogurt in the WIC food packages to fund this public health nutrition recommendation.

#### *Assessing the Effects of Nutrition Services*

NWA urges Congress to provide \$15 million to update rigorous health outcomes research and evaluation documenting WIC's continued success.

### PREPARED STATEMENT OF THE NEW MEXICO INTERSTATE STREAM COMMISSION

#### SUMMARY

This statement is submitted in support of appropriations for the U.S. Department of Agriculture's Environmental Quality Incentives Program (EQIP) and the Colorado River Basin Salinity Control Program (Program). The Program is funded through EQIP, the U.S. Bureau of Reclamation's Basinwide Program, and cost-sharing provided by the Basin States. With the enactment of the Farm Security and Rural Investment Act (FSRIA) in 2002, there have been opportunities to adequately fund the EQIP portion of the Program. I request that the subcommittee designate 2.5 percent, but no less than \$20 million, of the EQIP funds for the Colorado River Basin Salinity Control Program. I request that adequate funds be appropriated for tech-

nical assistance and education activities directed to salinity control program participants.

#### STATEMENT

Congress authorized the Colorado River Basin Salinity Control Program in the Colorado River Basin Salinity Control Act of 1974. Congress amended the Act in 1984 to give new responsibilities to the U.S. Department of Agriculture (USDA). While retaining the Department of the Interior as the lead coordinator for the Program, the amended Act recognized the importance of USDA efforts in meeting the objectives of the Program. Many of the most cost-effective salinity control projects to date have occurred since implementation of the USDA's authorization for the Program.

Bureau of Reclamation studies show that quantified damages from the Colorado River to United States water users are about \$350,000,000 per year. Unquantified damages are significantly greater. Damages are estimated at \$75,000,000 per year for every additional increase of 30 milligrams per liter in salinity of the Colorado River. It is essential to the cost-effectiveness of the salinity control program that USDA salinity control projects be funded for timely implementation to protect the quality of Colorado River Basin water delivered to the Lower Basin States and Mexico.

Congress directed, with the enactment the Federal Agricultural Improvement and Reform Act of 1996 (FAIRA), that the program should continue to be implemented as a component of EQIP. However, until 2004, the program was not funded at an adequate level to protect the Basin State-adopted and Environmental Protection Agency approved water quality standards for salinity in the Colorado River. Appropriations for EQIP prior to 2004 were insufficient to adequately control salinity impacts from water delivered to the downstream States and Mexico.

EQIP subsumed the salinity control program without giving adequate recognition to the responsibilities of the USDA to implement salinity control measures per Section 202(c) of the Colorado River Basin Salinity Control Act. The EQIP evaluation and project ranking criteria targeted small watershed improvements and did not recognize that water users hundreds of miles downstream are significant beneficiaries of the salinity control program. Proposals for EQIP funding were ranked in the States of Utah, Wyoming, and Colorado under the direction of the respective State Conservationists without consideration of those downstream, particularly out-of-State, benefits.

Following recommendations of the Basin States to address the funding problem, the USDA's Natural Resources Conservation Service (NRCS) designated the Colorado River Basin an "area of special interest" including earmarked funds for the Program. The NRCS concluded that the salinity control program is different from the small watershed approach of EQIP. The watershed for the Program stretches almost 1,200 miles from the headwaters of the river through the salt-laden soils of the Upper Basin to the river's termination at the Gulf of California in Mexico. NRCS is to be commended for its efforts to comply with the USDA's responsibilities under the Colorado River Basin Salinity Control Act, as amended. Irrigated agriculture in the Upper Basin realizes significant local benefits of improved irrigation practices, and agricultural producers have succeeded in submitting cost-effective proposals to NRCS.

Years of inadequate Federal funding for EQIP since the 1996 enactment of FAIRA and prior to 2004 resulted in the need to accelerate the salinity control program in order to maintain the criteria of the Colorado River Water Quality Standards for Salinity. Since the enactment of FSRJA in 2002, an opportunity to adequately fund the salinity control program now exists. The requested funding of 2.5 percent, but no less than \$20 million, of the EQIP funding will continue to be needed each year for at least the next few fiscal years.

State and local cost-sharing is triggered by and indexed to the Federal appropriation. In fiscal year 2011, it is anticipated that the States will cost-share about \$8 million and local agricultural producers will add more than \$7 million, resulting in contributions for over 40 percent of the total program costs.

USDA salinity control projects have proven to be a cost-effective component of the salinity control program. USDA has indicated that a more adequately funded EQIP program would result in more funds being allocated to the salinity program. The Basin States have cost-sharing dollars available to participate in on-farm salinity control efforts. The agricultural producers in the Upper Basin are willing to cost-share their portion and are awaiting funding for their applications to be considered.

The Basin States expend 40 percent of the State funds allocated for the program for essential NRCS technical assistance and education activities. Previously, the

Federal part of the salinity control program funded through EQIP failed to adequately fund NRCS for these activities, which has been shown to be an impediment to accomplishing successful implementation of the salinity control program. Recent acknowledgement by the Administration that technical assistance and education activities must be better funded has encouraged the Basin States and local producers that cost-share with the EQIP. I request that adequate funds be appropriated to NRCS technical assistance and education activities directed to the salinity control program participants (producers).

I urge the Congress to appropriate at least \$1 billion in fiscal year 2011 for EQIP. Also, I request that Congress designate 2.5 percent, but no less than \$20 million, of the EQIP appropriation for the Colorado River Basin Salinity Control Program.

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PREPARED STATEMENT OF THE ORGANIC FARMING RESEARCH FOUNDATION (OFRF)

The Organic Farming Research Foundation (OFRF) is a national farmer-directed, non-profit organization fostering the improvement and widespread adoption of organic farming systems. The multiple benefits of organic production and market systems make organic agriculture a highly cost-effective investment for achieving national economic and environmental goals.

OFRF's funding requests for fiscal year 2011 Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Bill emphasize research, data collection, and information dissemination. These are all significant limiting factors for the growth and improvement of organic agriculture. Our requests represent continued progress towards achieving the "fair-share" benchmark for organic agriculture within the USDA-REE mission area. The fair-share benchmark compares the U.S. retail market share of organic products to the percentage of USDA-REE spending on activities explicitly directed towards organic agriculture. Organic represents 3.5 percent of the U.S. retail market share, but, according to OFRF estimates,<sup>1</sup> explicit organic research represents only 1.8 percent of the USDA-REE mission area budget. We present below a summary of our requests followed by more justifications.

- USDA—National Institute of Food and Agriculture
  - Organic Agriculture Research and Extension Initiative
    - Fiscal year 2010 actual: no limit on mandatory funding
    - USDA fiscal year 2011 request: no limit on mandatory funding
    - OFRF fiscal year 2011 request: no limit on mandatory funding plus \$10 million in discretionary funds
  - Organic Transitions Integrated Research Program
    - Fiscal year 2010 actual: \$5.0 million
    - USDA fiscal year 2011 request: \$0
    - OFRF fiscal year 2011 request: \$5.0 million
  - Sustainable Agriculture Research and Education Program
    - Fiscal year 2010 actual: \$14.5 million (research and education) + \$4.7 million (extension) = \$19.2 million
    - USDA fiscal year 2011 request: \$15.0 million + \$5.0 million + \$10.0 million (State matching grants) = \$30.0 million
    - OFRF fiscal year 2011 request: \$15.0 million + \$5.0 million + \$10.0 million = \$30.0 million
- USDA—Agricultural Research Service
  - Direct Organic Projects (allocation within agency baseline)
    - Fiscal year 2010 actual: \$17.2 million
    - USDA fiscal year 2011 request: N/A
    - OFRF fiscal year 2011 request: \$42 million (approximate result of requested "fair-share" language)
  - Classical Plant and Animal Breeding Activities
    - Fiscal year 2010 actual: N/A
    - USDA fiscal year 2011 request: \$9.0 million
    - OFRF fiscal year 2011 request: \$9.0 million
  - National Agricultural Library
    - Fiscal year 2010 actual: N/A
    - USDA fiscal year 2011 request: Increase of \$1.5 million for sustainability information framework

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<sup>1</sup> OFRF estimates total fiscal year 2010 organic REE spending at approximately \$51 million out of approximately \$2.9 billion for the REE mission area. This includes: OREI (\$20 million), ORG (\$5 million), ARS direct organic (\$17 million), ODI (\$1 million), and other NIFA grants (\$8 million).

- OFRF fiscal year 2011 request: Increase of \$1.5 million for sustainability information framework
- USDA—AMS/ERS/NASS
  - Organic Market and Production Data Initiatives
    - Fiscal year 2010 actual: \$0.75 million (\$0.5 million for ERS, \$0.250 million for NASS)
    - USDA fiscal year 2011 request: \$0.8 million (\$0.3 million for AMS, \$0.5 million for NASS)
    - OFRF fiscal year 2011 request: \$5.0 million (\$3.0 million for AMS, \$1.5 million for ERS, \$0.5 million for NASS).
- USDA—Agricultural Marketing Service
  - National Organic Program
    - Fiscal year 2010 actual: \$7.0 million
    - USDA fiscal year 2011 request: \$10.1 million
    - OFRF fiscal year 2011 request: \$10.1 million
- USDA—Natural Resources Conservation Service
  - Mandatory Conservation Programs
    - Fiscal year 2010 actual: \$270 million cut to Environmental Quality Incentives Program
    - USDA fiscal year 2011 request: Cuts to several mandatory conservation programs
    - OFRF fiscal year 2011 request: No limit on mandatory funding
  - Conservation Technical Assistance
    - Fiscal year 2010 actual: \$887.6 million
    - USDA fiscal year 2011 request: \$923.7 million
    - OFRF fiscal year 2011 request: \$923.7 million

## JUSTIFICATIONS

## USDA—NATIONAL INSTITUTE OF FOOD AND AGRICULTURE

Organic agriculture provides multiple benefits to society, and has the potential to help achieve important agricultural outcomes. These outcomes include providing a nutritious and safe food supply, protecting and enhancing natural resources, building a prosperous agricultural economy, and adapting to climate change.

These benefits can only be realized with a strong commitment to organic research. Congress created and has funded the dedicated organic research programs to improve organic systems and leverage their multiple benefits. However, Congress has also made clear that these programs should not be the only source for scientific improvement of organic agriculture. Continued growth of the dedicated funding streams is necessary to build a critical mass of capacity for organic research and extension. This increased capacity in turn will allow for organic research to be competitive within other grant programs. Additionally, the organic research programs address significant, specific research needs not addressed by any of the other competitive research grant programs at the National Institute of Food and Agriculture.

*Organic Agriculture Research and Extension Initiative (OREI)**OFRF Fiscal Year 2011 Request: No Limit on Mandatory Funding Plus \$10 Million in Discretionary Funds*

OREI is USDA's flagship competitive research and education grant program specifically dedicated to the investigation of organic agriculture and the delivery of its outcomes. The program is consistently oversubscribed and in fiscal year 2009 could only fund 17 percent of the funds requested. The 2008 Farm Bill authorized \$25 million annually in discretionary funds. In addition to the \$20 million in mandatory funding available in fiscal year 2011, OFRF requests \$10 million of the \$25 million in discretionary authority in fiscal year 2011. Protecting and growing the funding for this program would continue to make progress towards the fair-share benchmark for USDA funding for organic research and extension, would help respond to the strong demand for the program, and would increase the capacities of University organic programs to utilize other competitive research funds.

*Organic Transitions Integrated Research Program (ORG)**OFRF Fiscal Year 2011 Request: \$5.0 Million*

ORG is the smaller and older of the two USDA competitive grant programs dedicated to organic research and education. From 2003 to 2008, it was administered together with OREI. Starting in fiscal year 2009, NIFA has been combining the program with 406 Integrated Water Quality research program. The newly combined program funds multi-year projects that examine the effects of organic production

systems on water quality. This approach provides a “specialized” complement to the general purposes of OREI, and OFRF supports this move by the Agency. Additionally, ORG supports formal educational activities (e.g., curriculum development for colleges), which OREI does not fund.

The President’s fiscal year 2011 budget eliminates funding for ORG along with funding for all of the other Section 406 integrated programs, and justifies the cuts by saying that those research objectives will be met through other competitive research grants programs such as the Agriculture and Food Research Initiative. Given the type of research that AFRI/NRI has funded in the past and the limited opportunities that appear in the newly issued 2010 Request for Applications, we doubt that AFRI will sufficiently support integrated activities for organic systems similar to those currently funded through ORG. The past Administration made similar recommendations on the 406 programs, which Congress consistently rejected. We urge the subcommittee to again reject these cuts and keep ORG level funded at \$5 million in fiscal year 2011.

*Sustainable Agriculture Research and Education Program (SARE)*

*OFRF Fiscal Year 2011 Request: \$15.0 Million (Research & Education) + \$5.0 Million (Extension) + \$10.0 Million (Federal-State Matching Grants Program) = \$30.0 Million*

We strongly support the President’s fiscal year 2011 request of \$30 million for SARE, which includes \$10 million to launch a Federal-State matching grants program to leverage non-Federal funds to support sustainable agriculture research. SARE is a farmer-driven, regionally led, and outcomes-oriented competitive research and extension grants program that complements the activities of dedicated organic research programs.

USDA—AGRICULTURAL RESEARCH SERVICE

*Direct Organic Projects*

*OFRF Fiscal Year 2011 Request: Report Language Resulting in “Fair-Share” Expenditures (Appx. \$42 Million)*

USDA’s Agricultural Research Service (ARS) has an organic research portfolio and a work plan to guide further organic research objectives. The current total for direct organic projects is \$17.2 million, about 1.3 percent of the ARS budget. To strengthen the Agency’s organic portfolio and reach the ARS fair-share benchmark, we request report language directing the Secretary of Agriculture to use a share of the ARS budget for research specific to organic food and agricultural systems that is at least commensurate with the organic sector’s retail market share (currently 3.5 percent).

*Classical Plant and Animal Breeding Activities*

*OFRF Fiscal Year 2011 Request: \$9.0 Million*

The President’s fiscal year 2011 budget requests an increase of \$4.289 million for “crop breeding to enhance food and production security” and another \$4.75 million for “crop protection to enhance food and production security,” with a clear focus on classical plant and animal breeding activities. In recent decades, there has been a significant decrease in the public resources supporting classical plant and animal breeding, and the Nation’s capacity for public breeding is now at a crisis point. We fully support this request for much-needed classical breeding activities conducted through ARS.

*National Agricultural Library (NAL)*

*OFRF Fiscal Year 2011 Request: Increase of \$1.5 Million for Sustainability Information Framework*

We strongly support the President’s fiscal year 2011 request for an increase of \$1.5 million for NAL to develop a framework for information access and databases focused on sustainable agricultural practices and systems.

USDA—AMS/ERS/NASS

*Organic Market and Production Data Initiatives*

*OFRF Fiscal Year 2011 Request: \$5.0 Million (\$3.0 Million for AMS, \$1.5 Million for ERS, \$0.5 Million for NASS)*

Data on prices, yields, and markets are vital to farmers for production planning, market development, risk management, and obtaining financial credit. The organic sector is still without vital comprehensive data on par with what USDA provides for conventional agriculture, putting organic farmers at a significant disadvantage.

The absence of marketing and production data specific to organic agriculture inhibits organic producers and handlers, and limits the effectiveness of policies enacted to facilitate the public benefits of organic agriculture.

Activities of AMS, ERS, and NASS require continued full support to build upon the previous investments. AMS has planned further enhancement of organic reporting and the development of additional organic market information tools. NASS released its first-ever organic agriculture production survey in February, and will need funds to develop cross tabs and conduct further analysis. ERS will need additional targeted funds to continue expanding the Agency's overall program of research and analysis of organic agriculture, and will work jointly with NASS to analyze the data from the organic production survey.

The 2008 Farm Bill provided \$5 million in mandatory funds for ODI and additional authority up to \$5 million annually for ODI. Those mandatory funds have been applied to important projects, but there is still an increasing backlog of information needs. We are asking the subcommittee to exercise its full authority and allocate \$5 million for fiscal year 2011 to organic data collection, distributed among the three agencies leading this initiative.

#### USDA—AGRICULTURAL MARKETING SERVICE

##### *National Organic Program*

###### *OFRF Fiscal Year 2011 Request: \$10.1 Million*

We support the President's fiscal year 2011 request of \$10.1 million for NOP. This budget request will help protect the integrity of the organic label, allow for proper enforcement of the national organic standards, and restore consumer confidence in the organic label.

#### USDA—NATURAL RESOURCES CONSERVATION SERVICE

##### *Mandatory Conservation Programs*

###### *OFRF Fiscal Year 2011 Request: No Limit on Mandatory Funding*

The cuts proposed in the President's fiscal year 2011 budget to the Environmental Quality Incentives Program, Conservation Stewardship Program, and other conservation programs would rob over \$1 billion from the conservation baseline, or nearly a quarter of the conservation increases in the 2008 Farm Bill. These programs lead to cleaner water, erosion reduction, carbon sinks, improved wildlife habitat, and other essential environmental services.

##### *Conservation Technical Assistance (CTA)*

###### *OFRF Fiscal Year 2011 Request: \$923.7 Million*

We strongly support the President's full request for CTA, which is funded through yearly appropriations for NRCS to provide conservation technical assistance to farmers and ranchers. CTA also funds assessment of conservation practices and systems that underpin the conservation programs, as well as NRCS collection, analysis, interpretation and dissemination of information on the status and condition of the Nation's soil, water and other resources. This information is used by farmers and by Federal, State and private natural resource managers who are charged with managing and protecting natural resources.

Disclosure: Organic Farming Research Foundation was a subcontractor for a grant awarded by the USDA-CSREES Integrated Organic Program. Grant# 2207-01384. "Midwest Organic Research Symposium." Application submitted to OREI fiscal year 2010 round and currently under consideration.

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#### PREPARED STATEMENT OF THE ORGANIC TRADE ASSOCIATION (OTA)

Chairman Kohl, Ranking Member, and members of the subcommittee, I am Christine Bushway, executive director of the Organic Trade Association (OTA). The organic agricultural economy continues to be one of the fastest-growing sectors of American agriculture, with retail sales increasing by approximately 14 to 20 percent each year since 1990. U.S. organic product sales totaled \$26 billion in 2009, with organic food sales reaching \$24.2 billion to represent 3 percent of the domestic food market. In addition, exports of U.S. organic products were over \$1 billion in 2009. To help continue this growth, we respectfully request the following funding levels for programs pertinent to the organic industry: USDA—National Organic Program—\$10.1 million; USDA—Organic Data Initiative—\$5 million; USDA—Organic Agriculture Research and Extension Initiative—\$35 million; USDA—Organic Transitions Integrated Research Program—\$5 million; USDA—Agricultural Research Service—

\$9.03 million; and National Center for Appropriate Technology—Appropriate Technology Transfer for Rural Areas—\$3 million.

The Organic Trade Association is the membership-based business association for organic agriculture and products in North America. Its members include growers, shippers, processors, certifiers, farmers' associations, distributors, importers, exporters, consultants, retailers and others. OTA's Board of Directors is democratically elected by its members. OTA's mission is to promote and protect the growth of organic trade to benefit the environment, farmers, the public and the economy.

#### NATIONAL ORGANIC PROGRAM

OTA supports the President's request of \$10.1 million for the National Organic Program (NOP). This supports Congress's intent to enhance NOP as expressed through the 2008 Farm Bill, as well as supporting current NOP projections. USDA's 2007 Census of Agriculture: Organic Production Survey reported more than 14,540 farms engaged in organic agriculture productions. OTA's 2010 Organic Industry Survey shows organic food sales have grown from \$3.6 billion in 1997 to \$24.2 billion in 2009, with a 2009 growth rate of over 5 percent despite the recession.

NOP performs regulatory oversight over organic agriculture. Recognizing continued growth of the industry, the President's budget asks for \$0.6 million more than the 2008 Farm Bill authorized for fiscal year 2011 (\$9.5 million). OTA strongly supports this additional request.

The \$3.1 million increase over fiscal year 2010 provides \$2.1 million for regulatory review, enforcement, and development of equivalency agreements. Another \$1 million is included to assist accredited certifying agents with training costs to enhance compliance with program regulations. Each of these areas is critical to the integrity of the program.

Provisions for organic agriculture in the 2008 Farm Bill have already resulted in better compliance with and enforcement of NOP standards, an improved appeals process, a final pasture rule and an organic equivalency agreement between the United States and Canada. These milestones would not have been possible without support from Congress to expand NOP staff from 14 in fiscal year 2008 to 31 in fiscal year 2010, with a total staff of 40 expected in fiscal year 2011.

USDA recently proclaimed that the organic industry has entered an "Age of Enforcement" of organic standards. OTA supports this call to action, and asks Congress to provide the necessary resources for NOP staff to continue work on the following priorities:

Compliance and enforcement is fundamental to the integrity of the organic seal, and long-term health of the industry. The additional funds allow for full implementation of appeals decisions, including monitoring of final actions through having at least one audit over the following year, or 6 months for cease-and-desist, suspension or revocation adverse actions, reducing the backlog from previous years, and improving compliance resolution time, which averages 75 days.

Accreditation and training of certifying agents is necessary for consistent application of the standards in the field, and is a critical precursor to compliance and enforcement. The additional funds allow for improved qualifications and training of inspectors and auditors and create an up-to-date database of certified operations.

Development of equivalence agreements reduces and eliminates trade barriers for American organic producers who want to develop export markets. Over 70 percent<sup>1</sup> of organic companies surveyed currently export, or plan to export, good in the next few years. Currently organic exports are estimated to total \$1 to \$1.5 billion annually, creating between 6,000 and 9,000 jobs.<sup>2</sup> Requested funds allow for negotiations with the European Union on organic equivalence. Success in this negotiation would open up the world's largest market to U.S. organic exports.

Funding NOP at the requested \$10.1 million will provide the resources needed to maintain the integrity of the organic label that both domestic and international consumers place their trust in and help to ensure the continued growth of the organic industry. It will give NOP the ability to deliver the improvements needed to address recommendations outlined in the March 18 release of USDA's Office of Inspector General NOP audit report (<http://www.usda.gov/oig/webdocs/01601-03-HY.pdf>).

#### ORGANIC DATA INITIATIVE

OTA supports fully funding the Organic Data Initiative (ODI) at \$5 million as authorized in the 2008 Farm Bill. ODI collects and disseminates data regarding or-

<sup>1</sup> Organic Trade Association's 2009 Organic Industry Survey. May, 2009. Page 19.

<sup>2</sup> "Every \$1 billion increase in exports supports more than 6,000 additional jobs". Remarks by President Obama at the Export-Import Bank's Annual Conference. March 11, 2010.



ganic agriculture through the Agricultural Marketing Service (AMS), the Economic Research Service (ERS) and the National Agricultural Statistics Service (NASS). This program has been highly successful in providing valuable information to Congress, government agencies and the organic industry at a low cost.

AMS collects organic prices and disseminates the data through Market News Reports, which give producers and buyers knowledge of farm-gate selling prices for several organic commodities, helping to create a more stable organic market. This is an excellent first step, but organic pricing information falls far behind what is available to conventional agriculture. Organic producers currently only receive farm-gate prices for a limited number of commodities, while conventional producers receive farm-gate, terminal and retail price information for many commodities in all regions of the country. Organic producers, processors and retailers need this information to maintain a stable organic market. We request \$3 million for AMS to continue and expand organic price reporting services in fiscal year 2011.

NASS provides surveys based on Census of Agriculture data. In February 2010, NASS released the Organic Production Survey (2008), the first to provide a State-by-State collection of the amount of farmland used for organic production and gross farm sales of organic products. Such information has been provided for conventional production, and should continue to be funded for organic production. OTA requests that NASS receive \$0.5 million in fiscal year 2011, as requested in the President's budget, to continue collecting and distributing organic agriculture statistics.

ERS published the consumer survey Marketing U.S. Organic Foods: Recent Trends from Farms to Consumers (2009), and multiple other reports that used data collected by AMS and NASS in addition to surveying Americans about their organic consumption patterns. The reports provided valuable information regarding the growth of and trends in the organic industry.

ERS also plans to broaden its current research agenda to include economic analysis of international trade of organic products. In order to conduct sound economic research, data collected must be statistically reliable and of high quality. OTA hopes the International Trade Commission will expand the Harmonized System Codes (HS Codes) for organic products. With more than 70 percent of certified organic producers and handlers exporting or planning to export,<sup>3</sup> these codes are needed to expand and simplify the trade of organic products. OTA requests that ERS be funded at \$1.5 million in fiscal year 2011 for continued organic economic analysis and inclusion of organic trade data.

Unfortunately, the President's budget only includes \$0.3 million for AMS organic price collection and \$0.5 million for NASS to conduct production surveys for organic agriculture, with no provision for funds for ERS to study organic data. Congress expressed its intention for comprehensive data collection and analyses in the 2008 Farm Bill by mandating \$5 million to start ODI the first year, then authorizing \$5 million in discretionary funds for each year following. Fully funding ODI at \$5 million will help provide critical data necessary for any agricultural sector to survive, and help increase organic exports.

#### ORGANIC AGRICULTURE RESEARCH AND EXTENSION INITIATIVE

OTA requests \$35 million to fund the Organic Agriculture Research and Extension Initiative (OREI), USDA's flagship competitive research and education grant program specifically dedicated to the investigation of organic agriculture and the delivery of its outcomes. OREI provides grants for a myriad of research projects that improve organic agriculture. The program is consistently oversubscribed and could only fund 17 percent of the funds requested in fiscal year 2009.

Funds are given to land grant universities, for-profit organizations, individuals, private universities and State agricultural experiment stations to conduct organic research. Projects funded through OREI include improving organic farming systems and assessing their environmental impacts across agroeco-regions, enhancing productivity and soil borne disease control in intensive organic vegetable production, and improving weed and insect management.

This request includes \$20 million in mandatory funding plus \$15 million out of an authorized \$25 million of discretionary funds in the 2008 Farm Bill. We request \$15 million in discretionary funding because the President's budget folds the Organic Transitions Integrated Research Program (below) into the Agriculture and Food Research Institute. If this occurs, less money will be appropriated specifically for organic research. If the Organic Transitions Integrated Research Program continues to receive funding, we will reduce OTA's request for OREI to \$30 million.

<sup>3</sup> Organic Trade Association's 2009 Organic Industry Survey. May, 2009. Page 19.

OREI projects have contributed to the health and sustainability of the environment and organic agriculture. Funding OREI at \$35 million will support continued organic research by educational, State, and private institutions.

#### ORGANIC TRANSITIONS INTEGRATED RESEARCH PROGRAM

OTA requests \$5 million to fund the Organic Transitions Integrated Research Program (ORG) in fiscal year 2011. Authorized by Section 406 of the Agricultural Research, Extension, and Education Reform Act of 1998, ORG provides funding for research grants that specifically study the relationship between organic agriculture and improving critical water quality problems. This program consistently receives many more funding requests than it can accommodate.

The President's fiscal year 2011 budget cuts ORG as a separate program, and merges its responsibilities into the Agriculture and Food Research Initiative. We oppose merging the programs because the funds needed to continue this important grant program will be forced to compete with multiple proposals from all agriculture sectors instead of having dedicated resources. As organic retail sales have grown to 3.5 percent of retail agriculture sales, research funding provided to organic agriculture has only reached and estimated 1.76 percent as of fiscal year 2009.<sup>4</sup> Ending ORG as an organic specific research grant program will likely increase this gap.

ORG grants have funded several projects that have led to a better understanding of the link between agriculture and water quality, with more worthy proposals waiting for resources. The project should be funded at \$5 million to continue and grow this important research. If ORG is not funded separately at \$5 million, we request an increase in the Organic Agriculture Research and Extension Initiative (see OREI request) to continue supporting this research.

#### AGRICULTURE RESEARCH SERVICE

OTA supports the ARS request for \$9.03 million in additional funds to study classical plant and animal breeding. Public resources for classical plant and animal breeding have dwindled in recent decades, while resources have shifted toward genomics and biotechnology, with a focus on a limited set of major crops and breeds. This problem has been particularly acute for organic and sustainable farmers, who seek access to germplasm well suited to their unique cropping systems and their local environment. The Senate Agriculture Appropriations Report has registered the Committee's concern about this problem every year since fiscal year 2005, in the context of the CSREES (now the National Institute of Food and Agriculture) section of the Report.

While USDA's statutory obligation to address this problem through the Agriculture and Food Research Initiative competitive grant program remains a strong need, USDA's ARS also has an obligation in this regard. ARS has the resources and expertise to help reverse this dangerous trend, but the Agency has not made a concerted effort until now. The Administration's fiscal year 2011 budget requests an increase of \$4.289 million for "crop breeding to enhance food and production security" and another \$4.75 million for "crop protection to enhance food and production security," with a clear focus on classical plant and animal breeding activities.

Research on breeding stocks for organic and sustainable agriculture has not kept pace with the rate at which the organic industry has grown. Providing ARS with the requested \$9.03 million to study classical plant and animal breeding will help to overcome this lack of needed research.

#### APPROPRIATE TECHNOLOGY TRANSFER FOR RURAL AREAS

We request \$3 million to fund Appropriate Technology Transfer for Rural Areas (ATTRA), as authorized in the 2008 Farm Bill. The (ATTRA) project of the National Center for Appropriate Technology (NCAT) is a very helpful resource for both beginning and advanced organic farmers. It has been funded by Congress for many years and continues to develop resources, including organic system plan templates and technical sheets on organic production. ATTRA reports that 30 percent of the calls received are in regards to organic practices.

ATTRA helps thousands of organic and conventional farmers across the country. A sampling of topics that are routinely asked about are: reducing the use of herbicides and pesticides; employing farm practices that help protect air, water, and soil resources; reducing energy and water use; developing new marketing opportunities

<sup>4</sup>Estimate based on \$2.9 billion USDA's Research, Education and Economics Mission fiscal year 2011 funding request and fiscal year 2010 funding of Organic Data Initiative, Organic Agriculture Research and Extension Initiative, Organic Transitions Integrated Research Program, Agriculture Research Service and other National Institute of Food and Agriculture requests.

by focusing on local foods, farm-to-school, and farmers markets; and creating rural jobs by encouraging farming. OTA and NOP refer callers seeking technical information to ATTRA on a regular basis, whose toll-free number and bilingual capacity make it a national information resource. Funding ATTRA at \$3 million will enable its work to provide valuable information to both organic and conventional farmers.

#### CONCLUSION

Organic agriculture gives farmers more opportunities, improves and conserves the condition of the environment and gives consumers the choice to buy foods and other products that are produced to organic standards. Meeting these funding requests will help to insure the continued growth of U.S. organic agriculture by supporting the integrity of the organic label, providing important data and continuing to support research for organic agriculture.

I thank the committee and look forward to working with you to advance the organic industry.

#### PREPARED STATEMENT OF PICKLE PACKERS INTERNATIONAL, INC.

##### SUMMARY

Sustained and increased funding is desperately needed to maintain the research momentum built over recent years and to defray rising fixed costs at laboratory facilities. Companies in the pickled vegetable industry generously participate in funding and performing short-term research, but the expense for long-term research needed to insure future competitiveness is too great for individual companies to shoulder on their own.

#### BUDGET REQUESTS FOR FISCAL YEAR 2011

[Funding needs for four USDA/ARS laboratories are as follows:]

	Amount
Requests for Restoration of Funds Not in the Presidential Budget: U.S. Vegetable Laboratory, Charleston, South Carolina [Note: These funds are for the design (\$700,000) and construction (\$8,500,000) of the final phases of the planned greenhouse complex.]	\$9,200,000
Total Restoration Requests .....	9,200,000
Requests for Program Enhancement—Pickled Vegetables:	
Emerging Disease of Crops (HS) .....	500,000
Quality and Utilization of Agricultural Products & Food Safety (HS) .....	300,000
Applied Crop Genomics .....	270,400
Specialty Crops .....	550,000
Total Program Enhancements Requested—Pickled Vegetables .....	1,620,400

USDA/ARS research provides:

- Consumers with over 150 safe and healthful vegetable varieties providing vitamins A, C, folate, magnesium, potassium, calcium, and phytonutrients such as antioxidant carotenoids and anthocyanins.
- Genetic resistance for many major vegetable diseases, assuring sustainable crop production with reduced pesticide residues—valued at nearly \$1 billion per year in increased crop production.
- Classical plant breeding methods combined with bio-technological tools, such as DNA marker-assisted selection and genome maps.
- New vegetable products with economic opportunities amidst increasing foreign competition.
- Improved varieties suitable for machine harvesting, assuring post harvest quality and marketability.
- Fermentation and acidification processing techniques to improve the efficiency of energy use while continuing to assure safety and quality of our products.
- Methods for delivering living pro-biotic microorganisms in fermented or acidified vegetables.
- New technology and systems for rapid inspection, sorting and grading of pickling vegetable products.

*Health and Economical Benefits*

Health agencies continue to encourage increased consumption of fruits and vegetables, useful in preventing heart disease, cancer, stroke, diabetes and obesity.

Vegetable crops, including cucumbers, peppers, carrots, onions, garlic and cabbage (sauerkraut), are considered "specialty" crops and not part of commodity programs supported by taxpayer subsidies.

Current farm value for just cucumbers, onions and garlic is estimated at \$2.4 billion with a processed value of \$5.8 billion. These vegetables are grown and/or manufactured in all 50 States.

Thank you for your consideration and expression of support for the USDA/ARS.

## ATTACHMENT

## CONCERN FOR SUSTAINED AND INCREASED RESEARCH FUNDING USDA/AGRICULTURAL RESEARCH SERVICE

The pickled vegetable industry strongly supports and encourages your committee in its work of maintaining and guiding the Agricultural Research Service. To accomplish the goal of improved health and quality of life for the American people, the health action agencies of this country continue to encourage increased consumption of fruits and vegetables in our diets. Accumulating evidence from the epidemiology and biochemistry of heart disease, cancer, diabetes and obesity supports this policy. Vitamins (particularly A, C, and folic acid), minerals, and a variety of antioxidant phytochemicals in plant foods are thought to be the basis for correlation's between high fruit and vegetable consumption and reduced incidence of these debilitating and deadly diseases. The problem is that many Americans choose not to consume the variety and quantities of fruits and vegetables that are needed for better health.

As an association representing processors that produce over 85 percent of the tonnage of pickled vegetables in North America, it is our goal to produce new products that increase the competitiveness of U.S. agriculture as well as meet the demands of an increasingly diverse U.S. population that is encouraged to eat more vegetables. The profit margins of growers continue to be narrowed by foreign competition. Likewise, the people of this country represent an ever-broadening array of expectations, tastes and preferences derived from many cultural backgrounds. Everyone, however, faces the common dilemma that food costs should remain stable and preparation time continues to be squeezed by the other demands of life. This industry can grow by meeting these expectations and demands with reasonably priced products of good texture and flavor that are high in nutritional value, low in negative environmental impacts, and produced with assured safety from pathogenic microorganisms and from those who would use food as a vehicle for terror. With strong research to back us up, we believe our industry can make a greater contribution toward reducing product costs and improving human diets and health for all economic strata of U.S. society.

Many small to medium sized growers and processing operations are involved in the pickled vegetable industry. We grow and process a group of vegetable crops, including cucumbers, peppers, carrots, onions, garlic, cauliflower, cabbage (Sauerkraut) and Brussels sprouts, which are referred to as "minor" crops. None of these crops is in any "commodity program" and as such, do not rely upon taxpayer subsidies. However, current farm value for just cucumbers, onions and garlic is \$2.4 billion with an estimated processed value of \$5.8 billion. These crops represent important sources of income to farmers, and the processing operations are important employers in rural communities around the United States. Growers, processing plant employees and employees of suppliers to this industry reside in all 50 States. To realize its potential in the rapidly changing American economy, this industry will rely upon a growing stream of appropriately directed basic and applied research from four important research programs within the Agricultural Research Service. These programs contribute directly to top research priorities that the Research, Education, and Economics Mission Area (REE) of the USDA has identified in that they develop vegetable crop germplasm and preservation technology that contributes to improved profitability with reduced pesticide inputs in a safer, higher quality product grown by rural farm communities across the United States, consequently improving food security and food safety. Improved germplasm, crop management practices and processing technologies from these projects have measurably contributed to the profitability, improved nutritional value and increased consumption of affordable vegetable crops for children and adults in America and around the world.

## VEGETABLE CROPS RESEARCH LABORATORY, MADISON, WISCONSIN

The USDA/ARS Vegetable Crops Research Lab at the University of Wisconsin is the only USDA research unit dedicated to the genetic improvement of cucumbers, carrots, onions and garlic. Three scientists in this unit account for approximately half of the total U.S. public breeding and genetics research on these crops. Their past efforts have yielded cucumber, carrot and onion cultivars and breeding stocks that are widely used by the U.S. vegetable industry (i.e., growers, processors, and seed companies). These varieties account for over half of the farm yield produced by these crops today. All U.S. seed companies rely upon this program for developing new varieties, because ARS programs seek to introduce economically important traits (e.g., virus and nematode resistance) not available in commercial varieties using long-term high risk research efforts. The U.S. vegetable seed industry develops new varieties of cucumbers, carrots, onions, and garlic and over 20 other vegetables used by thousands of vegetable growers. The U.S. vegetable seed, grower, and processing industry, relies upon the USDA/ARS Vegetable Crops Research Lab for unique genetic stocks to improve varieties in the same way the U.S. healthcare and pharmaceutical industries depend on fundamental research from the National Institutes of Health. Their innovations meet long-term needs and bring innovations in these crops for the U.S. and export markets, for which the United States has successfully competed. Past accomplishments by this USDA group have been cornerstones for the U.S. vegetable industry that have resulted in increased profitability, and improved product nutrition and quality.

Both consumers and the vegetable production and processing industry would like to see fewer pesticides applied to food and into the environment in a cost-effective manner. Scientists in this unit have developed genetic resistance for many major vegetable diseases that are perhaps the most important threat to sustained production of a marketable crop for all vegetables. Genetic resistance assures sustainable crop production for growers and reduces pesticide residues in our food and environment. Value of this genetic resistance developed by the vegetable crops unit is estimated at \$670 million per year in increased crop production, not to mention environmental benefits due to reduction in pesticide use. New research in Madison has resulted in cucumbers with improved disease resistance, pickling quality and suitability for machine harvesting. New sources of genetic resistance to viral and fungal diseases, environmental stress resistance like heat and cold, and higher yield have recently been mapped on cucumber chromosomes to provide a ready tool for our seed industry to significantly accelerate the development of resistant cultivars for U.S. growers. Nematodes in the soil deform carrot roots to reduce yield from 10 percent to over 70 percent in major production areas. A new genetic resistance to nematode attack was found to almost completely protect the carrot crop from one major nematode. This group improved both consumer quality and processing quality of vegetables with a resulting increase in production efficiency and consumer appeal. Baby carrots were founded on germplasm developed in Madison, Wisconsin. Carrots provide approximately 30 percent of the U.S. dietary vitamin A. New carrots have been developed with tripled nutritional value, and nutrient-rich cucumbers have been developed with increased levels of provitamin A. Using new biotechnological methods, a system for rapidly and simply identifying seed production ability in onions has been developed that reduces the breeding process up to 6 years. A genetic map of onion flavor and nutrition will be used to develop onions that are more appealing and healthy for consumers.

There are still serious vegetable production problems which need attention. For example, losses of cucumbers, onions, and carrots in the field due to attack by pathogens and pests remains high, nutritional quality needs to be significantly improved and U.S. production value and export markets could certainly be enhanced. Genetic improvement of all the attributes of these valuable crops are at hand through the unique USDA lines and populations (i.e., germplasm) that are available and the new biotechnological methodologies that are being developed by the group. The achievement of these goals will involve the utilization of a wide range of biological diversity available in the germplasm collections for these crops. Classical plant breeding methods combined with bio-technological tools such as DNA marker-assisted selection and genome maps of cucumber, carrot and onion will be used to implement these genetic improvements. With this, new high-value vegetable products based upon genetic improvements developed by our USDA laboratories can offer vegetable processors and growers expanded economic opportunities for U.S. and export markets.

## U.S. FOOD FERMENTATION LABORATORY, RALEIGH, NORTH CAROLINA

The USDA/ARS Food Fermentation Laboratory in Raleigh, NC is the major public laboratory that this industry looks to as a source for new scientific information on the safety of our products and development of new processing technologies related to fermented and acidified vegetables. Over the years, this laboratory has been a source for innovations which have helped this industry remain competitive in the current global trade environment. We expect the research done in this laboratory to lead to new processing and product ideas that will increase the economic value of this industry and provide consumers with safe, high quality, healthful vegetable products.

We seek additional funding to support two new research initiatives for this laboratory that have substantial economic potential for our industry and health benefits for the American public. These are: (1) New approaches for pasteurization and application of microwave heat processing to acidified foods to achieve major improvements in the efficiency of energy utilization and reduction in water use while assuring safety and quality of products that require thermal processing; (2) development of techniques to deliver living pro-biotic microorganisms to consumers in fermented or acidified vegetable products.

Nearly all pickled vegetables in the aisles of your super market are heated (pasteurized) so they are shelf stable at room temperature. Current steam and water bath pasteurizer technologies, which were developed in the 1940s and 1950s, have been very successful in that there has never been an outbreak of illness caused by commercially processed fermented or acidified vegetables. These older processing technologies are not very efficient in the use of energy or water resources, however. Our recent experience with soaring energy prices makes it clear that major improvements in the ways we heat process our products are required. There are three promising approaches that could benefit the broad range of products and sizes of companies that constitute the membership of PPI. First, is to develop practical ways to preheat and pack vegetables to reduce or even eliminate the residence time required in current pasteurizers. Secondly, is to adapt newer thermal processing technologies, particularly microwave heating, to our products. Thirdly, is to modify containers and product ingredients such that less heat and associated water use is required to assure killing of pathogenic bacteria and other spoilage microorganisms. Modifications of processes require strong scientific justification to assure ourselves, FDA, and the public that safety and quality will be maintained. In concert with any new processing technologies adequate process verification methods to assure process control and acceptance of our processes by FDA must be developed and validated. The objective will be to develop and transfer to the fermented and acidified vegetable industry new, scientifically validated energy efficient processing technologies that will assure the safety and quality of the products we make.

Most of what we hear about bacteria in foods concerns the pathogens that cause disease. However, lactic acid bacteria are intentionally grown in fermented foods because they are needed to give foods like sauerkraut, yoghurt, cheeses, and fermented salami the characteristic flavors and textures that we desire. There is a growing body of research to indicate that certain living lactic acid bacteria are "pro-biotic" in that they improve human health by remaining in the intestinal tract after they are consumed. Fermented or acidified vegetables may be a good way to deliver such pro-biotic bacteria to consumers. The objective will be to identify pro-biotic lactic acid bacteria that can survive in high numbers in selected vegetable products and investigate the potential for using vegetables as healthful delivery vehicles for pro-biotic organisms.

## SUGAR BEET AND BEAN RESEARCH UNIT, EAST LANSING, MICHIGAN

New innovations and technology can help deliver high quality and healthy fruits and vegetables for consumers and assure secure food supply at home and abroad. It is critical that an effective quality inspection and assurance system be implemented for food crops throughout the handling steps between harvest and retail. While automated quality inspection systems are currently used in many pickle processing facilities, there exists considerable room for improving current technologies and developing new and more efficient sensors and automated inspection methods for pickling vegetables. Methods currently available for measuring and grading quality of cucumbers and other vegetables remain ineffective and time consuming. Labor required for postharvest handling and processing operations represents a significant portion of the total production cost. New and/or improved technologies are needed to assess, inspect and grade pickling cucumbers and pickles rapidly and accurately for internal and external quality characteristics so that they can be directed to, or removed from, appropriate processing or marketing avenues. This will

minimize postharvest losses of food that has already been produced and ensure high quality, consistent final product and end-user satisfaction.

The USDA/ARS Sugarbeet and Bean Research Unit at East Lansing, Michigan provides national leadership in research and development of innovative technologies and systems for assessing and assuring quality and marketability of tree fruits and pickling vegetables and enhancing production efficiency. It has developed a number of innovative engineering technologies for rapid, nondestructive measurement and inspection of postharvest quality of tree fruits and vegetables, including a novel spectral scattering technology for assessing the texture and flavor of fruits, a portable fruit firmness tester, and an optical property analyzing system for fruits and vegetables. Recently, an advanced hyperspectral imaging system was developed for automated detection of quality/defect of pickling cucumbers and pickles. Research at East Lansing will lead to new inspection and grading technology that will help the pickling industry in delivering high-quality safe products to the marketplace and achieving labor cost savings. Therefore, it is critical that additional resources be provided to support and expand the existing program to effectively address the technological needs for the pickling industry.

#### U.S. VEGETABLE LABORATORY, CHARLESTON, SOUTH CAROLINA

The research program at the USDA/ARS Vegetable Laboratory in Charleston, South Carolina, addresses national problems in vegetable crop production and protection with emphasis on the southeastern United States. This research program is internationally recognized for its accomplishments, which have resulted in development of over 150 new vegetable varieties and lines along with the development of many new and improved disease and pest management practices. This laboratory's program currently addresses 14 vegetable crops including those in the cabbage, cucumber, and pepper families, which are of major importance to the pickling industry. The mission of the laboratory is to (a) develop disease and pest resistant vegetable crops and (b) develop new, reliable, environmentally sound disease and pest management programs that do not rely on conventional pesticides.

Continued expansion of the Charleston program is crucial. Vegetable growers depend heavily on synthetic pesticides to control diseases and pests. Cancellation and/or restrictions on the use of many effective pesticide compounds are having a considerable influence on the future of vegetable crop production. Without the use of certain pesticides, growers will experience crop failures unless other effective, non-pesticide control methods are found quickly. The research on improved, more efficient and environmentally compatible vegetable production practices and genetically resistant varieties at the U.S. Vegetable Laboratory continues to be absolutely essential. This gives U.S. growers the competitive edge they must have to sustain and keep this important industry and allow it to expand in the face of increasing foreign competition. Current cucumber varieties are highly susceptible to a new strain of the downy mildew pathogen; this new strain has caused considerable damage to commercial cucumber production in some South Atlantic and Midwestern States during the past 5 years, and a new plant pathologist position needs to be established to address this critical situation.

#### FUNDING NEEDS FOR THE FUTURE

It remains critical that funding continues the forward momentum in pickled vegetable research that the United States now enjoys and to increase funding levels as warranted by planned expansion of research projects to maintain U.S. competitiveness. We also understand that discretionary funds are now used to meet the rising fixed costs associated with each location. Additional funding is needed at the Wisconsin and South Carolina programs for genetic improvement of crops essential to the pickled vegetable industry, and at North Carolina and Michigan for development of environmentally sensitive technologies for improved safety and value to the consumer of our products. The fermented and acidified vegetable industry is receptive to capital investment in order to remain competitive, but only if that investment is economically justified. The research needed to justify such capital investment involves both short term (6–24 months) and long term (2–10 years or longer) commitments. The diverse array of companies making up our industry assumes responsibility for short-term research, but the expense and risk are too great for individual companies to commit to the long-term research needed to insure future competitiveness. The pickled vegetable industry currently supports research efforts at Wisconsin and North Carolina and anticipates funding work at South Carolina and Michigan as scientists are put in place. Donations of supplies and processing equipment from processors and affiliated industries have continued for many years.

*U.S. Vegetable Laboratory, Charleston, South Carolina*

The newly constructed laboratory-office building at the U.S. Vegetable Laboratory was occupied in April 2003. Design of the accompanying greenhouse and head house was completed in July 2004. Construction of the head house was completed in 2006, and construction of the initial phase of the greenhouse complex was completed in early fall 2008. In fiscal year 2005, \$2.976 million was appropriated for construction of greenhouses. In fiscal year 2006, an additional \$1.980 million was appropriated for construction of greenhouses, but an estimated \$9.2 million is still needed to design and construct the final phases of the planned greenhouse complex. This new facility replaces and consolidates outmoded laboratory areas that were housed in 1930s-era buildings and trailers. Completion of the total research complex will provide for the effective continuation and expansion of the excellent vegetable crops research program that has been conducted by the Agricultural Research Service at Charleston for over 70 years.

New funds are needed to establish a plant pathology position to address cucumber diseases, especially the disease caused by a new strain of the downy mildew pathogen that has caused extensive damage to cucumber production in some South Atlantic and Midwestern States during the past 5 years. The plant pathologist is needed to characterize pathogen strains using molecular methodologies and to develop new management approaches and resistant cucumber lines. This new plant pathologist position will greatly contribute to the accomplishment of research that will provide for the effective protection of cucumbers from disease without the use of conventional pesticides. This position will require a funding level of \$500,000 for its establishment.

	Current status	Funds needed
Construction:		
Greenhouse design .....	Needed .....	\$700,000
Greenhouse construction .....	Needed .....	8,500,000
Design and Construction Funds Needed .....	.....	9,200,000
New scientific staff needed: plant pathologist (cucumber disease) .....	Needed .....	500,000
New Funds Needed .....	.....	500,000

*Food Fermentation Laboratory, Raleigh, North Carolina*

The current funding for the laboratory is \$1,264,000. To carry out the new research initiatives to reduce the energy and water use required to produce safe, high quality products and to develop systems to deliver pro-biotic lactic acid bacteria in acidified and fermented vegetable products, we request additional support for the Food Fermentation Laboratory of \$300,000 in fiscal year 2011. This will provide support for Post-Doctoral or Pre-Doctoral research associates along with necessary equipment and supplies to develop these new areas of research.

Scientific staff	Current status	Funds needed
Microbiologist .....	Active .....	\$316,000
Chemist .....	Active .....	316,000
Food Technologist/Biochemist .....	Active .....	316,000
Microbial Physiologist .....	Active .....	316,000
Fiscal Year 2011 Post-doctoral and Predoctoral Research Associate .....	Needed .....	300,000
Total Funding Required .....	.....	1,564,000
Presidential Budget (Fiscal Year 2011) .....	.....	1,264,000
New Funds Needed .....	.....	300,000

*Vegetable Crops Research Laboratory Unit, Madison, Wisconsin*

Current base funding for three scientists is \$889,600, of which \$200,000 was added in fiscal year 2002. Emerging diseases, such as downy mildew of cucumber, threaten production of the crop in all production areas. Therefore, we request an additional \$270,400 to fully fund the scientists and support staff in fiscal year 2011, including graduate students and post-doctorates for new research searching for genetic resistance to emerging diseases.



Scientific staff in place	Current status	Funds needed
Geneticist .....	Active .....	\$320,000
Geneticist .....	Active .....	320,000
Geneticist .....	Active .....	320,000
Fiscal Year 2011 Post-doctoral or Predoctoral Research Associates .....	Needed .....	200,000
Total Funding Required .....	.....	1,160,000
Presidential Budget (Fiscal Year 2011) .....	.....	889,600
New Funds Needed .....	.....	270,400

*Sugar Beet and Bean Research Unit, East Lansing, Michigan*

Current base funding for the location is \$190,000, which is far short of the funding level needed to carry out research on inspection, sorting and grading of pickling cucumbers and other vegetable crops to assure the processing and keeping quality of pickled products. An increase of \$550,000 in the current base funding level would be needed to fund the research engineer position.

Scientific staff in place	Current status	Funds needed
Postdoctoral Research Associate .....	Active .....	\$190,000
Research Engineer .....	Needed .....	550,000
Total Funding Required .....	.....	740,000
Current Funding .....	.....	190,000
New Funds Needed .....	.....	550,000

Thank you for your consideration and expression of support for the USDA/ARS.

PREPARED STATEMENT OF THE RED RIVER VALLEY ASSOCIATION

Mr. Chairman and members of the subcommittee, I am Wayne Dowd, and I am pleased to represent the Red River Valley Association as its President. Our organization was founded in 1925 with the express purpose of uniting the citizens of Arkansas, Louisiana, Oklahoma and Texas to develop the land and water resources of the Red River Basin.

The Resolutions contained herein were adopted by the Association during its 85th Annual Meeting in Bossier City, Louisiana on February 18, 2010, and represent the combined concerns of the citizens of the Red River Basin Area as they pertain to the goals of the Association.

As an organization that knows the value of our precious water resources we support the most beneficial water and land conservation programs administered through the Natural Resources Conservation Service (NRCS). We understand that attention and resources must be given to our national security and alternate energy sources; however, we cannot sacrifice what has been accomplished on our Nation's lands. NRCS programs are a model of how conservation programs should be administered and our testimony will address the needs of the Nation as well as our region.

We want to express our appreciation for the funding levels provided by Congress in the fiscal year 2010 Appropriation Bill. Your plus up over the Administration's budget of \$20.4 million in Conservation Operations was welcomed. More important was the funding you provided for Watershed & Flood Prevention Operations (\$30 million) and RC&D (\$50.7 million) when the Administration 'zeroed' out those programs.

What concerns us the most is the lack of water resource planning funding. If we are experiencing serious water issues across our Nation today what will we face when our Nation's population is expected to double in 50 years? As urban development spreads out into our urban areas we will lose water resources and agricultural lands. What will we do for drinking water and irrigation? If we started planning for this scenario today we would not be prepared in 50 years. No one is planning or preparing for this expected growth and future demands on our water needs. Water and food supply are a matter of national security. It is inconceivable that we would consider outsourcing our water and food, more than we do now. We request

that Congress fund the NRCS planning accounts and reenergize the planning process to preserve our national independence on our food and water resources.

*1. Conservation Operations.*—This account has been in steady decline, in real dollars, over the past several years. Mandated increases in pay and benefits, continuing increases in the “cost of doing business” and budget reductions greatly reduces the effective work that can be accomplished in this account. Allocations should be increased not decreased and we acknowledge and appreciate that Congress did increase this account in fiscal year 2010 from fiscal year 2009.

We request a total of \$950 million be appropriated for Conservation Operations for NRCS to meet the demands it faces today.

Conservation Technical Assistance is the foundation of technical support and a sound, scientific delivery system for voluntary conservation to the private users and owners of lands in the United States. It is imperative that we provide assistance to all “working lands” not just those fortunate few who are able to enroll in a Federal program. Working lands are not just crops and pasture (commodity staples) but includes forests, wildlife habitat and coastal marshes. The problem is that NRCS personnel funded from “mandatory programs” can only provide technical assistance to those enrolled in these programs, leaving the majority of the agricultural community without technical assistance. We recommend that adequate funding be placed in “Conservation Technical Assistance”, and allow NRCS to provide assistance to all who are in need of assistance.

*2. Watershed and Flood Prevention Operations (Public Law 566 and 534).*—There is no doubt that this is a Federal responsibility, in conjunction with a local sponsor. This program addresses all watersheds needs to include: flood protection, water quality, water supply and the ecosystem. There is no Corps of Engineer, Bureau of Reclamation or FEMA program to address small watershed needs, before disaster strikes. We recommend that Congress continue to hold oversight hearings to understand the importance and hear how popular this program is to our communities.

Over the past 50 years these projects have developed a \$15 billion infrastructure that is providing \$1.5 billion in annual benefits to over 47 million people. It is not a Federal program, but a federally assisted program. This partnership between local communities, State agencies and NRCS has been successful for over 50 years. It would take \$1.6 billion to fund the existing Federal commitment to local project sponsors. This cost only increases every year if adequate funding is not provided.

All ongoing contracts will be terminated, if you allow this program to end. This will ultimately lead to lawsuits and tort claims filed by both sponsors and contractors, due to the Federal Government not fulfilling its contractual obligation.

We are very appreciative for the funding level of \$30 million enacted in fiscal year 2010 (\$5.7 m more than fiscal year 2009). For every \$1 spent, the Nation realizes \$2 in benefits. Congress must take responsibility for this program.

There are many new projects, which are awaiting funds for construction under this program. We strongly recommend that a funding level of \$75 million be appropriated for Watershed Operations Programs, Public Law 534 (\$20 million) and Public Law 566 (\$55 million).

The Red River has proven, through studies and existing irrigation, to be a great water source for “supplemental” irrigation. The two projects mentioned below, will use existing, natural bayous to deliver water for landowners to draw from. The majority of expense will be for the pump system to take water from the Red River to the bayous. These projects will provide the ability to move from ground water dependency to surface water, an effort encouraged throughout the Nation. Both will enhance the environmental quality and economic vitality of the small communities adjacent to the projects.

*a. Red Bayou Irrigation Project, LA.*—This project has received funding from the 2010 ‘Stimulus’ package. The State of Louisiana provided the required cost share (\$1.1 million) to move forward with construction. It is not only a very important irrigation project for NW Louisiana, but will serve as a model for similar projects throughout the State and along the Red River in Arkansas.

*b. Walnut Bayou Irrigation Project, AR.*—Plans and specifications have been completed and it is ready to proceed into the construction phase. An irrigation district has been formed and they are prepared to take on the responsibility to generate the income for the O&M required to support this project. We request that \$4,000,000 be appropriated for these projects in fiscal year 2011.

*3. Watershed Rehabilitation.*—More than 10,400 individual watershed structures have been installed nationally, with approximately one-third in the Red River Valley. They have contributed greatly to conservation, environmental protection and enhancement, economic development and the social well being of our communities. More than half of these structures are over 30 years old and several hundred are approaching their 50-year life expectancy. Today you hear a lot about the watershed

approach to resource management. They protect more people and communities from flooding now than when they were first constructed. The benefit to cost ratio for this program has been evaluated to be 2.2:1. What other Federal program can claim such success?

In the next 5 years over 900 watershed structures will require over \$570 million for rehabilitation. Each year this number increases as more dams reach their 50-year life. There is no questioning the value of this program. The cost of losing this infrastructure exceeds the cost to reinvest in our existing watersheds. Without repairing and upgrading the safety of existing structures, we miss the opportunity to keep our communities alive and prosperous. It would be irresponsible to dismantle a program that has demonstrated such great return and is supported by our citizens. We cannot wait for a catastrophe to occur, where life is lost, to decide to take on this important work.

Past Administration budgets have neglected the safety and well being of our community needs and recommended minimum funding for this program. Appropriations have been drastically lower than the levels authorized in the 2002 Farm Bill, which authorized \$600 million for rehabilitation for 2003–2007.

We request that \$65 million be appropriated to provide financial and technical assistance to those watershed projects where sponsors are prepared (35 percent cost share) to commence rehabilitation.

*4. Watershed Survey and Planning.*—In fiscal year 2006, \$6.1 million was appropriated to support this extremely important community program. However, no funding has been provided since fiscal year 2007. NRCS has become a facilitator for the different community interest groups, State and Federal agencies. In our States such studies are helping identify resource needs and solutions where populations are encroaching into rural areas. The Administration and Congress has decided not to fund this program. We disagree with this and ask Congress to fund this program at the appropriate level.

Proper planning and cooperative efforts can prevent problems and insure that water resource issues are addressed. Zeroing out the planning process assumes the economy will not grow and there is no need for future projects. We do not believe anyone supports or believes this. Another serious outcome is that NRCS will lose its planning expertise, which is invaluable.

We request this program be funded at a level of \$35 million.

We request that the following two studies be specifically identified and funded in the fiscal year 2010 appropriation bill.

*a. Maniece Bayou Irrigation Project, AR.*—This is a project in its initial stage of planning. An irrigation district is being formed to be the local sponsor. This project transfers water from the Red River into Maniece Bayou where landowners would draw water for supplemental irrigation. We request that \$200,000 be appropriated to initiate the plans and specifications.

*b. Lower Cane River Irrigation Project, LA.*—The transfer of water from the Red River to the Lower Cane River will provide opportunities for irrigation and economic development. Funds are needed to initiate a Cooperative River Basin Study. We request that \$250,000 be appropriated for this study.

*5. Resource Conservation and Development (RC&D).*—This has traditionally been a well-received program by the Administration, but not last year. The budget proposal zeroed out this important program. This program leverages its resources at 4 to 1, with communities, local sponsors and non-government organizations. The benefits are realized at over 14 to 1, average per project. Congress showed how important they believe this program is by providing \$50.7 million in fiscal year 2010. We do not agree with the current Administration eliminating this program and request Congress continue its support for this program.

We request that \$51 million be appropriated for this program, at the same level as in fiscal year 2010.

*6. Mandatory Accounts (CCC) Technical Assistance (TA).*—Request for assistance through the CCC programs has been overwhelming. Requests far exceed the available funds and place an additional workload on NRCS's delivery system. Adequate funding for TA must be provided at the full cost for program delivery. This includes program administration, conservation planning and contracting with each applicant. Congress, in the 2002 Farm Bill, wisely increased conservation programs each year. This increased investment, will increase the NRCS workload. It is imperative that NRCS receive the TA funding levels required to administer these programs. If they do not receive full funding these programs will not realize their full capability.

It has been mandated that a set percent of TA, from the CCC Program, must be used for TSPs. This is equivalent to losing 600 staff years from NRCS manpower. This is another unacceptable policy, which will reduce the effectiveness of NRCS. This mandate must be eliminated.

Over 70 percent of our land is privately owned. This is important in order to understand the need for NRCS programs and technical assistance. Their presence is vital to ensuring sound technical standards are met in conservation. These programs not only address agricultural production, but sound natural resource management. Without these programs and NRCS properly staffed to implement them, many private landowners will not be served adequately to apply conservation measures needed to sustain our natural resources for future generations. Technical Assistance cannot be contracted out to private companies.

We are all aware of the issue with TMDL levels in our waterways. If our Nation is to seriously address this we must look at the impacts from our farmlands. Assistance for land treatment plans and plan implementation is exactly what the NRCS Watershed programs are intended to address. Watershed programs should be receiving an increase in funds, not eliminated.

With these new clean water initiatives why do we ignore the Agency that has a proven record for implementing watershed conservation programs? Congress must decide; will NRCS continue to provide the leadership within our communities to build upon the partnerships already established? It is up to Congress to insure NRCS is properly funded and staffed to provide the needed assistance to our taxpayers for conservation programs.

These NRCS studies and watershed projects are an example of true "cooperative conservation" initiatives. There is an interface with communities and local sponsors at each step of the process and local sponsors do cost share at the levels expected of them.

All these programs apply to the citizens in the Red River Valley and their future is our concern. The RRVA is dedicated to work toward the programs that will benefit our citizens and provide for high quality of life standards. We therefore request that you appropriate the requested funding within these individual programs, to insure our Nation's conservation needs are met.

I thank you for the opportunity to present this testimony on behalf of the members of the Red River Valley Association and we pledge our support to assist you in the appropriation process.

Grant Disclosure: The Red River Valley Association has not received any Federal grant, sub-grant or contract during the current fiscal year or either of the two previous fiscal years.

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#### PREPARED STATEMENT OF THE ROCKY MOUNTAIN CLIMATE ORGANIZATION

This statement is being submitted on behalf of the following representatives of government agencies, water providers, and organizations with a stake in Colorado's water future: Nolan Doesken, Colorado State Climatologist; Eric Kuhn, General Manager, Colorado River Water Conservation District; David Little, Director of Planning, Denver Water; Brett Gracely, Water Resource Planning Supervisor, Colorado Springs Utilities; Brad Udall, Director, CU-NOAA Western Water Assessment; Stephen Saunders, President, Rocky Mountain Climate Organization; Joel Smith, Principal, Stratus Consulting; Drew Beckwith, Water Policy Analyst, Western Resource Advocates; and Drew Peternell, Director, Trout Unlimited's Colorado Water Project.

Specifically, we respectfully request your consideration of inclusion of additional fiscal year 2011 funding for the following programs:

- Department of Agriculture, Natural Resources Conservation Service, Snowpack Telemetry Program;
- Additional monitoring stations—\$2,275,000, and for fiscal year 2012 and years beyond, \$260,000 per year for recurring annual operations and maintenance costs.
- Soil moisture and sublimation instrumentation—\$650,000, and for fiscal year 2012 and years beyond, \$520,000 per year for recurring annual operations and maintenance costs.
- Department of Agriculture, Colorado Agricultural Meteorological Network (CoAgMet) evapotranspiration monitoring, line item to be determined—\$335,000 and for fiscal year 2012 and years beyond, \$195,000 per year for recurring annual operations and maintenance costs.

Since 2007 our organizations, and others in Colorado, have been collaborating on strategies to prepare for the changes that scientists have identified as the likely impacts of climate change on Colorado's most critical natural resource—the water resources that enable our people, commerce, and natural systems to thrive. Key to our ability in Colorado, and across the West, to understand and adapt to the effects of climate change on water supplies will be good information on what changes are oc-

curing with respect to such key elements as temperatures, precipitation, snowpack, the timing of snowmelt, streamflows, and soil moisture. The data collection systems that currently exist to gather this information were not designed to track changes in climate, and so are incomplete to meet today's needs. Many of the programs for collecting and disseminating these data have deteriorated or have been diverted over the last quarter-century, with the result that many long-term climate and streamflow records have been interrupted.

The additional climate/water monitoring needs we identify are for systems in Colorado and the Upper Colorado River Basin, but they are needed for national reasons, as well. The State of Colorado supplies 70 to 75 percent of the water in the Colorado River. About 30 million Americans, or about one-tenth of all Americans, living in seven States—Arizona, California, Colorado, Nevada, New Mexico, Utah, and Wyoming—depend on Colorado River water. The largest city in each of those seven States depends on Colorado River water. Twenty-two of the 32 largest cities in those seven States depend on Colorado River water. Fifteen percent of the Nation's crops and 13 percent of the Nation's livestock depend on Colorado River water. Some of the Nation's most spectacular natural resources, including our largest concentration of national parks, depend on Colorado River water.

Yet scientists consistently tell us that a changed climate is likely to reduce the flow of the Colorado River. As this is already the most over-allocated river in the Nation, this presents a challenge of great national significance.

No less important to those who depend on them are the other rivers that originate in Colorado, including the Rio Grande, Arkansas, and North and South Platte rivers, which supply additional millions of Americans not just in our State but in downstream States. These rivers, too, may be substantially affected by the hotter and drier conditions projected to result in the interior West from a changed climate.

To be able to address these challenges, we have a pressing, critical need to know more than we now do about our water resources and how they may be affected over time. That is the purpose of our proposal for relatively modest increases in these key budget accounts:

- Department of Agriculture, Natural Resources Conservation Service (NRCS), Snow Telemetry (SNOTEL) stations

- NRCS installs, operates, and maintains SNOTEL—an extensive, automated system designed to collect snowpack and related climatic data in the Western United States and Alaska. There is widespread desire for more SNOTEL stations in the Upper Colorado River basin, to provide a stronger basis for seasonal runoff forecasts. Climate change and its effects on the distribution of snow pack with elevation is also a concern among water managers in the basin. The installation of SNOTEL stations to provide a transect across the topographic gradient is required to better understand this phenomenon. While there have been some new installations made recently in watersheds of the Blue, Fraser, and Gunnison Rivers, an additional 65 stations are needed in the Upper Colorado River Basin to augment the existing 117 stations.

Our funding request: SNOTEL stations cost approximately \$35,000 to install, and \$4,000 per year thereafter to operate and maintain. Our fiscal year 2011 request is for \$2,275,000 to fund station installation costs, and for fiscal year 2012 and years beyond, \$260,000 per year for annual recurring operations and maintenance costs.

- There is also a widespread perception among water managers that seasonal runoff volumes in recent years have not been commensurate with observed snow pack accumulations. Consequently, there is a desire for greater insight into the physical processes governing the fate of the snow pack, with particular interest in sublimation and soil moisture as potential explanatory factors. Unfortunately, these processes are observed to a very limited extent, leading to the suggestion that SNOTEL stations be fitted with additional instrumentation to measure soil moisture and atmospheric variables governing sublimation (radiation, wind, humidity, etc).

Our funding request: Cost of installation of these instruments runs around \$10,000 per site. While O&M of soil moisture instruments is not high, the atmospheric sensors do require significant ongoing care. The estimated cost to maintain SNOTEL stations with these additional instruments is \$8,000 per year. Our fiscal year 2011 request is for \$650,000 to fund installation of instruments, and for fiscal year 2012 and years beyond, \$520,000 per year to fund recurring annual operations and maintenance costs.

- Department of Agriculture, Colorado Agricultural Meteorological Network (CoAgMet) evapotranspiration monitoring, line item to be determined

This request falls outside of the auspices of the Upper Colorado River Basin, but is critical for ensuring adequate climate monitoring over Colorado's

agricultural lands. In collaboration with several Federal, State and local organizations, CoAgMet was established as a specialized monitoring network 20 years ago. CoAgMet currently consists of 60 stations and is designed to provide meteorological and climatological information most needed for agricultural production, research and planning. This network is particularly well suited for estimating and tracking evapotranspiration (ET) from irrigated croplands. With nearly 20 years of data, the network is just now getting to the point where analyses to detect trends are feasible. Projected changes in Colorado temperatures will likely cause changes in ET and it is critical that we have the capabilities to track this over time.

Colorado State government's ongoing budget challenges are forcing it to downsize this network by as much as 50 percent by the end of 2010. This is a very serious matter. Prior to the economic downturn, there was an identified need for 22 additional observing sites in eastern Colorado plus six sites in the irrigated valleys of western Colorado to better track climatic conditions (wind, humidity, solar energy, soil temperature, etc.) affecting agriculture. The cost of purchasing and installing a new station is approximately \$10,000. Annual maintenance costs are \$2,000–\$2,500/year per station depending on location. There is also an interest in soil moisture monitoring over Colorado's dryland agricultural areas. Instrumentation could be added to the CoAgMet stations in non-irrigated environments to meet this need at a cost of \$2,500 per site.

Our funding request: Our fiscal year 2011 request to complete the CoAgMet network is \$335,000 (\$280,000 for hardware and installation of new stations, plus \$55,000 for soil moisture instrumentation in the 22 new stations in eastern Colorado). For fiscal year 2012 and years beyond, our request is for \$195,000 per year in recurring annual operations and maintenance costs.

We would welcome the opportunity to discuss these requests further, and stand ready to supply additional information as needed.

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LETTER FROM THE SAN DIEGO COUNTY WATER AUTHORITY

MARCH 26, 2010.

Hon. HERB KOHL,  
*Chairman, Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies, Washington, DC.*

Re: Support for Fiscal Year 2011 Federal Funding of At Least \$20 Million for the U.S. Department of Agriculture's Environmental Quality Incentives Program for the Colorado River Basin Salinity Control Program

DEAR CHAIRMAN KOHL: Your support is needed to secure adequate funding for the U.S. Department of Agriculture's Colorado River Basin Salinity Control Program for fiscal year 2011. This program has implemented important salinity control projects for the Colorado River since 1974, benefiting water users from seven States through more efficient water management and reduced salinity concentrations in Colorado River water. To continue this work, the Water Authority urges the USDA's salinity control program be funded at least \$20 million for fiscal year 2011.

The Colorado River is the primary source of drinking water for more than 3 million people in San Diego County. Excess salinity causes economic damages in the San Diego region worth millions of dollars annually. It also hinders local water agency efforts to stretch limited supplies by recycling and reusing water. The local impacts of excess salinity include:

- reduced crop yields for farmers, who produce more than \$1 billion of agricultural products in the San Diego region;
- the reduced useful life of commercial and residential water pipe systems, water heaters, faucets, garbage disposals, clothes washers, and dishwashers;
- the increased household use of expensive bottled water and water softeners;
- increased water treatment facility costs;
- difficulty meeting Federal and California wastewater discharge requirements;
- and
- fewer opportunities for water recycling due to excess salt in the product water, which limits usefulness for commercial and agricultural irrigation.

The Colorado River Basin Salinity Control program has proven to be a very cost-effective approach to mitigate the impacts of increased salinity in the Colorado River. Continued Federal funding of this important program is essential. The Colorado River is the single most important source of water for the San Diego region, as well as the rest of the seven-State Colorado River Basin. Maintenance of the riv-

er's water quality through an effective salinity control program is an investment that avoids millions of dollars in economic damages caused by excess salinity.

The Colorado River Basin Salinity Control Advisory Council has recommended that the USDA salinity control effort be funded at least \$20.0 million annually. The Water Authority supports the Forum's recommendation and urges this Subcommittee to support this level of funding for 2011. The Water Authority would appreciate your assistance in securing adequate funding for this important effort.

Sincerely,

MAUREEN A. STAPLETON,  
*General Manager.*

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PREPARED STATEMENT OF THE SOCIETY FOR WOMEN'S HEALTH RESEARCH (SWHR)

On the behalf of the Society for Women's Health Research (SWHR) and the Women's Health Research Coalition (WHRC), we are pleased to submit testimony in support of increased funding for the Food and Drug Administration (FDA) to \$2,857 billion for fiscal year 2011, and specifically support increased funding for the Office of Women's Health (OWH), a critical focal point on women's health within the Agency.

Founded in 1990, SWHR brought to national attention the need for the appropriate inclusion of women in major medical research studies and the need for more information about conditions affecting women exclusively, disproportionately, or differently than men. SWHR advocates increased funding for research on women's health; encourages the study of sex differences that may affect the prevention, diagnosis and treatment of disease; promotes the inclusion of women in medical research studies; and informs women, providers, policy makers and media about contemporary women's health issues.

In 1999, the WHRC was established by SWHR to give a voice to scientists and researchers from across the country that are concerned and committed to improving women's health research. WHRC now has more than 650 members, including leaders within the scientific community and medical researchers from many of the country's leading universities and medical centers, as well as leading voluntary health associations, and pharmaceutical and biotechnology companies.

SWHR and WHRC are committed to advancing the health status of women through the discovery of new and useful scientific knowledge. Appropriate funding of the FDA by Congress is critical for the Agency to function and to assure the American public of the safety of its food and drugs. Good investments have been made in recent years that are helping to restore the FDA's resources; however, the FDA is endeavoring to catch up after years of flat funding to meet the needs of scientific growth, innovation and development, and adequate food and drug protection. Further, FDA is struggling to catch up to present-day needs in the area of information technology (IT).

Past investments in the FDA, as well as the budget increases secured under Representative DeLauro's leadership, have undoubtedly helped the FDA continue to meet—to varying degrees—the numerous responsibilities assigned to it. What remain to be seen are what advancements in medicine and what protections to the Nation's food and drug supply are jeopardized by the FDA budget barely matching inflation year after year. With over 80 percent of FDA's budget going toward its scientists and staff, one must consider the impact of not investing in the human collateral that makes the FDA and the United States the world leaders in drug and food safety. Until sound investments are made in the FDA's scientists, training, and infrastructure, it will be forced to keep “hanging on by its fingernails”—acting in a reactionary way against the threats to food and drug security and lacking the resources to foster a new culture of proactive science and research leadership.

SWHR recognizes the need to control discretionary spending; however, the strength of the FDA must be a public priority. The 6 percent increase in President Obama's budget request is a good start, but SWHR urges Congress to provide the FDA with an increase of \$495 million over fiscal year 2010 and \$350 million more than the Administration's request, bringing the FDA's fiscal year 2011 budget to a proposed \$2,857 billion. This funding increase will allow the FDA to continue rebuilding its infrastructure and addressing the shortage of resources as well as building on the catch up effort on IT systems that will match the needs of the industries it is regulating and expectations of the American public. From promoting wellness and meeting healthcare needs to protecting the food supply, the FDA touches each American each day. We risk jeopardizing the important work they do through underfunding.

Further, key investment that must be taken into account at the FDA is the Office of Women's Health (OWH). OWH's women's health programs, often conducted with the Agency centers, are vital to maintaining focus on women's health within the FDA. They are critical to improved care and increased awareness of disease-specific impacts to women. For example, OWH ensures that sex and gender differences in the efficacy of drugs (such as metabolism rates), devices (sizes and functionality) and diagnostics are taken into consideration in reviews. To address OWH's growing list of priorities, the Society recommends that Congress support an additional \$2 million budget for OWH for fiscal year 2011 within the budget for the FDA. In addition, we further recommend that the current budget levels not only increase in the future, but should never be less than the \$6 million that the office currently receives.

#### FDA INFORMATION TECHNOLOGY SYSTEMS

The FDA is tasked with guarding the safety, efficacy, and security of human drugs, biological products, and medical devices. However, as was stated by the 2007 Science Board Report, requested by former Commissioner von Eschenbach, FDA's IT systems were inefficient and incapable of handling the current demands placed on the Agency, thus preventing the FDA from fulfilling its mission. Equipment still remains outdated, often unsupported by maintenance, and regularly breaks down. Some computer experts are being brought back out of retirement to service the systems now too old to be corrected by current FDA employees. FDA's IT system, a system which needs to function 24/7, simply cannot keep up with current scientific data, new technology, and technological advances (such as nanotechnology), as well as market trends. This will only continue to worsen.

Additionally, the on-going discussion on an overhaul of the Nation's healthcare system again brought to light poor IT systems as a recurring source of medical errors and financial and personal losses. Comprehensive or piecemeal reform efforts are likely to include further advances to electronic health records and other innovations which will place an even greater burden on the FDA, among other agencies, to function within those advanced IT systems and networks.

The antiquated nature of the current IT systems also makes the FDA unable to keep up appropriately in safety analyses, tracking the natural history and disease models for rare disorders, or accessing huge amounts of clinical data and emerging trends. The creation of a central database would provide a centralized repository for all relevant facts about a certain product including where, when and how the product was made. Such a uniform and centralized database will be relevant for all information stored across agencies, so as to maximize functionality not only of FDA's data but for any other research and analysis needed by the American public for safety and surveillance.

Currently, the FDA receives large volumes of information for review and evaluation in applications from drug manufacturers. FDA reviewers must manually comb through the submitted drug trial reports and digital data in as many as 12 different formats when evaluating a new drug's safety and effectiveness. Frequently, reviewers must handpick data manually from stacks of paper reports and craft their own data comparisons. This process is time consuming, makes the review process less efficient, more error-prone, and ultimately delays access to important information. Scientific and medical advances are occurring rapidly and the public needs and deserves access to the most recent and accurate information regarding their health. It is time Congress enables the FDA to utilize up-to-date information technology.

SWHR believes that the FDA and its Office of Women's Health should be able to track women or men and other subpopulations in all clinical trials being monitored and they are currently not able to do so. The FDA should be able to know how many women are in studies, both by recruitment and retention rates. This should be an immediate goal of any new IT system upgrade at the FDA, in conjunction with the adoption of uniform data standards from which to pull the data and as part of the shift to a fully automated, electronic filing system.

#### OFFICE OF WOMEN'S HEALTH

OWH at the FDA, established in 1994, plays a critical role in women's health, both within and outside the Agency, supporting sex- and gender-based research, areas in which SWHR has long been a proponent. OWH provides scientific and policy expertise on sex and gender sensitive regulatory and oversight issues; endeavors to correct sex and gender disparities in the areas for which the FDA is responsible—drugs, devices, and biologics. OWH also monitors women's health priorities, providing both leadership and an integrated approach to problem solving across the



FDA. Despite inadequate funding, OWH continues to provide women with invaluable tools for their health.

Each year OWH, with little difficulty, exhausts its tiny budget. OWH's pamphlets are the most requested of any documents at the government printing facility in Colorado. In 2009, more than 5.2 million pamphlets were distributed to women across the Nation, including target populations such as Hispanic communities, seniors and low-income citizens. Since its creation, OWH has awarded \$21.7 million in research funds. Last year, two of OWH's intramural research projects were recognized by the Senate Excellence in Aging Research Committee Report as exemplary research performed by departments and agencies within the Federal government that seeks to advance the well-being of older Americans. Despite the \$1 million increase the office received last year, additional funding is needed so OWH may continue its present work on current projects, but also expand and develop future projects.

It is absolutely critical for Congress to take action now to help preserve the vital functions of OWH and to ensure that its small budget is dedicated to the resource needs of the office and to the projects, programs, and research it funds.

Since its beginning, OWH has funded high quality scientific research to serve as the foundation for FDA activities that improve women's health. Since 1994, OWH has funded approximately 195 research projects with approximately \$15.7 million in intramural grants, supporting projects within the FDA that address knowledge gaps or set new directions for sex and gender research. All contracts and grants are awarded through a competitive process. A large number of these studies are published and appear in peer reviewed journals.

As part of its educational outreach efforts to consumers, OWH works closely with women's advocacy and health professional organizations to provide clarity on the results of the Women's Health Initiative. Due to OWH efforts, an informational fact sheet about menopause and hormones and a purse-sized questionnaire to review with the doctor were distributed to national and local print, radio, and Internet advertisers.

Further, OWH's Web site serves as a vital tool for consumers and is regularly updated to include new and important health information. The Web site provides free, downloadable fact sheets on over 100 different illnesses, diseases, and health related issues for women. OWH has created medication charts on several chronic diseases, listing all the medications that are prescribed and available for each disease. This information is ideal for women to use in talking to their doctors, pharmacists, or nurses about their treatment options. They have also collaborated with Pharmacy Choice, Inc. to create a Web portal solely dedicated to FDA consumer health education materials, providing access to fact sheets and medication guides. In keeping with current technology trends, OWH has used social media networks like twitter to reach out to consumers.

#### *OWH and Sex Differences Research*

Scientists have long known of the anatomical differences between men and women, but only within the past decade have they begun to uncover significant biological and physiological differences. Sex differences have been found everywhere from the composition of bone matter and the experience of pain, to the metabolism of certain drugs and the rate of neurotransmitter synthesis in the brain. Sex-based biology, the study of biological and physiological differences between men and women, has revolutionized the way that many in the scientific community view the sexes, with even more information forthcoming as a result of the sequencing of the X chromosome. The evidence is overwhelming, and as researchers continue to find more and more complex biological differences, they gain a greater understanding of the biological and physiological composition of both sexes.

Much of what is known about sex differences is the result of observational studies, or is descriptive evidence from studies that were not designed to obtain a careful comparison between females and males. SWHR has long recognized that the inclusion of women in study populations by itself was insufficient to address the inequities in our knowledge of human biology and medicine, and that only by the careful study of sex differences at all levels, from genes to behavior, would science achieve the goal of optimal healthcare for both men and women. Many sex differences are already present at birth, whereas others develop later in life. These differences play an important role in disease susceptibility, prevalence, time of onset, and severity and have documented roles in cancer, obesity, heart disease, immune dysfunction, mental health disorders, and other illnesses. Physiological differences and hormonal fluctuations may also play a role in the rate of drug absorption, distribution, metabolism, elimination as well as ultimate effectiveness of response in females as opposed to males. This vital research is supported and encouraged by the OWH, work-

ing directly with the various centers to advance the science in this area, collaborating on programs, projects, and research.

Our country's drug development process has succeeded in delivering new and better targeted medications to ensure the health of both women and men. However, the requirement that the data acquired during research of a new drug's safety and effectiveness be analyzed as a function of sex is generally not enforced. Information about the ways drugs may differ in various populations (e.g., women requiring a lower dosage because of different rates of absorption or chemical breakdown) are often not explored, or female enrollment in studies is too low to adequately power results, and as a result this vital information continues to not be included in prescription drug labels and other patient educational and instructional materials.

SWHR believes that the opportunity to present this information to consumers exists now. Sex differences data discovered from clinical trials can be directly relayed to the medical community and to consumers through appropriate education, drug labeling and packaging inserts, and other forms of alerts directed to key audiences. As part of advancing the need to analyze and report sex differences, SWHR encourages the FDA to continue addressing the need for accurate, sex-specific drug labeling to better serve male and female patients, as well as to ensure that appropriate data analysis of post-market surveillance reporting for these differences is placed in the hands of physicians and ultimately the patient.

In conclusion, Mr. Chairman, we thank you and this Committee for its strong record of support for the FDA and women's health, as well as your commitment to OWH. We recommend that you exceed the Administration's proposed increase, appropriating \$495 million more than fiscal year 2010, for an overall fiscal year 2011 budget for the FDA of \$2,857 billion, overall, so that it may dramatically improve upon current operations while also rebuilding its IT infrastructure. Secondly, we urge you to allocate \$8 million for the Office of Women's Health for fiscal year 2011, and to ensure that future budget appropriations for the OWH are never below current funding levels. We look forward to continuing to work with you to build a stronger and healthier future for all Americans.

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PREPARED STATEMENT OF THE HUMANE SOCIETY OF THE UNITED STATES (HSUS)

As the largest animal protection organization in the country, we appreciate the opportunity to provide testimony to your Subcommittee on fiscal year 2011 items of great importance to The Humane Society of the United States (HSUS) and its 11 million supporters nationwide. In this testimony, we request the following amounts for the following USDA accounts:

- FSIS/Humane Methods of Slaughter Act Enforcement—\$2 million of HAT funds to hire/train mobile review team to conduct unscheduled audits and undercover surveillance to assess compliance with HMSA, and language calling for establishment of ombudsman to help ensure that inspectors can carry out their responsibilities—both food safety and humane slaughter—without undue interference.
- FSIS/Horse Slaughter—language mirroring fiscal year 2010 provision.
- APHIS/Horse Protection Act Enforcement—\$900,000.
- APHIS/Animal Welfare Act Enforcement—\$22,333,000.
- APHIS/Investigative and Enforcement Services—\$14,213,000.
- OIG/including Animal Fighting Enforcement—\$90,000,000.
- NIFA (formerly CSREES)/Veterinary Student Loan Forgiveness—\$5,000,000.
- APHIS/Emergency Management Systems/Disaster Planning for Animals—\$1,017,000.
- APHIS/Wildlife Services—funding limitation on use of two particularly toxic poisons.
- NAL/Animal Welfare Information Center—\$1,978,400.

We thank you for your outstanding support during recent years for improved enforcement of key animal welfare laws by the U.S. Department of Agriculture and we urge you to sustain this effort in fiscal year 2011. Your leadership is making a difference in helping to protect the welfare of millions of animals across the country. As you know, better enforcement will also benefit people by decreasing: (1) food safety risks to consumers from sick animals who can transmit illness, and injuries to slaughterhouse workers from suffering animals; (2) orchestrated dogfights and cockfights that often involve illegal gambling, drug trafficking, and human violence, and can contribute to the spread of costly illnesses such as bird flu; (3) the sale of unhealthy pets by commercial breeders, commonly referred to as "puppy mills"; (4) laboratory conditions that may impair the scientific integrity of animal based research; (5) risks of disease transmission from, and dangerous encounters with, wild

animals in or during public exhibition; and (6) injuries and deaths of pets on commercial airline flights due to mishandling and exposure to adverse environmental conditions. In order to continue the important work made possible by the Committee's prior support, we request the following for fiscal year 2011:

FOOD SAFETY AND INSPECTION SERVICE/HUMANE METHODS OF SLAUGHTER ACT (HMSA)  
ENFORCEMENT

We request that \$2,000,000 of the Humane Animal Tracking funding be directed to hire a mobile review team to focus on strengthening HMSA enforcement, and that language be included calling for the establishment of an ombudsman. We greatly appreciated the committee's inclusion of \$2 million in fiscal year 2009 to address severe shortfalls in USDA oversight of humane handling rules for animals at slaughter facilities, oversight that is important not only for animal welfare but also for food safety. While the Agency has taken some steps on this front, serious problems remain. For example, video taken by a non-profit organization during a 2009 undercover investigation revealed atrocities including repeated electric shocks, kicking, cutting off a hoof and partial decapitation of conscious baby calves. The footage also revealed a USDA inspector showing callous disregard for blatant cruelty, as he watched a calf being skinned alive and commented that another inspector would shut the plant down, but he allowed the abuse to continue. While that inspector has since been fired, to address remaining weaknesses in the inspection regime, we request that \$2 million be allocated out of the \$3 million in Humane Animal Tracking (HAT) funding for the purpose of hiring and training a mobile review team to conduct unscheduled audits and undercover surveillance focused on assessing compliance with humane handling rules of live animals as they arrive and are offloaded and handled in pens, chutes, and stunning areas.

We also urge the committee to include language calling on the USDA to establish an ombudsman to provide inspectors with an avenue to take their concerns and grievances, and help ensure that they are able to carry out their responsibilities—both food safety and humane slaughter—without undue interference. A whistleblower, a current FSIS veterinarian who has served the Agency for 18 years, testified at a recent House Oversight subcommittee hearing that a core problem with HMSA enforcement involves high-level supervisors putting pressure on inspectors below them to not rigorously enforce humane standards—discouraging them from reporting violations, rewriting and watering down their reports, second-guessing their first-hand observations, insisting that actions comport with humane standards even when they run contrary to the guidelines of leading animal science expert Dr. Temple Grandin (whose expertise is well-respected by industry), and reprimanding and punishing them for taking enforcement actions. Even some District Veterinary Medical Specialists—the very positions funded by Congress to focus on ensuring compliance with the Humane Methods of Slaughter Act—have engaged in this undermining of inspectors. For the humane slaughter law to be properly enforced, personnel at all levels—and certainly those in the supervisory ranks—must take this mission seriously. Ideally, this ombudsman would be independent from FSIS, reporting directly to the Under Secretary for Food Safety, or alternatively could perhaps be in the Office of Program Evaluation, Enforcement & Review (OPEER) that helps ensure the effectiveness of FSIS.

HORSE SLAUGHTER

We request inclusion of the same language barring USDA from the expenditure of funds for horse slaughter inspection as the Committee included in the fiscal year 2010 omnibus. This provision is vital to prevent renewed horse slaughter activity in this country.

APHIS/HORSE PROTECTION ACT (HPA) ENFORCEMENT

We request that you support the President's request of \$900,000 for strengthened enforcement of the Horse Protection Act. Congress enacted the HPA in 1970 to make illegal the abusive practice of "soring," in which unscrupulous trainers use a variety of methods to inflict pain on sensitive areas of Tennessee Walking Horses' hooves and legs to exaggerate their high-stepping gait and gain unfair competitive advantage at horse shows. For example, caustic chemicals—such as mustard oil, diesel fuel, and kerosene—are painted on the lower front legs of a horse, then the legs are wrapped for days in plastic wrap and tight bandages to "cook" the chemicals deep into the horse's flesh, and then heavy chains are attached to slide up and down the horse's sore legs. Additional tactics include inserting foreign objects such as metal screws or acrylic between a heavy stacked shoe and the horse's hoof; pressure shoeing—cutting a horse's hoof down to the sensitive live tissue to cause extreme

pain every time the horse bears weight on the hoof; and applying painful chemicals such as salicylic acid to slough off scarred tissue, in an attempt to disguise the sores. Though soring has been illegal for 40 years, this cruel practice continues unabated by the well-intentioned but seriously understaffed APHIS inspection program. Several horse show industry groups, animal protection groups, and the key organization of equine veterinarians have called for funding increases to enable the USDA to do a better job enforcing this law. To meet the goal of the HPA, Animal Care inspectors must be present at more shows. Exhibitors who sore their horses go to great lengths to avoid detection, even fleeing a show when USDA inspectors arrive. But with current funding, Animal Care is able to attend only about 6 percent of the more than 500 Tennessee Walking Horse shows held annually. An appropriation at the requested level will help provide for additional inspectors, training, security (to address threats of violence against inspectors), and advanced detection equipment (thermography and gas chromatography/mass spectrometry machines).

#### APHIS/ANIMAL WELFARE ACT (AWA) ENFORCEMENT

We request that you support the President's request of \$22,333,000 for AWA enforcement under the Animal and Plant Health Inspection Service (APHIS). We commend the Committee for responding in recent years to the urgent need for increased funding for the Animal Care division to improve its inspections of more than 12,000 sites, including commercial breeding facilities, laboratories, zoos, circuses, and airlines, to ensure compliance with AWA standards. Under the 2008 Farm Bill, Congress established a new responsibility for this division—to enforce a ban on imports from foreign puppy mills where puppies are mass produced under inhumane conditions and forced to endure harsh long-distance transport. Animal Care currently has 115 inspectors (with 2 vacancies to be filled), compared to 64 inspectors at the end of the 1990s. An appropriation at the requested level would maintain fiscal year 2010 funding with a modest increase to cover pay costs and help ensure that the Agency can provide adequate oversight of the increasing number of licensed/registered facilities.

#### APHIS/INVESTIGATIVE AND ENFORCEMENT SERVICES

We request that you support the President's request of \$14,213,000 for APHIS Investigative and Enforcement Services (IES). We appreciate the Committee's consistent support for this division, which handles many important responsibilities, including the investigation of alleged violations of Federal animal welfare laws and the initiation of appropriate enforcement actions. The volume of animal welfare cases is rising significantly as new facilities become licensed and registered. An appropriation at the requested level would maintain fiscal year 2009 funding with a modest increase to cover pay costs.

#### OFFICE OF INSPECTOR GENERAL/ANIMAL FIGHTING ENFORCEMENT

We request that you support the President's request of \$90,000,000 for the Office of Inspector General (OIG) to maintain staff, improve effectiveness, and allow investigations in various areas, including enforcement of animal fighting laws. We appreciate the Committee's inclusion of funding and language in recent years for USDA's OIG to focus on animal fighting cases. Congress first prohibited most interstate and foreign commerce of animals for fighting in 1976, tightened loopholes in the law in 2002, established felony penalties in 2007, and further strengthened the law as part of the 2008 Farm Bill. We are pleased that USDA is taking seriously its responsibility to enforce this law, working with State and local agencies to complement their efforts and address these barbaric practices, in which animals are drugged to heighten their aggression and forced to keep fighting even after they've suffered grievous injuries. Dogs bred and trained to fight endanger public safety, and some dogfighters steal pets to use as bait for training their dogs. Cockfighting was linked to an outbreak of Exotic Newcastle Disease in 2002–2003 that cost taxpayers more than \$200 million to contain. It's also been linked to the death of a number of people in Asia reportedly exposed through cockfighting activity to bird flu. Given the potential for further costly disease transmission, as well as the animal cruelty involved, we believe it is a sound investment for the Federal Government to increase its efforts to combat illegal animal fighting activity. We also support the OIG's auditing and investigative work to improve compliance with the humane slaughter law and downed animal rules and the Horse Protection Act.

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE/VETERINARY STUDENT LOAN  
FORGIVENESS

We request that you support the President's request of \$5,000,000 to continue the implementation of the National Veterinary Medical Service Act (Public Law 108-161). This program received \$2,950,000 in fiscal year 2009, \$4,800,000 in fiscal year 2010, and was projected to need \$5,000,000 in its third year under the CBO score accompanying authorization. We appreciate that Congress is working to address the critical shortage of veterinarians practicing in rural and inner-city areas, as well as in government positions at FSIS and APHIS. A 2009 Government Accountability Office report enumerating the challenges facing veterinary medicine identified that an inadequate number of veterinarians to meet national needs is among the foremost challenges. A 2006 study demonstrated the acute and worsening shortage of veterinarians working in rural farm animal practice, while domestic pets in both rural and urban areas are often left without necessary medical care. Having adequate veterinary care is a core animal welfare concern. To ensure adequate oversight of humane handling and food safety rules, FSIS must be able to fill vacancies in inspector positions. Veterinarians also support our Nation's defense against bioterrorism (the Centers for Disease Control estimate that 75 percent of potential bioterrorism agents are zoonotic—transmitted from animals to human). They are also on the front lines addressing public health problems such as those associated with pet overpopulation, parasites, rabies, chronic wasting disease, and bovine spongiform encephalopathy ("mad cow" disease). Veterinary school graduates face a crushing debt burden of \$130,000 on average, with an average starting salary of \$65,000. For those who choose employment in underserved rural or inner-city areas or public health practice, the National Veterinary Medical Service Act authorizes the Secretary of Agriculture to forgive student debt. It also authorizes financial assistance for those who provide services during Federal emergency situations such as disease outbreaks.

APHIS/EMERGENCY MANAGEMENT SYSTEMS/DISASTER PLANNING FOR ANIMALS

We request that you support the President's request of \$1,017,000 for Animal Care under APHIS' Emergency Management Systems line item. Hurricanes Katrina and Rita demonstrated that many people refuse to evacuate if they are forced to leave their pets behind. The Animal Care division has been asked to develop infrastructure to help prepare for and respond to animal issues in a disaster and incorporate lessons learned from previous disasters. These funds are used for staff time and resources to support State and local governments' and humane organizations' efforts to plan for protection of people with animals, and to enable the Agency to participate, in partnership with FEMA, in the National Response Plan without jeopardizing other Animal Care programs.

APHIS/WILDLIFE SERVICES (WS)

We also hope the committee will consider a funding limitation on two particularly cruel, indiscriminate wildlife control methods used by the WS division to kill more than 13,000 animals every year: the toxicants sodium cyanide (delivered via small explosive devices known as M-44s) and sodium fluoroacetate (commonly known as Compound 1080). Not only are these two substances undeniably cruel to animals, they also pose an unnecessary threat to human health and public safety. The FBI has declared that both Compound 1080 and sodium cyanide are "highly toxic pesticides judged most likely to be used by terrorists or for malicious intent." The FBI and the Canadian Security Intelligence Service have listed Compound 1080 as a substance that may be sought for use as a possible chemical warfare agent in public water supplies. As early as 1999, the U.S. Air Force identified Compound 1080 as a likely biological agent. A funding limitation on the use of these particular methods would not only reduce the number of animals killed every year and the amount of suffering animals endure as a result of the continued use of these inhumane methods by WS, it would help protect homeland security and move WS toward non-lethal wildlife control methods that are safer, more effective, less expensive, and more humane. With the most indefensible methods eliminated, there will be more money for other, more beneficial WS programs.

ANIMAL WELFARE INFORMATION CENTER (AWIC)

We request \$1,978,400 for AWIC. These funds will enable AWIC to improve its services as a clearinghouse, training center, and educational resource to help institutions using animals in research, testing and teaching comply with the require-

ments of the AWA, including consideration of alternatives to minimize or eliminate animal use in specific research protocols.

Again, we appreciate the opportunity to share our views and priorities for the Agriculture, Rural Development, FDA, and Related Agencies Appropriation Act of fiscal year 2011. We are grateful for the Committee's past support, and hope you will be able to accommodate these modest requests to address some very pressing problems affecting millions of animals in the United States. Thank you for your consideration.

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PREPARED STATEMENT OF THE HUMANE SOCIETY OF THE UNITED STATES—EQUINE PROTECTION

On behalf of the undersigned animal welfare and horse industry organizations, with combined supporters exceeding 12 million, we submit the following testimony seeking an increase in funding for the USDA/APHIS Horse Protection Program to \$900,000, as requested in the President's budget for fiscal year 2011. This funding is urgently needed to begin to fulfill the intent of the Horse Protection Act—to eliminate the cruel practice of soring—by allowing the USDA to strengthen its enforcement capabilities for this law.

In 1970, Congress passed the Horse Protection Act to end soring, the intentional infliction of pain to the hooves and legs of a horse to produce an exaggerated gait, practiced primarily in the Tennessee Walking Horse show industry.

For example, caustic chemicals—such as mustard oil, diesel fuel, and kerosene—are painted on the lower front legs of a horse, then the legs are wrapped for days in plastic wrap and bandages to “cook” the chemicals deep into the horse's flesh. This makes the horse's legs extremely painful and sensitive, and when ridden, the horse is fitted with chains that slide up and down the horse's sore legs, forcing him to produce an exaggerated, high-stepping gait in the show ring. Additional tactics include inserting foreign objects such as metal screws or hard acrylic between a heavy stacked shoe and the horse's hoof; pressure shoeing—cutting a horse's hoof down to the sensitive live tissue to cause extreme pain every time the horse bears weight on the hoof; and applying painful chemicals such as salicylic acid to slough off scarred tissue, in an attempt to remove evidence of soring.

The Horse Protection Act authorizes the USDA to inspect Tennessee Walking Horses and Racking Horses—in transport to and at shows, exhibits, auctions and sales—for signs of soring, and to pursue penalties against violators. Unfortunately, since its inception, enforcement of the Act has been plagued by underfunding. As a result, the USDA has never been able to adequately enforce the Act, allowing this extreme and deliberate cruelty to persist on a widespread basis.

The most effective way to eliminate soring and meet the goals of the Act is for USDA officials to be present at more shows. However, limited funds allow USDA attendance at only about 6 percent of Tennessee Walking Horse shows. So the Agency set up an industry-run system of certified Horse Industry Organization (HIO) inspection programs, which are charged with inspecting horses for signs of soring at the majority of shows. These groups license examiners known as Designated Qualified Persons (DQPs) to conduct inspections. To perform this function, they often hire industry insiders who have an obvious stake in preserving the status quo. Statistics clearly show that when USDA inspectors are in attendance to oversee shows, the numbers of noted violations are many times higher than at shows where industry inspectors alone are conducting the inspections. By all measures, the overall DQP program has been a failure—the only remedy is to abolish it or greatly reduce dependence on this conflicted industry-run program of self-regulation and give USDA the resources it needs to adequately enforce the Act.

USDA appears to have recently attempted to step up its enforcement efforts, as evidenced in 2009 by a more than twofold increase over the previous year in the number of violations cited at the industry's largest show (the Tennessee Walking Horse National Celebration). However, the top three prize winning horses at that show were all found after their wins to have been in violation of the HPA, and their owners and trainers were allowed to keep the titles and prizes awarded. Horses identified as sored at shows also continue to be shown in subsequent events, and their owners continue to win lucrative prizes. USDA needs enhanced resources to carry out its responsibilities as Congress, and the public, expects.

Lack of a consistent presence by USDA officials at Tennessee Walking Horse events has fostered a cavalier attitude among industry insiders, who have not stopped their abuse, but have only become more clandestine in their soring methods. The continued use of soring to gain an advantage in the show ring has tainted the Tennessee Walking Horse industry as a whole, and creates an unfair advantage for

those who are willing to break the law in pursuit of victory. Besides the indefensible suffering of the animals themselves, the continued acceptance of sored horses in the show ring prevents those with sound horses from competing fairly for prizes, breeding fees and other financial incentives, while those horse owners whose horses are sored may unwittingly suffer property damage and be duped into believing that their now abused, damaged horses are naturally superior.

Currently, when USDA inspectors arrive at shows, many exhibitors load up and leave to avoid being caught with sored horses. While USDA could stop these trailers on the way out, Agency officials have stated that inspectors are wary of going outside of their designated inspection area, for fear of harassment and physical violence from exhibitors. Recently, armed security has been utilized to allow such inspections, at additional expense to this program. The fact that exhibitors feel they can intimidate government officials without penalty is a testament to the inherent shortcomings of the current system.

In years past, inspections were limited to physical observation and palpation by the inspector. New technologies, such as thermography and “sniffer” devices (gas chromatography/mass spectrometry machines), have been developed, which can help inspectors identify soring more effectively and objectively. However, USDA has been unable to purchase and put enough of this equipment in use in the field, allowing for industry insiders to continually evade detection. With increased funding, the USDA could purchase this equipment and train more inspectors to use it properly, greatly increasing its ability to enforce the HPA.

The egregious cruelty of soring is not only a concern for animal protection and horse industry organizations, but also for veterinarians. In 2008, the American Association of Equine Practitioners (AAEP) issued a white paper condemning soring, calling it “one of the most significant welfare issues faced by the equine industry.” It called for the abolition of the DQP Program, saying “the acknowledged conflicts of interest which involve many of them cannot be reasonably resolved, and these individuals should be excluded from the regulatory process.” The AAEP further stated, “The failure of the HPA to eliminate the practice of soring can be traced to the woefully inadequate annual budget of \$500,000 allocated to the USDA to enforce these rules and regulations.”

It is unacceptable that nearly 40 years after passage of the Horse Protection Act, the USDA still lacks the resources needed to end this extreme form of abuse. It is time for Congress to give our public servants charged with enforcing this Act the support and resources they want and need to fulfill their duty to protect these horses as effectively and safely as possible.

We appreciate the opportunity to share our views about this serious problem, and thank you for your consideration of our request.

The Humane Society of the United States.  
Friends of Sound Horses, Inc.  
Animal Welfare Institute.  
American Society for the Prevention of Cruelty to Animals (ASPCA).  
American Horse Protection Association.  
American Horse Defense Fund.  
Plantation Walking Horses of Maryland.  
United Animal Nations.  
National Plantation Walking Horse Association.  
Plantation Walking Horse Association of California.  
United Pleasure Walking Horse Association.  
Pennsylvania Pleasure Walking Horse Association.

Gaitway Walking Horse Association.  
Mid Atlantic Tennessee Walking Horse Association.  
International Pleasure Walking Horse Registry.  
Sound Horse Outreach (SHO).  
One Horse At a Time, Inc. Horse Rescue.  
Northern California Walking Horse Association.  
Tennessee Walking Horse Association of Oklahoma.  
Pure Pleasure Gaited Horse Association.  
United Mountain Horses.  
Northwest Gaited Horse Club.  
New York State Plantation Walking Horse Club.

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#### PREPARED STATEMENT OF THE WILDLIFE SOCIETY

The Wildlife Society appreciates the opportunity to submit testimony concerning the fiscal year 2011 budgets for the Animal Plant Health Inspection Service (APHIS), National Institute of Food and Agriculture (NIFA), and Natural Resources Conservation Service (NRCS). The Wildlife Society represents over 9,000 professional wildlife biologists and managers dedicated to sound wildlife stewardship through science and education. The Wildlife Society is committed to strengthening

all Federal programs that benefit wildlife and their habitats on agricultural and other private land.

This is a difficult financial year, with many programs across the board being asked to take significant cuts in appropriations. While budget cuts may be unavoidable, we urge Congress to remember that many of the programs funded by the U.S. Department of Agriculture (USDA) play a key role in protecting our natural resources, safeguarding wildlife and human health, and securing our economy in the face of a changing climate. And, with the President's focus on addressing climate change, as well as the potential for climate change and energy legislation to emerge from Congress, funding for the programs within USDA that support environmental science, develop mitigation strategies, and implement conservation measures are more important now than ever before.

#### ANIMAL AND PLANT HEALTH INSPECTION SERVICE

Wildlife Services, a unit of APHIS, is responsible for controlling wildlife damage to agriculture, aquaculture, forest, range, and other natural resources, monitoring wildlife-borne diseases, and protecting wildlife at airports. Its activities are based on the principles of wildlife management and integrated damage management, and are carried out cooperatively with State fish and wildlife agencies. The administration's request this year is a \$7.69 million decrease from fiscal year 2010. Such a significant decrease would substantially reduce funding for State and Federal cooperative wildlife damage programs across the country; just a few of the programs affected would be Hawaii Wildlife Operations, Louisiana Rice Damage, and Pennsylvania Cooperative Livestock Protection. Funding cuts for these programs not only result in significant ecological damage, but they threaten local economies as well. TWS recommends that Congress increase the appropriation for Wildlife Services Operations to \$79.9 million; this amount would continue to provide support for the ongoing programs funded through the direct appropriations process, and it would as well as fund necessary safety improvements and cover the programmed pay costs for operations.

Another key budget line in Wildlife Services is Methods Development, which funds the National Wildlife Research Center (NWRC). Much of the newest and most cross-cutting research that is critical to State wildlife agencies is being performed at the NWRC, and in order for State wildlife management programs to be the most up-to-date, the mission of the NWRC must continue. The President's request is currently a \$2.84 million decrease from fiscal year 2010 enacted levels. The result of this decrease is that programs conducting research into human-wildlife conflict (Jack Berryman Institute), invasive species and seed crops (Hilo Hawaii Field Station), and wildlife disease (Kingsville Texas Field Station) would all be eliminated or severely reduced. Such a loss could be devastating in this era as human and wildlife issues are becoming increasingly intertwined. TWS requests that Congress restore \$3.7 million to the Methods Development line to ensure adequate funding for the National Wildlife Research Center.

Finally, TWS is recommending providing \$20.6 million to Veterinary Services for addressing the import and export of invasive species. The potential import of exotic diseases, parasites, and vectors into the United States is a grave threat to human, wildlife, and habitat health and has the potential to cause incalculable economic damage. To mitigate this, it is important that APHIS-Veterinary Services is able to conduct inspections at all U.S. ports. The historic method of relying on import or user fees is inadequate and varies greatly from year to year. Also, as wildlife disease continues to spread worldwide, more exotic species are continually imported, and the number of ports of entry increase, the resources for inspections are stretched even further. Therefore, TWS recommends funding \$7 million beyond the Administration's request of \$13.6 million, \$3 million to support inspections, and an additional \$4 million for surveillance of exotic parasites, and staffing and operations of offshore disease monitoring and evaluation.

#### NATIONAL INSTITUTE OF FOOD AND AGRICULTURE

The Renewable Resources Extension Act (RREA) provides an expanded, comprehensive extension program for forest and rangeland renewable resources. The RREA funds, which are apportioned to State Extension Services, effectively leverage cooperative partnerships at an average of four to one, with a focus on private landowners. The need for RREA educational programs is greater than ever today because of continuing fragmentation of ownership, urbanization, the diversity of landowners needing assistance, and increasing societal concerns about land use and the impact on natural resources including soil, water, air, wildlife and other environ-



mental factors. The Wildlife Society recommends that the Renewable Resources Extension Act be funded at \$30 million, as authorized in the 2008 Farm Bill.

The McIntire-Stennis Cooperative Forestry Program is essential to the future of resource management on non-industrial private forestlands, as forest products are produced while conserving natural resources, including fish and wildlife. As demand for forest products grow, privately held forests will increasingly be needed to supplement supplies, but trees suitable for harvest take decades to produce. In the absence of long-term and on-going research, such as provided through McIntire-Stennis, the Nation could be unable to meet future forest-product needs. We appreciate the over \$29 million in funding allocated in the fiscal year 2010 appropriations and urge that amount to be increased to \$31 million in fiscal year 2011.

#### NATURAL RESOURCES CONSERVATION SERVICE

The Farm Bill conservation programs are more important than ever, given huge backlogs of qualified applicants for these programs, increased pressure on farmland from the biofuels boom, sprawling development, and the ongoing declines in wildlife habitat and water quality. The Natural Resources Conservation Service (NRCS), which administers many of the Farm Bill conservation programs, is one of the primary contributors to ensuring that our public and private lands are made resilient to climate change. NRCS does this through a variety of programs that are aimed to preserve land, protect water resources, and mitigate effects of climate change.

The Wildlife Society recommends that the Farm Bill conservation programs be funded at the levels mandated in the 2008 Farm Bill. Currently, the Administration's request results in collective program reductions of about \$705 million less than authorized levels. TWS encourages Congress to restore funding for all conservation programs at authorized levels. Demand for these programs continues to grow during this difficult economic climate when more assistance than ever is needed to address natural resource challenges and conservation goals, such as climate change, soil quality deficiencies, declining pollinator health, disease and invasive species, water quality and quantity issues, as well as degraded, fragmented and lost habitat for fish and wildlife. We would also like to particularly highlight the Wildlife Habitat Incentive Program (WHIP), a voluntary program for landowners who want to improve wildlife habitat on agricultural, nonindustrial, and Indian land. WHIP plays an important role in protecting and restoring America's environment, and is doubly important because it actively engages public participation in conservation. We urge Congress to fully fund WHIP at \$85 million.

#### FARM SERVICES ADMINISTRATION

We also note that 4 million acres of Conservation Reserve Program (CRP) contracts have expired, and we recommend that a general sign up of these 4 million+ acres be added in order to more fully realize the conservation needs of the Nation. Additionally, the Administration's budget request, \$15 million less than fiscal year 2010, in part reflects a CRP enrollment projection of 30.2 million acres by the end of fiscal year 2011, which is 1.8 million acres below the enrollment authorized in the 2008 Farm Bill. Farmers need CRP to provide supplemental income, and enrolled lands provide an important source of fish and wildlife habitat as well as help achieve soil and water conservation needs. We also recommend that CRP should be funded at a level that allows for full enrollment of authorized CRP acres.

Thank you for considering the views of wildlife professionals. We look forward to working with you and your staff to ensure adequate funding for wildlife conservation.

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#### PREPARED STATEMENT OF HON. JOSEPH TYDINGS

As the author of the Horse Protection Act (HPA), and on behalf of Friends of Sound Horses (FOSH), I submit the following testimony requesting an increase in funding for the USDA/APHIS Horse Protection Program to \$900,000, as requested in the President's fiscal year 2011 budget.

Forty-two years ago while serving in the United States Senate, I introduced the Horse Protection Act, which was enacted in 1970 with the assistance of Senator Tom Eagleton of Missouri. As you may have surmised, I am a horseman. I grew up and worked on a farm in the summer which still used draft horses. I was in the last horse cavalry unit in the U.S. Army. I am working hard in Washington, DC to keep honor in horsemanship by eliminating the cruel and sadistic soring of the magnificent Tennessee Walking Horses in hopes to bring respect back to the industry.

Horse soring is the malicious and illegal process of deliberately causing extreme pain to the legs and hooves of Tennessee Walking Horses in order to trigger the exaggerated high-stepping gait, known as the “Big Lick,” desired during showing. Trainers sore the horses by applying caustic chemicals, like mustard oil or diesel fuel, to the horse’s legs and hooves and then cover the substances with plastic wrap to “cook” the chemicals into the skin. Trainers have also been known to use foreign objects, such as bolts, to mechanically sore the horses’ hooves. The practice is savage and wanton and show horses live 24–7 in the intolerable pain with a lifetime of consequences from the damage that is inflicted. The HPA made this practice illegal, but much more must be done to bring an end to soring.

The USDA’s funding for HPA enforcement has not increased since 1976, nor has it been adjusted for inflation. Currently, the \$500,000 funding limit only allows the USDA to inspect less than 7 percent of Tennessee Walking Horse shows. Although these inspections can be effective, this low monitoring rate obviously leaves the majority of horse shows uninspected. Additionally, independent Horse Industry Organizations, charged with the task of inspecting shows when the USDA is unavailable, only report and penalize a small fraction of violations compared to the USDA. The USDA’s inability to sustain a consistent presence at shows has allowed rampant soring to continue in the industry.

I believe Congress can play a vital role in ending this extreme abuse. The most effective way to abolish horse soring is to increase USDA funding so that it can expand its monitoring and enforcement efforts. The USDA needs several million dollars a year in order to effectively inspect all Tennessee Walking Horse shows, and even if a simple inflation adjustment had been made over the years since enactment, USDA would have roughly \$2.5 million annually to enforce the Act. I realize times are tough in our struggling economy, but if the USDA’s budget were increased to \$900,000, as in the President’s budget request, a signal could be sent to the industry that enforcement efforts have not stalled. I encourage you to support the enforcement of the HPA by granting the USDA the resources it needs to successfully carry out its duties.

Thank you for your consideration in making this funding request a reality. Simply leaving USDA funding levels for enforcement at its current level and allowing the industry to continue to govern on its own, will only exacerbate the problem. I hope Congress will support this funding to help eradicate this shameful practice and bring honor and pride back into the Walking Horse industry.

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PREPARED STATEMENT OF THE UNION OF CONCERNED SCIENTISTS, ET AL.

Antibiotic-resistant infections have been identified by the Centers for Disease Control and Prevention (CDC) as one of the top public health challenges in the United States. Massive use of medically important antibiotics like penicillin and tetracycline in food animal production is a significant contributor to this problem.<sup>1</sup> Antibiotic-resistant pathogens, which are found in and on food animals, can be transferred to humans through several pathways, including handling of farm animals,<sup>2</sup> movement through ground and surface water, and most commonly on contaminated food.<sup>3</sup> Animal food products can become contaminated during slaughter and processing and food and crops can become contaminated with resistant bacteria in the field or during food processing. Infections caused by foodborne pathogens are more severe and more costly to treat than those caused by susceptible bacteria. The existence of resistant bacteria also means that more cases of infection will occur than would otherwise be the case.<sup>4</sup>

As recently reported in *The New York Times*, some infections caused by resistant bacteria now cannot be treated. There simply are no longer antibiotics that work. There are 5,815 hospitals in the U.S. registered with the American Hospital Asso-

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<sup>1</sup> Silbergeld, Graham, and Price. 2008. “Industrial food animal production, antimicrobial resistance, and human health,” *Annual Review of Public Health* 29:151–69.

<sup>2</sup> Akwar et al. 2007. “Risk factors for antimicrobial resistance among fecal *Escherichia coli* from residents on 43 swine farms,” *Microbial Drug Resistance* 13(1):69–76.

<sup>3</sup> WHO. 1997. “The Medical Impact of Antimicrobial Use in Food Animals,” Report of a WHO Meeting. Berlin, Germany, 13–17 October. [whqlibdoc.who.int/hq/1997/WHO\\_EMC\\_ZOO\\_97.4.pdf](http://whqlibdoc.who.int/hq/1997/WHO_EMC_ZOO_97.4.pdf)

<sup>4</sup> Anderson et al. 2003. “Public Health Consequences of Use of Antimicrobial Agents in Food Animals in the United States,” *Microbial Drug Resistance* 9(4):373–379. [whqlibdoc.who.int/hq/1997/WHO\\_EMC\\_ZOO\\_97.4.pdf](http://whqlibdoc.who.int/hq/1997/WHO_EMC_ZOO_97.4.pdf)

ciation. The yearly cost associated with antibiotic-resistant patient infections in one U.S. hospital has been estimated at \$13.5 million.<sup>5</sup>

Additional research and data are critical to understanding how to address the public health and food safety concerns associated with such uses. As you consider fiscal year 2011 appropriations, we would like to propose three appropriations that will help research, monitor, and find solutions to the problem of antibiotic resistance. The requests below are in priority order:

*Request #1.*—\$5 million of funds from the FDA's Transforming Food Safety Initiative to finish, update, and publish reviews on the safety of antimicrobials important in human medicine currently used for nontherapeutic purposes in food-producing animals for their role in the selection and dissemination of antibiotic-resistant foodborne pathogens.

*Request #2.*—\$3 million to fund Research and Education Grants for the Study of Antibiotic Resistant Bacteria as authorized in Section 7521 of the 2008 Farm Bill.

*Request #3.*—\$10 million for the FDA/USDA/CDC National Antimicrobial Resistance Monitoring System (NARMS) in order to expand data collection by \$3 million beyond current annual funding of approximately \$7 million.

The rationale and background for each of these requests are detailed below.

*Request #1.*—\$5 million of funds from the FDA's Transforming Food Safety Initiative to finish, update, and publish reviews on the safety of antimicrobials important in human medicine currently used for nontherapeutic purposes in food-producing animals for their role in the selection and dissemination of antibiotic-resistant foodborne pathogens.

Requested accompanying report language: In conducting these post-market safety reviews, the FDA shall use the same standards and methodology currently used in pre-market safety evaluations. The Committee directs the FDA to report the findings of the safety reviews to Congress within 2 years and to include a time line of any regulatory action steps needed to address drug uses found not to be safe. Congress directs the FDA immediately to report to Congress on any post-market safety reviews of animal antimicrobials already completed, but not yet made public.

*Background.*—The FDA's Center for Veterinary Medicine is responsible for reviewing the safety of animal drugs, including antibiotics, and has the authority to approve, withdraw, or restrict drugs based on their safety. Since 2003, the FDA has required that the pre-approval safety review for all new antibiotic veterinary drugs include an evaluation of the likelihood that the proposed drug use in animals will lead to resistant infections in humans.

Because almost all antibiotics being used for growth promotion and other nontherapeutic purposes in livestock production were approved by the FDA before 2003, most have either not undergone reviews with respect to antibiotic resistance or have undergone reviews that are inconsistent with current standards. In order to ensure that these drugs meet current safety standards, it is now critical to conduct post-market safety reviews of those antibiotic classes important to human medicine that are also being used for routine nontherapeutic purposes in animal agriculture.

Seven classes of antibiotics considered by the FDA to be either critically or highly important for therapy of infectious diseases in humans are used for nontherapeutic purposes in livestock production. These are the penicillins, tetracyclines, macrolides, lincosamides, streptogramins, aminoglycosides, and sulfonamides. Nontherapeutic uses of these drugs include growth promotion and routine disease prevention in healthy farm animals.

In 1977 the FDA proposed to withdraw its approval for nontherapeutic uses of both penicillin<sup>6</sup> and tetracycline<sup>7</sup> in food animals because of then new evidence showing that such uses undercut the efficacy of human drugs and as such were not safe for humans. The FDA took no final action on either of these 1977 proposals. In the interim since the proposed cancellations, the European Union has banned use of all medically important antibiotics to accelerate the growth of food animals, and Australia, Japan, and New Zealand do not allow the use of penicillin and tetracycline as growth promoters.<sup>8</sup>

Citing its still-pending 1977 regulatory proposal, in May 2004 the FDA wrote to three manufacturers of penicillin for animal use—Alpharma Inc, Pennfield Oil Company, and Phibro Animal Health—to express its concerns about their products' "pos-

<sup>5</sup>Roberts, 2009. "Hospital and Societal Costs of Antimicrobial-Resistant Infections in a Chicago Teaching Hospital: Implications for Antibiotic Stewardship," *Clinical Infectious Diseases* 49:1175–84.

<sup>6</sup>42 Fed. Reg. 43770 (August 30, 1977).

<sup>7</sup>42 Fed. Reg. 56264 (October 21, 1977).

<sup>8</sup>General Accounting Office, *Antibiotic Resistance, Federal Agencies Need to Better Focus Efforts to Address Risk to Humans from Antibiotic Use in Animals* (April 2004) at 44.

sible role in the emergence and dissemination of antimicrobial resistance” in humans.

In its July 2007 report on the fiscal year 2008 appropriations bill, the House Committee on Appropriations expressed its concern that the use of antimicrobials in animals produced for food can also render less effective critically important human antibiotics, including those used to treat foodborne illnesses. The Committee was particularly concerned that the FDA had not finished its review of the safety for humans of using penicillin nontherapeutically in animal feed and directed the FDA to finish this review and make it public by June 30, 2008.

In September 2008 the FDA told Congress that it had completed its review of the “scientific literature for microbial food safety information for penicillin-containing products” and that it “continues to have safety concerns regarding the non-therapeutic use of antimicrobial drugs in food-producing animals.”<sup>9</sup> The FDA has not, however, either made public the results of its penicillin review or taken any action on the other medically important antibiotics that are used to accelerate the growth of food animals.

In fiscal year 2009 and fiscal year 2010, the FDA received a significant amount of new funding to address food safety. An additional \$318.3 million and 718 new FTEs for the Transforming Food Safety initiative have been proposed for fiscal year 2011. With the additional resources FDA should take a more aggressive approach to tackling the growing problem of antibiotic resistant foodborne pathogens.

Congress should ensure that the FDA finishes, updates, and publishes reviews on the safety of antimicrobials important in human medicine used for nontherapeutic purposes in food-producing animals.

*Request #2.*—\$3 million to fund Research and Education Grants for the Study of Antibiotic Resistant Bacteria as authorized in Section 7521 of the 2008 Farm Bill.

*Background.*—Antibiotic-resistant disease has been identified by the CDC as the number one public health challenge in the United States. Massive use of medically important antibiotics like penicillin and tetracycline in food animal production is a significant contributor to this problem. Research to develop animal production systems less dependent on antibiotics would help American producers address this crisis, add consumer value to their products, and position themselves advantageously in the global marketplace.

In 2004, the U.S. Government Accountability Office (GAO) released a report highlighting the looming trade implications for countries that do not improve their agricultural antibiotic-use practices. GAO found that two of our major competitors in world meat markets (New Zealand and Denmark) have already banned the use of medically important antibiotics for growth promotion in food animals, as has the European Union. In addition, Japan, a major market for U.S. meat exports, is now reviewing such uses and considering a ban. The international trend is clear. To keep up and maintain market share, U.S. meat producers need to have the option to raise animals with less dependence on antibiotics.

The 2008 Farm Bill addressed this need by creating a new competitive grant program called Research and Education Grants for the Study of Antibiotic-Resistant Bacteria. This program will provide the research needed to understand the phenomenon of antibiotic resistance and devise food animal production systems less dependent on antibiotic use. But, this important program will not get off the ground without funding. If U.S. meat producers hope to maintain a competitive advantage in the global market, funding is needed to support research to provide technical information on antibiotic-free production methods to all meat producers, and to enable those producers seeking to transition away from routine antibiotic use to do so smoothly. Accordingly, we urge the committee to appropriate \$3 million to launch the grant program.

*Request #3.*—\$10 million for the FDA/USDA/CDC National Antimicrobial Resistance Monitoring System (NARMS) in order to expand data collection by \$3 million beyond current annual funding of approximately \$7 million.

Systematic collection and analyses of data are essential to addressing the growing problem of antibiotic resistant disease. NARMS has been funded at about \$7 million for the last several years and at that level has been unable to keep up with emerging new public health concerns, such as the Committee-recognized (in the report on the fiscal year 2009 appropriations bill) threat of methicillin-resistant *Staphylococcus aureus* (“MRSA”). Additional funding will enable increased surveillance, to include additional bacterial species and numbers and/or types of samples as well as allow NARMS researchers to utilize more sensitive methods (e.g., antibiotic-supplemented media and molecular assays). Furthermore, the additional funding should be used to improve sampling of bacteria on farm animals.

<sup>9</sup>September 19, 2008 letter from FDA to Senator Kennedy (at 8).

NARMS is a national public health surveillance system that tracks changes in the susceptibility of certain enteric bacteria to antimicrobial agents of human and veterinary medical importance. The NARMS program was established in 1996 as a collaboration among three Federal agencies: the FDA, the CDC, and the U.S. Department of Agriculture (USDA). NARMS is included in the FDA's budget, and the FDA then gives some of the appropriated funds to CDC and USDA.

NARMS also collaborates with scientists involved in antimicrobial resistance monitoring in other countries so that information can be shared on the global dimensions of antimicrobial resistance in foodborne bacteria. The NARMS program currently looks at only four pathogens: Salmonella, Campylobacter, Escherichia coli, and Enterococci on retail meats. However, the scientific literature on foodborne antibiotic-resistant bacteria shows that additional pathogens may be contaminating our food supply, such as Staphylococcus aureus.

As a public health monitoring system, the primary objectives of NARMS are to:

- Monitor trends in antimicrobial resistance among foodborne bacteria from humans (CDC), retail meats (FDA), and animals (USDA);
- Disseminate timely information on antimicrobial resistance to promote interventions that reduce resistance among foodborne bacteria;
- Conduct research to better understand the emergence, persistence, and spread of antimicrobial resistance;
- Assist the FDA in making decisions related to the approval of safe and effective antimicrobial drugs for animals.

The NARMS program is important for identifying trends in antimicrobial resistance and for setting policy to address problems that are identified. For example, NARMS data have been used to support regulatory action such as the FDA's withdrawal in 2005 of the approval for fluoroquinolones in poultry and a proposed FDA ban in 2008 on the extralabel use of cephalosporins in food animals.

Thank you for your support of these priorities.

Adrian Dominicans Sisters.	Family Farm Defenders.
Alliance for Sustainability.	Farms Without Harm.
Alliance for the Prudent Use of Antibiotics.	Farmworker Justice.
American Academy of Pediatrics, District II.	Food & Water Watch.
American Academy of Pediatrics, NY Chapter 2.	Food Animal Concerns Trust.
American Academy of Pediatrics, NY Chapter 3.	Food Democracy Now!.
American Academy of Physician Assistants.	Friends of Arizona Rivers.
American Grassfed Association.	Friends of the Earth.
American Nurses Association.	Georgia AIDS Coalition.
American Society for the Prevention of Cruelty to Animals.	Grass-roots.
Animal Welfare Approved.	Halifax River Audubon.
Arkansas Nature Alliance.	Humane Farming Association.
Blue Heron Environmental Network Inc.	Humane Society of the United States.
Breast Cancer Fund.	Humane Society Veterinary Medical Association.
Butte Environmental Council.	Illinois Citizens for Clean Air & Water.
California Public Health Association, North.	Infectious Disease Association of California.
Catholic Healthcare West.	Institute for Agriculture & Trade Policy.
Center for Science in the Public Interest.	Iowa Association of Water Agencies.
Chicago Physicians for Social Responsibility.	Iowa Citizens for Community Improvement.
Citizen Action of Wisconsin.	Iowa Environmental Council.
Citizens Action Coalition of Indiana.	Iowa Farmers Union.
Citizens for Pennsylvania's Future.	Izaak Walton League of America, Midwest.
Citizens for Sludge-free Land.	Keep Antibiotics Working.
Clean Water Action.	Kentucky Resources Council.
Coast Action Group.	Klamath Forest Alliance.
Colorado Academy of Family Physicians.	Land Stewardship Project.
Consumers Union.	Lymphoma Foundation of America.
Earth Day Coalition, Cleveland.	Maine Organic Farmers & Gardeners Association.
Endangered Habitats League.	Maine Public Health Association.
Environmental Defense Fund.	Michigan Antibiotic Resistance Reduction Coalition.
Fair Food.	Michigan Public Health Association.
	Minnesota Citizens Organized Acting Together.

Montana Public Health Association.	Pew Campaign on Human Health & Industrial Farming.
National Anti-Vivisection Society.	Physicians for Social Responsibility-Los Angeles.
National Catholic Rural Life Conference.	Preserve Wild Santee.
National Latino Farmers & Ranchers Trade Association.	Protect Our Earth's Treasures.
National Organic Coalition.	Rivers Unlimited.
National Organization for Rare Disorders.	Rural Advancement Foundation International, USA.
National Sustainable Agriculture Coalition.	Safe Food & Fertilizer.
Naturesource Communications.	Safe Tables Our Priority.
Network for Environmental & Economic Responsibility United Church of Christ.	San Francisco Bay Area Physicians for Social Responsibility.
New Mexico Environmental Law Center.	San Francisco Medical Society.
North Carolina Association of Pharmacists.	South Carolina Nurses Association.
Northeast Organic Farming Association—Interstate Council.	Southwest Environmental Center.
Northeast Organic Farming Association—Massachusetts.	Stonyfield Farm, Inc.
NY/NJ Environmental Watch.	Sustain LA.
Occidental Arts & Ecology Center.	Sustainable Earth.
Ohio Ecological Food & Farm Association.	The Cornucopia Institute.
Ohio Environmental Council.	The Minnesota Project.
Ohio Nurses Association.	The Society of Infectious Diseases Pharmacists.
Ohio River Foundation.	Trust for America's Health.
Oklahoma Chapter, American Academy of Pediatrics.	Union of Concerned Scientists.
Oregon Pediatric Society.	Upper Merrimack River Local Advisory Committee.
Organic Consumers Association.	U.S. Environmental Watch.
Pennsylvania Coalition of Nurse Practitioners.	Washington Sustainable Food & Farming Network.
Pennsylvania Farmers Union.	Waterkeeper Alliance.
Pennsylvania State Nurses Association, Environmental Health Task Force.	Western Nebraska Resources Council.
	Wisconsin Chapter, American Academy of Pediatrics.
	Women's Environmental Institute.
	Women, Food & Agriculture Network.
	Women's Health & Environmental Network.

## LETTER FROM THE USA RICE FEDERATION

MARCH 26, 2010.

Hon. HERB KOHL,  
*Chairman, Subcommittee on Agriculture, Rural Development, FDA, and Related Agencies, Committee on Appropriations, U.S. Senate, Washington, DC.*

Hon. ROSA DELAURO,  
*Chairman, Subcommittee on Agriculture, Rural Development, FDA, and Related Agencies, Committee on Appropriations, U.S. House of Representatives, Washington, DC.*

Re: USA Rice Federation's Fiscal Year 2011 Agriculture Appropriations Requests

DEAR CHAIRMAN KOHL AND CHAIRMAN DELAURO: This is to convey the rice industry's requests for fiscal year 2011 funding for selected programs under the jurisdiction of your respective subcommittees. The USA Rice Federation appreciates your assistance in making this letter a part of the hearing record.

The USA Rice Federation is the global advocate for all segments of the U.S. rice industry with a mission to promote and protect the interests of producers, millers, merchants, and allied businesses. USA Rice members are active in all major rice-producing States: Arkansas, California, Florida, Louisiana, Mississippi, Missouri, and Texas. The USA Rice Producers' Group, the USA Rice Council, the USA Rice Millers' Association, and the USA Rice Merchants' Association are members of the USA Rice Federation.

USA Rice understands the budget constraints the subcommittees face when developing the fiscal year 2011 appropriations bill. We appreciate your past support for initiatives that are critical to the rice industry and look forward to working with you to meet the continued needs of research, food aid, and market development in the future.

A healthy U.S. rice industry is also dependent on the program benefits offered by the Farm Bill. Therefore, we oppose any attempts to modify the support levels provided by this vital legislation through more restrictive payment limitations or other means and encourage the subcommittees and committees to resist such efforts during the appropriations process, especially given that the Farm Bill was reauthorized in June of 2008 and represents a contract with America's producers.

A list of the programs the USA Rice Federation supports for appropriations in fiscal year 2011 are as follows:

#### FUNDING PRIORITIES

##### *Research and APHIS*

The Dale Bumpers National Rice Research Center (DBNRRC) conducts research to help keep the U.S. rice industry competitive in the global marketplace by assuring high yields, superior grain quality, pest resistance, and stress tolerance. We urge you to provide fiscal year 2011 funding for rice at the DBNRRC at least at the fiscal year 2010 approved level of \$3,607,338 in base funding. In addition, we strongly support the President's proposed \$500,000 funding increase for rice-related climate-change research and \$400,000 increase for rice-breeding research at the DBNRRC. We also urge funding a \$1.3 million increase for the ARS facility at Stuttgart for research on diversified rice-farming techniques to help reduce water use by developing varieties that are more drought tolerant.

For APHIS-Wildlife Services, we encourage the subcommittees to fund the Louisiana blackbird control project at \$150,000, which we strongly support. This program annually saves rice farmers in Southwest Louisiana over \$4,000 per farm, or \$2.9 million total.

##### *Market Access*

Exports are critical to the U.S. rice industry. Historically, 40–50 percent of annual U.S. rice production has been shipped overseas. Thus, building healthy export demand for U.S. rice is a high priority.

The Foreign Market Development Program allows USA Rice to focus on importer, foodservice, and other non-retail promotion activities around the world. This program should be fully funded for fiscal year 2011 at the authorized level of \$34.5 million.

The Market Access Program (MAP) allows USA Rice to concentrate on consumer promotion and other activities for market expansion around the world. This program should also be fully funded for fiscal year 2011 at the authorized level of \$200 million. USA Rice strongly opposes the President's proposed 20 percent reduction in MAP funding.

In addition, the Foreign Agricultural Service should be funded to the fullest degree possible to ensure adequate support for trade-policy initiatives and oversight of export programs. These programs are critical for the economic health of the U.S. rice industry.

##### *Food Safety*

Food safety, including the safety of imported food, is one of the national issues that deserves significantly more funding. The USA Rice Federation appreciates greatly the increased funding that Congress appropriated for the Food and Drug Administration in fiscal year 2010 for food-safety purposes. We urge Congress to continue this funding direction by increasing the Agency's fiscal year 2011 appropriations for food-safety personnel, programs, and related technology, including continuing to ensure the safety of imported food.

Appropriations increases would allow the FDA to help reassure consumers and accelerate innovation in food-safety programs and related research and technology development. FDA would be able to administer food-safety inspections and other related activities more fully and effectively, speed up approvals for safe, new food technologies and products, and provide leadership in protecting the food supply from intentional domestic and foreign threats.

As importantly, USA Rice opposes the President's proposed food-safety-related user fees, including for food registration and inspection and export certificates. These public-safety activities should continue to be funded from annual appropriations.

##### *Food Aid*

We urge the subcommittees to fund Public Law 480 title I. No title I funding has been provided since fiscal year 2006. At a minimum, fiscal year 2011 funding should be the same as 2006. Public Law 480 title I is our top food-aid priority and we sup-

port continued funding in order to meet international demand. Food-aid sales historically account for an important portion of U.S. rice exports.

For Public Law 480 title II, we strongly support funding title II up front at the fully authorized \$2.5 billion level, which would help to make possible satisfying the 2.5 million MT required by statute. We encourage the subcommittees to fund title II at the higher level to ensure consistent tonnage amounts for the rice industry. We strongly oppose any shifting of title II funds, which have traditionally been contained within USDA's budget. We believe all food-aid funds should continue to be used for food-aid purchases of rice and other commodities from only U.S. origin.

USA Rice supports continued funding at fiscal year 2006 levels, at a minimum, for the Food for Progress Program's Public Law 480 title I-sourced funding. For the program's Commodity Credit Corporation funding component, a minimum at USDA's estimated fiscal year 2010 level of \$150 million is requested. Funding for this program is important to improve food security for food-deficit nations.

The McGovern-Dole International Food for Education and Child Nutrition Program is a proven success and it is important to provide steady, reliable funding for multi-year programming. USA Rice supports funding at the \$300 million level for this education initiative because it efficiently delivers food to its targeted group, children, while also encouraging education, a primary stepping-stone for populations to improve economic conditions.

#### *Other*

*Farm Service Agency.*—We encourage the subcommittees to provide adequate funding so the Agency can deliver essential programs and services, including for improved computer hardware and software. The Agency has been hard hit by staff reductions and our members fear a reduction in service if sufficient funds are not allocated.

Please feel free to contact us if you would like further information about the programs we have listed. Additional background information is available for all of the programs we have referenced; however, we understand the volume of requests the subcommittees receive and have restricted our comments accordingly.

Thank you for your consideration of our recommendations.

Sincerely,

REECE LANGLEY,  
*Vice President, Government Affairs.*

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#### LETTER FROM THE WYOMING STATE ENGINEER'S OFFICE

MARCH 10, 2010.

Hon. HERB KOHL,  
*Chairman, Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies, Washington, DC.*

Hon. SAM BROWNBACK,  
*Ranking Member, Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies, Washington, DC.*

Re: Support for Designation to the Colorado River Basin Salinity Control Program of 2.5 per centum of the Total Environmental Quality Incentives Program (EQIP) Funding Recommended in the President's Fiscal Year 2011 Budget.

DEAR CHAIRMAN KOHL AND RANKING MEMBER BROWNBACK: This letter is sent in support of the designation of 2.5 percent of the fiscal year 2010 Environmental Quality Incentive Program (EQIP) funding for the Department of Agriculture's Colorado River Salinity Control (CRSC) Program. With the enactment of the Federal Agriculture Improvement and Reform Act of 1996 (FAIRA, which was designated Public Law 104-127), the USDA's CRSC Program is a component program within EQIP. Wyoming views the inclusion of the CRSC Program in EQIP as a direct recognition on the part of Congress of the Federal commitment to maintenance of the water quality standards for salinity in the Colorado River. The vital role of the Department of Agriculture in meeting that commitment is apparent pursuant to the law, as well as based on the past 25 years we have observed and encouraged Agriculture's efforts effectively reducing salt loading into the Colorado River system through proven and cost-effective irrigation water application and management practices. Each of the seven Colorado River Basin States, acting collectively through the Colorado River Basin Salinity Control Forum, have actively assisted the U.S. Department of Agriculture in implementing its unique, collaborative and important program.



Established in 1973, the seven-State Colorado River Basin Salinity Control Forum coordinates with the Federal Government on the maintenance of the basin-wide Water Quality Standards for Salinity in the Colorado River System. The Forum is composed of gubernatorial representatives and serves as a liaison between the seven States and the Secretaries of the Interior and Agriculture and the Administrator of the Environmental Protection Agency. The Forum advises the Federal agencies on the progress of efforts to control the salinity of the Colorado River. Its annual funding recommendation process includes suggesting to the Department of Agriculture the amount the Forum believes USDA should be expending in the subsequent 2 years for its on-farm CRSC Program. Overall, the combined efforts of the Basin States, the Bureau of Reclamation and the Department of Agriculture have resulted in one of the Nation's most successful non-point source control programs.

The Colorado River provides municipal and industrial water for nearly 30 million people and irrigation water to approximately 4 million acres of land in the United States. The River is also the water source for some 2.5 million people and 500,000 acres in Mexico. Limitations on users' abilities to make the greatest use of that water supply due to the River's high concentration of total dissolved solids (e.g., the water's salinity concentration) remains a major issue and continuing concern in both the United States and Mexico. The salinity concentration in this water supply especially affects agricultural, municipal, and industrial water users. While economic detriments and damages in Mexico are unquantified, the Bureau of Reclamation presently estimates direct and computable salinity-related damages in the United States amount to \$376 million per year.

At its recent October 2009 meeting, the Forum recommended that the USDA CRSC Program expend 2.5 percent of the Environmental Quality Incentive Program funding. In the Forum's judgment, this amount of funding is necessary to implement one of the most successful Federal/State cooperative non-point source pollution control programs in the United States. The Colorado River Basin Salinity Control Advisory Council has taken the position that the funding for the salinity control program should not be below \$20 million per year. The amount of State and local cost-sharing that can be applied in each given fiscal year is driven by the amount of Federal appropriations and the EQIP allocation.

The State of Wyoming greatly appreciates the subcommittee's support of the Colorado River Salinity Control Program in past years. We continue to believe this important basin-wide water quality improvement program merits support by your subcommittee. We request that your subcommittee direct the allocation of 2.5 percent of the Environmental Quality Incentives Program funding for the USDA's CRSC Program during fiscal year 2011. Thank you in advance for your consideration of this statement and its inclusion in the formal record for fiscal year 2011 appropriations.

Respectfully submitted,

PATRICK T. TYRRELL,  
*Wyoming State Engineer, Chairman, Colorado River Basin Salinity Control Forum.*

DAN S. BUDD,  
*Interstate Stream Commissioner, Member, Colorado River Basin Salinity Control Forum.*