AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 2009

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 2009 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[1] 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 the administration's repeatedly rejected proposal to divert food aid funding to cash assistance programs.

GUIDING PRINCIPLES OF FOOD AID POLICY

The coalition recognizes that American food assistance policy is well-established and founded on certain guiding principles, including:

—Meeting America's humanitarian obligation to sustain international aid programs, with U.S. participation in such programs constituting more than 50 percent of all food aid worldwide.
—Employing food assistance programs overseas as stepping stones for economic growth and development, helping break the cycle of hunger and poverty.
—Employing food assistance programs to demonstrate American compassion for disadvantaged populations, thereby enhancing goodwill toward America.

THE SHARP DECLINE IN FOOD AID

Food aid has enjoyed broad, bipartisan support for many decades. The strength of our commitment has made the United States the world's leading supplier of humanitarian assistance. American food aid has saved countless lives while bolstering American agriculture and helping aid recipients strengthen and stabilize their economies.

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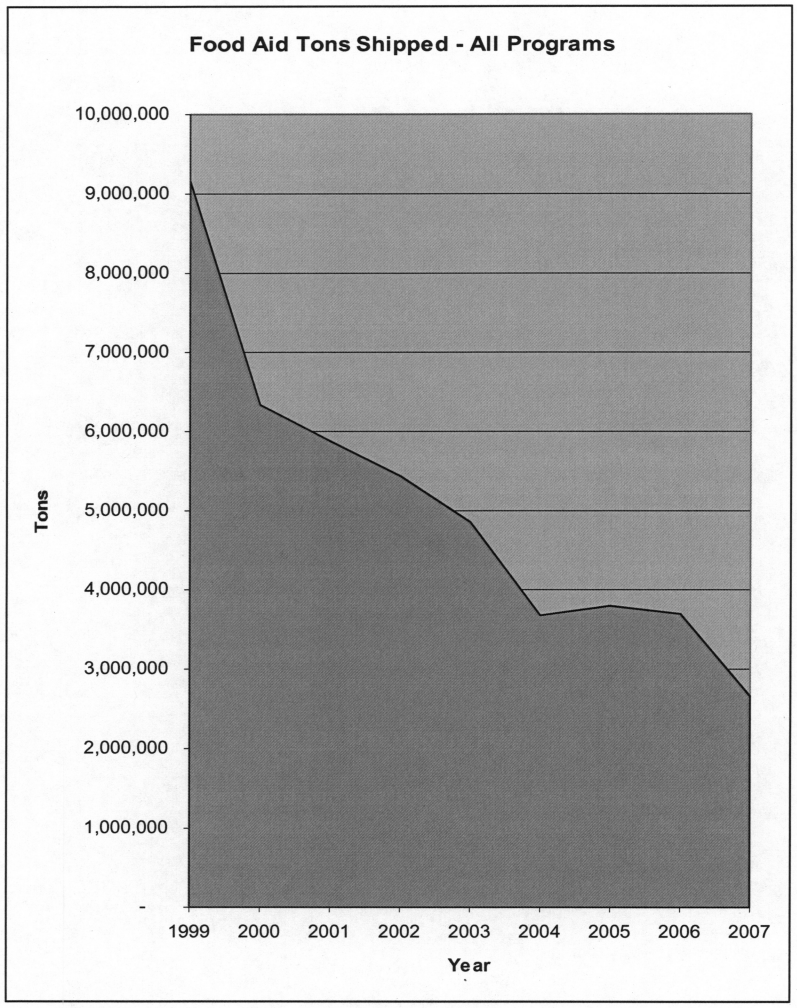
[1] The ad hoc coalition is composed of the America Cargo Transport Corp., American Maritime Congress, American Maritime Officers, American Maritime Officers' Service, American Soybean Association, Global Container Lines Ltd., Global Food and Nutrition Inc., International Food Additives Council, International Organization of Masters, Mates & Pilots, Liberty Maritime Corporation, Maersk Line, Ltd., Marine Engineers' Beneficial Association, Maritime Institute for Research and Industrial Development, National Association of Wheat Growers, National Corn Growers Association, National Council of Farmer Cooperatives, Seafarers International Union, Sealift, Inc., Tosi Maritime Consultants, LLC, Transportation Institute, United Maritime Group, LLC, USA Dry Pea & Lentil Council, USA Rice Federation, U.S. Dry Bean Council, and U.S. Wheat Associates, Inc.

In recent years, however, food aid shipments have declined sharply. Food aid shipments have decreased 71 percent, from 9.1 million tons in 1999 to a low of 2.7 million tons in 2007, as illustrated in the following chart:



SOURCE: United States Maritime Administration.

In short, food aid shipment levels are now less than one third of what they were a decade ago. Therefore, we respectfully request that this steady erosion of food aid be reversed, and that funding be restored to sustainable levels to assure the continued effectiveness and stability of these important and historically successful programs.

THE ADMINISTRATION'S BUDGET FOR FISCAL YEAR 2009

The administration proposes to continue last year's total elimination of funding for Title I.

Over the last several years, as funding for Title I has disappeared, the vast majority of food aid donations have been provided through the Food for Peace (Public Law 480) Title II program, which the administration proposes to further reduce by $439 million from the actual fiscal year 2007 levels. Moreover, under the President's

budget, Title II food aid would be reduced by up to $305 million and converted to overseas aid purchases at the discretion of the Administrator for USAID. The reduction will almost certainly violate the statutory minimum of 2.5 million metric tons of food aid required by Title II.

The administration has requested $100 million for the McGovern-Dole International Food for Education and Child Nutrition Program ("IFEP"), representing approximately 70,000 tons of commodities. This proposal represents a 22 percent decrease in food shipped from last year's proposal of 90,000 tons shipped under McGovern-Dole.

Lastly, the administration has signaled, once again, that no surplus commodities will be made available for donation in fiscal year 2009 under the authority provided by Section 416(b) of the Agricultural Act of 1949. This represents another year of diminished reliance on the successful 416(b) program, which is funded through the Commodity Credit Corporation ("CCC"). As USAID has explained, the mothballing of 416(b) has resulted in the decline of overall food aid resources available and additional pressures to re-direct Title II non-emergency program resources to emergency programs.

The administration's recommendations, taken together, would lead to significant reductions in food aid. For the reasons set forth below, the coalition urges this subcommittee to sustain Title II funding, reinvigorate the Title I program, and reject, for the fourth time, the administration's proposal to divert up to a quarter of Title II appropriations into a discretionary account for USAID.

RESTORATION OF OVERALL FOOD ASSISTANCE PROGRAM LEVELS

The coalition recommends that food aid be restored over time to sustainable levels in the range of 5 million to 6 million metric tons of grain equivalent in each fiscal year. In fiscal year 2009, this would require restoration of Title I funding, an increase in funding to meet the minimum 2.5 million metric tons required by statute, and greater use of existing authorities of the CCC.

USDA's fiscal year 2009 Budget Summary justifies the elimination of Title I as necessary because recipient countries have been more interested in direct grants under Title II than concessional sales under Title I.

In order to ensure that countries with the direst need have sufficient donated food aid, the coalition recommends that USDA offer the Title I concessional sales program to countries that can afford it. Among the countries receiving Title II-funded grants in recent years, some reasonably could afford to make the transition from grant assistance to concessional sales, using the direct loan authority of Title I.

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. There is strong demand for Title I funding channeled through FFP: For fiscal year 2007, 100 proposals were submitted by PVOs and 16 by governments, but only 11 new proposals were approved.

ELIMINATION OF TITLE II FUNDING FOR "LOCAL PURCHASE"

The coalition is strongly opposed to the administration's attempts to eliminate up to 25 percent ($305 million) of Public Law 480 Title II funding in favor of an experimental program whereby the USAID Administrator will be granted unchecked discretion to divert U.S. agriculture appropriations to foreign growers and manufacturers. This Committee wisely rejected this proposal during each of the last three budget cycles and it should emphatically reject it once more.

The administration's proposal for a new "local purchase" program would require new legislative authority. However, after extensive consideration, the Agriculture Committees wisely declined to create such a program inside Public Law 480 during recent debate on the Farm Bill—neither the House nor the Senate versions pending before the conference includes such an initiative in Public Law 480.

Moreover, a local purchase program inside Public Law 480 would be redundant. USAID already has existing authority that it uses for local purchases through the International Disaster and Famine Assistance Program ("IDFA") pursuant to the Foreign Assistance Act of 1961. The Foreign Operations appropriators provided new funds for local purchase through the IDFA in 2008 and the administration has proposed continuing the program under that existing authority in fiscal year 2009.

The wisdom of local purchase remains in question. The experts agree that relying upon underdeveloped local food markets seriously risks destabilizing them by spiking local food prices and widening the circle of food insecurity. Local purchase also raises serious food safety issues such as aflatoxin poisoning. Lastly, diverting large sums of cash into places such as sub-Saharan Africa raises real concerns about corruption and abuse.

In addition to being an unwise policy, the administration's proposal is politically unsound. As the Congress admonished the administration when it first proposed the 25 percent diversion of Public Law 480, the proposal "place[s] at risk a carefully balanced coalition of interests which have served the interest of international food assistance programs for well more than 50 years." The European experience is telling: When the Europeans migrated to local purchase, their contributions to world hunger relief dropped dramatically. The world's hungry cannot afford for us to follow in their footsteps.

CONCLUSIONS AND RECOMMENDATIONS

Mr. Chairman, the coalition is committed to maintaining U.S. food assistance programs at responsible levels in order to meet humanitarian needs and enhance the potential for economic growth in recipient countries. Our recommendation is to increase, over time, annual food assistance at combined program levels of between 4.0 million and 6.0 million metric tons of grain equivalent. This can be accomplished, as in the past, with a blend of programs supported by direct appropriations and CCC program authorities.

The coalition respectfully recommends the following:

—Title I 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.

—The Title II program should be increased to $1.8 billion in order to satisfy the 2.5 million MT required by statute, and responsibly increased to $2 billion over time.

—In committee report language, the Committee should reiterate its fiscal year 2003 directive to the administration to make greater use of existing CCC authorities to expand food aid to regions in critical need, and once more explicitly reject the administration's proposal to convert Public Law 480 into a redundant "local purchase" initiative.

The food aid programs save lives. They have been the bulwark of American humanitarian assistance since the days of the Marshall Plan, and they deserve the support of your subcommittee, the Congress, and the entire Nation.

PREPARED STATEMENT OF THE AMERICAN FARM BUREAU FEDERATION

The American Farm Bureau Federation has identified three general areas for increased emphasis and funding for USDA programs in the fiscal year 2009 agriculture spending bill. They are:

—Programs that strengthen rural communities.

—Programs that expand export markets for agriculture.

—Food safety and protection programs.

Within these categories, we would like to call your attention to specific programs deserving of your support.

Programs that Strengthen Rural Communities

Business and Industry (B&I) Direct and Guaranteed Loans finance business cooperatives and industry acquisition, construction, conversion, expansion, and repair in rural areas. Loan funds can be used to finance the purchase, and development of land, supplies and materials, and pay start-up costs of rural businesses.

Broadband Loans and Grants support acquisition and construction of broadband facilities in under-served rural areas that are currently at a disadvantage in gaining access to these newer technologies, in part, because the costs per user are higher than in more urbanized areas.

The Enhancement of Access to Broadband Service in Rural Areas program provides loans, grants, and loan guarantees to construct, improve and acquire facilities and equipment to provide broadband service to rural areas with less than 20,000 residents.

Value-Added Agricultural Production Grants provide grants to assist farmers and ranchers in creating greater value for agricultural commodities. A portion of the funding is reserved for the establishment of Agricultural Demonstration Centers, which provide training and technical assistance to new or expanding value-added agricultural enterprises.

Distance Learning and Telemedicine Loans and Grants provide financial assistance to rural community facilities, e.g., schools, libraries, hospitals and medical centers. These programs help rural schools and hospitals obtain and use advanced telecommunications for health and educational services.

Community Facility Direct and Guaranteed Loans are made for constructing, enlarging or improving essential community facilities in rural areas and towns with

populations of less than 20,000. Applications for health and public safety projects receive the highest priority.

The Renewable Energy and Energy Efficiency Program offers grants, guaranteed loans and combination grant/guaranteed loans to help agricultural producers and rural small businesses purchase and install renewable energy systems and make energy efficiency improvements in rural areas.

The Resource Conservation and Development (RC&D) 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.

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.

Programs that Expand Export Markets for Agriculture

The Market Access Program, the Foreign Market Development Program, the Emerging Markets Program and the Technical Assistance for Specialty Crops program are effective export development and expansion programs. These programs have resulted in record increases in demand for U.S. agriculture and food products abroad.

Public Law 480 programs 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.

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

As trade between countries increases, so too does the threat of new invasive and noxious pests that can destroy America's agricultural and natural resources. Animal Plant Health Inspection Service (APHIS) Plant Protection and Quarantine personnel and facilities, especially the plant inspection stations, 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 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 must be active at U.S. ports and in overseas locations to monitor pest and disease conditions, negotiate trading protocols and to intervene when foreign officials wrongfully prevent the entry of American imports.

APHIS Biotechnology Regulatory Services (BRS) 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.

Foreign Agricultural Service (FAS) staffing is needed to expand services to cover all existing and potential market posts. We urge continued support for the Office of the Secretary for cross-cutting trade negotiations and biotechnology resources.

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 Chemical Use Survey conducted by the National Agricultural Statistics Service is the only crop-complete, publicly available source of information on actual on-farm pesticide and fertilizer usage. In the 2008 and 2009 budget cycles, USDA chose to not conduct the Chemical Use Survey allegedly due to lack of adequate funding. Survey data are critically needed by public and private interests to assess real world chemical use. The data improve the accuracy and effectiveness of analysis of risk and environmental exposures, and are used to defend the safety of U.S. farm products in export markets.

Food Safety and Protection Programs

The continued safety of food is absolutely crucial to the public, production agriculture and the food industry. Agencies responsible for food safety lack the resources they need to reasonably establish safety, especially food imported from other countries. While food imports have increased about 50 percent in the past 5 years, the number of FDA food import inspectors has fallen about 20 percent. It is essential

that the funding for the Food and Drug Administration's food protection functions be set at $812 million, $192 million more than last year.

Increased funding for USDA's Food Safety Inspection Service also is imperative. Specifically, we urge an increase to at least $952 million, up from $930 million, for FSIS with a focus on full staffing and training of inspectors. FSIS is in the midst of a 60-day enhanced surveillance program to verify and analyze humane animal handling activities in all federally inspected establishments. If the investigation determines that more welfare inspections are necessary, we support increased funding beyond the above request to hire the necessary number of additional inspection personnel.

AFBF has serious concerns about the administration's request for new user fees for inspection activities. Food safety is for the public good and as such, it is a justified use of public funds.

PREPARED STATEMENT OF THE AMERICAN FOREST & PAPER ASSOCIATION

On behalf of the American Forest & Paper Association (AF&PA), I am pleased to submit the following testimony regarding the fiscal year 2009 U.S. Department of Agriculture budget. AF&PA is the national trade association of the forest products industry, representing forest landowners, pulp, paper, paperboard, and wood products manufacturers. Our companies are in the business of producing products essential for everyday life from renewable & recyclable resources that sustain the environment. The forest products industry accounts for approximately 6 percent of the total U.S. manufacturing output and employs more than a million people with an estimated annual payroll exceeding $50 billion.

AF&PA supports the sustainable management of our Nation's forests and encourages increased funding to advance forestry research, combat invasive species, and enhance food packaging innovations. The following recommendations concern fiscal year 2009 appropriations for the U.S. Department of Agriculture.

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE (CSREES)

There is a critical need to focus resources on research and outreach that address forest productivity, wood utilization, nanotechnology, and conversion of wood to produce bioenergy/bioproducts. This practical research and outreach will advance our capacity to produce healthier, faster-growing forests and environmentally-sustainable products, and will also contribute to the stewardship of the Nation's non-Federal forestlands. CSREES and its partnering universities play a key role on-the-ground in meeting this need.

—*McIntire-Stennis Cooperative Forestry Research Program.*—AF&PA is concerned with the President's fiscal year 2009 request of $19.4 million and recommends instead that the program be maintained at the fiscal year 2008 enacted level of $24.8 million. This program is a Federal-State partnership for university research on forest resources and supports cutting-edge research on forest productivity, wood utilization, and development of new technologies. AF&PA opposes the President's proposal to divert 62 percent of existing funds to competitive funding, as it would undermine valuable forestry research being conducted by our Nation's universities. Instead, we encourage a phased approach to building in a competitive grants component to the program.

—*National Research Initiative (NRI) Competitive Grants Program.*—AF&PA supports the President's request of $256 million, but with increased focus on forestry research. These grants provide a source of funding for basic and applied research on forest resources, including their management and utilization. In recent years, however, less than 6 percent of available funding has been allocated for forestry-related research. Given the considerable potential of the program to contribute to the Nation's sustainable forestry research needs, that percentage should be increased, with specific focus on grants that support the Agenda 2020 Technology Alliance, such as the Pine Genome Initiative and nanotechnology research. Working in partnership with universities and the private sector, Federal funding for the Agenda 2020 program supports research to develop and deploy wood production systems that are ecologically sustainable, socially acceptable, and economically viable, in order to enhance forest conservation and the global competitiveness of forest product manufacturing and biorefinery operations in the United States.

—*Renewable Resources Extension Act (RREA) Program.*—AF&PA recommends an increase over the President's request of $4 million. RREA provides the foundation for extension and outreach efforts delivered to private landowners through

universities. Cutting-edge forestry research is of limited benefit unless it can be effectively delivered to the Nation's forest landowners.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE (APHIS)

—*Emerging Plant Pests Program.*—AF&PA encourages increased funding for this program in order to support eradication and control efforts targeting the Sirex woodwasp, emerald ash borer, Asian longhorned beetle, and sudden oak death pathogen. All four introduced organisms have already done significant ecological and economic damage and threaten further damage to trees in our forests and communities. Without sufficient funding to prevent movement of these insects and diseases through infested wood, nursery stock, and other materials, the economic cost could escalate to hundreds of billions of dollars. Specific funding recommendations include:

—$5 million for Sirex woodwasp (zero was enacted in fiscal year 2008)

—$45 million for Emerald ash borer ($15 million over fiscal year 2008 enacted)

—$30 million for Asian longhorned beatle ($10 million over fiscal year 2008 enacted)

—$10 million for Sudden oak death ($5 million over fiscal year 2008 enacted)

FOOD AND DRUG ADMINISTRATION (FDA)

—*Food Contact Notification (FCN) Program.*—AF&PA urges Congress to support the FDA's proposed fiscal year 2009 budget of $182 million for the Center for Food Safety and Applied Nutrition (CFSAN), which includes the resources needed to continue operation of the Food Contact Notification program (FCN). This highly successful program provides efficient review and timely approval of new food packaging materials and additives. New food-contact materials have enhanced the safety and security of the U.S. food supply while increasing the availability of environmentally friendly products. The elimination of the FCN program would be an enormous detriment to manufacturers seeking clearances for new food-contact materials to be introduced in the U.S. marketplace. The FCN program is essential for continued paper and paperboard food packaging innovation, and for ensuring the most effective protection of packaged foods during transportation, storage, and ultimate use by the consumer.

CONCLUSION

AF&PA appreciates the opportunity to provide the subcommittee with testimony regarding the fiscal year 2009 budget for the U.S. Department of Agriculture. If implemented, increased funding for the programs listed above will help promote the sustainable management of our Nation's public and private lands and the products that are produced from these lands.

PREPARED STATEMENT OF THE AMERICAN HONEY PRODUCERS ASSOCIATION, INC.

Chairman Kohl and Members of the subcommittee, my name is Mark Brady from Waxahachie, Texas, 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 bring to your attention unprecedented threats to American beekeepers and to U.S. agriculture and to request that you dedicate significant new funding to expand vitally needed honeybee research.

In early 2007, the National Research Council at the National Academy of Sciences characterized the beekeeping industry as having serious problems and being in "crisis mode"—a point echoed and emphasized in the USDA action plan regarding recent honeybee threats. As you know, the situation for beekeepers has only gotten worse in the past year as the still-mysterious condition known as Colony Collapse Disorder ("CCD") continues to devastate large populations of honeybees, with no imminent signs of relief. Despite extensive, coordinated work over the last year by experts from government, academia and the private sector, the causes and solutions for CCD have yet to be identified, and funding for research is running out. New funding is urgently needed to support the Agricultural Research Service ("ARS") and other Department of Agriculture programs to address CCD and other serious threats to honeybee health. In addition, new funds are required to support the private and academic sectors in their vital and groundbreaking research on CCD and other health-related challenges.

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. In the years since then, the subcommittee has worked to restore proposed cuts in honeybee research. Such support has helped the ARS to address some of the most critical research needs of the industry. For this past support, the AHPA and its many members thank you sincerely.

As I speak to you today, U.S. beekeepers are facing the most extraordinary challenges. CCD is ravaging bee colonies across the United States. In 2007, some beekeepers experienced losses up to 90 percent of their bee populations. In 2008, preliminary surveys by USDA scientists indicate that the impact this year is likely to be even more severe. The Department's experts estimate that at least 37 percent of U.S. commercial honeybees are likely to fall victim to CCD in 2008. For example, one of our AHPA members with significant operations in California has already reported losses of 66 percent of his entire bee population.

The causes of CCD are still unknown. CCD may be caused by a complicated mix of factors, including the stresses caused by continuing infestations of mites and pests, recent imports of foreign honeybees and by the high demands of pollination services today. However, CCD's effects are well known. Hundreds of news articles and many in-depth media reports have chronicled a looming disaster facing American beekeepers and the producers of over 90 fruit, vegetable and fiber crops that rely on honeybee pollination.

Over the past year, Congressional leaders and the administration have significantly underscored the priority of honeybee health through significant new authorizations in the pending Farm Bill and in proposed increases for honeybee research in the fiscal year 2009 budget. Moreover, experts in the academic and private sectors and U.S. farm leaders have repeatedly been emphasizing the need to make research on honeybee health a much higher national priority.

All of these developments point to a reality that all of us can no longer afford to ignore—the fact that U.S. honeybee research has been substantially under funded for many years. 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. 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.

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 $20 million in new research funds dedicated toward CCD and other honeybee health research projects. As you know, the Senate version of the 2008 Farm Bill includes an authorization of $100 million over 5 years for such initiatives. A $20 million appropriation in fiscal year 2009 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.

Finally, we specifically suggest increased funding in the amount of at least $250,000 for promising honeybee genome research at the ARS laboratory in Baton Rouge. Genome research is likely to be central to resolving mysterious threats such as CCD and to ensuring bee health and productivity for generations to come.

We understand that the administration's fiscal year 2009 Budget would make permanent prior funding levels for certain critical honeybee research conducted at the four ARS Honeybee Research Laboratories, and would add $800,000 in new funding dedicated to combating the grave threat posed by CCD. We appreciate and support the administration's proposal to make permanent baseline funding for the ARS research laboratories. We also support the administration's proposal to increase funding for CCD research. However, we believe strongly that an increase in $800,000 does not come close to meeting the growing demands imposed by CCD and other threats to honeybee health. The significant authorizations for honeybee health research in both the House and Senate versions of the Farm Bill also show that the

authorizing committees, as well as Congress as a whole, agree that substantial new resources are needed.

We also understand that the administration proposes to close the Honeybee Research Laboratory in Weslaco, Texas. We respectfully but strongly oppose the administration's proposal. The four ARS Honeybee Research Laboratories provide the first line of defense against exotic parasitic mites, Africanized bees, viruses, and brood diseases. Equally, the laboratories are needed to respond to new pests, pathogens and other conditions such as CCD that pose very serious and growing threats to the viability and productivity of honeybees and the plants they pollinate. At a time when there is an urgent need to ramp up research on honeybee health, it would be unwise to close the Weslaco facility.

Traditionally, each ARS lab has focused on specific research disciplines, resulting in expertise that is difficult if not impossible to transport to other laboratories. The Weslaco facility specializes in essential research on parasites and necessary intergovernmental cooperation exercises aimed at preventing the importation of foreign born diseases. Although we have been assured that the Weslaco funds would be redistributed among the remaining three ARS laboratories, a disruption of this magnitude runs directly counter to the current critical needs of the beekeeper industry. In 2009, we need to accelerate existing research and substantially ramp up our research capacity to address current and emerging threats. Closing Weslaco would only reduce honeybee research capacity and distract current scientists from important ongoing work.

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 is the largest single crop requiring honeybees for pollination. More than 1 million honeybee hives are needed to pollinate the 600,000 acres of almond groves that line California's Central Valley. That means nearly half of the managed honey-producing colonies in the United States are involved in pollinating almonds in California during February and early March.

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 noted recently, the fate of California's almond crop rests "on the slender back of the embattled honeybee."

THREATS TO U.S. HONEYBEES

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. These longstanding and worsening infestations 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. The strain exerted by infestations has only been exacerbated over the past 2 years by the emergence of CCD. Ironically, leading scientists and industry leaders have concluded that there is likely a correlation between the introduction of foreign bees and the emergence of CCD.

CCD remains a mystery to both beekeepers and scientists, and ARS researchers and other researchers will need significant new resources to determine the causes

of CCD and to develop effective treatment strategies. This 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. Additionally, 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.

ONGOING AND NEW CRITICAL RESEARCH

AHPA, others in the industry, and leading scientists believe that an important contributing factor in the current CCD crisis is the longstanding, substantial under funding 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 under funded. 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 in fiscal year 2009 of at least $20 million to be dedicated to combat CCD and conduct other essential honeybee research. We recommend that such funding be allocated consistent with the authorizations provided in the 2008 House and Senate Farm Bills. It is particularly noteworthy that, of all the "high priority" items listed in the Senate Farm Bill, honeybee health research was the only item provided with a dedicated authorization amount. Accordingly, the AHPA strongly supports Senator Tim Johnson's request that the subcommittee make significant dedicated allocations for honeybee research, including $5.64 million to ARS facilities (no less than $3.08 million of which should be designated for research at the four ARS Honeybee Research Laboratories), $1.79 million to an ARS Area Wide CCD Research Program divided evenly between the Beltsville, MD and the Tucson, Arizona research laboratories, $10.26 million to the Cooperative State Research, Education, and Extension Service ("CSREES") to support governmental, academic and private sector research, and $2.31 million to the Animal and Plant Health Inspection Service. Together, we believe that this funding would represent an appropriate commitment to existing research and provide the infusion of necessary new funds to combat CCD and assure the long-term health of U.S. honeybee colonies.

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 has been considered by many in recent years to be 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.

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 cause 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 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 their 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 last year, 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 both the House and Senate versions of the Farm Bill and in separate House and Senate pollination legislation. In addition to increased resources for ARS research, these experts pressed for new funding, through CSREES, 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 current alarming lack of accurate information about the condition of U.S. bee colonies.

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 Cooperative State Research, Education, and Extension Services (CSREES) would go a long way toward achieving this goal.

CSREES 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 CSREES 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.

CONCLUSION

In conclusion, we wish to thank you again for your past support of honeybee research and for your subcommittee's understanding of the critical importance of these ARS laboratories.

By way of summary, the American Honey Producers Association strongly encourages at least $20 million in new funding for CCD and other honeybee research spread among the four ARS Honeybee Research Laboratories, other ARS research facilities across the country, the Cooperative State Research, Education, and Extension Service at the Department of Agriculture, and the Animal and Plant Health Inspection Service. In addition, AHPA opposes the proposed closure of the Weslaco ARS research laboratory, and supports the administration's proposal to make permanent baseline funding levels at each of the ARS Honeybee Research Laboratories. Finally, AHPA specifically requests an increase of $250,000 for the genome research project at the ARS Baton Rouge Honeybee Research Laboratory.

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.

PREPARED STATEMENT OF THE AMERICAN INDIAN HIGHER EDUCATION CONSORTIUM

Mr. Chairman and Members of the Subcommittee, on behalf of the American Indian Higher Education Consortium (AIHEC) and the 31 Tribal Colleges and Universities (TCUs) that comprise the list of 1994 Land Grant Institutions, thank you for this opportunity to share our funding requests for fiscal year 2009.

This statement is presented in three parts: (a) a summary of our fiscal year 2009 funding recommendation, (b) a brief background on Tribal Colleges and Universities, and (c) an outline of the 1994 Tribal College Land Grant Institutions' plan for using our land grant programs to fulfill the agricultural potential of American Indian communities, and to ensure that American Indians have the skills and support needed to maximize the economic development potential of their resources.

SUMMARY OF REQUESTS

We respectfully request the following funding levels for fiscal year 2009 for our land grant programs established within the USDA Cooperative State Research, Education, and Extension Service (CSREES) and the Rural Development mission area. In CSREES, we specifically request: $5.0 million for the 1994 Institutions' competitive extension grants program; $3.0 million for the 1994 Institutions' competitive research grants program; $3.342 million for the higher education equity grants; $12 million payment into the Native American endowment fund; and in the Rural Development—Rural Community Advancement Program (RCAP), that $5.0 million be provided for each of the next 5 fiscal years for the TCU Essential Community Facilities Grants Program. RCAP grants help to address the critical facilities and infrastructure needs at the colleges to increase our 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, over 140 years after enactment of the first land grant legislation, the 1994 Land Grant 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 Tribal College Movement was launched 40 years ago with the establishment of Navajo Community College, now Diné College, serving the Navajo Nation. Rapid

growth of TCUs soon followed, primarily in the Northern Plains region. In 1972, six tribally controlled colleges established the American Indian Higher Education Consortium to provide a support network for member institutions. Today, AIHEC represents 36 Tribal Colleges and Universities—31 of which comprise the current list of 1994 Land Grant Institutions located in 11 States. However, with the passage of the Farm Bill reauthorization, the 1994 Institutions expect to welcome another AIHEC member institution, Ilisagvik College in Barrow, AK, as the 32nd tribal college (1994) land grant institution. Our institutions were created specifically to serve the higher education needs of American Indian students. They serve many thousands of Indian full- and part-time students and community members from over 250 federally recognized tribes.

The 1994 Land Grant 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. Most of the 1994 Land Grant Institutions are 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 20 percent of our 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 Tribal Colleges and Universities, 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 REACH ECONOMIC DEVELOPMENT POTENTIAL

In the past, due to lack of expertise and training, millions of acres on our reservations lie fallow, under-used, or have been developed through methods that have caused irreparable damage. The Equity in Educational Land Grant Status Act of 1994 is addressing this situation and is our hope for future advancement.

Our current land grant programs remain small, yet very important to us. It is essential that American Indians explore and adopt new and evolving technologies for managing our lands. With increased capacity and program funding, we will become even more significant contributors to the agricultural base of the Nation and the world.

Competitive Extension Grants Programs.—The 1994 Institutions' extension programs 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.

In the fiscal year 2008, $3,298,000 was appropriated for the 1994 Institutions' competitive extension grants. Although initially appropriated at the same level as fiscal year 2007, due to the perennial across-the-board rescission now routinely imposed, our programs have a decreased baseline each year. Without adequate funding, 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 does not duplicate the Federally Recognized Tribes Extension Program, formerly the Indian Reservation Extension Agent program. 1994 Tribal College Land Grant programs are very modestly funded. The 1994 Tribal College Land Grant Institutions have applied their ingenuity for mak-

ing the most of every dollar they have at their disposal by leveraging funds to maximize their programs whenever possible. Some examples of 1994 extension programs include: United Tribes Technical College in North Dakota is providing health and wellness education and outreach to students and their families, with a focus on ensuring that young mothers understand the importance of good early childhood nutrition. Lac Courte Oreilles Ojibwa Community College in Wisconsin is strengthening the household economies of local reservation communities by offering financial education curriculum in managing budgets, saving for the future, and understanding the credit basics. These are just two examples of the innovative programs being conducted at 1994 Institutions. To continue and expand these successful programs, we request that the subcommittee support this competitive program by appropriating $5.0 million to sustain the growth and further success of these essential community-based extension programs.

1994 Competitive Research Program.—As the 1994 Tribal College Land Grant Institutions enter into partnerships with 1862/1890 land grant institutions through collaborative research projects, impressive efforts to address economic development through land use have emerged. The 1994 Research program illustrates an ideal combination of Federal resources and tribal college-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, $1,533,000 appropriated in fiscal year 2008 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. Many of our institutions are currently conducting applied research, yet finding the resources to conduct this research to meet their communities' needs is a continual challenge. This research authority opens the door to new funding opportunities to maintain and expand the research projects begun at the 1994 Institutions, but only if adequate funds are secured and sustained. A total research budget of $1,533,000, for which 31 institutions compete for funding, is clearly inadequate. Priority issue areas currently being studied at 1994 Institutions include: sustainable agriculture and/or forestry; biotechnology and bioprocessing; agribusiness management and marketing; plant and animal breeding and aquaculture (including native plant preservation for medicinal and economic purposes); human nutrition (including health, obesity, and diabetes); and family, community, and rural development. Two examples include: The College of Menominee Nation in Wisconsin is collecting and analyzing data concerning forest health and sustainability that will help its tribal forest managers meet the growing demand for forest products while protecting the woodlands environment for future generations. Fort Berthold Community College in North Dakota is conducting agricultural trials to determine the economic feasibility of local Juneberry production. Juneberries are an important source of nutrition in many tribal communities. These are two examples of 1994 Research projects. We strongly urge the subcommittee to fund this program at a minimum of $3.0 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 Tribal College Land Grant 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 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. If more funds were available through the Educational Equity Grant Program, Tribal College Land Grant Institutions could devote more of their endowment yield dollars to supplement other facilities projects needed to address their continuing and often critical infrastructure needs. We request that the subcommittee appropriate $3,342,000—returning the program funding level to the pre-across-the-board rescission level that was once again imposed on non-defense appropriated funding—to allow the 1994 Tribal College Land Grant Institutions to build upon their courses and successful activities that have been launched.

Native American Endowment Fund.—Endowment installments that are paid into the 1994 Tribal College Land Grant 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 USDA has reported the latest gross annual interest yield to be $3,209,000. After the USDA's administrative fee of $128,360 is deducted, the net interest yield is $3,080,640, which is the amount available to be

distributed among the eligible 1994 Tribal College Land Grant Institutions, by statutory formula. Despite an appropriated payment of $11,880,000 into the corpus, the amount available to be distributed to the 1994 Institutions in 2008 is $38,988 less than the net yield distributed in spring of 2007. In addition to the reduced interest yield available, historically USDA's administrative fee amounts to a payment that is larger than the amount paid to 75 percent of the 1994 Tribal College Land Grant Institutions. While we have not yet been provided with this year's distribution breakdown of amounts to each of the 1994 Institutions we fully expect similar results. We respectfully ask that the subcommittee review the Department's administrative fee and consider reducing it for the 1994 Endowment Program, so that more of these already limited funds can be utilized by the 1994 Tribal College Land Grant Institutions to continue to conduct vital community-based programs.

Just as other land grant institutions historically received large grants of land or endowments in lieu of land, this endowment assists 1994 Tribal College Land Grant Institutions in establishing and strengthening their academic programs in such areas as curriculum development, faculty preparation, instruction delivery, and to help address critical facilities and infrastructure issues. Many of the colleges have used the endowment in conjunction with the Education 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 highest priorities. Several of the colleges have indicated the need for immediate new construction and substantial renovations to replace buildings that have long exceeded their effective life spans and to upgrade existing facilities to address accessibility and safety concerns.

Endowment payments increase the size of the corpus held by the U.S. Treasury and thereby increase the annual interest yield disbursed to the 1994 Tribal College Land Grant Institutions. These additional funds would continue to support faculty and staff positions and program needs within 1994 agriculture and natural resources departments, as well as to help address the critical and very expensive facilities needs at these institutions. Currently, the amount that each college receives from this endowment is not adequate to address both curriculum development and instruction delivery, and completely insufficient to address the necessary facilities and infrastructure projects at these institutions. In order for the 1994 Tribal College Land Grant 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 well being of our reservation communities. We respectfully request the subcommittee fund the fiscal year 2009 endowment payment at $12.0 million—returning the payment amount to the pre across-the-board rescission level imposed each year on non-defense appropriated funding.

Rural Community Advancement Program (RCAP).—In fiscal year 2008, $4.0 million of the RCAP funds appropriated for loans and grants to benefit federally recognized American Indian tribes were targeted for essential community facility grants for TCUs. This is a decrease of $414,000 from the fiscal year 2007 funding level. Currently, this program requires that the TCU Essential Community Facilities Grants be subject to the Rural Development graduated scale for determining each institution's share of non-Federal matching funds. The scale dictates the TCU share to be 25, 45, 65, or 85 percent of the grant award. At a minimum, a TCU has to pay a non-Federal match of 25 percent of the grant. Tribal colleges are chartered by their respective tribes, which are in a government-to-government relationship with the Federal Government. Due to this relationship, tribal colleges have very limited access to non-Federal dollars making non-Federal matching requirements a significant barrier to our colleges' ability to compete for these much needed funds. The 2002 Farm Security and Rural Investment Act (Public Law 107–171) included language limiting the non-Federal match requirement for the Rural Cooperative Development Grants to no more than 5 percent in the case of a 1994 institution. We seek to have this same language applied to the TCU Essential Community Facilities grants so that more 1994 Institutions are able to participate in this much needed program. We urge the subcommittee to designate $5.0 million each year of the next 5 fiscal years to afford the 1994 Institutions the means to aggressively address critical facilities needs, thereby allowing them to better serve their students and respective communities. Additionally, we request that Congress include language directing the agency to limit the non-Federal matching requirement for this program to not more than 5 percent, to help all of the1994 land grant institutions to effectively address critical facilities and construction issues in their communities.

CONCLUSION

The 1994 Land Grant 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 undeveloped regions. The modest Federal investment in the 1994 Tribal College Land Grant Institutions has already paid great dividends in terms of increased employment, 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 Land Grant Institutions.

We appreciate your support of the 1994 Tribal College Land Grant Institutions and their role in the Nation's land grant system and 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 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 2009 appropriations recommendations.

PREPARED STATEMENT OF THE AMERICAN SHEEP INDUSTRY ASSOCIATION

The American Sheep Industry Association (ASI) is a federation of state member associations representing 70,000 sheep producers in the United States. The sheep industry views numerous agencies and programs of the U.S. Department of Agriculture 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 being critical. The industry and the benefits to rural communities will be strengthened by fully funding critical predator control activities, national animal health efforts, and expanding research opportunities.

We appreciate this opportunity to comment on the USDA fiscal year 2009 budget.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE (APHIS)

Scrapie

The American Sheep Industry Association believes that the administration's request of $17.487 million 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 $11.2 million beyond the administration's request for a total of $28.687 million in fiscal year 2009.

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 4 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. Becoming scrapie-free will have 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 7 years of the 10-year eradication program with a peak in cost at $31,974,354 in the 5 year and projected funding decreasing afterwards. At the end of 2007, $110,283,000 (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 2009, 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

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.

Wildlife Services' 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. Wildlife Services has more than 2,000 cooperative agreements with agriculture, forestry groups, private industry, State game and fish departments, departments of health, schools, 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 requests the subcommittee to eliminate the administration's proposed $2.78 million decrease to Wildlife Services operations for "cost share reduction." 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 does Federal sources. ASI also requests the subcommittee to either eliminate the proposed $5.34 million increase for Wildlife Monitoring and Surveillance and the Oral Rabies Vaccination Program, or increase the budget by that amount. As it stands in the administration budget, the $5.34 million is an unfunded mandate and will require Wildlife Services to redirect the funds from the other operational programs such as livestock protection.

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

The western region requires an additional $8.3 million to meet the $19 million Federal sourced level of the livestock protection program. Federal funding available for livestock predation management by 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. WS Western Region base funding 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 need of the eleven 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 Wildlife Services 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 for fiscal year 2009 of the importance of aerial hunting as one of Wildlife Services' 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 Wildlife Services rabies control program. ASI is concerned about the recent crash that resulted in two

fatalities and requests the subcommittee to consider including $1 million to replace seven aircraft in the Wildlife Services' fleet that are over 35 years of age.

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 in the States surrounding the Montana, Idaho and Wyoming wolf populations. Last year funds were reduced in Montana, Idaho, and Wyoming by 25 percent, and the fiscal year 2009 budget recommends an additional 50 percent reduction. ASI urges the subcommittee to restore the wolf control funds in these three States to the fiscal year 2007 level of $1.5 million. Mexican wolves in Arizona and New Mexico are expanding their ranges and Wildlife Services cannot keep pace with the control requirements. We encourage the subcommittee to provide an additional $500,000 to these two States for control activities. The wolf program of Minnesota, Wisconsin and Michigan was also reduced by 25 percent and needs to be restored to the $1 million annual appropriation.

It is strongly supported that appropriations be provided for $586,000 for additional wolf costs anticipated in Washington, Oregon, Nevada, Utah, Colorado and North Dakota.

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 a period and another tool must be employed. ASI supports the development of additional tools that are effective in controlling predation. The USDA, APHIS, Wildlife Services, 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 pre-mortality symptoms. 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 2009 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 Foreign Agricultural Service 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 has worked jointly with other livestock and range management organizations, 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

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 and we respectively 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.

Due to the extreme importance of Agricultural genomics in enhancing the global competitiveness of sheep production and the recent progress toward acquiring the sheep genome, we respectively request that this initiative be expanded 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 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 at 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. There are a number of infectious diseases across domestic and wild animals that will benefit from this research focus. It is becoming clear that not all infected animals transmit diseases with equal efficiency; in fact it appears that the "super shedders" are a small portion of an infected population. In addition to aiding in the control of chronic infectious diseases such as OPPV, caseous lymphadenitis and foot rot, control of Big Horn Sheep pneumonia and internal parasitism should be aided by this genomics approach. Early detection of susceptibility and resistance will lead to practical intervention strategies. With this in mind, we respectively request that the subcommittee support a "Genomics Competitive Global Health" initiative by enhancing the ARS, Animal Disease Research Unit's budget by $1 million to use in collaboration with Utah State University, the University of Idaho, the United States Sheep Experiment Station, Dubois and Washington State University. This initiative is to apply the emerging sheep genomic tools to research directed at resolving important disease problems and their resulting economic losses.

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.

We appreciate and support USDA's strategic goals and note that strategic goal (3) "Enhance Domestic Rural and Farm Economies States in part as follows: Work to expand production and market opportunities for bioenergy and biobased products". In response to this strategic goal of the USDA, we request that the subcommittee recommend $400,000 as a targeted increase for the ARS USDA-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.

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE (CSREES)

A virtual map of the sheep genome has recently been completed. The virtual map provides a good low-resolution picture of the sheep genome. It is largely a result of genome mapping efforts (human, bovine, and mouse) and provides a solid starting place for a higher resolution sequence of the sheep genome. 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. We urge the subcommittee to remind USDA/CSREES that sheep genome sequencing should be a high priority for the National Research Initiative (NRI) competitive grants program.

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. Without this program, American sheep producers would not have effective products to keep their sheep healthy. We appreciate the administration's request for fiscal year 2009 of $582,000 for this program, and we urge the subcommittee to recommend that it be funded at least at this level to help meet the needs of our rapidly changing industry and increasing costs for research necessary to meet the requirements for approving additional therapeutics for sheep.

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 the level of $1.5 million in 2009 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. ASI urges the Subcommittee's support to restore and continue the CSREES special grants program for wool research at least to the level of $298,000 for fiscal year 2009.

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 the LMIC represent 26 Land Grant Universities, 6 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-1950's. 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 support funding be continued at least at the previously funded level (2006) of $194,000 for the Livestock Marketing Information Center (LMIC) in fiscal year 2009. The coordinating office for this national Land Grant University directed effort is located in Lakewood, Colorado. As in the past, line-item funding should be directed through the USDA CSREES.

FOOD AND DRUG ADMINISTRATION, CENTER FOR VETERINARY MEDICINE

The Minor Use & Minor Species 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 appreciates the administration's request of $1 million for this program and we urge Congress' support.

EXHIBIT A—SCRAPIE FUNDING COMPARISONS

Year	APHIS projections in 2000	Funds received by APHIS [1]
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

EXHIBIT A—SCRAPIE FUNDING COMPARISONS—Continued

Year	APHIS projections in 2000	Funds received by APHIS [1]
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	.....

[1] Does not count rescissions.

PREPARED STATEMENT OF THE FEDERATION OF AMERICAN SOCIETIES FOR EXPERIMENTAL BIOLOGY

The Federation of American Societies for Experimental Biology (FASEB) is grateful for the opportunity to submit testimony for the record in support of the vital research programs of the United States Department of Agriculture (USDA). FASEB comprises 21 scientific societies representing more than 80,000 life science researchers, and our mission is to advance biological science through collaborative advocacy for research policies that promote scientific progress and education and lead to improvements in human health. FASEB enhances the ability of biomedical and life scientists to improve—through their research—the health, well-being and productivity of all people.

Greater investment in basic and applied agricultural research is essential, as threats proliferate and demands for a more nutritious food supply continues to increase. The USDA funds research through its intramural arm, the Agriculture Research Service (ARS), and competitive grants program, the National Research Initiative (NRI). The ARS support allows optimization of the competitive funds offered through the NRI by providing essential research facilities via its research centers across the country. These symbiotic programs provide the infrastructure and continuous generation of new knowledge that allow for rapid progress towards meeting national needs.

A recent report by the Economic Research Service (ERS) found "strong and consistent evidence that investment in agricultural research has yielded high returns per dollar spent" citing mean rates of returns of 53 percent.[1] However, our Nation's investment in agricultural research has been declining (Figure 1), threatening our ability to sustain the vitality of our research portfolio. The NRI has not yet reached even half of its initial authorization of $500 million, and ARS funding has been waning. Continuation of this neglect will inevitably undermine the success of the USDA's research programs. Thus it is imperative that the breadth and competitive nature of the NRI portfolio be maintained and expanded to ensure our Nation's excellence in agricultural research and the well-being of all Americans.

[1] Fuglie, KO and Heisey PW. (2007) Economic returns to public agricultural research. USDA Economic Research Service, Economic Brief #10. http://www.ers.usda.gov/Publications/EB10/

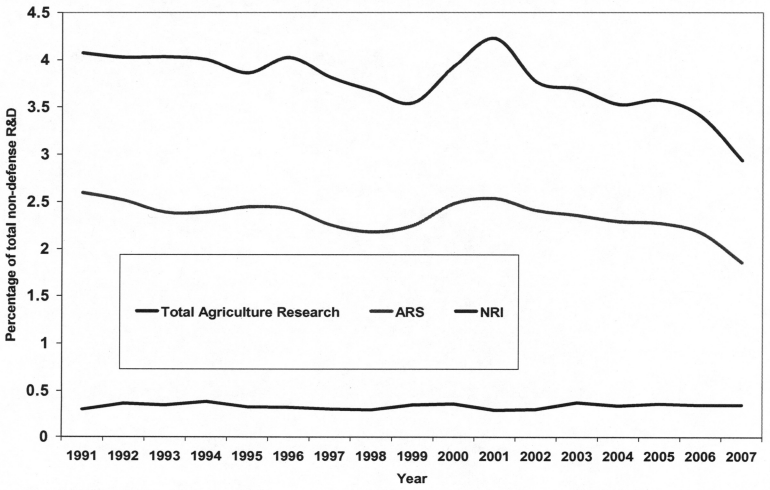


FIGURE 1.—*Research at the USDA has been declining in relation to total Federal spending on non-defense research & development (R&D), putting our competitive portfolio of agricultural research at serious risk.*

Agriculture and the research which advances it remain of crucial importance to our economy and quality of life. Research supported by USDA contributes to our understanding of the nutrition that underlies our health; it protects human life and our food supply from pandemic disease and introduced pathogens; it allows us to respond quickly to emerging issues like Colony Collapse Disorder or foot-and-mouth disease; and has led the way in development of bioenergy resources. Below are a few examples of the important contributions resulting from USDA-funded research.

Human Nutrition, Health, and Policy

Nutrition is the foundation upon which human and animal health is built, and whose mysteries fascinate the American people like no other aspect of science. This is perhaps most evident in the daily news stories that seek to uncover the optimal diet required to maximize health or minimize risk of disease. Research has identified the critical role that nutrition plays in a myriad of health conditions, from cancer to heart disease to diabetes. Perhaps the most striking evidence of the importance of nutrition to health is the alarming increase in the rates of obesity in this country, especially in children and adolescents. Further research is essential as we seek to understand the causes, both innate and environmental, of this public health crisis.

The USDA is uniquely positioned to conduct nutrition and food-related research because of its singular perspective on the entire food system, from crop to livestock to food supply to human consumption. No other agency has the capacity to understand the connections among food, the food supply and its production, and the health of our Nation. Through its research programs, the USDA is making the connection between what we eat and the healthfulness of our lifestyle.

—*Folate and Colon Cancer.*—Folate, a B-complex vitamin, is strongly implicated in the prevention of colorectal cancer. It has been estimated that the risk of developing colorectal cancer in people consuming the largest amounts of dietary folate is 30–40 percent lower than in people consuming less folate. NRI-supported scientists are investigating the mechanisms by which differences in folate intake can protect against cancer and other diseases, which may provide evidence for increasing the Dietary Reference Intake values for folate. This is a necessary first step in developing effective public health measures which would use folate as a cancer preventive measure and improve the health of the Nation.

—*Obesity.*—Our country is facing a rising storm of health problems related to increasing rates of obesity, in both adults and children, including diabetes, hypertension, and heart disease. The direct and indirect costs of obesity represent a $100 billion annual burden on the U.S. economy. The USDA is funding cutting

edge research at universities across the Nation, where scientists are examining genetic and metabolic factors that influence obesity, including the balance of protein, fat, and carbohydrate, dietary calcium and milk intake, the roles of the hormones leptin and ghrelin, as well as the effects of conjugated linoleic acid, and new and genetically modified foods. Unique research projects linked to dietary interventions are being carried out in rural towns in three States in the West, in African American communities in the South, and in Native American communities.

—*Functional Foods for Disease Prevention.*—Antioxidants have been shown to be of primary importance in preventing age-related disease and health problems, including cancer and coronary heart disease, two of our Nation's leading causes of death. USDA-funded scientists are working to develop functional foods, rich in antioxidants, which could provide nutritional benefit while protecting against disease. Scientific data suggests that processing of wheat could maximize the antioxidant capacity of this cornerstone of our food supply. Researchers have developed a processing procedure to enhance the antioxidant availability in wheat-based food ingredients that involves no chemical or organic solvents and generates no waste. These processing procedures require no special equipment or operation and may be easily scaled up for commercial production.

Safety of Our Food Supply

Over the past year, our national attention has focused on food safety and the security of our food supply. The research programs of the USDA are at the forefront of developing new technologies to protect our food supply and discovering new ways to detect and neutralize threats to our crops, livestock, and food products. Research activities range from food-borne illnesses to microbial resistance to food processing safety to biosecurity at our borders. Moreover, projects funded by NRI and ARS are addressing concerns not only related to our domestic supply of foods, but also those items that we import from international partners. As the United States forges new ties and reinforces existing relationships in our increasingly global economy, it becomes even more critically important to ensure agricultural research is delivering the knowledge to protect our citizens and the foods they eat.

—*International Food Safety.*—Concerns have been raised about the safety of food products and goods imported from other Nations. Researchers at the University of Minnesota are setting up models to examine the role of the role of imported food products in the local and global dissemination of food-borne pathogens. Using epidemiological data, these models will enable development of intervention to reduce the risk of disease outbreaks due to food imports. Meanwhile, another team of NRI-funded scientists is developing edible food sensors, made of luminescent nanoparticles. These tiny sensors will be able to screen foods for a host of safety and quality issues, from presence of bacteria and toxins to pH, in a rapid, easy-to-use and inexpensive manner.

—*Preventing Salmonella Outbreaks.*—The multibillion dollar American poultry industry loses 10 to 15 percent of its potential income to disease annually. Additionally, microbes that infect poultry represent a major human health risk, particularly Salmonella which causes over one million cases of illness and results in 500 deaths in the United States each year. Using sophisticated DNA technologies, USDA-funded scientists are identifying the genes related to disease resistance and response in poultry. Understanding the genetic basis for the immune response to Salmonella and other diseases may lead to breeding of disease-resistant birds, as well as vaccine development.

—*Biohazard Detecting Cloth.*—Through use of nanotechnology, NRI-funded scientists at Cornell University have created a cloth that has the ability to detect bacteria, viruses, and other biohazards. When the cloth contacts a contaminant or hazardous substance, a dye is released, providing a rapid response test that allows visualization of the threat with the naked eye. This has applications in detecting foodborne diseases at food preparation or manufacturing sites, screening for bioterror agents like anthrax, and even confirmation that operating rooms or medical facilities are clear of pathogens.

Responding to Emerging Threats

When beekeepers across the country began to report the alarming and mysterious loss of 50–90 percent of bees from their hives, the USDA took the lead in mobilizing research resources to find the source of what is now know as Colony Collapse Disorder (CCD). This is only one example of how a unique and emerging agricultural threat can swiftly challenge our Nation's economy, health or food supply. A new outbreak of foot and mouth disease in Europe, the looming specter of pandemic avian flu, and the continuing threat of mad cow disease all illustrate the need for the re-

search resources required to address new and emerging pathogens and diseases. Only with an adequately funded agriculture research infrastructure can our Nation be prepared to react and rapidly counter threats to our health and food supply.

—*Virus Implicated in Colony Collapse Disorder.*—Scientists funded by the USDA have recently announced discovery of a virus that may be linked to Colony Collapse Disorder (CCD), which has decimated bee colonies across the country. Bees are essential for the pollination of nearly 100 fruit and vegetable crops worldwide, and play an integral role us U.S. agricultural products representing an estimated economic value of more than $14.6 billion. Identification of Israeli Acute Paralysis Virus (IAPV) as a marker for CCD is a breakthrough step in solving this major agricultural problem. The USDA has also announced a strategic CCD Research Action Plan which will focus, among other things, on ways to improve the general health of bees to reduce their susceptibility to IAPV, CCD, and other disorders.

—*Avian Influenza.*—Avian influenza is a threat to both the multibillion dollar U.S. poultry industry and to human health. A major challenge in dealing with this disease is being able to differentiate between infected birds and vaccinated birds, as well as to be able to rapidly differentiate between different strains of avian flu. Through DNA microarray technology, USDA funded scientists are developing fast and accurate tests that will be cost effective for producers and allow more rapid response to outbreaks of avian influenza worldwide.

Bioenergy and Climate Change

Bioenergy has the potential to not only reduce our dependence on foreign oils but to provide a clean, sustainable fuel source that may help mitigate global climate change. The USDA funds research projects that produce science-based knowledge and technologies supporting the efficient, economical, and environmentally friendly conversion of biomass, specifically agricultural residuals, into value-added industrial products and biofuels. Furthermore, USDA-funded research is responding to the issue of climate change by contributing to our understanding of the causes and effects of this phenomenon and how to best protect our natural resources. Agricultural and forestry resources are vitally important to both our development of biobased resources and our ability to address the threat of climate change. As such, agricultural research is essential to addressing these national priorities.

—*From Switchgrass to Biofuels.*—Switchgrass has great potential to be a major biofuel source for the United States—it grows quickly, is readily adaptable to diverse conditions, and it efficiently captures the energy of the sun, converting it to cellulose which can be used as a clean alternative fuel source. Unlike other crops, we know very little about the genetics of switchgrass, information that is critical for enhancing breeding and maximizing the potential of this important bioenergy crop. University of Georgia scientists, funded by the NRI, are creating a genetic resource library and mapping out genetic traits that will allow producers to select lines with higher biofuel potential.

—*Cost effective Biodiesel.*—Biodiesel is a clean burning and renewable fuel produced from plant oils and animal fats. Unfortunately, biodiesel is currently expensive to produce because of high feedstock costs, high manufacturing costs, and the requirement to dispose of a low-purity glycerol byproduct. NRI-funded researchers are seeking ways to improve the biodiesel production process and develop alternative approaches for the byproduct glycerol. Through use of sophisticated distillation technologies and catalysts, they are developing manufacturing process that will lower the costs of producing biodiesel, lead to a better-quality biodiesel product that exceeds current standards, reduce waste formation, and eliminate the troublesome by-product.

—*Predicting the Effects of Climate Change.*—Global climate change is likely to affect the croplands on which we are dependent for food. At the USDA's Rainfall Manipulation Plots facility, researchers are able to alter temperature and precipitation over grasslands to simulate estimated climate change outcomes. These long-term studies are providing invaluable information on how crops will react to complex ecosystem changes associated with climate change. Understanding the impact of this phenomenon can greatly enhance the ability of producers and policymakers to prepare for or mitigate negative effects.

A Vision for the Future

The focus on agricultural research resulting from reauthorization of the Farm Bill presents a unique opportunity to strengthen and enhance our national system of agricultural research.

—*National Institute of Food and Agriculture.*—FASEB fully endorses the establishment of a National Institute for Food and Agriculture (NIFA), within the

USDA, dedicated to funding competitive, peer-reviewed basic research in agriculture. This is an unparalleled opportunity to enhance our system of supporting high quality, fundamental research, allowing advancement of current knowledge and bolstering the superiority of American agriculture. However, in order to ensure success of such an endeavor, NIFA must be fully funded, in contrast to the current trend of underfunding that has plagued current agricultural research programs.

The United States is Best Served Through Investment in Agricultural Research

From the critical basic research supported at universities throughout the Nation to the important work carried out by the Human Nutrition Research Centers, USDA research programs deserve to be supported at the highest level possible. We must maintain and magnify the breadth and competitive nature of the agricultural research portfolio, to ensure the United States' economic vitality and the well-being of all Americans.

FASEB FEDERAL FUNDING RECOMMENDATION

FASEB supports funding the USDA's National Research Initiative Competitive Grants Program in fiscal year 2009 at the $257 million level recommended in the President's 2008 budget and the Agricultural Research Service at $1.377 billion, which restores the fiscal year 2005 level, adjusted for inflation.

PREPARED STATEMENT OF THE AMERICAN SOCIETY FOR MICROBIOLOGY

The American Society for Microbiology (ASM) appreciates the opportunity to submit testimony in support of increased appropriations for the Food and Drug Administration (FDA) for fiscal year 2009. The ASM continues to believe that the FDA budget request is below the amount required to ensure that public health is protected through research and science based regulatory activities. The FDA regulates products worth nearly $1.5 trillion annually, about 20 percent of consumer spending in the United States. Repeated reports of contaminated or otherwise defective foods and other products, both domestic and imported over the past year, illustrate the crucial need for a strong FDA.

The administration's proposed fiscal year 2009 FDA budget requests nearly $2.4 billion, a net increase of $130 million, or 5.7 percent over fiscal year 2008. The request includes $1.77 billion in budget authority and $628 million as industry user fees. The budget plan funds a full time equivalent staff increase of 526, a much needed addition to the FDA's over extended workforce. It also includes funding increases earmarked for food safety activities and for medical product safety and development, identified by the Agency as two priority initiatives for fiscal year 2009.

The ASM believes that greater investment in the FDA is required and recommends that Congress increase the FDA budget by $375 million.

Challenges confronting FDA, such as rapidly changing new product technologies, recently led Agency leadership to solicit a year long evaluation of the science underlying the FDA's broad sweeping directive to safeguard consumers. Released last November, the study report decries the deteriorating state of FDA science and calls for a doubling of agency funding over the next 2 years, conclusions supported by the ASM and others concerned by chronic shortages in FDA budgets and personnel. The report, FDA Science and Mission at Risk, found that the number of appropriated personnel in 2007 was roughly the same as 15 years earlier. It describes 20 unfortunate years of fiscal neglect, during which 123 additional statutes have been enacted increasing the FDA's already heavy workload.

As the Nation's scientific regulatory agency, the FDA must stay at the leading edge of science and technology. In 2007, U.S. consumers purchased roughly $2 trillion worth of imported products from 825,000 importers, shipped into the country through more than 300 ports of entry, elements of the inexorable shift toward economic globalization. The FDA assures the safety, efficacy, and security of many of these products, including human and animal drugs, biological products, medical devices, and more. Its mission also encompasses regulating vast numbers of domestic products and most of the Nation's food supply, educating the public with accurate, science based information, and encouraging innovation in medicines and other goods for public consumption. Each year, FDA review prompts multiple recalls of unacceptable or fraudulent products. The agency also evaluates an impressive list of new products, which last year included approved treatments for HIV infection, breast cancer, and hemophilia.

Protecting America's Food Supply

The proposed fiscal year 2009 FDA budget allocates $662 million for food protection activities, a $42.2 million increase over fiscal year 2008, in part to support the Protecting America's Food Supply initiative to improve FDA efforts against foodborne illnesses. In November 2007, the FDA presented its new food protection plan, coordinated with the just released strategic plan of the Interagency Working Group on Import Safety. Using a risk based approach to identify potential threats to the food supply before problems arise, the FDA food protection plan will emphasize early intervention and reprioritize food safety issues to better utilize limited agency resources. The budget increase also will help facilitate new agreements just reached with China that address import safety issues, two Memoranda of Agreement on food, feed, drugs and medical devices signed last December.

From production to consumption, the life cycle of the U.S. food supply typically involves a series of processes, facilities, and human handlers, opening multiple opportunities for contamination and foodborne illnesses. Outbreaks associated with fresh leafy greens and packaged dairy are recent examples. Last year, peanut butter contaminated with Salmonella bacteria in the processing plant sickened more than 300, hospitalizing at least 50 patients and forcing costly recalls. In March 2007, the FDA released its Final Guidance for Safe Production of Fresh-Cut Fruits and Vegetables as one step to address the growing problem of microbial contamination of fresh produce. In fiscal year 2008, Federal economists expected U.S. agricultural imports to reach a record $75 billion. Food imports have risen sharply in the past 5 years, increasing by over 10 percent a year at twice the historical rate of import growth. Rising food imports and other factors guarantee that problems will persist and the FDA must heighten its vigilance over the Nation's food supply.

In January 2007, the Government Accounting Office (GAO) designated the Federal oversight of food safety as a high risk area for the first time, warning that related Federal programs are "in need of broad-based transformation" to reduce risks to public health and to the economy. In its evaluation report, the GAO pointed out that the FDA, responsible for regulating about 80 percent of the U.S. food supply, receives only about 24 percent of Federal expenditures for food safety inspection. Each month, FDA field inspectors reject hundreds of import shipments deemed filthy, decomposing, contaminated with drug residues, or otherwise unfit. Unfortunately, inspectors evaluate roughly 1 percent of the estimated 9 million food and food ingredient shipments entering the United States annually, as staff shortages coincide with rapidly expanding import numbers.

In 2006, the FDA's Center for Food Safety and Applied Nutrition (CFSAN) regulated an estimated $417 billion worth of domestic food and $49 billion worth of imported food, as well as $60 billion in cosmetics and $18 billion in dietary supplements. The $182 million proposed for CFSAN in fiscal year 2009 is an increase of $10 million over fiscal year 2008 and includes an additional 31 full-time employees, for a total of 811 FTEs to handle the workload. Increases for CFSAN also will target five areas for improvement: preventing contamination, prevention through mitigation, import enhancements, surveillance, and prevention through research.

Modernizing Medical Product Safety and Development

Under the administration's fiscal year 2009 proposal, the FDA's Medical Product Safety and Development initiative receives an additional $17.4 million to enhance the safety of human and animal drugs, blood, human tissues, and medical devices. The broad ranging initiative will address both imported products and the need for more new product innovation among U.S. industries. The proposed budget increase also will help implement the Food and Drug Administration Amendments Act enacted by Congress last year that sets new requirements for FDA food, drug and medical device programs. The budget increase will be distributed among the FDA centers and field activities specifically assigned oversight of human drugs, biologics, animal drugs and feeds, medical devices and radiological health, or toxicological research. Current programs need additional funding for modernizing laboratories, hiring more field staff, and improving import safety. The total fiscal year 2009 budget authority proposed for initiative related programs is $887 million, to be supplemented by $21.5 million in user fees.

The recently released report on FDA science provides compelling arguments that the FDA regulatory system responsible for this initiative is overloaded and underfunded. The importance of a fully funded FDA is clear, based on the statistics. In 2006, the Center for Devices and Radiological Health (CDRH) regulated manufacturers with sales of $110 billion. The Center for Drug Evaluation and Research (CDER) oversaw $275 billion in pharmaceutical sales, 2,500 U.S. manufacturers, and 2,500 foreign manufacturers. The Center for Biologics Evaluation and Research (CBER) typically reviews more than 800 new products every year. The Center for

Veterinary Medicine is responsible for products tied to more than 10 billion food producing animals, 200 million pets, and more than 90,000 manufacturers.

Each year, the FDA reviews new products and evaluates questionable consumer goods under its huge mandate to protect and improve public health. In 2007, the agency's field force investigated pet food contaminated by tainted wheat gluten imported from China, with more than 100 brands of food recalled by manufacturers. The FDA also approved a unique 2 hour blood test that marks a significant advance in rapidly detecting drug-resistant staph infections. CDER approved a total of 88 new products, including the first drug to treat all degrees of Alzheimer's disease and a new breast cancer drug that can replace a current one poorly tolerated by many patients. It also approved or tentatively approved 682 new, less costly generic drugs, a 33 percent increase over the previous year. This February, FDA advisors endorsed a new formula for next year's flu vaccine that, unlike most years' vaccines, would include all new influenza virus strains. Through its CBER programs, the FDA improves donated blood supplies by assessing additional testing as needed, in fiscal year 2007 approving screening tests for West Nile virus, Chagas disease, and early detection of hepatitis C virus and HIV–1.

ASM Recommendation for the FDA in Fiscal Year 2009

The FDA already regulates more than 375,000 facilities worldwide in nearly 100 countries. The volume of FDA regulated imports has doubled over the past 5 years. Approximately 15 percent of the U.S. food supply is imported and for some items like seafood and fresh fruit, market share reaches 60 to 80 percent. If current market trends persist, the beleaguered agency's workload will continue to expand rapidly inside the United States and elsewhere. It is essential that FDA science capabilities, research and field personnel, and infrastructures also expand to meet these challenges. Although the administration has proposed an increase of $130 million for the fiscal year 2009 budget for the FDA, this budget increase is still inadequate. The ASM believes the FDA could use a $375 million increase based on the professional judgment budget of the FDA Science Board. We believe the Science Board Report has provided a sound basis for the allocation of new resources for the food supply, biological sciences with emphasis on drug safety, science reorganization, scientific capability including training and a visiting scientist program, and information technology.

PREPARED STATEMENT OF THE AMERICAN SOCIETY FOR MICROBIOLOGY

The American Society for Microbiology (ASM) is pleased to submit the following testimony on the fiscal year 2009 appropriation for the U.S. Department of Agriculture (USDA) research and education programs. The ASM is the largest single life science organization with more than 42,000 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.

Agricultural research is vitally important for the improvement of animal and plant health, food safety, and the environment. In the September 2007 report, "Economic Returns to Public Agriculture Research," the USDA Economic Research Service (ERS) reviewed over 35 economic studies of the social rate of return to investments in agriculture. The report shows the average rate of return on public investment in agriculture research is 45 percent per every dollar invested. These returns are shared by all levels of the agricultural continuum, from producers to consumers.

The ASM is concerned with the President's fiscal year 2009 funding proposal for the National Research Initiative (NRI). The NRI is the USDA's competitive, peer-reviewed grants program that supports extramural research. USDA research efforts in food safety, animal disease, alternative fuels, the environment, and other strategic areas are producing tangible returns on Federal investments. Although the fiscal year 2009 proposal provides an increase of $67 million over fiscal year 2008, it directs $61 million of the increase to the transferred integrated programs and biofuel research, providing the NRI with an actual increase of only $6 million for its base programs if the integrated programs are flat funded.

We urge Congress to provide a 10 percent increase for the NRI in fiscal year 2009. The ASM recommends $270 million for the NRI in fiscal year 2009. This recommended funding level will provide a 10 percent, or $19 million, increase for the NRI base programs, and cover the directed funding included in the fiscal year 2009 administration request of $42 million for the proposed transfer of integrated programs, and $19 million for bioenergy research.

The ASM is also concerned with the President's fiscal year 2009 requested 10 percent cut for the Agricultural Research Service (ARS) from fiscal year 2008. The ARS is USDA's primary intramural research program, which conducts research to develop practical solutions to agricultural problems of high national priority including fundamental, long-term, high-risk research that the private sector will not do. The ASM urges Congress to provide at least $1.185 billion for the ARS in fiscal year 2009, the same level as fiscal year 2008.

Food Safety

Strong support for the NRI and ARS is needed to provide the fundamental research essential to creating efficient and effective technologies for the protection of human health and improving the safety of agricultural products. This research is critical to developing the interventions needed to substantially reduce the 76 million cases of foodborne illness in the United States that occur each year. Changes in society, technology, our environment, and microorganisms themselves are affecting the occurrence of foodborne bacterial, viral, and mycotic diseases. For example, E. coli O157 first emerged in the 1980s and spread through complex ecologies to contaminate a growing variety of foods. Multi-drug resistant Salmonella are a growing challenge to human and animal health. Infections of animals like anthrax, leptospirosis, and brucellosis can spread to humans by direct contact and by less obvious routes. Microbial adaptation is leading to the introduction through animals and foods of new or previously unrecognized human pathogens.

According to the Centers for Disease Control and Prevention (CDC), approximately 76 million people suffer from foodborne disease per year, and in 2006, approximately 1,250 foodborne disease outbreaks were reported. Investment in research is necessary for improving the identification of these pathogens, for developing a better understanding of the pathways by which these pathogens make people and animals sick, and using this information to improve prevention. Additionally, research finds ways to develop and evaluate better methods for surveillance, investigation, and prevention.

As microbes adapt, there is concern that some food-borne bacterial pathogens may become resistant to certain antimicrobial agents. It is necessary to have continued support for antimicrobial resistance monitoring programs, such as the National Antimicrobial Resistance Monitoring System (NARMS) and the Collaboration on Animal Health Food Safety Epidemiology (CAHFSE) program to generate data that will guide the development of appropriate interventions in the food production chain to minimize and contain antimicrobial resistant bacterial pathogens in the food supply.

Through the Food and Drug Administration (FDA), the Food Safety and Inspection Service (FSIS) and the Animal and Plant Health Inspection Service (APHIS), the government is ensuring the Nation's food quality, providing safety interventions, and contributing to pathogen reduction. The ASM supports the President's fiscal year 2009 requested increases for FSIS and APHIS of 2 percent and 6.3 percent above fiscal year 2008, respectively.

In addition to greater investment in research, it is important that the USDA collaborate with other agencies, such as the CDC, FDA, NIH, EPA, and NSF to ensure that the best research is funded and contributes to the food safety strategies of all the Federal agencies.

Bio-Based Products

Agricultural research is a critical component of discovering biobased products such as polymers, lubricants, solvents, composites, and energy. The ARS and NRI address research related to biobased products that focuses on developing biofuels and bioenergy; better, more efficient, and environmentally friendly agricultural materials; bio-based products that replace petroleum-based products; and new opportunities to meet environmental needs. These efforts include developing, modifying, and utilizing new and advanced technologies to convert plant and animal commodities and by-products to new products and by developing energy crops as well as new crops to meet niche market opportunities. Microbial research is essential to understanding and creating efficient biomass conversion and production methods, to developing new crops from which environmentally friendly and sustainable products such as paints and coatings can be made, and to producing fuels and lubricants, new fibers, natural rubber, and biobased polymers from vegetable oils, proteins, and starches.

Most of the world's energy needs are currently met through the combustion of fossil fuels. With projected increases in global energy needs, more sustainable methods for energy production must be developed, and production of greenhouse gases will need to be reduced. There is continued need for fundamental microbial research that will improve biomass characteristics, biomass yield, and sustainability; energy

sources that are environmentally friendly and renewable; and that will enhance our understanding of the impact that removing biomass for energy and other products has on the sustainability of soils and water.

As the development and use of biofuels and bioenergy expands, other aspects of food production will be affected such as increased corn prices for livestock production and decreased exports of agricultural commodities. The ASM urges the USDA to expand further research programs on alternative bioenergy production such as cellulose-based fermentation that would identify new resources and methods that would not compete with the food system. These fermentation methods will require increased investment in identifying and understanding novel microbial pathways for cellulosic degradation.

Greater support for the NRI and ARS is essential to address the challenges of the emerging biobased products industry with programs that support research, development, and demonstration. The ASM also encourages greater collaboration between and support for the USDA and the Department of Energy (DOE) Office of Science on biomass research.

Genomics

The Microbial Genome Sequencing Program has been supported jointly by the NRI and the National Science Foundation (NSF) since fiscal year 2001. The program supports high-throughput sequencing of the genomes of microorganisms and the development and implementation strategies, tools, and technologies to make currently available genome sequences more valuable to the user community. The availability of genome sequences provides the foundation for understanding how microorganisms function and live, and how they interact with their environments and with other organisms. The sequences are available to and used by the investigator community to address issues of scientific and societal importance including: novel aspects of microbial biochemistry, physiology, metabolism, development and cellular biology; the diversity and the roles microorganisms play in complex ecosystems and in global geochemical cycles; the impact that microorganisms have on the productivity and sustainability of agriculture and natural resources (e.g., forestry, soil and water), and on the safety and quality of the Nation's food supply; and the organization and evolution of microbial genomes, and the mechanisms of transmission, exchange and reshuffling of genetic information. This genomic information is also important for the development of new strategies for converting cellulosic biofuel materials into useful and cost-effective energy sources.

In fiscal year 2008, as a result of a reduction in funding by the NSF, this program received a 30 percent cut, to a total of $10 million. The ASM urges Congress to increase support for the USDA genomics initiative to restore it to full funding.

Soil Processes

Since soil sustainability is intrinsically linked to the microbial health of the soil, and the health of soil can directly affect its ability to filter and clean water, a greater understanding of soil microbiology is essential to ensuring sustainability and protecting the Nation's natural resources, soil, water, and the food supply.

The NRI is currently supporting research that will potentially lead to an effective treatment to entrap, remove, or inactivate cryptosporidia oocysts, which persist in soil and water. Cryptosporidia are a potentially fatal protozoan that infects humans, livestock, and wildlife. When an effective control system is developed, it may prove to be effective in dealing with a variety of pathogens, including Salmonella, enteric parasites, and viruses. The ASM urges Congress to increase support for the NRI to continue and expand on opportunities in soil processes research that are critical for human and animal health and environmental well-being.

Conclusion

The ASM urges Congress to increase research funding for the USDA. The ASM is concerned that we are losing ground in the important field of agricultural research. Research in the biological and agricultural sciences is vital to the Nation's ability to meet current and future challenges ranging from the food supply and safety, to cost-effective solutions for energy and environmental challenges.

The ASM appreciates the opportunity to provide written testimony and would be pleased to assist the subcommittee as it considers the fiscal year 2009 appropriation for the USDA.

PREPARED STATEMENT OF THE AMERICAN SOCIETY FOR NUTRITION (ASN)

The American Society for Nutrition (ASN) appreciates this opportunity to submit testimony regarding fiscal year 2009 appropriations for the U.S. Department of Ag-

riculture (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 $1.377 billion for ARS, with $120 million of the total allocated to the Human Nutrition Research program. We request $257 million for the National Research Initiative in fiscal year 2009.

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 health care 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 has not increased in real dollars since 1983! 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 better understand 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 it is 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

USDA has built a program of human nutrition research, housed in six centers (HNRCs)[1] 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. 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. 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.

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 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.

The proposed 10 percent cut to ARS in fiscal year 2009, coupled with flat-funding of the Human Nutrition Research program for over 5 years, seriously jeopardizes the future of the centers, their important research projects, and the critical infra-

[1] 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.

structure provided by the USDA from which the HNRCs and scientists benefit. Specifically, the President has proposed eliminating the center located at Grand Forks, ND. We are concerned about the proposed elimination of this center, as it represents the only HNRC that (1) is located in a major agricultural area; (2) focuses on research in rural areas, where obesity and its co-morbidities, as well as food insecurity, are most prevalent; and (3) partners with Native American communities and tribal colleges to address obesity, diabetes, heart disease and depression in high-need, under-served communities. At a time when the health of our Nation, especially its youth, faces significant challenges largely associated with nutrition and physical activity, we cannot afford to lose any of our HNRCs. In fact, $9 million in additional funds is needed across the six HNRCs to ensure they can continue current research projects and to restore purchasing power lost to inflation over years of flat budgets.

ASN supports the inclusion of $12.2 million in the President's fiscal year 2009 budget proposal for health and obesity prevention research to address the efficacy of the healthful eating and physical activity patterns set forth in the Dietary Guidelines in preventing obesity in the U.S. population. However, funding for this research should not come at the expense of other important ARS nutrition research programs. Rather, this funding should be in addition to that which is allocated to existing research programs.

Another example of the unique nutrition research at ARS is the nutrition monitoring program, "What We Eat in America" (WWEIA). This program allows us to know not only what foods Americans are eating, but also how their diets directly affect their health. 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, the survey data leverages billions of private sector dollars allocated to nutrition labeling, food product development and production. Despite this, WWEIA has been flat-funded at $11.5 million for over 12 years. The USDA budget for WWEIA must be increased two-fold to $23 million. Otherwise, we risk losing this national treasure if we do not restore lost funding and strengthen it for the future.

National Research Initiative competitive grants program

The National Research Initiative (NRI) funds cutting-edge, investigator-initiated agricultural research, supporting research on key issues of timely importance on a competitive, peer-reviewed basis. The NRI aims to improve the Nation's nutrition and health through two objectives: (1) to focus on improving human health by better understanding an individual's nutrient requirements and nutritional value of foods; and (2) to promote research on healthier food choices and lifestyles. Projects funded by the Human Nutrition and Obesity program are leading to a better understanding of the behavioral and environmental factors that influence obesity, and to the development and evaluation of effective interventions. For example, NRI grants have funded nutrition education interventions focusing on the reduction of childhood obesity in low-income families.

Despite an initial authorization of $500 million per year, funding for the NRI has yet to reach $200 million, and less than $20 million was available in 2007 for the Human Nutrition and Obesity program. If America is to maintain the most nutritious, most affordable, and safest food supply in the world, funding levels need to be increased towards the NRI's authorized amount, lest continued neglect undermine the success of these valuable programs. The breadth and competitive nature of the NRI portfolio should be maintained and expanded to ensure this critical investigator-initiated research continues to improve the health of all Americans.

The NRI and the Human Nutrition Research Program under ARS are symbiotic programs that provide the infrastructure and generation of new knowledge that allow 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 NRI Competitive Grants Program in previous years. If we can provide any additional information, please contact Mary Lee Watts, ASN Director of Public Affairs, at (301) 634–71112 or mwatts@nutrition.org.

PREPARED STATEMENT OF THE AMERICAN SOCIETY OF AGRONOMY, CROP SCIENCE SOCIETY OF AMERICA, AND SOIL SCIENCE SOCIETY OF AMERICA

Dear Chairman Kohl, Ranking Member Bennett and Members of the Subcommittee, The American Society of Agronomy, Crop Science Society of America, and Soil Science Society of America (ASA–CSSA–SSSA) are pleased to submit the following funding recommendations for fiscal year 2009. ASA–CSSA–SSSA understand the challenges the Senate Agriculture Appropriations Subcommittee faces with the tight agriculture budget for fiscal year 2009. We also recognize that the Agriculture Appropriations bill has many valuable and necessary components, and we applaud the efforts of the subcommittee to fund mission-critical research through the USDA-Cooperative State, Research, Education and Extension Service as well as its intramural research portfolio funded through the Agricultural Research Service. We are particularly grateful to the subcommittee for funding the National Research Initiative at $191 million in the fiscal year 2008 Omnibus Appropriations bill. For the Agricultural Research Service salaries and expenses, ASA–CSSA–SSSA recommend a funding level of $1.124 billion for fiscal year 2009, a 7 percent increase over the President's recommended fiscal year 2009 ($1.037 billion) funding level and 8.4 percent above fiscal year 2008 enacted. ASA–CSSA–SSSA also recommend a total funding level of $46.752 million (the fiscal year 2008 enacted level) for ARS Buildings and Facilities which would prevent closure of the 11 ARS facilities. For the Cooperative State Research, Education and Extension Service, we recommend a funding level of $753 million, a 5 percent increase over fiscal year 2008 ($688 million). We recommend funding levels stay at $3.4 billion for the Natural Resources Conservation Service in fiscal year 2009. Specifics for each of these and other budget areas follow below.

With more than 25,000 members and practicing professionals, ASA–CSSA–SSSA are the largest life science professional societies in the United States dedicated to the agronomic, crop and soil sciences. ASA–CSSA–SSSA play a major role in promoting progress in these sciences through the publication of quality journals and books, convening meetings and workshops, developing educational, training, and public information programs, providing scientific advice to inform public policy, and promoting ethical conduct among practitioners of agronomy and crop and soil sciences.

AGRICULTURAL RESEARCH SERVICE

ASA–CSSA–SSSA applaud the Agricultural Research Services' (ARS) ability to respond quickly and flexibly to rapidly changing national needs. With more than 22 National Programs, ARS and its 2,100 scientists located at 100 research locations, including a few international facilities, works to ensure that Americans have reliable, adequate supplies of high-quality food and other agricultural products. ARS accomplishes its goals through scientific discoveries that help solve problems in crop and livestock production and protection, human nutrition, and the interaction of agriculture and the environment. Therefore, ASA–CSSA–SSSA strongly oppose the President's fiscal year 2009 proposal to cut ARS funding for salaries and expenses to $1.037 billion, further reducing funding by $91 million (−8 percent from fiscal year 2008 enacted −$1.128 billion), as well as the elimination of 11 ARS facilities totaling more than 354 staff years (more than 4 percent of fiscal year 2008 total staff years), an approximate cut of $33.5 million. These ARS facilities including—Brawley, CA; Brooksville, FL; Watkinsville, GA; Morris, MN; Grand Forks, ND; Coshocton, OH; East Lansing, MI: Lane, OK; University Park, PA; Weslaco, TX; and Laramie, WY—conduct research critical to the development and transfer of solutions to agricultural problems of high national priority and provide information access and dissemination to: ensure high-quality, safe food, and other agricultural products; assess the nutritional needs of Americans; sustain a competitive agricultural economy; enhance the natural resource base and the environment; and provide economic opportunities for rural citizens, communities, and society as a whole. ASA–CSSA–SSSA urge the subcommittee to act judiciously and not implement such drastic funding cuts for this critical intramural research agency. For total Agricultural Research Service budget funding, ASA–CSSA–SSSA recommend a funding level of $1.124 billion for fiscal year 2009, a 7 percent increase over the President's recommended fiscal year 2009 ($1.05 billion) funding level and 8.4 percent above fiscal year 2008 enacted.

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE (CSREES)

ASA–CSSA–SSSA are very concerned with the downward trend in funding for the research component of CSREES's Strategic Objective 6.2: Enhance Soil Quality to

Maintain Productive Working Cropland, which as has seen funding cut from $34.53 million in fiscal year 2007 to $30.293 in fiscal year 2008, a 12.3 percent decrease! Further, ASA–CSSA–SSSA strongly oppose the president's proposal to cut this important research program by an additional 15.4 percent (−$4.67 million) in fiscal year 2009, bringing funding down to $25.62 million.

Hatch and McIntire-Stennis Formula Funding

ASA–CSSA–SSSA understand that the shift of earmarked funds to Hatch formula funding (Hatch formula funding reached a record $322.6 million) and McIntire-Stennis (McIntire-Stennis was funded at $30 million) which occurred in fiscal year 2007, would and did not occur again in fiscal year 2008, with funding reduced to $195 million for Hatch and $25 million for McIntire-Stennis. Nevertheless, the need has never been greater to enhance funding for Hatch and McIntire-Stennis formula funding if we are to maintain the research capacity at our Nation's Land Grant Universities and Colleges of Agriculture necessary to keep American agriculture competitive. Therefore, ASA–CSSA–SSSA strongly oppose the President's fiscal year 2009 budget proposal, which further recommends cuts to both Hatch (to $139 million, a decrease of $56.6 million from 2008 enacted) and McIntire-Stennis (down by $5.3 million to $19.5 million from 2008). ASA–CSSA–SSSA proposes a 10 percent increase in fiscal year 2009 funding levels from fiscal year 2008 levels for Hatch (bringing funding to $215 million) and McIntire-Stennis ($27 million) programs in order to keep America agriculture competitive.

ASA–CSSA–SSSA also oppose the administration's proposal to change the methodology for distributing Hatch formula funds, where 70 percent of funding ($98.3 million) versus 25 percent in fiscal year 2008 will be directed towards a multistate, competitively awarded grants program. As well, we oppose the administration's proposal to change the methodology for distributing McIntire-Stennis formula funds where 67 percent of funding ($13.1 million) versus 25 percent in fiscal year 2008 will be directed towards the multistate, competitively awarded grants program. Such drastic changes would be detrimental to the entire USDA research portfolio. Because of their timing and potential regional and intra-state impacts, much of the infrastructure needed to conduct competitively funded research could be compromised if formula funds were to be redirected as proposed, and could irreparably damage programs housed at each land-grant university. This would mean a huge and potentially damaging loss of national infrastructure to conduct agricultural research. The private sector depends heavily on the agricultural technology and training provided by the U.S. land grant system, and the impact of such a drastic transfer of formula funds to a competitive grants program would affect not only the viability of U.S. industry but also the health and survival of millions of people across the globe. Moreover, investments in formula funded research show an excellent annual rate of return.

Cooperative Extension Service

Extension forms a critical part of research, education and extension program integration, the hallmark of CSREES which is not seen in other agencies. Unfortunately, the Smith Lever 3(b) and 3(c) account has been flat-funded (in constant dollars, this account has seen a gradual erosion in funding), in recent years. ASA–CSSA–SSSA support $474 million (an increase of $17.6 million or 4 percent over fiscal year 2008 enacted, and $42.2 million or 10 percent over the president's fiscal year 2009 recommendations) for the continuing education and outreach activities of the Extension System. Specifically, ASA–CSSA–SSSA support $300 million for Smith-Lever Formula 3(b) & (c), an increase of $26.8 million or 10 percent over fiscal year 2008 enacted.

National Research Initiative

ASA–CSSA–SSSA strongly endorse the President's proposed fiscal year 2009 budget increase of $66 million for the National Research Initiative Competitive Grants Program (NRI) which would bring total funding for this important research program to a record $257 million in fiscal year 2009. However, we do not support the President's proposal to transfer Hatch funding or $42.3 million in funding from Sec 406 (Integrated Research, Education, and Extension program) into the NRI. This transfer may result in the loss of critical programs such as the Organic Transitions Program. ASA–CSSA–SSSA do support the administration's proposal to include additional funding of $19 million for the Departments' bioenergy and biobased fuels research initiative.

ASA–CSSA–SSSA request that any new monies appropriated for the NRI, as requested by the administration, allow the Secretary the discretion to apply up to 30 percent towards carrying out the NRI integrated research, extension and education competitive grants program.

Sustainable Agriculture Research and Education Programs.—ASA–CSSA–SSSA applaud the subcommittee for the 17 percent increase in fiscal year 2008 SARE funding; however we oppose the administration's request to cut funding for SARE by more than $5.2 million. At a minimum, the subcommittee should continue to fund SARE at the fiscal year 2008 enacted level of $14.4 million.

Organic Farming Transition Program.—ASA–CSSA–SSSA urge the subcommittee to fund the Organic Farming Transition Program at $5.0 million in fiscal year 2009, rejecting the President's proposed transfer of the program.

Indirect Costs.—ASA–CSSA–SSSA applaud the administration's proposal to eliminate the indirect cost cap on the NRI which will broaden its appeal by putting the NRI on equal footing with other Federal competitive grants programs such as those of NSF and NIH. However, we are concerned that new funding was not provided to cover this change, which would effectively result in either fewer grants being awarded, or actual research monies reduced.

Agrosecurity.—ASA–CSSA–SSSA endorse the administration's request ($2.0 million) for the Agrosecurity Curricula Development, which we consider to be a critical new initiative. Recent security threats facing America require new and expanded agricultural research to protect our Nation's natural resources, food processing and distribution network, and rural communities that will secure America's food and fiber system.

Higher Education.—ASA–CSSA–SSSA urge the subcommittee to fund the Institution Challenge Grants at $6.7 million which will restore some of the funding lost due to the 2006 rescission and 2007 Continuing Resolution. We applaud the administration's budget request of $4.4 million for the Graduate Fellowships Grants.

NATURAL RESOURCES CONSERVATION SERVICE

Conservation Security Program

The Conservation Security Program provides financial and technical assistance to producers who advance the conservation and improvement of soil, water, air, energy, plant and animal life, and other conservation purposes on Tribal and private working lands. Since 2004, over 22.4 million collective acres of soil management activities have resulted in an increase of over 11 millions tons of carbon sequestration on over 22.4 million collective acres. ASA–CSSA–SSSA urge the subcommittee to fund this important working lands conservation program as an uncapped mandatory program, as intended in the 2002 Farm Bill legislation.

Environmental Quality Incentives Program

The Environmental Quality Incentives Program provides technical assistance to eligible farmers and ranchers to address soil, water, air, and related natural resource concerns on their lands in an environmentally beneficial and cost-effective manner. ASA–CSSA–SSSA oppose the president's proposed $201 million cut which would bring total funding for EQIP down to $1.05 billion.

MARKETING AND REGULATORY PROGRAM

Animal and Plant Health Inspection Service

In a strengthening global economy, it is essential the government take action to prevent disease transference from non-native soils. ASA–CSSA–SSSA endorse the President's proposed increase of the Plant and Disease Exclusion program to $398 million.

Bioenergy

Impacts from increased biofuel production will not only impact soil and water resources, but also agricultural markets. Therefore ASA–CSSA–SSSA commend the President's proposed increase of $0.4 million for the Economic Research Service and $1.8 million for the National Agricultural Statistics Service to study the potential effects and monitoring of biofuel expansion.

A balance of funding mechanisms, including intramural, competitive and formula funding, is essential to maintain the capacity of the United States to conduct both basic and applied agricultural research, improve crop and livestock quality, and deliver safe and nutritious food products, while protecting and enhancing the Nation's environment and natural resources. In order to address these challenges and maintain our position in an increasingly competitive world, we must continue to support research programs funded through the Agricultural Research Service and Cooperative State Research, Education, and Extension Service. Congress must enhance funding for agricultural research to assure Americans of a safe and nutritious food supply and to provide for the next generation of research scientists. According to the USDA's Economic Research Service (Agricultural Economic Report Number

735), publicly funded agricultural research has earned an annual rate of return of 35 percent. This rate of return suggests that additional allocation of funds to support research in the food and agricultural sciences would be beneficial to the U.S. economy. We must also continue support for CSREES-funded education programs which will help ensure that a new generation of educators and researchers is produced. Finally, we need to ensure support for CSREES-funded extension programs to guarantee that these important new tools and technologies reach and are utilized by producers and other stakeholders.

As you lead the Congress in deliberation on funding levels for agricultural research and conservation, please consider American Society of Agronomy, Crop Science Society of America, and Soil Science Society of America as supportive resources. We hope you will call on our membership and scientific expertise whenever the need arises. Thank you for your thoughtful consideration of our requests. For additional information or to learn more about the American Society of Agronomy, Crop Science Society of America and Soil Science Society of America (ASA–CSSA–SSSA), please visit www.agronomy.org, www.crops.org or www.soils.org or contact ASA–CSSA–SSSA Director of Science Policy Karl Glasener (kglasener@agronomy.org, kglasener@crops.org, or kglasener@soils.org).

PREPARED STATEMENT OF THE ANIMAL WELFARE INSTITUTE

ANIMAL AND PLANT HEALTH INSPECTION SERVICE (APHIS)/ANIMAL WELFARE ACT (AWA) ENFORCEMENT

Administration Request—$21.522 Million—SUPPORT

Over the past decade, the Committee has responded to the urgent need for increased funding for the Animal Care program (AC) to improve its inspections of more than 14,000 sites, including commercial breeding facilities, laboratories, zoos, circuses, and airlines, to ensure compliance with AWA standards. AC now has 105 inspectors, compared to 64 inspectors at the end of the 1990s. In 2006, they conducted more than 20,000 inspections, involving over 1 million animals in research facilities alone. This budget request of $21,522,000 will sustain the progress that has been made, as well as enable AC to hire more inspectors to handle its burgeoning responsibilities as the number of licensed/registered facilities continues to increase.

APHIS/INVESTIGATIVE AND ENFORCEMENT SERVICES

Administration Request—$13.694 Million—SUPPORT

APHIS' Investigative and Enforcement Services division is essential to meaningful enforcement of the AWA. Among other things, it investigates alleged violations of the AWA and undertakes appropriate enforcement action. Of the $13,694,000 for IES in the President's budget, $725,000 will be used to improve enforcement of federal animal welfare laws. The volume of animal welfare cases is rising significantly as new facilities become licensed and registered and AC is able to conduct more inspections.

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

Administration Request—$0 OPPOSE NEEDED—$1.8 Million Line Item

It is disturbing that the President's budget proposes elimination of the Animal Welfare Information Center. This would be a serious mistake that would adversely impact the welfare of animals used in research—and the quality of the research produced using animals. AWIC's services are vitally important to the Nation's biomedical research enterprise because they facilitate compliance with specific requirements of the federal animal welfare regulations and policies governing animal-related research.

In fact, the AWIC was established by Congress under the Improved Standards for Laboratory Animals Act (the 1985 amendment to the Animal Welfare Act) to serve as a clearinghouse, training center, and educational resource for institutions using animals in research, testing and teaching. The Center is the single most important resource for helping personnel at more than 1,200 U.S. research facilities meet their responsibilities under the AWA. Supported by a modest funding level, its services are available to all individuals at these institutions, including cage washers, animal technicians, research investigators, attending veterinarians, Institutional Animal Care and Use Committee (IACUC) representatives and the Institutional Official.

AWIC provides data on alleviating or reducing pain and distress in experimental animals (including anesthetic and analgesic procedures), reducing the number of

animals used for research where possible, identifying alternatives to the use of animals for specific research projects, and preventing the unintended duplication of animal experiments. The Center collects, updates, and disseminates material on humane housing and husbandry, the functions and responsibilities of IACUCs, animal behavior, improved methodologies, psychological well-being of primates, and exercise for dogs.

There is general consensus between the biomedical research industry (including the National Association for Biomedical Research) and the animal welfare community about the need for increased funding. A number of individuals representing these disparate interests have endorsed the request for $1.8 million in funding for AWIC, see ttp://www.awionline.org/pdf/Senate_AG_AWIC_SignOnMar08.pdf. The AWIC helps to improve the conduct of research, including the care provided to the animals who are used, thereby ensuring a reduction in variables that might skew the research. Better science is the end result.

The AWIC website (http:www.nal.usda.gov/awic) is one of the most accessed sites at the NAL, with over 4 million hits in fiscal year 2007, a 10 percent increase over fiscal year 2006. It provides valuable information on issues of importance not only to the science community but also to the agriculture and public health communities, including BSE and avian influenza, two of the top areas of inquiry for visitors to its website. In fiscal year 2007, in addition to hundreds of millions of kbytes of information downloaded from the website, more than 70,000 hard copies, paper and CD, were distributed as well. In fact, the number of CDs distributed increased 46 percent between fiscal year 2006 and fiscal 2007. AWIC staff provided over 1,300 personal reference services. They conducted 10 formal "IACUC 101" training workshops. Twenty-five exhibitions and/or presentations were conducted at such venues as the 6th World Congress on the Use of Animals in Research, Teaching, and Testing (Japan 2007), American Association for Laboratory Animal Science (AALAS) annual meeting, Society of Neuroscience, New Jersey Association for Biomedical Research, American Veterinary Medical Association, International Conference on Environmental Enrichment, American Association for the Advancement of Science and, Scientists Center for Animal Welfare meetings, and the Public Responsibility in Medicine and Research annual meeting.

We greatly appreciate Congress' past support for AWIC to carry out its programs. Given its indispensability not only to assisting with compliance with the AWA but also to providing up-to-date information on a range of issues, from BSE to primate enrichment, that are critical to the scientific and agricultural communities, we recommend that AWIC be listed as a separate line item. We urge Congress to reject ARS' attempt to eliminate AWIC. On the contrary, it is essential to provide an appropriation of $1.8 million in fiscal year 2008 for desperately needed expansion to meet growing demand for AWIC's expertise on two fronts.

First, as evidenced by the findings of an Office of Inspector General (OIG) audit, "APHIS Animal Care Program Inspection and Enforcement Activities," there has been an increase in apparent violations of the AWA by research facilities over the past few years. There appears to be a significant problem with the oversight of IACUCs and the audit recommends training for IACUC members. In response to this need, we are requesting funds to allow AWIC to do the following:

—Continue to conduct workshops at locations around the country rather than being limited to conducting them only from the Center's base in Maryland.
—Hold a symposium on AWA requirements for IACUC nonaffiliated members (i.e., members from the community charged with representing the communities' concerns for the welfare of the animals).
—Work with Animal Care more closely to identify and assist those licensees and registrants that are cited for AWA violations most frequently.

Second, increased funding is also necessitated by the expansion of AWIC's mandate to include the broader industry regulated under the Animal Welfare Act: animal dealers, carriers and handlers, zoos and other exhibitors. Other topics covered by the Center include animal diseases, animal models, animal training, and environmental enrichment for all species. Animal Care's veterinary medical officers and animal care inspectors are able to utilize the full range of services provided by the AWIC to better fulfill their responsibilities. The AWIC also works closely with both Animal Care and with Emergency Veterinary Services on emerging crises such as the highly pathogenic Avian Influenza. The Center is focused on transmissible spongiform encephalopathy, exotic Avian Newcastle disease, tuberculosis, West Nile Virus and microbacterial diseases.

Among other endeavors, the $1.8 million would be used as follows: To support the addition of two much-needed positions whose jobs would be to expand the content of the Center's database and make it more user-friendly and searchable; exhibitions at major scientific conferences, including underserved areas of the country; work-

shops, in conjunction with Animal Care, to assist licensees and registrants frequently cited for AWA violations; informational workshops at research institutions across the country and locally at the Center; training for the NAL staff; acquisition of, including electronic access to, data; and the overhead that must be provided to the Agricultural Research Service and the National Agricultural Library.

It is ironic that at the same time as the administration calls for eliminating AWIC, it seeks additional funding for the Agricultural Network Information Center (AgNIC), which provides "quick and reliable access to quality agricultural information and sources" and in which AWIC is a key partner and participant. The budget also proposes to improve information services for veterinary practitioners, but, by zeroing out AWIC, it in fact deprives those same veterinary practitioners—from those who treat companion animals and farm animals to those who are responsible for the welfare of research animals—of a vital and heavily utilized resource.

Overall, ARS seeks "an increase of $1 million for the continued improvement and expansion of products and services delivered by the National Agricultural Library . . ." In fulfilling its Congressional mandate, AWIC serves this purpose effectively and efficiently and meets Performance Measure 2.1, which requires that the services and collections of the NAL continue to meet the needs of its customers. AWIC's value to the research community, other entities that must comply with the Animal Welfare Act, and the general public justifies not elimination but rather this modest proposed increase in its budget and its designation as a separate line item in the budget.

APHIS/ANIMAL CARE'S ENFORCEMENT OF THE HORSE PROTECTION ACT (HPA)

Administration Request—$499,000—Support

Additional Request of $251,000, plus a one-time infusion of $1 million

More than 35 years ago Congress adopted the HPA, yet soring of Tennessee Walking Horses continues to be a widespread problem. Soring is defined by APHIS as "the application of any chemical or mechanical agent used on any limb of a horse or any practice inflicted upon the horse that can be expected to cause it physical pain or distress when moving." Horses are sored to produce an exaggerated gait, which is considered attractive by certain sectors of the equestrian community, despite the pain it causes to the horses in question.

The most effective method to reduce soring and the showing of sored horses are to have Animal Care (AC) inspectors present at the shows where sored horses are exhibited to enforce the HPA (under which civil and criminal penalties may be assessed). Oftentimes, as soon as an AC inspector arrives at such a show, there is a rush to put horses back into trailers and haul them away so that any signs of soring cannot be detected. If the likelihood that an AC inspector will show up increases significantly, this will have a huge deterrent effect on those who routinely sore their horses. Yet AC was able to attend just 32 of 865 events in fiscal year 2004 (the last year for which we have comprehensive figures)—less than 4 percent of all shows.

In fact, lack of financial support has made it necessary for Animal Care to rely heavily on the Tennessee Walking Horse industry to assume responsibility for enforcement of the HPA. This is the very same industry that created the need for the HPA and has turned a blind eye to compliance with the law since its passage in 1970. Under the Act "Designated Qualified Persons" (DQPs) are assigned by USDA as "inspectors" from industry to assist AC in identifying sored horses and pursuing action against the individuals who are responsible. The history of the DQPs reveals their failure to achieve the level of enforcement of the unbiased, well-trained, professional inspectors who work for AC, as illustrated by radically different enforcement rates: In 2004 and 2005, the rate of violations cited at a variety of horse shows was as much as 23 times higher under USDA inspections versus DQP inspections.

According to USDA, in 2005, of the samples taken by a gas chromatography machine (used to test for use of illegal substances to sore horses) at the Kentucky Celebration horse show, 100 percent indicated the presence of diesel fuel or another similar fuel plus numbing agents. Clearly the law is not being taken seriously by the industry.

In September 2006, having ignored repeated warnings from USDA that too many horses were showing signs of soring, organizers eventually canceled the Shelbyville (TN) Celebration, the prestige event in the walking horse industry, after USDA inspectors disqualified seven of the ten finalists because of soring. This was an unprecedented action by AC and is a testament to USDA's commitment to vigorous enforcement of the HPA, despite threats to its inspectors and insufficient resources.

Currently just eighteen individuals are disqualified from exhibiting horses under the HPA. Further, the amount of penalties assessed for violations of the law has dropped to a negligible amount. In addition to increasing the presence of inspectors,

USDA must increase the penalties that it assesses or the industry will continue to defy the law with impunity. Congress should direct USDA to take this step and authorize the funds to enable such enforcement.

An appropriation of at least $750,000 ($251,000 above the amount included in the President's Budget) is essential in fiscal year 2009 to permit AC to increase attendance at shows to ensure compliance with the Horse Protection Act. USDA also needs a one-time allocation of $1 million to purchase additional equipment, such as digital radiography machines to take radiographs of the hoof to detect changes indicative of pressure-shoeing; and algometers, which apply consistent pressure during the examination process. Adding these machines to the inspectors' tools for verifying the use of soring techniques further enhances the objectivity and consistency of the evidence obtained.

STRENGTHENED ENFORCEMENT OF HUMANE METHODS OF SLAUGHTER ACT (HMSA) BY THE FOOD SAFETY AND INSPECTION SERVICE (FSIS)

Congress has provided generous support for enforcement of the HMSA beginning in 2001. Yet a new report, Crimes Without Consequences: The Enforcement of Humane Slaughter Laws in the United States, http://www.awionline.org/farm/humane_slaughter_report.htm, demonstrates the low priority FSIS places on humane treatment of animals at slaughter. Further, it would appear that despite the clear direction that monies should be used to hire new staff to work in the slaughter plants observing the handling, stunning and slaughter of live animals, FSIS has failed to do so. Seventeen veterinarians were hired by FSIS with funding from Congress, but the majority of their time is spent on other tasks.

Animals are suffering needlessly because FSIS is not assigning individuals the sole responsibility of HMSA enforcement and placing them full-time (not full-time equivalent) in the plants where they can remain focused on assuring the welfare of live animals and immediately respond by stopping the line if they observe any apparent violations of the law. Egregious acts are occurring that could be prevented by a solid FSIS presence. Live conscious animals are being shackled, hoisted and cut or rolled into scalding tanks. An inspector in Missouri noted a hog whose feet had been removed, yet the animal was moving and appeared to be gasping for breath. Another inspector in an Arkansas plant noted that: "At approximately 1:00 p.m. [a Holstein cow] had a 1 cm hole in its forehead from a captive bolt stunner. At 1:10 p.m. the cow had not been moved and was breathing regularly. An establishment employee tried to re-stun the animal twice but the hand held captive bold stunner did not fire."

Between 2002 and 2005, only 42 enforcement actions beyond issuances of deficiency reports for noncompliances with humane slaughter laws were taken. Crimes are going undetected, unrecognized or merely unreported—and even in the case of those that are reported, appropriate remedial action may not be taken. For the period October 1, 2006 to September 30, 2007, humane handling and slaughter was the subject of only 1.9 percent of all USDA verification procedures, 0.6 percent of all noncompliance records, and 17 percent of all plant suspensions.

We oppose the installation of cameras in plants as an alternative to the presence of inspectors. Cameras cannot possibly catch all of the activity including the movement of animals off of trucks and through the stunning and slaughter process. Some plants have multiple lines and multiple shifts of employees. Who is going to watch all of the footage? And if violations occur, by the time they are noted it will be too late to help the animals who have already suffered before being killed. This proposal sounds more like a desperate attempt to dupe the public into believing that the problem has been taken care of, rather than a real solution.

Additional funding might permit the hiring of full-time inspectors devoted to ensuring humane treatment of live animals. However, does FSIS have the will? We are gravely concerned that it does not.

PREPARED STATEMENT OF THE COALITION ON FUNDING AGRICULTURAL RESEARCH MISSIONS

The Coalition on Funding Agricultural Research Missions (CoFARM) appreciates the opportunity to submit testimony on the fiscal year 2009 appropriation for the United States Department of Agriculture (USDA). CoFARM is a coalition of 24 professional scientific organizations with over 200,000 members dedicated to advancing and sustaining a balanced investment in our Nation's research portfolio.

The USDA sponsors research and education programs which contribute to solving agricultural problems of high national priority and ensuring food availability, nutrition, quality and safety, as well as a competitive agricultural economy. Agriculture

faces new challenges, including threats from emerging infectious diseases in plants and animals, climate change, and public concern about food safety and security. It is critical to increase the visibility and investment in agriculture research to respond to these challenges. We are concerned that the NRI has suffered from flat funding since fiscal year 2007. We urge the subcommittee to provide a 10 percent increase for the NRI in fiscal year 2009. CoFARM recommends $270 million for the NRI in fiscal year 2009.

This recommended funding level will provide a 10 percent, $19 million, increase for the NRI base programs, and cover the directed funding included in the fiscal year 2009 administration request of $42 million for the proposed transfer of integrated programs, and $19 million for bioenergy research. A 10 percent increase to the NRI will (1) restore funding to this important program; (2) restore lost purchasing power that this erosion of funding has caused; and (3) provide investments that begin to truly meet the food, energy, and environmental challenges facing the Nation.

USDA National Research Initiative Competitive Grants Program

The National Research Initiative Competitive Grants Program (NRI) was established in 1991 in response to recommendations outlined in the report, Investing in Research: A Proposal to Strengthen the Agricultural, Food and Environmental System, by the National Research Council's (NRC) Board of Agriculture. This report called for increased funding by USDA of high priority research through a competitive peer-review process directed at:

—Increasing the competitiveness of U.S. agriculture.
—Improving human health and well-being through an abundant, safe, and high-quality food supply.
—Sustaining the quality and productivity of the natural resources and the environment upon which agriculture depends.

Stakeholders of the research community continue their interest in and support of the NRI, which is reflected in two subsequent NRC reports, Investing in the National Research Initiative: An Update of the Competitive Grants Program of the U.S. Department of Agriculture, published in 1994, and National Research Initiative: A Vital Competitive Grants Program in Food, Fiber, and Natural Resources Research, published in 2000.

Today, the NRI, housed within USDA's Cooperative State Research, Education, and Extension Service (CSREES), supports research on key problems of national and regional importance in biological, environmental, nutritional, physical, and social sciences relevant to agriculture, food, health and the environment on a peer-reviewed, competitive basis. Additionally, NRI enables USDA to develop new partnerships with other Federal agencies that advance agricultural science like its current collaborations between NRI and DOE and NSF.

The NRI funds the most cutting-edge agricultural research within the United States. In the September 2007 report, "Economic Returns to Public Agriculture Research," The USDA Economic Research Service (ERS) reviewed over 35 economic studies of the social rate of return to investments in agriculture. The report shows the average rate of return on public investment in agriculture research is 45 percent or for every dollar spent on agricultural research, the return is approximately $10. These returns are shared by all levels of the industry, from producers to consumers. However, if America is to maintain the most abundant, most affordable, and safest food supply in the world, funding levels need to be increased towards the NRI's authorized amount of $500 million.

Because of the federal investment made since 1991, we have gained valuable new knowledge in areas such as:

Food Safety and Nutrition

—USDA funded competitive research has supported studies to understand incentives for firms to adopt food safety controls and industry response to losses when products are recalled for food safety violations.
—USDA supported scientists identified a safe and effective new sanitizer (SANOVA) that achieved a 5-log reduction of E. coli, Listeria, and Salmonella on produce even in the presence of large organic loads. The researchers optimized sanitation treatment procedures to ensure good quality of shredded carrot and fresh-cut lettuce while maintaining the effective killing power of the sanitizer. This research is critical considering there are approximately 76 million foodborne illness cases in the United States per year and the findings from this research is especially useful to the fresh produce industry as they provide practical information in selecting a suitable sanitizer to maintain microbial safety and quality of fruits and vegetables.

—Iowa State University researchers have studied fatty acid composition in beef and dairy cattle through a NRI funded grant. They have discovered a single nucleotide polymorphism that is correlated to content of C14–O (myristic acid, the most atherogenic of saturated fatty acids) of beef. Thus, the marker in the throesterase domain in fatty acid synthase gene can be used to select for healthier beef.

—University of Illinois scientists are involved with the assessment of general risk posed from transgenic animals, which is important to their future contributions to society. Identification of potentially harmful properties of transgenic livestock is the initial step in a risk assessment. Direct and indirect impacts of potential harmful properties of transgenic livestock are being evaluated at three levels: (1) characterization of how the transgene, the transgene product, and the transgenic livestock behave in their immediate environment, that is, in their barn or pen, (2) determination of possible impacts of large scale release of transgenic livestock, that is, if they were to be integrated into the larger population of food animal livestock, and (3) determination of the more complex environmental and safety consequences of their release into the livestock population. This study will determine whether a mammary specific transgene, bovine a-lactalbumin (Ba–LA) is expressed in tissues other than the mammary gland and whether the transgene (Tg) itself, the transgenic RNA or the transgenic protein cross over into non-transgenic (C) animals under various physiological and physical conditions.

Renewable Energy and Fuels

—In a time of volatile gasoline prices, USDA dollars have helped provide economic and policy analyses for specific renewable energy technologies and will estimate national impacts of certain renewable energy policy alternatives.

—An April 2005 joint study of the U.S. Departments of Energy and Agriculture found that with continued advances in research there will be enough renewable biomass grown in the United States to meet more than one-third of the current demand for transportation fuels in the Nation, without diverting from food crop production.[1] With advances in plant and microbial research, land in every state in the Nation could be used to grow plants that produce clean-burning cellulosic ethanol resulting in decreased dependence on foreign oil, reduction of the trade deficit, reduced emissions of stored greenhouse gases, revitalized rural economies and strengthened national security.

Plant and Animal Health and Well-Being

—Pennsylvania researchers are developing rapid diagnostic tests to curb avian influenza, a disease that could cripple the state's $700 million poultry industry.

—Entomologists and Nematologists developed a vaccine for the protection of cattle from the horn fly, a major insect pest in many parts of the world costing the North American cattle industry alone more than $1 billion annually.

—Iowa State University researchers studied fatty liver syndrome in dairy cattle. They found that daily injections of glucagon can be used to prevent and treat fatty liver in transition dairy cows. A patent has been issued for this technology.

Waste Remediation

—Researchers in Florida have tested a common fern's ability to soak up arsenic, a cancer-causing heavy metal, from contaminated soils. The market for plant-based remediation of wastes is estimated to be $370 million in 2005.

The NRI supports research on key issues of timely importance relevant to agriculture, economics, energy, the environment, food, and nutrition on a competitive, peer-reviewed basis. CoFARM encourages you to help move American agricultural research forward through your strong fiscal support of the USDA NRI program.

We urge you to provide $270 million for the NRI in fiscal year 2009, which will help to continue to boost the American agricultural enterprise and improve our economy by increasing food safety, boosting production, protecting the environment, finding new uses for renewable resources, and enhancing food itself so that food and agricultural systems contribute to a stronger and more healthful society. Research programs in nutrition and food science help to ensure high-quality, safe, and affordable food for consumers, and contribute to the success of a food and agricultural system that creates jobs and income in the United States.

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[1] "Biomass as Feedstock for a Bioenergy and Bioproducts Industry: The Technical Feasibility of a Billion-Ton Annual Supply, April 2005" http://www1.eere.energy.gov/biomass/pdfs/final_billionton_vision_report2.pdf

CoFARM appreciates the opportunity to provide written testimony and would be pleased to assist the subcommittee as the Department of Agriculture bill is considered throughout the appropriations process. Please contact the Chair, Whitney Tull, at wtull@asmusa.org with any questions.

PREPARED STATEMENT OF THE COLORADO RIVER BASIN SALINITY CONTROL PROGRAM

The Congress concluded that the Colorado River Basin Salinity Control Program (Program) should be implemented in the most cost-effective way. Realizing that agricultural on-farm strategies were some of the most cost-effective strategies, the Congress authorized a program for the United States Department of Agriculture (USDA) through amendment of the Colorado River Basin Salinity Control Act in 1984. With the enactment of the Federal Agriculture Improvement and Reform Act of 1996 (FAIRA), the Congress directed that the Program should continue to be implemented as one of the components of the Environmental Quality Incentives Program (EQIP). Since the enactment of the Farm Security and Rural Investment Act (FSRIA) in 2002, there have been, for the first time in a number of years, opportunities to adequately fund the Program within the EQIP. Now it is anticipated that Congress will this year with the passage of a new Farm Bill further define how the Colorado River Basin States can cost share in a newly designated "Basin States Program."

The Program, as set forth in the Colorado River Basin Salinity Control Act, is to benefit Lower Basin water users hundreds of miles downstream from salt sources in the Upper Basin as the salinity of Colorado River water increases as the water flows downstream. There are very significant economic damages caused by high salt levels in this water source. Agriculturalists in the Upper Basin where the salt must be controlled, however, don't first look to downstream water quality standards but look for local benefits. These local benefits are in the form of enhanced beneficial use and improved crop yields. They submit cost-effective proposals to the State Conservationists in Utah, Wyoming and Colorado and offer to cost share in the acquisition of new irrigation equipment. The Colorado River Basin Salinity Control Act provides that the seven Colorado River Basin States will also cost share with the Federal funds for this effort. This has brought together a remarkable partnership.

After longstanding urgings from the States and directives from the Congress, the USDA has concluded that this program is different than small watershed enhancement efforts common to the EQIP. In this case, the watershed to be considered stretches more than 1,200 miles from the river's headwater in the Rocky Mountains to the river's terminus in the Gulf of California in Mexico and receives water from numerous tributaries. The USDA has determined that this effort should receive a special funding designation and has appointed a coordinator for this multi-state effort.

In recent fiscal years, the Natural Resources Conservation Service (NRCS) has directed that over $19 million be used for the Program. The Colorado River Basin Salinity Control Forum (Forum) appreciates the efforts of the NRCS leadership and the support of this subcommittee. The plan for water quality control of the Colorado River was prepared by the Forum, adopted by the States, and approved by the United States Environmental Protection Agency (EPA). 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. Over the last 3 fiscal years, for the first time, funding almost reached the needed level. State and local cost-sharing is triggered by the Federal appropriation. In fiscal year 2008, it is anticipated that the states will cost share with about $8.3 million and local agriculture producers will add another $7.5 million. Hence, it is anticipated that in fiscal year 2008 the State and local contributions will be 45 percent of the total program cost.

Over the past few years, the NRCS has designated that about 2.5 percent of the EQIP funds be allocated to the Colorado River salinity control program. The Forum believes this is the appropriate future level of funding as long as the total EQIP funding nationwide is around $1 billion. Funding above this level assists in offsetting pre-fiscal year 2003 funding below this level. The Basin States have cost sharing dollars available to participate in funding on-farm salinity control efforts. The agricultural producers in the Upper Basin are waiting for their applications to be considered so that they might improve their irrigation equipment and also cost share in the Program.

Overview

The Program was authorized by the Congress in 1974. The Title I portion of the Colorado River Basin Salinity Control Act responded to commitments that the United States made, through a Minute of the International Boundary and Water Commission, to Mexico specific to the quality of water being delivered to Mexico below Imperial Dam. Title II of the Act established a program to respond to salinity control needs of Colorado River water users in the United States and to comply with the mandates of the then newly-enacted Clean Water Act. This testimony is in support of funding for the Title II program.

After a decade of investigative and implementation efforts, the Basin States concluded that the Salinity Control Act needed to be amended. The Congress agreed and revised the act in 1984. That revision, while keeping the Department of the Interior as lead coordinator for Colorado River Basin salinity control efforts, also gave new salinity control responsibilities to the USDA. The Congress has charged the administration with implementing the most cost-effective program practicable (measured in dollars per ton of salt controlled). It has been determined that the agricultural efforts are some of the most cost-effective opportunities.

Since Congressional mandates of 3 decades ago, much has been learned about the impact of salts in the Colorado River system. The Bureau of Reclamation (Reclamation) has conducted studies on the economic impact of these salts. Reclamation recognizes that the damages to United States water users alone are hundreds of millions of dollars per year.

The Forum is composed of gubernatorial appointees from Arizona, California, Colorado, Nevada, New Mexico, Utah and Wyoming. The Forum has become the seven-state coordinating body for interfacing with Federal agencies and the Congress in support of the implementation of the Salinity Control Program. In close cooperation with the EPA and pursuant to requirements of the Clean Water Act, every 3 years the Forum prepares a formal report evaluating the salinity of the Colorado River, its 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 river system in 1972 at Imperial Dam, and below Parker and Hoover Dams.

In setting water quality standards for the Colorado River system, the salinity concentrations at these three locations in 1972 have been identified as the numeric criteria. The plan necessary for controlling salinity and reducing downstream damages has been captioned the "Plan of Implementation." The 2005 Review of water quality standards includes an updated Plan of Implementation. In order to eliminate the shortfall in salinity control resulting from inadequate Federal funding for a number of years from the USDA, the Forum has determined that implementation of the Program needs to be accelerated. The level of appropriation requested in this testimony is in keeping with the agreed upon plan. If adequate funds are not appropriated, significant damages from the higher salt concentrations in the water will be more widespread in the United States and Mexico.

Concentrations of salts in the river cause $330 million in quantified damages and significantly more in unquantified damages in the United States and result in poorer quality water being delivered by the United States to Mexico. 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

—increased use of imported water for leaching and cost of desalination and brine disposal for recycled water.

For every 30 mg/L increase in salinity concentrations, there is $75 million in additional damages in the United States. The Forum, therefore, believes implementation of the USDA program needs to be funded at 2.5 percent of the total EQIP funding.

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.

State Cost-Sharing and Technical Assistance

The authorized cost sharing by the Basin States, as provided by FAIRA, was at first difficult to implement as attorneys for the USDA concluded that the Basin States were authorized to cost share in the effort, but the Congress had not given the USDA authority to receive the Basin States' funds. After almost a year of exploring every possible solution as to how the cost sharing was to occur, the States, in agreement with Reclamation, State officials in Utah, Colorado and Wyoming and with NRCS State Conservationists in Utah, Colorado and Wyoming, agreed upon a program parallel to the salinity control activities provided by the EQIP wherein the States' cost sharing funds are being contributed and used. We now have several years of experience with that program.

The Salinity Control Act designates that the Secretary of the Interior provide the coordination for the Federal agencies involved in the salinity control program. That responsibility has been delegated to the United States Bureau of Reclamation (BOR). BOR administers the Basin States cost sharing funds that have been used in the Parallel Program. The BOR requested that there be enacted clearer authority for the use of these funds. In response, there is a provision in the Farm Bill now under consideration that would create a "Basin States Program" that will replace the Parallel Program.

With respect to the use of Basin States' cost sharing funds in the past, the Basin States felt that it was most essential that a portion of the Program be associated with technical assistance and education activities in the field. Without this necessary support, there is no advanced planning, proposals are not well prepared, assertions in the proposals cannot be verified, implementation of contracts cannot be observed, and valuable partnering and education efforts cannot occur. Recognizing these values, the "parallel" State cost sharing program has expended 40 percent of the funds available on these needed support activities made possible by contracts with the NRCS.

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 2009. 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.

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 million 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 require-

ments of the Clean Water Act (Public Law 92–500), every three 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 2005 titled: 2005 Review, Water Quality Standards for Salinity, Colorado River System (2005 Review). The plan necessary for controlling salinity and reducing downstream damages has been captioned the "Plan of Implementation." The 2005 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 Forum suggests that this is an appropriate level of funding as long as it does not drop below $20 million. Funding above this level assists in offsetting pre-fiscal year 2003 funding below this level. The Colorado River Board supports the recommendation of the Forum and urges this subcommittee to support funding for the Colorado River Basin Salinity Control Program for 2009 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 2009, 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.

PREPARED STATEMENT OF THE COLORADO RIVER COMMISSION OF NEVADA

Dear Chairman Kohl: As a Nevada representative of the Colorado River Basin Salinity Control Forum, the Colorado River Commission of Nevada (CRC) is writing in support of full funding of the Department of Agriculture's fiscal year 2009 appropriations for the Environmental Quality Incentives Program (EQIP) and recommends that this Committee advise the administration that 2.5 percent of the EQIP funds be designated for the Colorado River Basin Salinity Control Program. The CRC believes this is the appropriate future level of funding as long as the total EQIP funding nationwide is around $1 billion.

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.

PREPARED STATEMENT OF EASTER SEALS

Easter Seals appreciates the opportunity to report on the notable accomplishments of the USDA Cooperative State Research, Education, and Extension Service (CSREES) AgrAbility Program and request that funding for the AgrAbility Program be increased to $5 million in fiscal year 2009. We are also pleased to request a $2 million appropriation for the Grants for Expansion of Employment Opportunities for Individuals with Disabilities in Rural Areas within USDA Rural Development. We are also pleased to share information about other areas where we support USDA activity to provide services to rural residents with disabilities.

AGRABILITY

What is AgrAbility?

The AgrAbility Program is an essential, unduplicated, hands-on resource for farmers, ranchers, and farmworkers with disabilities and their families. AgrAbility is the only USDA program dedicated exclusively to helping agricultural producers with disabilities. It demonstrates the value of public-private partnership by securing donations of funds, talent, and materials to magnify the impact of a modest Federal investment. The fiscal year 2008 appropriation of $4.759 million is funding 21 projects serving 24 States.

AgrAbility is a program authorized through a provision in the 1990 Farm Bill that provides information and technical assistance to farmers, ranchers, and farmworkers with disabilities. Congress began funding the project in 1991 and has continued to do so each year since. The U.S. Department of Agriculture Cooperative State Research, Education, and Extension Service (CSREES)—a network that links research, science, and technology to meet the needs of people where they live and work—administers the AgrAbility Program. CSREES awards program funds though a competitive grant process to land-grant universities that have partnered with at least one nonprofit disability service provider to provide education and assistance to agricultural workers with disabilities and their families.

A network comprised of a National AgrAbility Project and numerous State AgrAbility Projects provides program services in over half of the States in the U.S. Currently, State-level USDA-funded AgrAbility projects serve clients in: California, Colorado, Delaware, Georgia, Idaho, Indiana, Kansas, Maine, Maryland, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Hampshire, Oklahoma, Pennsylvania, Tennessee, Utah, Vermont, Virginia, West Virginia, Wisconsin, and Wyoming. In addition, previously USDA-funded projects in Illinois, Iowa, Kentucky, Louisiana, North Carolina and Texas continue to serve agricultural workers with disabilities and their families.

The National AgrAbility Project partners, University of Wisconsin-Extension, Cooperative Extension Service and Easter Seals, collaborate to support State AgrAbility Project activities. The State projects provide the direct on-site services to farmers, ranchers, and farmworkers with disabilities and other chronic health conditions. AgrAbility Project services are available to people of all races, creeds, genders, abilities, and national origins. The project staff works with operators regardless of the size of their operations or extent of their resources.

Why is AgrAbility Needed?

Agricultural production is hazardous. Over 700 farmers and ranchers die in work-related incidents yearly and another 120,000 workers sustain disabling injuries from work-related incidents (National Safety Council, 2002). In addition, the USDA Na-

tional Agricultural Statistics Service estimates that more than 200,000 farmers, ranchers, and other agricultural workers experience lost-work-time injuries and occupational illnesses every year, approximately 5 percent of which have serious and permanent results. Off-farm incidents; health conditions, such as heart disease, arthritis, or cancer; and aging disable tens of thousands more. Nationwide, approximately 288,000 agricultural workers between the ages of 15 and 79 have a disability that affects their ability to perform one or more essential tasks (Bureau of Labor Statistics, 1999).

Additionally, like their urban counterparts, approximately 20 percent of children and other family members in agricultural families have disabilities, such as cerebral palsy, mental retardation, and epilepsy. Physical and attitudinal barriers often prevent these children and adults from participating fully in farm and ranch operations, and from engaging in social and recreational activities enjoyed by other rural residents.

For most of the over three million Americans earning their livings in agriculture, the work is not just their livelihood—it is their way of life—a productive and satisfying way of life of which they are very proud. This is also true for the majority of people with disabilities or chronic health conditions who work or live in agricultural settings. These people want to find ways to accommodate their disabilities and continue to farm. All too often, however, they are frustrated in their attempts. Rural isolation, limited personal resources, limitations in rural health delivery systems, and inadequate access to agriculture-oriented assistance, are among the obstacles they face.

How Does AgrAbility Help?

The AgrAbility Project offers education and assistance to help identify ways to accommodate disabilities and chronic health conditions, eliminate barriers, and create a favorable climate among rural service providers for people with disabilities. AgrAbility helps to prevent people from being forced out of agriculture because of their disabilities and provides them with ideas for safe, affordable solutions that allow them to maintain their businesses and rural lifestyles.

Who Does AgrAbility Serve?

Farmers, ranchers, and farmworkers involved in all types of production agriculture who have any type of disability (physical, cognitive, or sensory) or chronic health condition may receive services. Family members who have a disability or chronic health condition may also receive assistance.

Who are the AgrAbility Clients?

AgrAbility serves people with all disabilities and people of all ages. Rick Eberhart of Ogema, Wisconsin is a great example. Growing up a city boy, Mr. Eberhart knew farming was in his future thanks to summer visits to his uncle's farm. When a banker told an 18-year-old Eberhart that he wouldn't be able to own a farm unless he had a relative to inherit from, Eberhart took that as a personal challenge to prove the banker wrong.

Eberhart started out with 80 acres that had not been farmed for 18 years. Through hard work, long hours, an off-farm job and sheer determination, Eberhart did prove the banker wrong about his future in farming. However, he's experienced many obstacles on the road to owning his now 137-acre dairy farm.

At a glance, Eberhart appears to have no physical ailments, but nearly 5 years ago, he was diagnosed with a form of Leukemia. Three months later, he received a bone marrow transplant, and doctors gave him a 20 percent chance of survival. At the time of his diagnosis, Eberhart had no energy to perform even the simplest task on his farm; just walking the length of a cattle trailer exhausted him.

After the transplant, he spent 39 days in the hospital and only had about an hour's worth of energy before becoming exhausted after he returned home. Eberhart initially called AgrAbility of Wisconsin when he was diagnosed, but he was very apprehensive. According to Eberhart, "I thought it was just another bunch of people collecting a paycheck." When he came home from the hospital he asked himself why he was beating his head against the wall trying to farm with his physical limitations, and decided to sign up for AgrAbility services.

After being added to the Division of Vocational Rehabilitation's (DVR) waiting list, he was contacted by Carlene Volbrecht, Rural Rehabilitation Specialist for the Easter Seals Wisconsin FARM Program (ESW). "When I was finally contacted, I knew there was a light at the end of the tunnel," Eberhart explained.

Volbrecht and Gwen Steele, a DVR counselor, worked together to find the assistive technology that would work best to help Eberhart with his day-to-day activities. Eberhart's rotational grazing program requires maintaining and moving fence line, as well as collecting cattle from the pasture. He had also developed a higher sensi-

tivity to the weather as a result of his cancer. Thus, Volbrecht suggested a utility vehicle with a cab. After test-driving several models, Eberhart found the Bobcat manufacturer's utility vehicle worked best for entering, exiting, and moving around the farm. Eberhart purchased a silo unloader at an auction to eliminate the need to climb the silo, but was unable to install it himself. With DVR's help, the unloader was professionally installed. DVR also helped Eberhart purchase an electric feed cart. The electric cart decreases the labor required to feed the cattle inside and outside. To further assist Eberhart, a concrete pad will be added to the barnyard. This will allow Eberhart to easily move the feed cart to feed cattle outside.

Bedding cattle required Eberhart to climb into the mow, drop bales into the barn below and shake the straw out by hand. To reduce the amount of energy needed to carry the straw bales and bed, Volbrecht suggested fixing the current bedding chopper and installing cow mats in the barn to reduce the straw needed on a daily basis.

With the help of AgrAbility and DVR, Eberhart found it was easier to complete his daily tasks. Currently, he can work for about three and a half hours before he needs to rest. His goal is to continue to build up his strength so he can work longer hours doing what he has always loved. Eberhart admits, "If it hadn't been for Easter Seals [AAW and DVR], I probably would have given up."

What Services Do AgrAbility Clients Receive?

AgrAbility clients benefit from partnerships between the extension services at land-grant universities and nonprofit disability service organizations. Together members of each AgrAbility Project staff provide clients with direct on-site assistance that includes the following activities.

—Assessing agricultural tasks and providing guidance on how to restructure them to accommodate the clients' disabilities.
—Reviewing agricultural worksites and equipment and making suggestions for modifications.
—Identifying ways to prevent secondary injuries and disabilities.
—Coordinating needed community resources and services by
  —putting them in touch with community volunteers who have the ingenuity and contacts to augment AgrAbility project support;
  —linking them to a network of engineers, health and rehabilitation service providers, agricultural experts, product manufacturers and suppliers, educators, skilled tradesmen, and other rural resources; and
  —helping them access existing services within public agencies, including State vocational rehabilitation agencies and assistive technology centers, to maximize benefits available to them.
—Referring individuals and family members to and facilitating participation in peer support groups.

How Does Collaboration Benefit Clients?

The AgrAbility projects build collaborations with State offices of vocational rehabilitation, State assistive technology projects, and farm and community business organizations, such as agricultural cooperatives, Farm Bureau, or Lion's Club. AgrAbility clients benefit from the added expertise and resources such collaborations bring to the projects. Many AgrAbility projects have developed contractual arrangements with their State's vocational rehabilitation office that provide a win-win for the client, the project, and the State.

What Services Does the National AgrAbility Project Provide?

The National AgrAbility Project staff provides training and technical assistance, and information on available resources to the State AgrAbility project staffs through a variety of means, including:

—annual National AgrAbility Project Training Workshops,
—toll-free telephone consultations,
—an online library of technical resources, and
—collaboration on and presentations at statewide educational activities.

In addition, the National AgrAbility Project staff:

—provides direct technical consultation on developing assistive technology solutions to clients, rehabilitation engineers, and fabricators;
—presents information about AgrAbility at national agricultural and health-related events; and
—develops and disseminates new educational materials relevant to farming and ranching with disabilities.

These and other activities all help to meet the goal of promoting awareness that with technical assistance, information, and education farmers, ranchers, and farm-

workers with disabilities can successfully continue to do the work they know and love.

How are Federal Resources Maximized and New Resources Secured?

National and State project staffs seek to form partnerships and alliances with corporations and organizations that will help expand the reach and services of the program. Additional efforts are made to secure financial and in-kind contributions to augment the base funds provided through the USDA–SREES grants. These efforts help maximize the Federal support and invest community and corporate leaders in the mission and work of the AgrAbility Project—Promoting success in agriculture for farmers, ranchers, and farmworkers with disabilities. Such efforts also provide these leaders with a tangible way to give back to the rural communities in which they live and/or conduct business. By supporting the AgrAbility Project, they are helping their customers who face the challenges of accommodating their disabilities while continuing to work in agricultural production.

Funding Request

The need for AgrAbility services has never been greater, and its accomplishments to date are remarkable by any standard. More States than ever are applying for funding in every competitive grant cycle and outstanding State projects are not being funded. Easter Seals is proud to contribute to the ongoing success of the USDA–CSREES AgrAbility Program. Please support the allocation of at least $5 million for AgrAbility in fiscal year 2009 to ensure that this valuable public-private partnership continues to serve rural Americans with disabilities and their families. Thank you for this opportunity to share the successes and needs of the USDA AgrAbility Program.

GRANTS FOR EXPANSION OF EMPLOYMENT OPPORTUNITIES FOR INDIVIDUALS WITH DISABILITIES IN RURAL AREAS

Easter Seals strongly believes that rural residents with disabilities need to have access to the services and supports that help them live, learn and play in their communities. About one in five Americans lives in a rural area. Of that number, an estimated 12.5 million are people with disabilities. Compared with metropolitan areas, the following is true for rural America.

—The incidence of disability and chronic health conditions is higher
—Gaps in service delivery systems and infrastructure are more prevalent
—Average incomes are lower and job opportunities fewer
—The percentage of older adults is higher
—Service providers often lack capacity to assist residents properly
—Physical and attitudinal barriers are more wide-spread

There is also a significant impact on the community when families are thrust into the caregiving role. Too often, this results in a gainfully employed person leaving the workforce or even leaving a community to a more urban or suburban area to find services and supports.

To that end, Easter Seals asks Congress to support all rural residents with disabilities by focusing on the needs of rural residents with disabilities in all USDA programs and by creating unique resources within USDA that will support people with disabilities in rural communities. This includes strengthening access to services so that rural residents with disabilities can get the services they need to contribute to the economy and social success of rural communities.

The Senate version of the Farm Bill reauthorization, currently being debated includes authorization for a new program within USDA Rural Development titled "Grants for Expansion of Employment Opportunities for Individuals with Disabilities in Rural Areas" in Section 379E of the bill. This program is greatly needed in rural communities and will help enhance the ability of small business owners in rural communities to be better equipped to recruit, employ and retain employees with disabilities and will enhance self-employment and entrepreneurship opportunities for rural residents with disabilities. The mechanism to achieve this goal is the development of national technical assistance and education resources through grants to national nonprofit organizations with a strong history of serving rural residents with disabilities and a close relationship with USDA.

Funding Request

The need for support to increase employment opportunities for rural residents with disabilities is significant and growing. Easter Seals is proud to contribute to the increase in attention to services and supports that are needed and currently lacking in rural communities for residents with disabilities. Please support the allocation of at least $2 million for the "Grants for Expansion of Employment Opportu-

nities for Individuals with Disabilities in Rural Areas" in fiscal year 2009 to ensure that this valuable public-private partnership can be initiated. Thank you.

PREPARED STATEMENT OF FLORIDA STATE UNIVERSITY

Florida State University is requesting $5,000,000 in fiscal year 2009 for the Risk Reduction for Agricultural Crops Program and $2,000,000 for the Apalachicola River Coastal Watershed/Marine Environment Initiative from the from the U.S. Department of Agriculture, Cooperative State Research, Education and Extension Service (CSREES)/Federal Administration Account.

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 I 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 $190 million this past year in 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, as well as students with superior creative talent. Since 2005, FSU students have won more than 30 nationally competitive scholarships and fellowships including 2 Rhodes Scholarships, 2 Truman Scholarships, Goldwater, Jack Kent Cooke and 18 Fulbright Fellowships.

At Florida State University, we are proud of our successes as well as our emerging reputation as one of the Nation's top public research universities.

Mr. Chairman, let me summarize two important projects we are pursuing this year. The first involves mitigating climate impact for agriculture.

The current drought, which is one of the worst in recent history, has had a significant impact on the water resources in Georgia, Alabama and Florida. It has reemphasized the vulnerability of the citizens to climate variability and climate extremes. The Federal Government can reduce these risks by using modern technologies such as climate models, which can predict future climate, and decision support tools to help mitigate some of these uncertainties and provide adaptation strategies for the agricultural and environmental sectors. The Southeast Climate Consortium (SECC), which encompasses Florida State University, University of Florida, University of Miami, University of Georgia, Auburn University, and University of Alabama at Huntsville, 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 for agricultural crops, forests, and water resources in the southeastern United States. In recent real-life tests, these methods have been applied to the problems that farmers raising specialty crops face arising from variable rainfall, temperature, and wild fires.

In the SECC, FSU will provide the climate forecasts and risk reduction methodology. UF and UG will translate this climate information into risks and environmental impacts on agriculture and, with Auburn, will work with Extension to provide info to the ag community. UM will provide economic modeling. Together we are developing new tools to help minimize climate risks to water quality and quantity. FSU, on behalf of the SECC, seeks $5.0 million in fiscal year 2009 for this activity. These tools and application of agriculture and natural resources has strong support of extension programs.

New tasks this year include developing improved methods to forecast droughts for agriculture and forest producers to manage resources to reduce risks of losses and environmental damage; developing partnerships and methods for incorporating climate forecasts into agricultural and water policy decisions; and initiating the development of a decision support system for climate forecasts to water resources management, especially for agricultural water use. We are requesting $5,000,000 in fiscal year 2009 for this important project.

Our second project involves the health of our Gulf ecosystem.

FSU is proposing an interdisciplinary research project to investigate the linkages between Apalachicola river flow, fishery production, and ecosystem health in the northeastern Gulf. By establishing ecological linkages between river flow, coastal food webs and fisheries, research proposed by the Florida State University will inform policies on the conflicting demands on water use that span ecological, social, and jurisdictional boundaries. In effect, this research will focus on revealing the linkages between the Apalachicola River and the immense productivity of the region from inshore to nearshore and even offshore regions.

The proposed research will increase our understanding of linkages between coastal watersheds and the marine environment, which will lead to an increased capacity to forecast the ecosystem responses to anthropogenic stressors and the consequences of those responses. FSU proposes to:

—Characterize Apalachicola river flow and its interactions with nearshore and offshore shelf waters in the northeast Gulf of Mexico on seasonal, annual, and decadal time scales.

—Establish ecological linkages between river flow, nutrients, and phytoplankton production that support coastal food webs and fisheries (e.g., oysters, groupers) in the northeastern Gulf.

—Develop models that can be used by decision makers to evaluate the consequences of altered river flow for fishery production and ecosystem health.

—Systematically inform coastal managers and others charged with protecting and regulating water use, water quality, and habitat protection of our research findings and their relevance for decision making.

Recent national attention has focused on the management of the Apalachicola drainage system because of the current drought conditions over the southeastern United States and conflicts over water use in the watershed. This debate has highlighted the need for effective science than can be used to inform policy decisions. This project will directly address these key issues. We are requesting $2,000,000 for this project.

Mr. Chairman, these are projects that will have a great impact on our country and I appreciate your consideration.

PREPARED STATEMENT OF FOOD & WATER WATCH

Chairman Kohl, Ranking Member Bennett and members of the Subcommittee. My name is Wenonah Hauter and I am executive director of the nonprofit consumer organization Food & Water Watch. We were founded in November 2005 and we work on food policy and water infrastructure issues. I welcome this opportunity to comment on the President's proposed fiscal year 2009 budget as it applies to the agencies under your jurisdiction.

USDA—Food Safety and Inspection Service

We commend the subcommittee for its work to require the Food Safety and Inspection Service (FSIS) to submit its proposals on risk-based inspection (RBI) for processing facilities to the USDA's Office of Inspector General (OIG) for a review before the agency proceeded with implementation of the new inspection scheme. As most consumer groups suspected, the agency was racing toward implementing RBI without having the necessary data upon which to make its policy assessments. As you know, the OIG released a 142-page audit report in December 2007 that outlined the problems with the agency's current information technology infrastructure and made 35 separate recommendations for the agency to implement before it could proceed with its RBI program.[1] While the agency and the OIG reached management decision on all of these recommendations, FSIS is notorious for not implementing OIG recommendations in a timely fashion. It will require intense oversight by the subcommittee to ensure that FSIS implements OIG's recommendations. Since the implementation of RBI is dependent upon the development of the Public Health Information Structure (PHIS), we urge the subcommittee to request a detailed accounting of this new IT system because the agency has not been forthcoming about the final cost for creating PHIS.

With regard to the agency's Public Health Based Inspection System in Poultry Slaughter (PHBISPS), we view this as an expansion of the pilot project that the agency has conducted since 1999 called the HACCP-based Inspection Models Project (HIMP). We urge the subcommittee to proceed cautiously with funding PHBISPS for several reasons: (1) the agency still has not conducted a full evaluation of HIMP

[1] See http://www.usda.gov/oig/webdocs/24601__07__HY.pdf

which was promised to stakeholders before any expansion; (2) the agency has been slow to respond to a 2006 Freedom of Information Act Request by FWW for the non-compliance records from the plants enrolled in HIMP; (3) as was the case with the agency's RBI in processing proposal, there seems to be a data quality issue with PHBISPS which was raised at the February 5–6, 2008 meetings of the National Advisory Committee on Meat and Poultry Inspection;[2] (4) recently there was a major Class I recall involving one of the plants enrolled in HIMP that calls into question whether the privatization of poultry slaughter inspection is protective of public health.[3] Associated with PHBISPS is the Salmonella Initiative that was announced in February 2006.[4] The subcommittee should scrutinize this proposal from a number of standpoints. First, the Salmonella Initiative is designed to reward poultry slaughter facilities that exceed the FSIS salmonella performance standard, a standard that has not been updated in nearly a decade, by reducing the level of pathogen testing. Second, the agency will permit at least five facilities to request waivers of certain regulations, such as line speeds, if they exceed the salmonella performance standard. The agency has not taken into account the impact on inspector plant worker safety with these proposals. In 2005, the Government Accountability Office issued a report that recommended that line speeds be studied from an occupational safety perspective.[5] To our knowledge, the Occupational Safety and Health Administration has failed to do that. In February 2008, the Charlotte Observer ran a six part series on the plight of employees who work in poultry processing.[6] Yet, FSIS seems to be oblivious that what it is proposing with its Salmonella Initiative could lead to increased occupational hazards to workers in the poultry industry and to their own inspection workforce. We strongly urge the subcommittee not to fund this proposal until all of these issues are fully evaluated.

We would also like to call to the Subcommittee's attention the response to a FOIA request we filed last year that details on a monthly basis for fiscal year 2007 the level of in-plant inspection vacancies broken down by FSIS district.[7] We commend the subcommittee for addressing this issue during the fiscal year 2007 appropriations process, yet some FSIS districts still are experiencing double-digit vacancy rates—with the Albany district experiencing a 20.25 percent vacancy rate at the end of fiscal year 2007. While the agency has worked very hard to fill those vacancies, it is also facing an exodus of inspection personnel who are either retiring or leaving the agency voluntarily.

We would also like to call to the Subcommittee's attention the results of a 2007 survey of FSIS inspectors conducted by Food & Water Watch and the National Joint Council of Food Inspection Local Unions. A survey was mailed to nearly 5,700 FSIS inspectors in February 2007 and we received 1,320 responses. Among the more disturbing results were:

—Over 70 percent of the inspectors said staffing shortages impacted their physical and mental health;

—Nearly 80 percent of slaughter and combination plant inspectors believed that current line speeds were so fast that it made it difficult for them to catch adulteration on carcasses;

—More than half of slaughter and combination plant inspectors responded that less than half of the regulatory violations they observed were actually recorded on non-compliance reports;

—Nearly 90 percent of slaughter and combination plant inspectors reported that off-line inspectors (those inspectors responsible for writing non-compliance reports) have been pulled to cover vacancies on the slaughter line (where they cannot write the reports);

—Nearly 40 percent of inspectors who were on patrol assignments stated that not all processing plants in their circuit were visited at least once per shift and over three-quarters of those inspectors stated that those plants were not visited at least once daily;

—Nearly 70 percent of inspectors said that plants were not always clean at the start of operations.

The agency had a very trying year. We are currently in the midst of the largest meat recall in the Nation's history involving 143 million pounds of beef and beef products that were processed at the Hallmark/Westland Meat Company in Cali-

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[2] See transcripts http://www.fsis.usda.gov/About_FSIS/NACMPI_Transcripts/index.asp

[3] March 14, 2008 recall of 943,000 pounds of poultry products from Cagle's. Inc., http://www.fsis.usda.gov/News_&_Events/Recall_010_2008_Release/index.asp

[4] See http://www.fsis.usda.gov/News_&_Events/NR_022306_01/index.asp

[5] See http://www.gao.gov/new.items/d0596.pdf

[6] See http://www.charlotte.com/poultry/

[7] See http://www.foodandwaterwatch.org/food/foodsafety/meat-inspection_1/FOIA.pdf/view

fornia. In 2007, there were sixty-one recalls or public health alerts issued by the agency. So far in 2008, there have been another 10 recalls. It is very troubling to us that in spite of this less than stellar track record, top agency personnel received over $311,000 in performance bonuses in fiscal year 2007. We strongly urge the subcommittee to evaluate how the bonus program is administered at FSIS because we believe that the money would be better served in addressing staffing shortages in the field.

We also urge the subcommittee to investigate why the proposed rule to list retail consignees on FSIS recall press releases—a regulation proposed by FSIS on March 7, 2006 and whose comment period closed in June 2006—still has not received final clearance. We strongly believe implementation of such a rule would assist the agency in recovering recalled meat and poultry products.

The subcommittee should also be made aware that our organization filed a petition with FSIS on January 29, 2008 to revoke Canada's equivalency status to export meat and poultry products.[8] We cited repeated food safety violations found by FSIS auditors in their annual visits to Canadian meat and poultry plants and an increase in recalls of meat and poultry products that originated in Canada and made their way into U.S. commerce.

We also request that the subcommittee investigate the status of an application made by an Australian beef company to export its products to the United States using a controversial privatized inspection system. We understand that FSIS approval of that application is imminent.

Lastly, we oppose the imposition of $96 million in licensing and performance fees proposed by the administration. The functions performed by this agency are of a public health nature and its functions should be financed through general Treasury funds.

AGRICULTURAL MARKETING SERVICE

While the focus of any investigation on the lapses at the Hallmark/Westland Meat Company needs to be on the FSIS inspection procedures, the audit procedures employed by the Agricultural Marketing Service (AMS) also deserve scrutiny. AMS approves vendors who can sell their commodities to the various nutrition programs it operates, including the National School Lunch Program, and enters into contracts with those vendors. For ground beef products, the contract specifications clearly state that humane handling practices need to be adhered to and that no meat from non-ambulatory animals can be harvested for USDA nutrition programs.[9] It is clear that Hallmark/Westland failed to meet both of those requirements. We urge the subcommittee to secure the AMS audit reports from Hallmark/Westland. We have attempted to secure AMS audit reports in the past and have been denied access on the grounds that they are considered to be proprietary information. We also believe the subcommittee should evaluate how AMS makes its "Supplier of the Year" awards, since Hallmark/Westland received that award for the 2003–2004 school year.

In addition, we urge the subcommittee to use its oversight to ensure that the long-delayed country of origin labeling program is finally implemented. We applauded the inclusion of COOL in the 2002 Farm Bill but have been frustrated by the delays in its implementation. We believe that labeling provides consumers with vital information they need to make informed choices about where their food is from, in addition to giving producers an opportunity to distinguish their products in an increasingly international marketplace. Consumer support for COOL has been strong for years, and demand for information about where food is from has only increased in the wake of scandals about imported food.

The House version of the 2007 Farm Bill included language that clarifies the intent of the 2002 Farm Bill and addresses many of the concerns expressed by industry that have historically opposed mandatory labeling. No matter what the outcome of the current Farm Bill process, we urge the subcommittee to instruct the agency to implement mandatory COOL for meat and produce on schedule by September 30 and to closely follow the COOL provisions and report language from H.R. 2419. Consumers have waited long enough to find out where their food comes from. Further delays in providing country of origin labeling are unacceptable.

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[8] http://www.foodandwaterwatch.org/world/global-trade/foodandglobaltrade/usda-petition-against-risky-canadian-meat-and-poultry

[9] See http://www.ams.usda.gov/lscp/beef/LSP__SB__TRS__GB–O7%20APPROVED__08__13__07.pdf

FOOD AND DRUG ADMINISTRATION

We were disappointed by the paltry increase proposed by the administration for the food safety functions of the Food and Drug Administration (FDA). The increase barely covers annual inflationary costs—in spite of assurances by Health and Human Services Secretary Michael Leavitt in December 2007 that FDA would receive a substantial increase in the 2008 budget. While we recognize that FDA's food safety programs are under-funded, we also believe that there needs to be scrutiny of its management structure because we sense that FDA is extremely top-heavy and is missing an appropriate sense of urgency for the need to put more resources into the field. Agency officials have repeatedly stated that putting more inspectors in the field will not solve the current food safety crisis.[10] We do not subscribe to their assessment. The agency currently has a staff of over 10,000 employees but we do not know what these people do. FWW has attempted to find out exactly how many FDA inspectors there are by filing a FOIA request for the work plans of the FDA's Office of Regulatory Affairs, but our request has been rejected. We are currently exploring legal action to obtain those documents.

While the agency has put forth its "Food Protection Plan," we believe that it is riddled with problems and it suffers from a lack of detail and transparency. The agency claims that it will use a risk-based inspection model to conduct food inspections. When pressed about the data sources for evaluating risk and constructing their inspection system, agency officials admit that FDA has very few from which to draw. Second, the agency wants to use "third party certification" as a way to avoid increasing its own inspection workforce. We are adamantly opposed to the privatization of food inspection. This is a public health function that should be the government's responsibility—not the responsibility of a multi-national corporation that has profit as its driving motivation.

Third, we are especially troubled by the January 29, 2008 testimony given by Lisa Shames, Director of GAO's Natural Resources and Resources Division, before the House Subcommittee on Oversight and Investigations in which she said: "FDA officials have declined to provide specific information on how much additional funding it believes will be necessary to implement the Food Protection Plan, saying that finalizing the amounts will take place during the budget process. Similarly, the Food Protection Plan does not discuss the strategies it needs in the upcoming years to implement this plan. FDA officials told us that they have internal plans for implementing the Food Protection Plan that detail timelines, staff actions, and specific deliverables. While FDA officials told us they do not intend to make these plans public, they do plan to keep the public informed of their progress. Without a clear description of resources and strategies, it will be difficult for Congress to assess the likelihood of the plan's success in achieving its intended results."[11]

This is truly appalling. How can we trust the same people who brought us to the current crisis to develop and execute plans in secret without the benefit of public and congressional scrutiny? These are some of the same individuals who were advocating the closure of FDA laboratories and who received exorbitant bonuses for their outlandish proposals. We strongly urge the subcommittee to compel FDA officials to make the details of their Food Protection Plan public so that there is the benefit of congressional and public scrutiny of their proposals.

Lastly, as we detailed in our 2007 report, Import Alert,[12] FDA's program to oversee the safety of seafood imports to the United States does not live up to the standard that Americans expect from their government. Inadequate funding and a poorly designed inspection program contributed to FDA physically inspecting less than 2 percent of the nearly 860,000 imported seafood shipments in 2006. Only 0.59 percent of shipments were tested for contaminants in a laboratory.

Physical inspection gives the greatest assurance of detecting safety issues in seafood products, so the low rate of inspection raises concerns about the safety of imported seafood sold in U.S. restaurants and grocery stores. At the same time, in foreign aquaculture facilities the use of numerous antibiotics, fungicides, and pesticides, many of which are not approved for use in the United States, is on the rise. In June 2007 the FDA issued an import alert for five seafood products from China due to chemical contamination. However, it is not just China; veterinary drug residues are being detected on imports from more countries and more types of seafood.

Seafood products are responsible for 18 to 20 percent of the outbreaks of foodborne illness that affect one in four Americans, or 76 million people every year. Trends in the global production of seafood—aquaculture now produces half of the

[10] See http://www.pbs.org/newshour/bb/health/jan-june07/foodacheson_06_08.html
[11] See http://energycommerce.house.gov/cmte_mtgs/110-oi-hrg.012908.Shames-Testimony.PDF
[12] See http://www.foodandwaterwatch.org/fish/copy_of_pubs/reports/import-alert

world's seafood—make now the critical time for FDA to increase physical inspection of imported seafood. There is currently a new bill in the Senate Commerce Committee, the Commercial Seafood Consumer Protection Act, which would allow the National Oceanic and Atmospheric Administration to ramp up efforts on seafood inspections. However, we believe that this is not the appropriate focus for an agency that is already over-extended and under-funded on its core programs. Rather, FDA, the agency traditionally responsible for seafood inspections, needs a better inspection regime and adequate resources to implement it. We urge the subcommittee to work with the agency to develop an effective seafood safety program.

PREPARED STATEMENT OF FRIENDS OF AGRICULTURAL RESEARCH—BELTSVILLE

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.

Our testimony will emphasize these main themes:

First, we strongly recommend continued funding for certain high-value, on-going research that the Congress has previously approved for BARC. Yet, this crucially needed on-going research is marked for termination in the President's fiscal year 2008 budget. We discuss the basis and rationale for our recommendation in Part I, below.

Second, we recommend and endorse continued full support for redirected research in the President's budget. We briefly expand the basis of our support in Part II.

Third, we will offer a brief comment on the proposed relocation staff and program from the Grand Forks Human Nutrition Research Center to Beltsville in Part III.

Part I. High-Value Research Marked for Termination

Animals Biosciences & Biotechnology Laboratory (ABBL)—$8,401,123.—ABBL's research mission is to improve the genetic, reproductive, and feed efficiency of livestock and poultry. A dedicated staff of 32 employees, of which 13 are research scientists, are addressing a number of cutting-edge research issues: using pig embryonic stem cells to enhance disease resistance in pigs and for clinical use in human liver rescue devices; designing novel antimicrobial proteins for treatment of human (methicillin-resistant staph aureus) and animal (bovine mastitis) diseases; identifying genetic markers to reduce fetal pig mortality. This cutting-edge work is well regarded in the greater scientific community. Loss of this funding will essentially close out the only research of this type in ARS. It has been suggested that a reason for the proposed closure is inadequacy of facilities. But in the judgment of highly qualified scientists, inadequacy of facilities is simply not an issue.

The research in this laboratory is both basic and applied and is valuable to all of the animal industries. The research addresses the very issue of genetic improvement of animals for those traits that are most desirable to consumers and profitable for producers. In addition, this research has proven to be very valuable to the biomedical community because the information obtained is useful to promote human health. Restoration of funding for this invaluable research is critically needed.

Biomedical Materials in Plants—$1,808,253.—Plants can be used as factories to manufacture vaccines and other pharmaceuticals for animals and humans. This research focuses on development of tobacco as a crop with this beneficial use. We recommend restoring full funding.

Bioremediation Research—$118,167.—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. We recommend funding for this research.

Foundry Sand By-Products Utilization—$680,205.—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. We recommend that this research continue.

Poultry Diseases—$434,934.—Coccidiosis, a parasitic poultry disease, costs the industry almost $3 billion per year. This research focuses on understanding the genet-

ics of both the parasite and the host chicken to identify targets that will allow better disease prevention and control. We recommend that this research continue.

Potato Diseases—$64,545.—These funds are used for research activities on genetic improvement of potato and for diseases of potato. While a small amount of money, these funds are used to supplement ongoing efforts in this important area. We recommend that this research continue.

Part ll. Redirected Research

The budgetary items listed here have not appeared in our testimony of previous years. In terms of overall BARC funding, they are revenue neutral. Essentially, these are "new" programs replacing similar but lower-priority, on-going programs that would be closed out. Ideally, all the research programs, new and old, would continue. All are important lines of research, and we would prefer to see new funding rather than redirection. Nevertheless, BARC can manage within these redirections if there is no option. We strongly support funding for this research.

Crop Health—$947,322.

Obesity Prevention Initiative—$1,937,649.

Food Safety—$1,045,629.

Crop Genetic Improvement—$938,385.

Part III. Relocation Staff and Program From the Grand Forks Human Nutrition Research Center to Beltsville

The fiscal year 2009 budget also proposes to relocate a significant number of staff and program from the Grand Forks Human Nutrition Research Center to Beltsville. We are neutral about this redirection.

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

PREPARED STATEMENT OF THE IZAAK WALTON LEAGUE OF AMERICA

The Izaak Walton League of America appreciates the opportunity to submit testimony concerning appropriations for fiscal year 2009 for various agencies and programs under the jurisdiction of the subcommittee. The League is a national, nonprofit organization founded in 1922. We have more than 36,000 members and nearly 300 chapters nationwide. Our members are committed to advancing common sense policies that safeguard wildlife and habitat, support community-based conservation, and address pressing environmental issues. The League has been a partner with farmers and a participant in forming agriculture policy since the 1930s. The following pertains to conservation programs administered by the U.S. Department of Agriculture.

The League believes Congress should prioritize investment in conservation programs in order to protect natural resources and to meet the demonstrated demand for conservation services. Two of every three eligible applicants for Federal conservation programs are being turned away due to lack of funding. Over the 5-year term of the 2002 Farm Bill, $13.5 billion in requests from more than 487,000 farmers and ranchers went unfunded. During the same period, Congress cut funding for conservation by more than $5 billion below levels authorized by the 2002 farm bill.

Prioritizing funding for conservation is even more important in light of recent developments in the agricultural economy. Land values have skyrocketed more than 50 percent in the past 3 years and continue to climb. As land prices rise, the purchasing power of each conservation dollar decreases. Record prices for crops are also driving a land rush. The push for increased production is threatening the conservation gains that have been achieved through the Conservation Reserve Program and Wetlands Reserve Program. Additionally, expanding production highlights the necessity of boosting the Conservation Security Program, which promotes farming practices that protect wildlife and natural resources.

Finally, in the broader scope, USDA researchers have identified additional positive opportunities for prioritizing conservation. Specifically, natural amenities such as pleasant landscapes and opportunities for outdoor recreation generate economic growth in rural areas. According to USDA's Economic Research Service: "Natural amenities are highly correlated with population and employment growth—they even shape agriculture . . . [The] number of farms has increased in counties with high levels of natural amenities." The conservation programs that protect and enhance natural resources also protect and enhance rural economies.

The League is concerned that the administration has proposed to significantly cut funding for critical conservation programs. We recognize the challenges and uncertainty the subcommittee faces as negotiations over a new farm bill drag on. We profoundly hope that a new farm bill will be enacted before the subcommittee marks

up its bill. As the subcommittee develops the fiscal year 2009 Agriculture bill, the League appreciates the opportunity to address funding for specific conservation programs.

USDA FARM SERVICE AGENCY, CONSERVATION RESERVE PROGRAM (CRP)

The administration requests $1.95 billion for fiscal year 2009 down from approximately $2 billion in fiscal year 2008. Grain prices have reached record levels and land values are experiencing correspondingly dramatic increases. Reducing CRP funding would exacerbate current conditions while even level funding will not allow USDA to enroll as many acres due to rapidly escalating land prices. In order to maintain core acreage, the League encourages the subcommittee to appropriate at least $2 billion for CRP in fiscal year 2009.

USDA NATURAL RESOURCES CONSERVATION SERVICE, WETLANDS RESERVE PROGRAM (WRP)

The administration requests $181 million down from $455 million appropriated for this fiscal year. Furthermore, the budget indicates that funds will not be requested for fiscal year 2010 and beyond because authority for the program would expire unless a new farm bill is enacted. This is a particularly damaging blow because the administration provided full funding in the past 2 years to achieve the WRP's goal of 250,000 restored wetland and upland acres per year. The League urges the subcommittee to provide $455 million in fiscal year 2009.

USDA NATURAL RESOURCES CONSERVATION SERVICE, CONSERVATION SECURITY PROGRAM (CSP)

The President's budget proposes to cut the program below baseline funding. If approved, this would effectively prevent new enrollments. CSP applies to the full spectrum of working agricultural lands from cropland to pasture to rangeland. In the program's first 3 years, contracts were signed with more than 19,000 producers nationwide who agreed to implement conservation practices on over 15.6 million acres. Moreover, as detailed in League-supported research, CSP pays for practices that provide substantial wildlife benefits. In case studies from Missouri and Minnesota, for instance, 88 and 85 percent of CSP payments, respectively, supported practices that provide wildlife habitat benefits. The importance of CSP is growing in direct proportion to the current market-driven expansion of agricultural production. The League encourages the subcommittee to appropriate $444 million for CSP in fiscal year 2009, which is equal to the baseline established by the Congressional Budget Office. This level of support would enable the program to serve eligible farmers and ranchers nationwide who want to participate.

USDA NATURAL RESOURCES CONSERVATION SERVICE, WILDLIFE HABITAT INCENTIVES PROGRAM (WHIP)

Although Congress appropriated $85 million for WHIP in fiscal year 2008, the administration is proposing to terminate it. WHIP provides technical and financial assistance to landowners and others to develop upland, wetland, riparian and aquatic habitat areas on their property. According to USDA, between 2002 and 2006, the program established 1.8 million acres of habitat. However, during that same period, eligible applications totaling $136 million were turned away due to lack of funds. We urge the subcommittee to reject the administration's proposal and to appropriate at least $85 million for WHIP in fiscal year 2009.

USDA NATURAL RESOURCES CONSERVATION SERVICE, GRASSLAND RESERVE PROGRAM (GRP)

The administration proposes to terminate this program as well. Unfortunately, GRP was not funded under the fiscal year 2008 omnibus appropriations bill. Like WHIP, demand for GRP is overwhelming. In the space of 2 years, USDA had to turn away approximately 16,500 eligible participants seeking to protect 11 million acres of crucial grasslands. Without a pledge of support from the White House, providing protection for grasslands—one of the most threatened ecosystems globally—will be entirely up to Congress during the appropriations process. Although IWLA supports GRP funding in the farm bill at $240 million annually, we urge the subcommittee to provide at least $50 million in its bill to maintain the vital service performed by this program.

PREPARED STATEMENT OF THE NATIONAL ASSOCIATION OF STATE ENERGY OFFICIALS

Chairman Kohl and members of the Subcommittee, I am Dub Taylor, Chairman of the National Association of State Energy Officials (NASEO). NASEO is submitting this testimony in support of funding of the Energy Title (Title IX) of the 2002 Farm Bill, especially Section 9006. Section 9006 provides funding for energy efficiency and renewable energy efforts for farmers, ranchers and rural small businesses. We strongly recommend funding of no less than $60 million for Section 9006, and we would certainly urge consideration for $5 million of funding for the Section 9005 energy audit/assessment program within this funding level. 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, it is critical that we do more to address the energy problems of rural America.

Chairman Kohl, we know that you recognize the importance of the agricultural energy programs, as well as the State energy activities. All the State energy offices are indebted to you for your contribution to a broad-based national energy policy.

As the debate continues over the new Farm Bill, we strongly urge you to fund the critical energy programs within the 2002 Farm, and we hope a robust energy title will be passed as part of the new Farm Bill. We hope that in calendar year 2009 (and hopefully fiscal year 2009), Congress and the administration will jointly push forward with a comprehensive energy funding program, including robust appropriations for the agriculture sector. 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 a new Farm Bill, then we would hope that rural schools and other public institutions could be covered by Section 9006. This is the approach offered by Senator Harkin in the so-called "REAP" bill. 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. On the tax side, a long-term extension of the production tax credit and investment tax credit for renewable energy, energy efficiency tax credits and deductions and other related programs, could combine with these appropriations and energy policy changes to bring about significant improvements in our Nation's approach to energy.

In fiscal year 2007, $73 million was requested from applicants for Section 9006 loans and grants. In fiscal year 2008 Congress provided $36 million for the Section 9006 program. A minimum of $60 million for this effort in fiscal year 2009 is necessary to maintain the momentum and expand participation. We hope for even more funding in the future.

The Nation cannot afford any greater lag in funding the energy provisions of the Farm Bill. With gasoline prices approaching $4/gallon, diesel prices even higher, propane prices used for crop drying and rural domestic energy use at historically high levels, this appropriations bill must be a vehicle for an aggressive change in energy policy to implement the authorization bills. The country cannot wait.

PREPARED STATEMENT OF THE NATIONAL ASSOCIATION OF STATE UNIVERSITIES AND LAND-GRANT COLLEGES (NASULGC) BOARD ON NATURAL RESOURCES (BNR)

We thank you for the opportunity to submit testimony. We request the following funds within the Cooperative State Research, Education and Extension Service: $30.008 million for McIntire-Stennis Cooperative Forestry (McIntire-Stennis); $8 million for the Renewable Resources Extension Act (RREA); and $256.5 million for the National Research Initiative (NRI). In fiscal year 2008, McIntire-Stennis received $24.8 million, while the administration's fiscal year 2009 request is $19.5 million. In fiscal year 2008, RREA received $4.008 million, while the administration's fiscal year 2009 request is $4.052 million. In fiscal year 2008, NRI received $190.9 million, while the administration's fiscal year 2009 request is $256.5 million.

NASULGC BNR requests funding support for the McIntire-Stennis program at $30.008 million, the same level of support provided in fiscal year 2007.

America is blessed with tremendous forest resources—approximately one-third of our landmass is forested. In the coming years as we develop cellulosic ethanol, the Nation will likely rely more and more on our forests for fuel stocks. Sustaining these forests in a healthy and productive condition is a national priority demanding a strong, continuing commitment to scientific research and graduate education.

Principal financial support for university-based forestry research and graduate education comes from the McIntire-Stennis program. McIntire-Stennis funds are currently distributed according to a statutory formula to each of the 50 States, Puer-

to Rico, Guam, and the Virgin Islands, with a dollar-for-dollar match required from the States.

Congress has recently recognized the need to expand the McIntire-Stennis program and provided funding of $30 million in fiscal year 2007 and $25 million in fiscal year 2008. The schools and colleges of forestry and natural resources responded in 2007 by producing a McIntire-Stennis strategic plant. Unfortunately, the President's fiscal year 2009 budget would cut McIntire-Stennis funding by $5 million (compared to fiscal year 2008) and make $12 million of the remainder subject to new competitive multistate procedures.

If enacted, these changes could result in as much as a 74 percent reduction to some universities. We deplore these cuts and ask that you reject the administration's proposal.

As outlined in the 2007 strategic plan, McIntire-Stennis funding is critical to:

—Deliver scientific results and management technologies to forest land owners, managers, and policy makers;

—Prepare the future workforce in forestry and related natural resource science for the 21st Century.

NASULGC BNR requests funding support for the Renewable Resources Extension Act (RREA) program at $8 million.

In the U.S., 58 percent of the forest is held in private ownerships—mostly individual and family forests. These ownerships total nearly 291,000,000 acres. Given the geographic breadth of private ownerships and the astounding 10,000,000+ owners, informed stewardship of these forests promotes a secure future for the environmental and economic well-being of all our Nation's forests.

In 1978 Congress recognized that private forest and rangeland owners contribute significantly to the Nation's vitality and enacted RREA. This decree called for "expanded extension programs for forest and rangeland resources:" to enhance the sustainability of these renewable natural resources.

Today with the support of RREA, 69 land-grant universities provide educational programs to empower private forestland and rangeland owners in the many counties and parishes across our Nation. Landowners' ability to efficiently manage their properties is strengthened through educational workshops and seminars related to the eight RREA strategic issues: (1) Forest stewardship and health; (2) Wildlife and fisheries resources; (3) Rangeland stewardship and health; (4) Invasive species; (5) Economic opportunities; (6) Forestland conversion and fragmentation; (7) Diverse audiences; (8) Public policy and participation.

Many landowners are interested and adopt new practices once they know and understand them. Education can lead to properly applied and sustainable practices.

Recent reported outcomes from the program include:

—937 income-generating businesses created or expanded;

—2,390 new jobs created;

—27,300 landowners increased their awareness of forest or rangeland resources;

—21,100 landowners implemented at least one new renewable resource practice;

—$17,810,000 estimate dollars earned or saved by landowners;

—$198,571,756 earned or saved by loggers adopting new harvesting technologies.

Every Federal dollar spent in RREA leverages from $5–15 from State, county, and other sources.

Continued and increased funding will allow for:

—Equitable funding to the 1890 land-grant institutions and an increase in competitive funding;

—Create virtual centers of excellence with teams of USDA Forest Service scientists and Extension educators to develop extension programs and applied research for complex forest and rangeland ecosystems issues, such as climate change and bioenergy;

—Implement landscape-scale projects to compliment county- and State-based programs;

—Use of new techniques to segment the audience and use stewardship messages that have meaning for them;

—Continued use of proven educational settings for selected audiences: workshops, field days, schools, printed publications;

—Expanded use of new technologies: web-based learning centers, webinars, podcasts, eXtension, mobile networking, Web 2.0 tools, print-on-demand.

NASULGC BNR requests funding support for the National Research Initiative (NRI) program at $256.5 million.

The United States has a university-based system that integrates agriculture, health, and environmental research with higher education and public outreach activities. This unique system is a partnership between America's land-grant and re-

lated universities and the USDA's Cooperative State Research, Education, and Extension Service (CSREES).

Some CSREES programs are administered under formulae that provide each State and territory with sufficient funds to underwrite vital agriculture and natural resources research stations and extension offices. However, many other programs—most notably the National Research Initiative—require scientists and professionals from universities across the Nation to compete directly against each other in peer-reviewed competitions.

Both Congress and the administration have recognized the enormous value of CSREES competitive programs in recent years by providing modest increase to the NRI. However, much more must be done:

—American's farmers and foresters need additional genomic data and biotechnology tools to expand food and fiber production, process, and international trade;

—U.S. healthcare professionals need greater insight into the relationships between diet and health;

—Extension specialist and their clients need expanded knowledge about water quality to help protect the environment and safeguard our food system;

—University educators need additional funding to train new generations of food, agriculture, and natural resources scientists (many of whom are turning to better-funded disciplines).

We urge you to support these important forest and natural resources programs.

About NASULGC

NASULGC is the Nation's oldest higher education association. Currently the association has over 200 member institutions—including the historically black land-grant institutions . . . located in all 50 States. The Association's overriding mission is to support high quality public education through efforts that enhance the capacity of member institutions to perform their traditional teaching, research, and public service roles.

About the Board on Natural Resources

The Board's mission is to promote university-based programs dealing with natural resources, fish and wildlife, ecology, minerals and energy, and the environment. Most NASULGC institutions are represented on the Board. Present membership exceeds 500 scientists and educators, who are some of the Nation's leading research and educational expertise in environmental and natural-resource disciplines.

This testimony was developed for the BNR by the Chair of the BNR's Forestry Section, Dr. George Hopper, Dean, College of Forest Resources, Director, Forest and Wildlife Center, Mississippi State University.

Thank you for the opportunity to share our views with the Committee.

PREPARED STATEMENT OF THE NATIONAL COMMODITY SUPPLEMENTAL FOOD PROGRAM ASSOCIATION

The Honorable Herb Kohl, Mr. Chairman and subcommittee members, I am Matt Gassen, President of the National Commodity Supplemental Food Program Association (NCSFPA). Thank you for this opportunity to present information regarding the Commodity Supplemental Food Program (CSFP).

CSFP was our Nation's first food assistance effort with monthly food packages designed to provide protein, calcium, iron, and vitamins A and C. It began in 1969 for low-income mothers and children, preceding the Special Supplemental Nutrition Program for Women, Infants, and Children known as WIC. Pilot programs in 1983 added low-income seniors to the list of eligible participants and they now comprise 93 percent all participants.

CSFP is a unique Federal/State and public/private effort. The USDA purchases specific nutrient-rich foods at wholesale prices for distribution. State agencies such as the departments of health, agriculture or education provide administration and oversight. These agencies 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 so that seniors and others can quickly be qualified for enrollment and receive their monthly supplemental food package along with nutrition education to improve their health and quality of life. This unique public/private partnership reaches even homebound seniors in both rural and urban settings with vital nutrition.

The foods provided through CSFP include canned fruits and vegetables, juices, meats, fish, peanut butter, cereals and grain products, cheese, and other dairy prod-

ucts targeted to increase healthy food consumption among these low-income populations.

The CSFP is also an important "market" for commodities supported under various farm programs, as well as an increasingly important instrument in meeting the nutritional and dietary needs of special low-income populations.

In fiscal year 2007, the CSFP provided services through 150 non-profit community and faith-based organizations at over 1,800 sites located in 32 States, the District of Columbia, and two Indian reservations (Red Lake, Minnesota and Oglala Sioux, South Dakota). On behalf of those organizations NCSFPA would like to express our concern and disappointment regarding the reduction of available CSFP resources for fiscal year 2009.

At a time when many Americans must choose between food or medicine, utilities, and other basic expenses, the Federal Government should not be reducing benefits for our most vulnerable citizens.

CSFP's 39 years of service stands as testimony to the power of partnerships among community and 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.

—The CSFP provides a monthly selection of food packages tailored to the nutritional needs of the population served. Eligible participants are guaranteed [by law] a certain level of nutritional assistance every month in addition to nutrition education regarding how to prepare and incorporate these foods into their diets as prescribed by their health care provider.

—The CSFP purchases foods at wholesale prices, which directly supports the farming community. The average food package for fiscal year 2008 is $18.57, and the retail value is approximately $50.00.

—The CSFP involves the entire community in confronting the problem of hunger. There are thousands of volunteers as well as many private companies who 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 no other source of support. (See Attachment 1)

The White House proposed budget for fiscal year 2009 would eliminate CSFP completely, and would eliminate all of this effort and support of those 39 years. This proposal has shocked the entire CSFP community as well as legislators, anti-hunger and senior service organizations and the concerned citizens as they have become aware of it. America's Second Harvest, AARP, and FRAC have all voiced their opposition to the elimination of CSFP. It is unconscionable to eliminate benefits for some of our most vulnerable citizens and to eliminate the hope of those waiting for participation in the program. It is the cruelest cut for the greatest generation.

In a recent CSFP survey, more than half of seniors living alone reported an income of less than $750 per month. Of those respondents from two-person households, more than half reported an income of less than $1,000 per month. Fewer than 25 percent reported being enrolled in the Food Stamp Program. Over 50 percent said they ran out of food during the month. Also, close to 70 percent senior respondents say they use money for medical bills not food.

The Senate Agriculture Appropriations Subcommittee has consistently supported CSFP, acknowledging it as a cost-effective way of providing nutritious supplemental foods. Last year this subcommittee and all of Congress provided funding for CSFP in direct opposition to its proposed elimination. This year, your support is again needed to provide adequate resources for the 473,473 mothers, children and seniors currently receiving benefits, 20,500 low-income participants currently waiting in 5 new States and 104,137 seniors waiting in current States for this vital nutrition program.

There is no discernible plan to address the long-term needs of those affected by the elimination of CSFP. The proposed transition plan provides that seniors being removed from CSFP will be provided a Food Stamp Program (FSP) benefit of $20 per month for up to 6 months, or until the participant actually enrolls in the FSP, whichever comes first. Simply transferring seniors to the FSP is an inadequate solution. It is essential for seniors to have access to services which they feel are offered with dignity and respect. Many will outright reject the idea of applying for FSP benefits. According to the ERS Evaluation of the USDA Elderly Nutrition Demonstrations: Volume I:

"The Commodity alternative benefit demonstration in North Carolina was popular both among new applicants and among existing FSP participants. Clients eligible

for low FSP benefits were more likely to get the commodity packages, which had a retail value substantially greater than their FSP benefits". "In particular, seniors described the anxiety of using FSP benefits in stores, where they felt shoppers and store clerks looked down on them". "The demonstrations attracted a particularly large share of clients eligible for the $10 benefit because the retail value of the commodity packages was worth $60-$70."

Depending on their non-cash assets, seniors may not qualify for a FSP benefit level equivalent to the CSFP food package. Seniors receiving the minimum benefit would not be eligible for the $20/month transitional benefit. The 25 percent of current CSFP participants who already enrolled in the FSP will lose the benefits of CSFP and those benefits will not be replaced at a time when they are struggling to make ends meet. CSFP and FSP are supplemental programs. They work together to make up the shortfall that many of our seniors are facing each month. Both programs need to continue to be available as part of the "safety net" for our low-income participants.

USDA reports that the average benefit paid to senior citizens is about $67 per month, but in reality, many senior citizens receive only the minimum monthly benefit of $10, which has not been updated since 1975. USDA figures also report households rather than individual participants and include households with disabled family members.

The proposed transition plan for women, infants and children enrolled in the CSFP is to transfer them to WIC. However, due to increasing coordination between WIC and CSFP at the State and community levels, the number of WIC-eligible mothers and children enrolled in the CSFP is steadily declining. In some States, this figure is less than 2 percent of all enrolled women and children, eradicating supplemental food and nutrition benefits for that population as well. Also of importance is the fact the CSFP covers the non-WIC eligible populations of post-partum mothers from 6monts to 1 year and children up to age 6.

As referenced earlier, CSFP provides a food package that costs USDA about $19 per month. It has a retail value of approximately $50. How does someone use $20 to purchase $50 worth of nutritious foods? What happens at the end of 6 months?

The National Commodity Supplemental Food Program Association respectfully requests that the Senate Agriculture Appropriations Subcommittee take the appropriate actions to funding CSFP for fiscal year 2009 at $175 million as illustrated below:

To continue serving the 473,473 needy seniors (93 percent of participants), women, infants and children (7 percent of participants) currently enrolled in CSFP—$142 Million.

To meet USDA's commodity procurement expenses—$0.7 Million.

To begin meeting the needs of 20,500 eligible seniors in the 5 States with USDA approved plans: Arkansas (5,000), Delaware (2,500), Oklahoma (5,000), New Jersey (5,000) and Utah (3,000)—$6.2 Million.

To serve an additional 104,137 individuals among of our nation's most vulnerable individuals in the 32 States with existing programs and documented additional needs—$23.4 Million.

Total Appropriation needed to maximize this program's effectiveness in serving 617,251 seniors and women and their infants and young children challenged by hunger—$175 Million Total.

With the aging of America, CSFP must be an integral part of USDA Senior Nutrition Policy as well as comprehensive plans to support the productivity, health, independence, and quality of life for America's seniors.

Measures to show the positive outcomes of nutrition assistance to seniors must be strengthened. 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 incurs hospital costs $2,000 to $10,000 higher per stay. Proper nutrition promotes health, treats chronic disease, decreases hospital length of stay and saves health care dollars.

Rather than eliminating the program, the NCSFPA recommends the following initiatives to strengthen CSFP:

—Develop a formal evaluation process to demonstrate individual and program outcomes of CSFP with Federal, State, and local CSFP managers included in the study design;

—Set "greatest need within a project area" as the priority for service or let each State set its priority for service under a plan approved by the Secretary of Agriculture;

—Support and expand the program in those States that have demonstrated an interest in the CSFP, including the 5 States that already have USDA-approved plans to operate CSFP (Arkansas, Delaware, New Jersey, Oklahoma and Utah) or that have demonstrated a willingness to continue and expand current CSFP services.

This program continues with committed grassroots operators and dedicated volunteers. The mission is to provide quality nutrition assistance economically, efficiently, and responsibly always keeping the needs and dignity of our participants first. We commend the Food and Nutrition Service of the Department of Agriculture and particularly the Food Distribution Division for their continued innovations to strengthen the quality of the food package and streamline administration. We also remain committed to providing quality services in collaboration with the community organizations and volunteers that contribute nearly 50 percent of the resources used in providing these services. We appreciate the continued support from so many diverse senators and attach the letter currently being circulated in support of our program by Senators Stabenow and Domenici. A final, signed copy of the letter should soon be submitted to your committee from your colleagues.

ATTACHMENT 1.—NATIONAL CSFP ASSOCIATION ADMINISTRATIVE EXPENSE VALUE SURVEY FISCAL YEAR 2006

Programs	USDA Reimbursed Cash	Not Reimbursed by USDA Cash	CSFP Expenditures Cash	Goods & Services donated to agency Value	Volunteer Labor Hours Value	Annual Total Program Value	Percent Paid by USDA	Extra Goods donated to CSFP participants
New Hampshire	$416,648	$13,227	$429,875	$6,650	$4108,235	$544,760	76	$2,625
New York	1,804,443	45,000	1,849,443	1,000	296,307	2,146,750	84	12,755
Vermont FB	246,524	300,000	546,524	.....	90,200	636,724	39	2,000
Washington DC	439,098	1,600,000	2,039,098	800,000	172,318	3,011,416	15	.....
Pennsylvania	835,702	53,197	888,899	22,885	186,985	1,098,769	76	92,638
Kentucky	898,857	162,681	1,061,538	22,180	704,282	1,788,000	50	714,055
Mississippi	400,448	.....	400,448	160,370	561,766	1,122,584	36	.....
North Carolina	74,583	30,000	104,583	.....	.....	104,583	71	5,000
South Carolina	212,744	.....	212,744	.....	58,883	271,627	78	2,500
Tennessee [1]	804,260	.....	804,260	.....	.....	804,260	100	.....
Illinois	885,767	3,000	888,767	.....	477,447	1,366,214	65	.....
Indiana	246,603	28,072	274,675	22,000	396,880	693,555	36	443
Michigan	4,490,742	601,805	5,092,547	356,773	2,161,385	7,610,705	59	769,301
Minnesota	802,557	103,225	905,782	19,000	173,068	1,097,850	73	199,000
Red Lake, MN	5,841	.....	5,841	.....	.....	5,841	100	.....
Ohio	709,662	94,228	803,890	65,000	368,251	1,237,141	57	302,000
Wisconsin	276,228	56,458	332,686	3,150	300,691	636,527	43	41,845
Louisiana	4,505,386	250,000	4,755,386	452,000	825,330	6,032,716	75	.....
New Mexico	1,009,150	272,139	1,281,289	97,987	350,283	1,729,559	58	446,378
Texas	708,521	70,000	778,521	15,000	405,900	1,199,421	59	12,000
Colorado	1,193,799	204,168	1,397,967	30,474	612,151	2,040,592	59	878,389
Iowa	222,652	520,767	743,419	.....	29,712	773,131	29	.....
Kansas	333,423	45,715	379,138	46,200	209,986	635,323	52	51,400
Missouri	532,997	29,000	561,997	2,400	398,455	962,852	55	1,010,950
Montana	385,402	35,525	420,927	107,333	2,163,357	2,691,617	14	78,825
Nebraska	756,827	87,486	844,313	21,580	308,475	1,174,369	64	89,709
North Dakota	160,216	7,800	168,016	.....	235,729	403,745	40	.....
South Dakota	160,962	33,520	194,482	.....	32,842	227,324	71	.....
Ogala Sioux, SD	37,341	.....	37,341	.....	.....	37,341	100	.....
Alaska	130,334	48,038	178,372	10,000	45,100	233,472	56	.....
Arizona	883,204	450,000	1,333,204	4,516	1,549,401	2,887,121	31	580,460
California	3,078,203	1,265,849	4,344,052	68,600	2,492,966	6,905,618	45	772,308
Nevada	352,044	97,629	449,673	.....	84,788	534,461	66	113,000
Oregon	78,299	48,000	126,299	.....	75,768	202,067	39	.....

ATTACHMENT 1.—NATIONAL CSFP ASSOCIATION ADMINISTRATIVE EXPENSE VALUE SURVEY FISCAL YEAR 2006—Continued

Programs	USDA Reimbursed Cash	Not Reimbursed by USDA Cash	CSFP Expenditures Cash	Goods & Services donated to agency Value	Volunteer Labor Hours Value	Annual Total Program Value	Percent Paid by USDA	Extra Goods donated to CSFP participants
Washington	132,094	25,000	157,094	250	39,544	196,888	67	.....
Grand Total	28,211,561	6,581,529	34,793,090	2,335,348	15,916,481	53,044,919	53	6,177,579

[1] No information provided.

PREPARED STATEMENT OF THE NATIONAL CONGRESS OF AMERICAN INDIANS

On behalf of the tribal nations of the National Congress of American Indians (NCAI), we are pleased to present our recommendations on the administration's fiscal year 2009 budget for Indian programs.

Agriculture is the second leading employer in Indian Country, and is the backbone of the economy for approximately 130 Native American Tribes. During the last agriculture census in 2002, American Indians operated 56.8 million acres of land and sold $1.64 billion of agricultural products, including $781 million of crops and $857 million of livestock.[1] Agriculture will continue to be an economic driver on Indian Reservations, and USDA programs and services will continue to play a crucial role in the progression of economic development, and agriculture and natural resource programs throughout Indian Country.

NUTRITION ASSISTANCE

The Food Distribution Program on Indian Reservations (FDPIR) provides food assistance to nearly 250 tribes across the country in lieu of participation in the Food Stamp Program. FDPIR is more than simply a supplemental program, in many cases it is the sole source of food for low income tribal members living on or near geographically isolated reservations.

Historically, food packages have included what remains of Federal commodity programs, such as bleached flour, sugar, potatoes, corn, and butter. The immediate and drastic shift from healthy subsistence and traditional foods to foods high in sugar, starch and fat created a quiet epidemic across Indian reservations: diabetes and obesity. It is imperative that food assistance to Indian tribes be improved to deliver better foods to improve human health for tribal members receiving foods from FDPIR.

For decades the USDA's answer to Tribal requests for the inclusion of healthier and more traditional Native foods in the FDPIR food packages has been that the program has insufficient funds. The FDPIR is a crucial program for Indian Tribes, and increased funding is needed to improve the nutrition content of food packages and offset rising transportation and maintenance costs.

The FDPIR budget includes the costs of program administration by the Indian Tribal Organization (ITO) or State agency, food storage, food delivery, vehicle maintenance, employee salaries, nutrition education as well as the purchase of foods for distribution.

—NCAI urges Congress to increase funding to FDPIR above $90 million to support this essential program for Indian tribes.

EXTENSION INDIAN RESERVATION PROGRAM (EIRP)

Congress mandates and funds research and extension services in every county in the Nation except on Indian reservations. The Extension Indian Reservation Program (EIRP) provides the only Federal source for funding to cover the cost of placing extension agents on Indian reservations. Indian reservations have only had access to USDA Offices since 1990, when EIRP was established to provide Indian farmers and ranchers direct access to USDA programs and information. EIRP was authorized to deliver USDA offices on 85 large reservations. Funding, however, has remained low, at only $3 million for fiscal year 2007–2008, and only provides the Federal match for 31 USDA offices, well short of the 85 that were intended.

—NCAI asks that the EIRP program be funded at $8 million a year to improve USDA services to Indian tribes by placing more extension agents on reservations.

INDIAN LAND ACQUISITION PROGRAM

Tribes have been subjected to a myriad of Federal policies that have distributed and redistributed our homelands into an often confusing array of checkerboard land ownership, which significantly stunts efficient agricultural and economic development in Indian Country. USDA provides loans to tribal governments to purchase "highly fractionated" lands under a process delineated in the Indian Land Consolidation Act Amendments of 2004. These loans allow tribes to purchase parcels of land that are considered "highly fractionated," defined as lands that have over 100 individual owners or where no one owner owns more than 10 percent of the parcel). Fractionated land hampers agriculture by taking land out of production while simultaneously becoming grounds for invasive species. Moreover, tracking fractionated land costs the Federal Government significant amounts of money annually, taking

[1] 2002 National Agricultural Statistics Service (NASS).

away from providing beneficial services to Indian communities. It was estimated in 2002 that it would cost just over $2 billion to consolidate all fractionated interests.

—The Indian Land Acquisition Program was authorized at $12 million a year, but has never been funded over $2 million. NCAI requests that this program be funded at $12 million in order to tackle one of the most pressing and long-standing problems in Indian Country.

OUTREACH TO SOCIALLY DISADVANTAGED FARMERS AND RANCHERS (2501 PROGRAM)

The 2501 Program provides outreach and technical assistance to Socially Disadvantaged Farmers and Ranchers, including Indian tribes. This has been the primary source of outreach from the USDA to many minority farmers, and helps to promote agriculture to rural communities. Most tribal communities do not have access to USDA offices, and the 2501 Program provides an opportunity for small communities to participate in agriculture.

—The 2501 Program, Outreach to Socially Disadvantaged Farmers and Ranchers, should be funded at $15 million to improve USDA delivery to tribal communities.

1994 (TRIBAL COLLEGES & UNIVERSITIES) LAND GRANT INSTITUTIONS

Tribal Colleges are the heart and soul of higher education in Indian Country. They are considered one of the most important steps in revitalizing education, culture and language, and the economy in Indian Country. Nonetheless, despite their many obligations and roles, TCUs remain the most poorly funded institutions of higher education in this country.

Over a dozen years since securing land grant status TCUs have yet to be recognized and funded as full partners in the nation's land grant system. Funding at the requested levels is a small but critical first step in addressing disparities that currently exist in the land grant system, and with supporting higher education for Native Americans. (Chart adjusted from March 12, 2008 NCAI Budget Recommendations)

[In millions of dollars]

Program name	Fiscal year 2008	Fiscal year 2009 NCAI request
1994 Institutions' Extension Program	$3.221	$5
1994 Institutions' Equity Grant Program	3.342	3.3
1994 Institutions' Endowment Fund	11.880	12
1994 Institutions' Research Program	1.544	3
1994 Institutions' Community Facilities	4	5
Tribal College Essential Community Facilities Program—(Rural Development)	4	5

PREPARED STATEMENT OF THE NATIONAL CORN GROWERS ASSOCIATION

The National Corn Growers Association (NCGA) appreciates the opportunity to share with the subcommittee our energy and water development appropriations priorities for fiscal year 2009, and we respectfully requests this statement be made part of the official hearing record. In general, our agriculture appropriations priorities include support for the Plant Genomic Research, APHIS Biotechnology Regulatory Service, FAS SPS Issues Resolution, FAS Market Access Program, National Corn to Ethanol Research Center, Ethanol Co-product Utilization, and the Value-Added Product Market Development Grant program.

NCGA's mission is to create and increase opportunities for corn growers. NCGA represents more than 33,000 members and 48 affiliated state organizations and hundreds of thousands of growers who contribute to state checkoff programs.

Genomic Research

The entire corn industry, including the academic research community, grain handlers, growers, industry and seed companies strongly believe that research on plant and plant genomes has substantial long-term benefits. NCGA supports the plant genome research conducted by ARS through its genetic resources, genome sequencing and genome bioinformatics programs. Specifically, this research includes plant and fungal genomics exploration to determine what drives aflatoxin production, what causes susceptibility, and helps us understand plant and fungal nutrient and environmental needs.

NCGA also supports the Cooperative State Research, Education and Extension Service's National Research Initiative. Our research policy supports competitive grants where appropriate

APHIS Biotechnology Regulatory Service

NCGA supports the President's budget request of $16.306 million for the Animal and Plant Health Inspection Service's Biotechnology Regulatory Service program as well as the separate funding stream requested in the budget from the Office of the Secretary that allows for additional potential funds towards the same. This funding request is $4.578 million more than the fiscal year 2008 enacted BRS budget of $11.728 million. These resources are necessary to ensure the agency properly manages its functions associated with this expanding technology to maintain consumer and customer confidence in our strong science-based regulatory structure.

FAS SPS Issues Resolution

NCGA supports the President's budget request for the Foreign Agricultural Service (FAS) Sanitary and Phytosanitary (SPS) program. Unnecessarily restrictive regulations to address plant health risks are major impediments to U.S. market expansion. As trade barriers have been reduced, there has been a dramatic increase in non-tariff trade barriers to trade.

FAS Market Access

NCGA supports the President's budget request of $200 million for the Market Access Program (MAP) within the Foreign Agricultural Service. This program has been successful in maintaining and expanding U.S. agricultural exports and strengthening farm income.

National Corn to Ethanol Research Center

In 2007, fuel ethanol production from corn generated 6.5 billion gallons of ethanol, displacing 5 percent of petroleum imports. Economic forecasting estimates that the United States is capable of producing in excess of 15 billion gallons of ethanol by 2015. Such production is critical to our national economy, energy security and the environment. The National Corn-to-Ethanol Research Center (NCERC) at Southern Illinois University—Edwardsville is in a perfect position to: continue generation of baseline data, serve as training center for Workforce Development and expand as a Lignocellulosic Center of Excellence. To fulfill these objectives, NCGA is seeking additional funding on behalf of NCERC.

The (NCERC) houses a state-of-the-art pilot plant which mimics the commercial production of fuel ethanol. Updated baseline data is continuously re.quired to be reflective of industry changes and their impact on ethanol yields and efficiencies. The goal of this objective is to continue generating baseline data under typical industry operating conditions reflective of changing industry practices and changes in inputs (e.g. fractionization, corn hybrids, enzymes, yeast practices). The baseline data generated by the NCERC is of significant interest to academic, government, industry and trade association researchers as well as ethanol plant operators. The baseline data generated by NCERC provides a critical benchmark for industry and institutional comparison testing. We encourage the committee to provide $400,000 to NCERC for this purpose.

A key component to the success of the ethanol industry over the next decade is to ensure the industry has a ready and available workforce. The rapid growth and expansion of the ethanol industry has created a need for thousands of qualified plant process operations personnel. The NCERC has created a unique Education and Workforce Training Program to address this need. The initial launch of this program, in January 2007, saw 24 displaced auto workers and skilled trades-people successfully complete a comprehensive 5-day ethanol process operator training program. In the past calendar year, the NCERC conducted six installments of Workforce Training with 150 persons successfully completing 50 hours of training in the "Fundamentals of Applied Ethanol Process Operations".

More so, NCERC is well-positioned to train an immediately productive workforce as it plays a unique role in serving the educational mission of the university NCERC provides a year-long, hands-on workforce training program to student interns while conducting commercial testing trials. Since opening in late 2003, nearly 45 interns have helped with the successful operation of the plant and labs.

NCGA requests an additional $1,000,000 to expand the current internship program to meet the growing needs of the industry. Through this endeavor, NCERC will develop and implement a National Biofuels Workforce Training Center.

For cellulose to be a viable feedstock, the process of converting cellulose to ethanol must be optimized. The three "process points" of optimization in the cellulose to ethanol process are: pre-treatment method, enzyme functionality and fermentation or-

ganisms (yeast). The NCERC is a research leader in the conversion of corn to ethanol and its co-product. Therefore, the NCERC is able to more cost-effectively stay on the cutting edge of technology as we enter a new era of converting cellulose to ethanol.

The NCERC is well-positioned to work directly with USDA/ARS, the Department of Energy, and Academic and Industry researchers who are conducting scientific discovery research on the conversion of cellulose to ethanol. This work will spur unlimited investment by private industry as they will make that crucially important decision to enter the cellulose to ethanol market. We encourage the committee to consider NCERC as Lignocellulosic Center of Excellence.

Ethanol Coproduct Utilization

One of the major benefits of using corn as a feedstock for ethanol production is the ability to retain the protein, fat, fiber, vitamins and minerals for use as an animal feed. The co-product of ethanol production, distillers dried grain with solubles (DDGS), results from the concentration and drying of the components remaining after the starch portion of corn is converted to ethanol. Strong global demand for DDGS will be critical in maximizing the potential and profitability of fuel ethanol production from corn while ensuring livestock feed needs are met.

While nearly 16 million tons of DDGS was fed domestically or exported in 2007, use of this alternative feed ingredient may be limited in the future because of real and perceived issues relating to DDGS consistency, quality, flowability and feed efficiency. NCGA encourages the committee to dedicate the resources necessary to greatly expand ARS's efforts in this area, particularly as they relate to DDGS flowability, contaminant mitigation, nutritional value, and nutrient and mineral management issues.

Value-Added Grants

Since its establishment, the Value-Added Producer Grants Program has been a tremendous success. This matching fund program has provided grants to over 900 individual producers, producer-controlled organizations and farmer cooperatives across the Nation since its inception.

With those funds, recipients are empowered to capitalize on new value-added business opportunities that would have otherwise gone unexplored. Their successes have translated into greater and more stable income for producers from the marketplace. It has also served to promote economic development and create needed jobs, especially in rural areas where employment opportunities are often limited. Potential technologies include processing identity-preserved corn varieties and adding value to the non-fermentable components of the corn feedstock.

The benefits of this program far exceed the cost. Given its track record of success, we believe that strong justification exists to provide full funding for USDA's Value-Added Producer Grants Program.

Thank you for the support and assistance you have provided to corn growers over the years. Please feel free to contact Jon Doggett at 202–628–7001 if you need any additional information.

PREPARED STATEMENT OF THE NATIONAL COUNCIL OF FARMER COOPERATIVES

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 2009 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 more than 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 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'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 2009, the administration's budget proposal provides $700 million in both budget authority and program level for salaries and expenses for the rural development mission area, compared to $685 million for fiscal year 2008.

Since there is no separate line item relating to programs in support of farmer cooperatives, we recommend that specific language be included, as Congress has approved in the past, relating to farmer cooperatives. Those directives should ensure that programs to encourage the development and continued competitiveness of farmer cooperatives be given a high priority.

Value-Added Agricultural Product Market Development Grants

USDA's Value-Added Agricultural Product Market Development Grants 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 has served as an excellent example of an effective public-private partnership. Despite abbreviated funding levels, successful applicants have brought a number of self-sustaining products to market with the initial help of this program.

Since the program's inception, NCFC has been a leader of a coalition of farmers, cooperatives and related rural interests that utilize and strongly support the Value-Added Agricultural Product Market Development Grants Program. Given the importance and success of the program in promoting efforts by farmers to develop new, higher-value products and sustainable increases in farm sector income, the coalition is recommending an increase to $60 million annually in mandatory spending under the upcoming Farm Bill. We are hopeful that the subcommittee will look favorably upon the full level of mandatory funds authorized under that upcoming legislation.

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.

In addition to providing needed funding for such programs, it is important to ensure that farmers who choose to cooperatively market their products should remain fully eligible for them. Similarly, farmer cooperatives should not be limited or excluded from utilizing these programs, and must remain fully eligible.

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 historical mission in support of such cooperative efforts and essential to ensure the continued availability of high quality products on a competitive basis.

We urge the committee to again include provisions to ensure continued eligibility by farmer cooperatives to the benefit of their farmer members.

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.

In approving the current Farm Bill, Congress made a number of changes to USDA's Business and Industry (B&I) guaranteed loan program to better meet the needs of farmer cooperatives and their farmer members. These included changes to allow farmers to qualify for guaranteed loans for the purchase of stock in both new and existing cooperatives to provide the equity capital needed to encourage more involvement and participation in value-added activities.

For fiscal year 2009, the administration's budget proposal provides an overall program level of $700 million, which represents a decrease from the $993 million in loans estimated to be guaranteed in fiscal year 2008. Accordingly, we recommend that resources be increased to at least the fiscal year 2008 estimated level.

Rural Business Investment Program

The Rural Business Investment Program was authorized 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 if farmers are going to be able 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.

USDA Export Programs

We would also like to take this opportunity to express our strong support for USDA's export programs. These programs 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. That coalition is urging that mandatory funding for the Market Access Program be provided at $325 million, together with $50 million for the Foreign Market Development program, under the upcoming Farm Bill. We urge that the subcommittee support the full authorized funding levels for these essential programs.

In addition, we urge full funding for the Export Credit Guarantee Programs, the Export Enhancement Program, Dairy Export Incentive Program, Technical Assistance for Specialty Crops, Food for Progress, as well as Public Law 480 and other food assistance programs, including McGovern-Dole.

Food Aid

NCFC is a member of the Food Aid coalition and strongly supports their testimony. Public Law 480's long history of success has created significant congressional and private sector confidence in the program. Farmer cooperatives have seen these benefits first-hand through our involvement in agricultural development programs with international NGO ACDI/VOCA.

With that background, we urge the subcommittee to reject any proposals to divert funds from Title 1 and Title II of the Public Law 480 program. Though we recognize that the Europeans maintain a different policy in regard to their food aid programs, it is unwise to undermine our strong position in the World Trade Organization negotiations by unilaterally amending Public Law 480.

Foreign Agricultural Service

Additionally, we also 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 such programs and to provide the technical assistance and support needed to help maintain and expand U.S. agricultural exports.

Research

Another important area of emphasis when it comes to enhancing the global competitiveness of farmer cooperatives and American agriculture is research. NCFC supports the National Coalition for Food and Agriculture Research's goal of doubling Federal funding over the next 5 years.

Conservation

We also want to express our strong support for important conservation and related programs administered by USDA's Natural Resources Conservation Service (NRCS). Many of these programs were significantly expanded under the current Farm Bill and provide 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.

NRCS is also the lead technical agency within USDA offering "on-farm" technical and financial assistance. We strongly support such programs, involving technical assistance activities that may be carried out in partnership with the private sector involving farmer cooperatives.

Farmer cooperatives have invested heavily in developing the technical skills of their employees to help their farmer members address environmental concerns. It is estimated that 90 percent of all members of the Certified Crop Advisor (CCA) program, for example, are employed by the private sector and majority of those are employed by farmer cooperatives.

It is important that USDA have the resources to provide these important funds and that the Department continues to refine the technical service program (TSP).

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.

PREPARED STATEMENT OF THE NATIONAL DRINKING WATER CLEARINGHOUSE PROGRAMS FOR SMALL AND RURAL COMMUNITIES

Summary

The National Drinking Water Clearinghouse (NDWC) asks for your continued support for our work to assist small and rural communities in the United States in maintaining safe, affordable drinking water. We request a total of $2 million in fiscal year 2009 to support our regular outreach programs under the NDWC ($1.6 million) and for a focused activity called Special Services to Small Communities ($0.4 million). Our nation-wide services provide information, technical assistance, training, education, and outreach to citizens, government officials, service providers, and regulators for communities with populations of 10,000 or less. The NDWC is supported through the Technical Assistance and Training grants administered under the USDA account for the Rural Community Assistance Program (RCAP). The first two pages of our testimony outline the need and justification for our services. The remainder of the testimony provides descriptive information about the NDWC and Special Services programs.

PROGRAM NEED AND JUSTIFICATION

Need for Federal Programs

The recent media attention given to reports of large amounts of pharmaceuticals found in our drinking water has lead to a public outcry for more stringent treatment of drinking water and wastewater and the implementation of higher standards for water quality. The Environmental Protection Agency (EPA) drinking water survey conducted in 1999 indicated the need for drinking water systems and/or system upgrades to be $48.1 billion for communities of 10,000 or less, and $31.2 billion for communities of 3,300 or less. Regardless of community size, water systems are required to comply with regulations mandated by the Safe Drinking Water Act to ensure safe drinking water to the populace.

The expense of upgrading or installing new water systems is a progressively heavy financial burden on smaller communities. With their limited resources, these communities often lack a solid financial base, adequate equipment, and properly trained water system operators. Faced with regular turn-over in personnel due to constraints on salaries and their lower budgets for installing infrastructure, small and rural communities require Federal services such as training for technical personnel and community officials and information on low-cost options for system de-

signs and maintenance if these communities are to keep expenses within their budget. Without adequate water resources, these communities are not able to grow and prosper. Safe, affordable water infrastructure is an investment in the economic viability and public health of rural America.

Program Justification

To assist small and rural communities address their drinking water challenges, the Technical Assistance and Training [TAT] grants program was started under USDA's Rural Community Advancement Program. The TAT program makes it possible for small and rural communities to maximize their investments in water infrastructure through assistance provided to them for technology selection, operation and maintenance, capacity development, and asset management.

Funding for drinking water and waste water assistance is mandated through the Farm Bill (e.g. the Consolidated Farm and Rural Development Act). The administration requests funding for these assistance programs through the TAT account. However, the amount of funding that the administration requests for the TAT program has been decreasing each year while inflation pressures require the need for more funding just to maintain the same level of effort. The programs of the NDWC provide cost-effective solutions to help small community water systems meet the challenges they face, improve their abilities to comply with the Safe Drinking Water Act (SDWA), and protect public health.

Given the integral role that the NDWC plays in implementing the USDA mandate in providing drinking water assistance services, we seek continued congressional support to maintain our level of activity and are requesting a congressionally directed appropriation through the RCAP TAT program for $2 million. By providing Federal funds to support the NDWC programs, the U.S. Government benefits through the economy-of-scale of supporting one organization (the NDWC) to develop a suite of assistance packages offered free to small communities which do not have the extensive resources needed to develop such programs and services from their own budgets.

NDWC AND SPECIAL SERVICES PROGRAM DESCRIPTIONS

National Drinking Water Clearinghouse Program

For 17 years, the National Drinking Water Clearinghouse at West Virginia University has helped small and rural communities with their water infrastructure management. We have provided assistance in utility security issues since 2001. The NDWC is currently funded at approximately $1 million from fiscal year 2007 funds. fiscal year 2008 funding is pending and would be allocated in September, 2008.

The NDWC provides a range of assistance for small and rural communities. Telephone callers can obtain toll-free technical assistance from our staff of engineers and scientists. Our quarterly publication "On Tap," a magazine about drinking water treatment, financing, and management options, helps communities and small water systems operate, manage and maintain their facilities, while keeping them financially viable. Our comprehensive web site and databases with thousands of entries provide round the clock access to contemporary information on small water systems. Training sessions customized for small and rural areas, teleconferences, web casts and more than 400 free and low-cost educational products give people the instruction and tools they need to address their most pressing water issues. Our services are structured to be of assistance to callers from any community across the Nation and are well received by small community officials and service providers.

Special Services to Small Communities Program

In addition to the National Drinking Water Clearinghouse's knowledge base and technical support, the NDWC is expanding its assistance to underserved communities through technical field support. Underserved communities populate rural Appalachia, the Mississippi Delta, and the U.S.-Mexico Border communities, or "Colonias," and Native American Tribes. The NDWC's funding currently does not provide for direct services to underserved communities. To initiate this program, West Virginia University has provided internal funding to pilot an effort to honor requests for site specific technical support. This support has given small and very small communities assistance through site assessments and feasibility studies that they might not otherwise be able to access for planning needed infrastructure improvements, their financing, and management. We are requesting congressional support for this program which could then be offered free of charge on a wider scale to selected communities across the Nation.

We would appreciate your continued support for the valuable services provided by the National Drinking Water Clearinghouse. Thank you for the opportunity to offer testimony on the USDA programs.

PREPARED STATEMENT OF THE NATIONAL FISH AND WILDLIFE FOUNDATION

Mr. Chairman and Members of the Subcommittee: Thank you for the opportunity to submit testimony regarding fiscal year 2009 funding for the National Fish and Wildlife Foundation (Foundation). We appreciate the Subcommittee's past support and respectfully request your approval of $4 million through the Natural Resources Conservation Service (NRCS) fiscal year 2009 appropriation.

This funding request is well within the authorized levels and would allow the Foundation to uphold our mission and expand our successful partnership with NRCS. Mr. Chairman, I want to make one very important point: we are asking for your support of a well-established conservation program with national significance. The Foundation is an honest broker for the Federal agencies and we have a remarkable track record of bringing private partners together to leverage Federal funds and maximize conservation impacts.

During fiscal year 2000–2006, the Foundation received an average appropriation of $3 million annually to further the mission of NRCS through a matching grant program focused on private lands conservation. We respectfully request that the subcommittee restore the NRCS appropriation for the Foundation in fiscal year 2009 to expand our partnership with NRCS. Together, NRCS and the Foundation have supported nearly 500 grants to conservation districts, universities, Resource Conservation and Development Councils, and non-profit organizations who partner with farmers, ranchers, and foresters to support conservation efforts on private land. Through these efforts, the Foundation leveraged $21 million in NRCS funds into more than $85 million to conserve fish and wildlife habitat, reduce agricultural runoff, and remove invasive species in 49 States, the Caribbean, and the Pacific Islands.

Since the Foundation's establishment by Congress in 1984, the Foundation has built strong partnerships with Federal agencies by convening cooperative efforts to further the conservation of fish, wildlife and plants. In addition to NRCS, the Foundation works closely with the U.S. Fish and Wildlife Service and other Department of Interior agencies, U.S. Forest Service, National Oceanic and Atmospheric Administration, and the Environmental Protection Agency, among others. While the Foundation's Congressional charter requires a minimum of a 1:1 match for federally appropriated dollars, three or more matching dollars are typically leveraged from the non-Federal sector for conservation projects. Therefore, a NRCS appropriation of $4 million in fiscal year 2009 has the potential to turn into $16 million or more for on-the-ground conservation. Funds appropriated by this subcommittee are fully dedicated to project grants and do not cover any overhead expenses of the Foundation.

The Foundation continues to excel in grant-making while providing thought leadership, accountability and sustainable conservation outcomes. Our unique ability to organize Federal agencies and private partners to work together to achieve mutual conservation goals through on-the-ground and in-the-water grant programs is notable and there is significant potential to advance these efforts in fiscal year 2009 and beyond.

Renewal of NRCS funding for the Foundation will attract private sector interest in conservation through corporate sponsorship and direct gifts. With past support from NRCS, the Foundation was successful in attracting $750,000 of matching funds through the Kellogg Foundation to support innovative and sustainable conservation activities on agricultural lands. The Foundation also has strong partnerships with Anheuser-Busch, Southern Company, and the McKnight Foundation, all of whom have a special interest in conserving habitat on private agricultural lands.

Reinstatement of NRCS appropriations will encourage new corporate partnerships to further leverage Federal funds for fish and wildlife conservation on private lands. Through our targeted grants, the Foundation strategically invests Federal funds entrusted to us to achieve measurable success in "moving the needle" on collaborative conservation objectives over the next 5 to 10-year period.

Conserving Fish, Wildlife, Plants and Habitats

Fiscal year 2009 appropriations through NRCS will be focused on mutually agreed upon projects across the country according to our Keystone Initiatives and the objectives of the Foundation's Special Grant Programs, which are specific to a geographic area, group of species, or conservation concern. The Keystone Initiatives represent the new core portfolio of the Foundation's grant making with clearly defined long-term goals, well-articulated strategies, and defined budgets to reach desired outcomes. The Foundation continued implementing a new strategic plan and developing targeted Keystone Initiatives, with the goal of achieving sustainable and measurable conservation impacts.

Four Keystone Initiatives were launched by the Foundation in 2007: (1) Birds (2) Wildlife and Habitats (3) Fish and (4) Marine and Coastal Conservation. Each grant approved under a Keystone Initiative will be designed to provide a measurable outcome that brings us one step closer to the final long-term conservation goal of the Initiative. Achieving success through our Keystone Initiatives will also help to fulfill the objectives of the National Fish Habitat Action Plan, North American Waterfowl Management Plan, and Partners in Flight, among others.

With NRCS appropriations, the Foundation can accelerate our collaborative efforts to achieve long-term conservation impacts for fish and wildlife through our Keystone Initiatives. Increased funding in fiscal year 2009 will also help to strengthen the Foundation's Special Grant Programs, a few of which are highlighted below:

—The Great Lakes Watershed Restoration Fund is a partnership between NRCS, U.S. Fish and Wildlife Service, U.S. Forest Service, Environmental Protection Agency, and NOAA to promote ecosystem restoration in the Great Lakes watershed. Since 2005, the Foundation has leveraged $1.9 million in Federal funds with $3.8 million in partner contributions and matching funds to support 36 projects throughout the watershed. In 2008, the program is anticipated to award an additional $1.5 million to restore and enhance fish and wildlife habitat in the Great Lakes Basin. In January, the Foundation announced a new corporate partnership with ArcelorMittal, an international steel company, which will provide an additional $2.1 million over 3 years for our grant-making in the watershed and help to implement the habitat objectives of the Great Lakes Regional Collaboration.

—The Upper Mississippi River Watershed Fund was established in partnership with the U.S. Forest Service and NRCS to restore and protect the forest ecosystems and watersheds of the Upper Mississippi River drainage area. Intensive land use and expanding navigation of the river have transformed the river and its watershed. Forest restoration and sustainable stewardship is critical to the area's fish and wildlife populations and the ability to address water quality issues. Projects emphasize restoration of bottomland hardwoods, wetlands, and riparian areas to benefit migratory birds, amphibians, fish and other aquatic species. Since 2006, $600,000 in Federal funds was leveraged with $1.4 million in non-Federal funds to support eight projects in five States of the Upper Mississippi River Watershed.

—The Chesapeake Bay Stewardship Fund is a partnership among NRCS, Environmental Protection Agency (EPA), U.S. Fish and Wildlife Service, National Oceanic and Atmospheric Administration, and the U.S. Forest Service to restore and protect water quality and vital habitats within the Chesapeake Bay watershed. As part of the Fund, the Foundation administers EPA's Chesapeake Bay Target Watershed Grants and Small Watershed Grants. In 2008, the Foundation will also partner with NRCS to manage $5 million through their Chesapeake Bay Conservation Innovation Grants program. By convening Federal partners through the Fund, the Foundation serves as a "one-stop-shop" for grantees and plays an important role in maximizing conservation outcomes.

Other Special Grant Programs, including the Pulling Together Initiative, Bring Back the Natives, Coral Reef Conservation Fund, and the Delaware Estuary Watershed Grant Program, continued positive results in 2007 with grantee requests far exceeding available funds. As mentioned, the Foundation is successfully building bridges between the government and private sector to benefit NRCS's mission. With support from this Subcommittee, we can accelerate our investment in commonsense, innovative, cooperative approaches that directly benefit diverse habitats, water quality and quantity, and a wide range fish and wildlife species.

A Tradition of Successful and Accountable Performance

Since 1984, the Foundation has awarded nearly 9,500 grants to over 3,000 organizations in the United States and abroad and leveraged—with its partners—more than $400 million in Federal funds into over $1.3 billion for conservation. NFWF is recognized by Charity Navigator with a 4-star rating for efficiency and effectiveness.

The Foundation has taken important strides to improve our grant review and contracting process to ensure we maximize efficiency while maintaining strict financial and evaluation-based requirements. Interactive tools through our website have improved communication with our stakeholders and helped to streamline our grant making process. We expect that as of spring 2008, the Foundation will be operating under a paperless application system.

Grant-making through our Keystone Initiatives and Special Grant Programs involves a thorough internal and external review process. Peer reviews involve Federal and State agencies, affected industry, non-profit organizations, and academics.

Grants are also reviewed by the Foundation's Keystone Initiative staff, as well as evaluation staff, before being recommended to the Board of Directors for approval. In addition, according to our Congressional Charter, the Foundation provides a 30-day notification to the Members of Congress for the congressional district and State in which a grant will be funded, prior to making a funding decision.

Once again, Mr. Chairman, we greatly appreciate your continued support and hope the subcommittee will approve funding for the Foundation in fiscal year 2009.

PREPARED STATEMENT OF THE NATIONAL ORGANIC COALITION

Chairman Kohl, Ranking Member Bennett, 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 requests for fiscal year 2009 funding for several USDA marketing, research, and conservation 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, Rural Advancement Foundation International-USA, and the Union of Concerned Scientists.

We urge the Subcommittee's strong consideration of the following funding requests for various USDA programs of importance to organic farmers, marketers and consumers:

USDA/Agricultural Marketing Service (AMS)

Organic Standards—Request: $6 million.

In fiscal years 2006 and 2007, funding of $2.026 was appropriated for the National Organic Program within the AMS budget. For fiscal year 2008, in keeping with the President's budget request for the program, $3.18 million was appropriated for the National Organic Program. The President's fiscal year 2009 budget proposes that the National Organic Program be funded at $3.98 million.

With the rapid expansion of the organic market in the United States and abroad, the tasks facing the National Organic Program are numerous, yet the resources of the agency are few. The responsibilities of the NOP staff are exploding, as they attempt to enforce the standards governing the growing organic sector. If the funding for this program does not expand significantly to meet the growing needs, we fear that the important work of the NOP will suffer, the integrity of the organic standards will be jeopardized, and public confidence in the USDA organic label will be eroded.

Without a doubt, Congress has been very responsive to the funding needs of the NOP in recent years, in most cases fully funding the increases proposed by the President's budget each year. However, we believe that funding increase requested in the President's budget this year may not be adequate to address the exploding growth of the organic sector.

Some of the difficulties that the NOP has faced in implementing and overseeing the organic standards can be attributed to budget problems. Rulemaking efforts important to organic farmers, consumers, processors and retailers are languishing. For example, USDA has been promising for nearly 2 years to move forward on the proposal of a new, updated pasture standard to govern organic livestock, yet no formal action has taken place. Also, a regulation to clarify the standards for origin of livestock in organic dairy operations is also greatly needed.

In addition, some unfulfilled statutory requirements are still unanswered, despite Congressional prodding.

Specifically, the Senate report language in fiscal years 2004, 2005, 2006, 2007, and 2008 called on the NOP to establish an on-going Peer Review Panel, as called for in Section 2117 of the Organic Foods Production Act of 1990 and Section 205.509 of the Organic rule, to provide oversight and advice to the NOP regarding the accreditation process for organic certifiers.

In recognition of the growing pains that the NOP was experiencing in implementing the new organic standards, the agency wisely sought outside advice for recommendations for program improvements. The NOP contracted with the American National Standards Institute (ANSI) to perform an outside audit of the agency, the results of which were presented in late 2004. The ANSI audit noted numerous tech-

nical and procedural deficiencies in the NOP's operations and suggested corrective actions in several areas. In addition, USDA's own Inspector General's office released an audit report regarding the National Organic Program in July of 2005, which was very critical of the National Organic Program's operations, and also suggested several corrective actions that could be taken by the Agency to resolve the problems. The Members of the National Organic Coalition concur with the recommendations of the ANSI and Office of Inspector General (OIG) audits, and believe that if the NOP were to implement these recommendations, it would be a significant step to resolving many of the concerns that have been raised by the organic community regarding the NOP's operations. However, it is unclear whether these recommendations are being implemented. We believe that the House and Senate Agriculture Appropriations Subcommittees should be kept informed by NOP with regular reports on their progress in complying with these recommendations.

In order to provide the National Organic Program with greater resources to fulfill these required tasks, and for certifier training, National Organic Standards Board support, enforcement, and rulemaking processes, we are requesting $6 million for AMS/National Organic Program, and we are also requesting that the following report language be included:

The Committee is aware that an audit performed by the American National Standards Institute (ANSI) in 2004 and by the USDA Office of Inspector General (OIG) in 2005 made strong recommendations about changes needed in the administration of the National Organic Program. The Committee expects the Agency to take the necessary actions to comply with these recommendations, and to provide a detailed written report to the Committee by December of 2008 regarding progress in implementing these recommendations. The Committee also notes that the agency is long-overdue in publishing regulations for new, updated pasture standards for organic ruminants, and that conflicting standards governing the origin of livestock used in organic dairy operations may require rulemaking on that topic as well. The Committee hopes to see action taken by NOP on these matters during fiscal year 2009. Finally, the Committee expects the NOP to work closely with the National Organic Standards Board to implement the accreditation Peer Review Panel requirements of OFPA and USDA's organic regulations.

USDA/Organic Data Initiatives

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." The pending 2008 Farm Bill includes draft language continues and enhance this data collection effort as well. 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. Because of the multi-agency nature of data collection within USDA, the effort to improve organic data collection and analysis must also be undertaken by several different agencies within the Department:

Economic Research Service (ERS)

Collection and Analysis of Organic Economic Data—Request: $750,000.

Since fiscal year 2006, Congress has appropriated $500,000 to USDA's Economic Research Service to continue the collection of valuable acreage and production data, as required by Section 7407 of the 2002 farm bill.

Because increased ability to conduct economic analysis for the organic farming sector is greatly needed, we request $750,000 to be appropriated to the USDA ERS to implement the "Organic Production and Market Data Initiative" included in Section 7407 of the 2002 Farm Bill.

Agricultural Marketing Service (AMS)

Organic Price Collection—Request: language supporting continued funding from RMA to AMS for organic price collection.

Accurate, public reporting of agricultural price ranges and trends helps to level the playing field for producers. Wholesale and retail price information on a regional basis is critical to farmers and ranchers, but organic producers have fewer sources of price information available to them than conventional producers. Additionally, the lack of appropriate actuarial data has made it difficult for organic farmers to apply for and receive equitable Federal crop insurance. AMS Market News is involved in tracking product prices for conventional agricultural products. During the last couple of years, the Risk Management Agency (RMA) has provided some funding to the AMS, through a Memorandum of Understanding, to begin the collection of organic

price data for a few selected commodities. We request that the Committee express its support for the continuation and expansion of this MOU between RMA and AMS.

USDA/CSREES

Organic Transitions Program—Request: $5 million.

The Organic Transition Program, funded through the CSREES budget, 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 topics related to organic agriculture is experiencing significant growth as well. The benefits of this research are far-reaching, with broad applications to all sectors of U.S. 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.

The CSREES Organic Transition Program was funded at $2.1 million in fiscal year 2003, $1.9 million in fiscal year 2004, $1.88 million for both fiscal years 2005 and 2006, and $1.855 million for fiscal years 2007 and 2008. Given the rapid increase in demand for organic foods and other products, and the growing importance of organic agriculture, the research needs of the organic community are expanding commensurately. Therefore, we are requesting that the program be funded at $5 million in fiscal year 2009, consistent with the funding providing in the House's initial fiscal year 2007 Agriculture Appropriations bill. In addition, we are requesting that the Organic Transition Program remain a separate program, and urge the Committee to reject the administration's proposal to subsume the funding for this program with the NRI.

USDA/CSREES

National Research Initiative (NRI)—Request: Language directing CSREES to add a new NRI program area to foster 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. Unfortunately, this shift has significantly curtailed the public access to plant and animal germplasm, and limited the diversity of seed variety and animal breed development. 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. Without renewed funding in this arena, the public capacity for plant and animal breeding will disappear.

In fiscal years 2005, 2006, and 2007, the Senate Agriculture Appropriations Subcommittee included report language raising concerns about this problem, and urging CSREES to give greater consideration to research needs related to classical plant and animal breeding, when setting priorities within the National Research Initiative. Despite this report language, research proposals for classical plant and animal breeding that have sought NRI funding in the recent years have been consistently declined. Further, the shift in NRI toward work on genomics and biotechnology continues, to the exclusion of classical plant and animal breeding.

Both the House and Senate versions of the Farm Bill include language to make classical plant and animal breeding a priority within the CSREES competitive grant process. The House version includes this language in the Initiative for Future Agriculture and Food Systems (IFAFS) program, whereas the Senate version includes this language within the National Research Initiative (NRI). Whichever version of the language is enacted in final Farm Bill, it will be very helpful to have the point reiterated by the Appropriations Committee.

Therefore, we are encouraging the inclusion of strong report language in the CSREES section of the fiscal year 2009 Agriculture Appropriations bill, to reiterate that CSREES should be making classical plant and animal breeding a priority.

The following report language is offered as a suggestion, though it may need to be modified based on the outcome of the Farm Bill:

Section X of the X Act of 2008 (H.R. 2419) specifies that CSREES make classical plant and animal breeding activities a priority within the (NRI or IFAFS) program. The Committee strongly concurs with the intent of this section, and requests a report from the agency as to its plans for implementing the intent of this important requirement

USDA/CSREES

Sustainable Agriculture Research and Education (SARE)—Request: $15 million (Chapter 1) and $5 million (Chapter 3).

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. We are requesting $15 million for Chapter 1 and $5 million for Chapter 3 for fiscal year 2009.

USDA/Rural Business Cooperative Service

Appropriate Technology Transfer for Rural Areas (ATTRA)—Request: $3 million.

ATTRA is a national sustainable agriculture information service, which provides practical information and technical assistance to farmers, ranchers, Extension agents, educators and others interested in sustainable agriculture. ATTRA interacts with the public, not only through its call-in service and website, but also provides numerous publications written to help address some of the most frequently asked questions of farmers and educators. Much of the real-world assistance provided by ATTRA is extremely helpful to the organic community. As a result, the growth in demand for ATTRA services has increased significantly, both through the website-based information services and through the growing requests for workshops. We are requesting $3 million for ATTRA for fiscal year 2009.

USDA/ARS

Organic Agricultural Systems Research—Request: Devote ARS research dollars commensurate with organic's retail market share.

USDA research programs have not kept pace with the growth of organic agriculture in the marketplace. Although organic currently represents roughly 3.5 percent of total U.S. food retail market, the share of USDA research targeted to organic agriculture and marketing is significantly less. With regard to ARS specifically, efforts have been made to devote greater resources to organic research. In fiscal year 2007, ARS expended approximately $15 million on organic research. While this figure is an increase from previous years, a "fair share" of expenditures would be closer to $40 million annually using organic's retail market share as a basis of comparison. In fact, both the House and Senate versions of the Farm Bill include Sense of Congress language that ARS funding should be dedicated to organic research at a rate commensurate with organic's retail market share.

Not only is organic research not receiving an appropriate share of research dollars, but the ARS research location cuts proposed in the President's fiscal year 2009 budget would result in a disproportionate cut in ARS research. Specifically, much of the flagship organic research being conducted by ARS originates from the Orono, Maine, University Park, Pennsylvania, Urbana, Illinois and Morris, Minnesota research locations. All of these locations are slated for closure under the President's budget request.

Therefore, we are requesting that language be added to the fiscal year 2009 Agriculture Appropriations bill to require ARS to devote dollars toward organic research at a rate commensurate with organic's retail market share, and to reject the President's proposal to close the Orono, Maine, University Park, Pennsylvania, Urbana, Illinois and Morris, Minnesota research locations.

USDA/NRCS

Conservation Security Program—Request: No Funding Limitation.

USDA/Rural Business Cooperative Service

Value-Added Producer Grants—Request: $40 million.

The Conservation Security Program (authorized by Section 2001 of the 2002 farm bill) and the Value-Added Producer Grant (authorized by Section 6401 of the 2002 farm bill) have great potential to benefit organic and conventional producers in their efforts to conserve natural resources and to explore new, value-added enterprises as part of their operations. Unfortunately, while these programs were authorized to operate with mandatory funding, their usefulness has been limited by funding restrictions imposed through the annual appropriations process. We are urging that the Conservation Security Program be permitted to operate with unrestricted mandatory funding, and that the Value-Added Producer Grant Program receive an appropriation of $40 million for fiscal year 2009.

Thank you for this opportunity to testify and for your consideration on these critical funding requests.

PREPARED STATEMENT OF THE NATIONAL POTATO COUNCIL

My name is Ed Schneider. I am a potato farmer from Pasco, Washington and current Vice President, Legislative/Government Affairs for the National Potato Council (NPC). On behalf of the NPC, we thank you for your attention to the needs of our potato growers.

The NPC is the only trade association representing commercial growers in 50 States. Our growers produce both seed potatoes and potatoes for consumption in a variety of forms. Annual production is estimated at 437,888,000 cwt. with a farm value of $3.2 billion. Total value is substantially increased through processing. The potato crop clearly has a positive impact on the U.S. economy.

The potato is the most popular of all vegetables grown and consumed in the United States and one of the most popular in the world. Annual per capita consumption was 136.5 pounds in 2003, up from 104 pounds in 1962 and is increasing due to the advent of new products and heightened public awareness of the potato's excellent nutritional value. Potatoes are considered a nutritious consumer commodity and an integral, delicious component of the American diet.

The NPC's fiscal year 2009 appropriations priorities are as follows:

POTATO RESEARCH

Cooperative State Research Education and Extension Service (CSREES)

The NPC urges that Congress not support the President's fiscal year 2009 budget request to eliminate the CSREES Special Grant Programs. The Potato Special Grant Program supports and fine tunes important university research work that helps our growers remain competitive in today's domestic and world marketplace.

The NPC supports an appropriation of $1,800,000 for the Special Potato Grant program for fiscal year 2009. The Congress appropriated $1,482,000 in fiscal year 2006 and recommended the same amount in fiscal year 2007. However, the program only received $1,112,000 in fiscal year 2008 which was further reduced by the across-the-board cut. The House Subcommittee recommended $1.4 million while the Senate Subcommittee recommended only $750,000. This has been a highly successful program and the number of funding requests from various potato-producing regions is increasing.

The NPC also urges that the Congress include Committee report language as follows:

"Potato Research.—The Committee expects the Department to ensure that funds provided to CSREES for potato research are utilized for varietal development testing. Further, these funds are to be awarded after review by the Potato Industry Working Group."

AGRICULTURAL RESEARCH SERVICE (ARS)

The Congress provided funds for a number of important ARS potato research projects and, due to previous direction by the Congress, the ARS continues to work with the NPC on how overall research funds can best be utilized for grower priorities.

In addition, the Potato Cyst Nematode Laboratory at Cornell University is structurally deficient and may lose its Federal license to operate as a quarantine facility. Its demise would not only jeopardize New York agriculture but also put the U.S. potato industry at risk. Equally important is the risk to the Western United States from the Idaho and Alberta outbreaks. There is also a need for a similar facility in Idaho. A coordinated National Program is critical if export markets are to be maintained and this quarantined pest is to be contained.

The NPC urges that $2.5 million per site be provided for the construction and/or the expansion of such a facility at each location. As an expansion of the Insect Containment Facility at Cornell University (CU), the eastern facility could be operated similarly to the current facility. A potential scenario might envisage a new facility built on CU-donated land with the State of New York providing continued maintenance and utility support and ARS providing research program support. The Western facility could be constructed on University of Idaho land where an existing nematologist is present and a core ARS presence already exists.

Both species of Potato Cyst Nematode (PCN), Golden and Pale, are quarantine pests of potatoes. The Golden nematode was discovered in New York in 1941. The Pale Cyst Nematode was discovered in Idaho in 2006. The Pale Cyst Nematode has also been detected in potato production areas in Alberta, Canada that supply seed potatoes primarily to the Northwestern United States, but also to States such as Florida and North Carolina. Eradication of PCN is difficult because PCN cysts remain viable in the soil for 20 plus years and can be found at soil depths up to 40 inches.

The Quarantine and Management program in New York has confined the nematode to limited acreage for 60 plus years due to yearly surveys by APHIS and New York State Ag and Markets, and the implementation of effective management plans developed by ARS and Cornell University scientists. The continued success of the program has been challenged by a recent discovery of a new race of PCN in New

York and first-time discoveries of PCN in Idaho, Quebec and Alberta. If PCN expands into other States, the entire U.S. potato industry will be affected, not only from direct damage by the pest (up to 80 percent yield loss), but more importantly, by embargoes disrupting interstate and international trade.

Breeding nematode resistant potato varieties is the cornerstone of the New York PCN research team. Access to resistant varieties allows continued production and international marketing of New York potatoes. The New York PCN research team, currently the only one in the United States, is uniquely positioned to develop potato germplasm with viable broad spectrum and durable resistance to PCN and to provide material to other breeding programs in the United States and Canada. Already the New York PCN team has been a major resource for establishing PCN detection programs in Idaho and Quebec, and is providing leadership, resources and expertise to a newly established U.S. PCN working group and to Canadian provincial agencies. Almost 60 percent of the U.S. potato production is in the Pacific Northwest. Without a program to test for resistance as part of the Northwest Potato Breeding program, to support the current containment and eradication program in Idaho and to aggressively survey for possible infections from Alberta, the entire U.S. industry is at risk.

The PCN Laboratory at Cornell is the only U.S. facility that conducts laboratory and greenhouse research on PCN. It is structurally deficient and in danger of being denied its Federal license to operate as a quarantine facility. Constructed as a temporary building prior to 1960, Cornell University engineers have determined that major renovations are not economically feasible. Its demise would put New York agriculture and the U.S. potato industry at risk. Similarly, without a Western facility to conduct this research under Western growing conditions, over 60 percent of the U.S. production is in jeopardy.

FOREIGN MARKET DEVELOPMENT

Market Access Program (MAP)

The NPC also urges that the Congress maintain the spending level for the Market Access Program (MAP) at the authorized level determined by the final version of the new Farm Bill.

Foreign Agriculture Service (FAS)

The NPC supports the President's fiscal year 2009 budget request of $279 million for salaries and expenses of the USDA Foreign Agriculture Service. This level is the minimum necessary for the Agency given the multitude of trade negotiations and discussions currently underway. The Agency has had to absorb pay cost increases, as well as higher operating costs for its overseas offices, such as increased payments to the Department of State for services provided at overseas posts. Recent declines in the value of the dollar, coupled with overseas inflation and rising wage rates, have led to sharply higher operating costs that must be accommodated if FAS is to maintain its overseas presence. However, this minimal budget request does not allow for expanded enforcement activities to assure that various trade agreements are being properly implemented. The Congress should consider increasing the budget request to allow for more FAS trade enforcement activities.

FOOD AID PROGRAMS

McGovern-Dole

The NPC supports the administration's fiscal year 2009 budget request of $108 million for the McGovern-Dole International Food Aid Program. PVO's have been including potato products in their applications for this program.

PEST AND DISEASE MANAGEMENT

Animal and Plant Health Inspection Service (APHIS)

Golden Nematode Quarantine.—The NPC supports an appropriation of $1,266,000 for this quarantine which is what is believed to be necessary for USDA and the State of New York to assure official control of this pest. Failure to do so could adversely impact potato exports. The administration's request is only $800,000.

Given the transfer of Agriculture Quarantine Inspection (AQI) personnel at U.S. ports to the Department of Homeland Security, it is important that certain USDA–APHIS programs be adequately funded to ensure progress on export petitions and protection of the U.S. potato growers from invasive and harmful pests and diseases. Even though DHS staffing has increased, agriculture priorities have not yet been adequately addressed.

Pest Detection.—The NPC supports $45 million for fiscal year 2009 which was the administration's budget request for fiscal year 2008. This increase is essential for the Plant Protection and Quarantine Service's (PPQ) efforts against potato pests and diseases, such as Ralstonia and the Potato Cyst Nematode, and funds many cooperative pest and disease programs. The administration's fiscal year 2009 request is reduced to $31 million.

Emerging Plant Pests.—The President requests $145 million in fiscal year 2009 which the NPC supports. However, this budget request includes only $7.7 million for potato cyst nematode regulatory, control and survey activity. The NPC urges that this program be increased to at least the fiscal year 2008 level of $9.5 million.

The NPC supports having the Congress, once again, include language to prohibit the issuance of a final rule that shifts the costs of pest and disease eradication and control to the States and cooperators.

Trade Issues Resolution Management.—$12,457,000 appropriated in fiscal year 2008 and the President requests $19 million in fiscal year 2009. The NPC supports this increase ONLY if it is specifically earmarked for plant protection and quarantine activities. These activities are of increased importance, yet none of these funds are used directly for plant protection activities. As new trade agreements are negotiated, the agency must have the necessary staff and technology to work on plant-related import/export issues. The NPC also relies heavily on APHIS–PPQ resources to resolve phytosanitary trade barriers in a timely manner.

AGRICULTURAL STATISTICS

National Agricultural Statistics Service (NASS)

The NPC supports sufficient funds and guiding language to assure that the potato objective yield and grade and size surveys are continued. The NPC also urges that additional funds be appropriated so that the agency can continue its vegetable pesticide use surveys, which provide valuable data to the EPA for use in registration and reregistration decisions for key chemical tools. NASS has discontinued these chemical use surveys for fruits and vegetables.

USDA IR–4 Program

For fiscal year 2009 the administration requests $14.795 million for CSREES programs and $4.545 million for ARS programs. The NPC supports this as a minimum. The Program received $11.3 million for the CSREES and $3.8 million for ARS.

PREPARED STATEMENT OF THE NATIONAL TELECOMMUNICATIONS COOPERATIVE ASSOCIATION

The ubiquitous deployment of state of the art communications infrastructure that is capable of ensuring all Americans have access to the array of communications services that are so essential to our national, economic, and personal security remains a critical national priority.

With this in mind, obviously the communications infrastructure and community development financing programs that are operated under the U.S. Department of Agriculture's Rural Utilities Service (RUS) and Rural Business Cooperative Service (RBCS) are without question more important today than ever before.

Congress and the President alike continue to uniformly advocate the necessity of making advanced broadband services available to every American—including those in the most remote far reaches of our vast Nation. Accomplishing this objective will require the ongoing dedication and commitment of the industry as well as the continuing availability of the strong financing programs that exist within the RUS and RBCS today.

Consequently, NTCA strongly urges policymakers to adopt the following specific fiscal year 2009 funding recommendations for these critical programs.

Rural Utilities Service

—Support the provisions of the President's budget proposal calling for the required subsidy to fully fund the RUS Telecommunications Loan Program's Hardship Account at a $145 million level, Cost of Money Account at a $250 million level, and the Guaranteed Account at a $295 million level.

—Support the provisions of the President's budget proposal calling for the required subsidy to fund the RUS Distance Learning, Telemedicine, and Broadband Program's Broadband Telecommunications Loan Account at $297,923,000 and opposing the President's proposed rescission of the Account's unexpended subsidy amounts from prior fiscal years.

—Request an additional $15 million over the President's budget proposal to maintain funding for the RUS Distance Learning, Telemedicine, and Broadband Program's Telemedicine and Distance Learning Grants Account at the fiscal year 2008 appropriated level of $35 million.

—Reject the President's budget proposal to zero out the Distance Learning and Telemedicine Loan Account under the Distance Learning, Telemedicine, and Broadband Program, and instead provide a level of subsidy to sustain this loan account at a $30 million level.

—Oppose the President's proposed cut of $804,000, from $38,623,000 to $37,819,000, for administration and staffing at the agency. Considering all the new responsibilities the agency has taken on and that policymakers want the loanmaking process to move faster, the agency needs more, not fewer, resources.

Rural Business—Cooperative Service

—The Rural Economic Development Grants Program and the Rural Economic Development Loans Program that are both authorized under Section 313 of the Rural Electrification Act are programs that should be under the purview of the RUS rather than the RBCS as they are authorized by the act established to provide financing options for rural telecommunications and electric utilities. In addition, these Section 313 programs have traditionally been funded in part via interest earnings that are associated with loan prepayments by rural telecommunications and electric borrowers of the various RUS financing programs. The Section 313 loan and grant programs now under RBCS were moved there during the mid-1990s reorganization of the USDA purely as a means of providing the newly formed RBCS with enough programs to administer to legitimize its creation. Sadly the impact of this move has been for the program to move out of the view of the very borrowers it was intended to be available to and who largely fund it via their cushion of credit prepayment interest earnings.

—Preserve the Rural Economic Development Loan Program at an appropriate level corresponding to the need and interest that exists in RUS borrower communities for such assistance.

—Oppose the provisions of the President's budget which seek to permanently cancel and sweep the funds derived for the Rural Economic Development Grant Program Account from the Section 313 cushion of credit payments.

—Encourage the Committee to include the following suggested language to prohibit the sweeping of interest earned on cushion of credit payments to the Treasury or other USDA programs: Notwithstanding any other provision of law, none of the funds appropriated or otherwise made available in this Act may be used to transfer or sweep to the Treasury or other USDA programs any funds derived from interest on the cushion of credit payments, as authorized by Section 313 of the Rural Electrification Act of 1936.

PREPARED STATEMENT OF THE NATIONAL TURFGRASS FEDERATION, INC.

Mr. Chairman and Members of the Subcommittee: On behalf of the National Turfgrass Federation (NTF), I appreciate the opportunity to present to you the turfgrass industry's need and justification for continuation of the $490,000 appropriated in the fiscal year 2009 budget for turfgrass research within the Agricultural Research Service (ARS) at Beltsville, MD. Also, we ask for your support of $450,000 in separate continuing funding for ongoing research programs in Beaver, WV, and $450,000 for Logan, UT. All funding provided by the Committee is requested to go directly to USDA–ARS, not the industry per se.

Restoration of Funding for the Existing ARS Scientist Position and Related Support Activities at Beltsville, MD ($490,000)

NTF and the turfgrass industry are requesting the Subcommittee's support for $490,000 to continue funding for the full-time scientist staff position within the USDA, ARS at Beltsville, MD, focusing on turfgrass research, that was provided by the Committee in the fiscal year 2007 budget, and in the five previous budget cycles. We consider this funding our Congressional "baseline", i.e. that funding which is central to and critical for the mission of the National Turfgrass Research Initiative. We are very grateful for this support and hope the Committee will continue this funding.

Turfgrass is a 50,000,000 acre, $40 billion per year industry in the United States, that is growing exponentially each year. Turfgrass provides multiple benefits to society including child safety on athletic fields, environmental protection of groundwater, reduction of silt and other contaminants in runoff, and green space in home

lawns, parks and golf courses. Therefore, by cooperating with NTF, USDA has a unique opportunity to take positive action in support of the turfgrass industry. While the vast majority of the USDA's funds have been and will continue to be directed toward traditional "food and fiber" segments of U.S. agriculture, it is important to note that turfgrasses (e.g., sod production) are defined as agriculture in the farm bill and by many other departments and agencies. It should also be noted that the turfgrass industry is the fastest growing segment of U.S. agriculture, while it receives essentially no Federal support. There are no subsidy programs for turfgrass, nor are any desired.

For the past 70 years, the USDA's support for the turfgrass industry has been modest at best. The turfgrass industry's rapid growth, importance to our urban environments, and impact on our daily lives warrant more commitment and support from USDA.

A new turfgrass research scientist position within USDA/ARS was created by Congress

in the fiscal year 2001 budget. Additional funding was added in fiscal year 2002 with the total at $490,000. A research scientist was hired, and is now working at the ARS, Beltsville, MD center. A research plan was developed and approved by ARS. This scientist has used the funding for a full-time technician, equipment and supplies to initiate the research plan and for collaborative research with universities. We have an excellent scientist in place, and he is making good progress in establishing a solid program. At this point, losing the funding for the position would be devastating to the turf industry, as significant research has begun.

Request Funding of Ongoing Programs and two ARS Scientist Positions at two ARS Installations @ $450,000 Each (Total: $900,000)

The turfgrass industry also requests that the subcommittee appropriate an additional $900,000 for funding first allocated in fiscal year 2005, and continued in fiscal year 2006 and fiscal year 2007 bills. As a part of the National Turfgrass Research Initiative, the research conducted at Logan, UT and Beaver, WV is vital to the turf industry. We are asking for $450,000 at each location. Following is a brief description of the research that ARS will conduct with this funding:

Beaver, WV, ($450,000).—The lab at Beaver has significant expertise in soils and by-products research. They have excellent staff and facilities already in place. For the turfgrass industry, they are working on improving soil conditions and management systems to make athletic fields softer and with improved turf cover, thereby increasing safety. They also are considering the use of local by-products to develop improved soil systems for parks, lawns, athletic fields and golf courses. Besides being vital to the turf industry, this research is very important to the regional economy and many industrial concerns.

Logan, UT, ($450,000).—Logan, UT is an ideal location for research on drought tolerant grasses and how they function. The Logan lab is world renowned for its efforts in collecting and improving grasses and other native plants for forage and range purposes. With the funding that was initiated in fiscal year 2005, they have directed additional efforts research on breeding and genetics of turfgrass, with emphasis on identifying plant material with superior drought and salt tolerance. Reducing water use, through more drought tolerant plant material, is the number one priority of the turfgrass industry. This research needs to be continued and expanded because of the excellent ongoing research as well as the potential for the future.

THE NATIONAL TURFGRASS RESEARCH INITIATIVE

This Initiative has been developed by USDA/ARS in partnership with the turfgrass industry. The USDA needs to initiate and maintain ongoing research on turfgrass development and improvement for the following reasons:

—The value of the turfgrass industry in the United States is $40 billion annually. There are an estimated 50,000,000 acres of turfgrass in the U.S. Turfgrass is the number one or two agricultural crop in value and acreage in many states (e.g., MD, PA, FL, NJ, NC).

—As our society becomes more urbanized, the acreage of turfgrass will increase significantly. In addition, state and local municipalities are requiring the reduction of water, pesticides and fertilizers on turfgrass. However, demand on recreational facilities will increase while these facilities will still be required to provide safe turfgrass surfaces.

—Currently, the industry itself spends about $10 million annually on applied and proprietary turfgrass research. However, private and university research programs do not have the time nor the resources to conduct basic research and to identify completely new sources of beneficial genes for stress tolerance. ARS turfgrass scientists will enhance the ongoing research currently underway in

the public and private sectors. Because of its mission to conduct the nation's research for agricultural commodities, ARS is the proper delivery system for this research.

—Water management is a key component of healthy turf and has direct impact on nutrient and pesticide losses into the environment. Increasing demands and competition for potable water make it necessary to use water more efficiently. Also, drought situations in many regions have limited the water available and, therefore, have severely impacted the turf industry as well as homeowners and young athletes. Therefore, new and improved technologies are needed to monitor turf stresses and to schedule irrigation to achieve the desired quality. Technologies are also needed to more efficiently and uniformly irrigate turfgrasses. Drought tolerant grasses need to be developed. In addition, to increase water available for irrigation, waste water (treated and untreated) must be utilized. Some of these waste waters contain contaminants such as pathogens, heavy metals, and organic compounds. The movement and accumulation of these contaminants in the environment must be determined.

—USDA conducted significant turfgrass research from 1920–1988. However, since 1988, no full-time scientist has been employed by USDA, Agricultural Research Service (ARS) to conduct turfgrass research specifically, until the recently appropriated funds became available.

ARS and the turfgrass industry enjoy a special, collaborative relationship, and have even entered into a cooperative Memorandum of Understanding (MOU). The turfgrass industry has met on numerous occasions with USDA/ARS officials to discuss the new turfgrass scientist positions, necessary facilities, and future research opportunities. In January 2002, ARS held a customer workshop to gain valuable input from turfgrass researchers, golf course superintendents, sod producers, lawn care operators, athletic field managers and others on the research needs of the turfgrass industry. As a result of the workshop, ARS and the turfgrass industry have developed the National Turfgrass Research Initiative. The highlights of this strategy are as follows:

ARS, as the lead agency at USDA for this initiative, has graciously devoted a significant amount of time to the effort. Like the industry, ARS is in this research endeavor for the long-term. To ARS' credit, the agency has committed staff, planning and technical resources to this effort. Last year was the first time ARS has been able to include some funding in the President's budget for the Turfgrass Research Initiative. However, there are so many issues and needs, that the industry is desperate for answers. Thus, to address the critical research needs, the industry is left with no alternative but to come directly to Congress for assistance through the appropriations process.

The role and leadership of the Federal Government and USDA in this research are justifiable and grounded in solid public policy rationale. ARS is poised and prepared to work with the turfgrass industry in this major research initiative. However, ARS needs additional resources to undertake this mission.

The turfgrass industry is very excited about this new proposal and wholeheartedly supports the efforts of ARS. Since the customers at the workshop identified turfgrass genetics/germplasm and water quality/use as their top priority areas for ARS research, for fiscal year 2008, the turfgrass industry requests that the six positions above be established within USDA/ARS.

For this research we propose an ARS-University partnership, with funding allocated to ARS for in-house research as well as in cooperation with university partners. For each of the individual scientist positions, we are requesting $300,000 for each ARS scientist position with an additional $150,000 attached to each position to be distributed to university partners, for a total of $450,000 per position. We are also asking that the funding be directed to ARS and then distributed by ARS to those university partners selected by ARS and industry representatives.

In addition, the Committee should be receiving the Members' requests for funding of each of the positions described above. We appreciate your strong consideration of each individual member request for the turfgrass research position in his or her respective state.

In conclusion, on behalf of the National Turfgrass Federation and the turfgrass industry across America, I respectfully request that the subcommittee continue in fiscal year 2009 the funding appropriated in fiscal year 2008 for Beltsville, MD, ($490,000) within the Agricultural Research Service. I also request the Subcommittee's support of ongoing research programs at Beaver, WV and Logan, UT @ $450,000 each.

Thank you very much for your consideration and support.

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. Prior to the enactment of the Farm Security and Rural Investment Act (FSRIA) in 2002, the salinity control program had not been funded at the level necessary to control salinity with respect to water quality standards since the enactment of the Federal Agriculture Improvement and Reform Act (FAIRA) of 1996. Inadequate funding of the salinity control program also negatively impacts the quality of water delivered to Mexico pursuant to Minute 242 of the International Boundary and Water Commission. Adequate funding for EQIP, from which the U.S. Department of Agriculture (USDA) funds the salinity program, is needed to implement salinity control measures. The President's budget for fiscal year 2009 requests an appropriation of $1.05 billion for EQIP, with the actual amount to be set by the new Farm Bill. I urge the subcommittee to support an appropriation of at least $1.05 billion to be appropriated for EQIP. I request that the subcommittee designate 2.5 percent, but no less than $20 million, of the EQIP appropriation for the Colorado River Basin salinity control program. I request that adequate funds be appropriated for technical assistance and education activities directed to salinity control program participants.

STATEMENT

The seven Colorado River Basin States, in response to the salinity issues addressed by Clean Water Act of 1972, formed the Colorado River Basin Salinity Control Forum (Forum). Comprised of gubernatorial appointees from the seven Basin States, the Forum was created to provide for interstate cooperation in response to the Clean Water Act, and to provide the States with information to comply with Sections 303(a) and (b) of the act. The Forum has become the primary means for the seven Basin States to coordinate with Federal agencies and Congress to support the implementation of the Salinity control program.

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 USDA. While retaining the Department of the Interior as the lead coordinator for the salinity control program, the amended act recognized the importance of the USDA operating under its authorities to meet the objectives of the salinity control program. Many of the most cost-effective projects undertaken by the salinity control program to date have occurred since implementation of the USDA's authorization for the program. Now, Congress is considering enactment of a new Farm Bill to further define how the Colorado River Basin States can cost-share in a newly designated salinity control program known as the "Basin States Program."

Bureau of Reclamation studies show that quantified damages from the Colorado River to United States water users are about $376,000,000 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 concluded, with the enactment FAIRA in 1996, that the salinity control program could be most effectively implemented as a component of EQIP. However, until 2004, the salinity control program since the enactment of FAIRA 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 hampered the required quality of water delivered to Mexico pursuant to Minute No. 242 of the International Boundary and Water Commission, United 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 target small watershed improvements which do not recognize that water users hundreds of miles downstream are significant beneficiaries of the salinity control program. Proposals for EQIP funding are ranked in the States of Utah, Wyoming and Colorado under the direction of the respective State Con-

servationists 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 salinity control program. The NRCS concluded that the salinity control program is different from the small watershed approach of EQIP. The watershed for the salinity control 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 Forum finding that the salinity control program needs acceleration to maintain the water quality criteria of the Colorado River Water Quality Standards for Salinity. Since the enactment of FSRIA in 2002, an opportunity to adequately fund the salinity control program now exists. The President's budget request of $1.05 billion accomplishes the needs of the NRCS salinity control program if the USDA continues its practice of designating 2.5 percent of the EQIP funds appropriated. 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. Federal funding for the NRCS salinity control program of about $19.5 million for fiscal year 2008 has generated about $15.8 million in cost-sharing from the Colorado River Basin States and agricultural producers, or about an 80 percent match of the Federal funds appropriated for the fiscal year.

USDA salinity control projects have proven to be a most 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 a severe 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 funding for implementation of the essential salinity control work. 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 $1.05 billion in fiscal year 2009 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.

PREPARED STATEMENT OF THE ORGANIC FARMING RESEARCH FOUNDATION

The Organic Farming Research Foundation (OFRF) appreciates the opportunity to present our funding requests for the fiscal year 2009 Agriculture, Rural Development, FDA and Related Agencies Appropriations Bill. OFRF is a grower-directed, non-profit foundation working to foster the improvement and widespread adoption of organic farming systems. Organic agriculture plays an important and growing role in U.S. agriculture. Relatively modest investments in organic research and education can significantly increase the economic benefits and environmental services provided by organic systems. As a result, we urge the subcommittee to provide additional resources for organic agriculture in fiscal year 2009.

As the subcommittee begins to fashion an fiscal year 2009 Appropriations Bill, we ask that the subcommittee take note of a new report and recommendations by the USDA National Agricultural Research, Extension, Education and Economics (NAREEE) Advisory Board. The Advisory Board has noted and endorsed the initial efforts of the REE agencies to address organic research and education needs, and

"encourages further development of [these] programs."[1] A number of specific recommendations are made, including the creation of a National Program Leader for Organic Agriculture within USDA–CSREES. The recommendations have been transmitted to Secretary Schafer and the Agriculture and Appropriations Committees of both the Senate and House for further consideration and action.

Unfortunately, the President's fiscal year 2009 budget submission for emerging organic REE programs is completely at odds with the NAREEE Advisory Board's recommendations for greater investigation and development of organic agriculture. Not only does the administration's budget not include an increase in resources for organic research, but it actually proposes severe cuts to current funding levels for organic research, including zero funding for the two main organic research grant programs. As the current funding levels for organic research are already severely inadequate to begin with, we urge the subcommittee to reject the administration's proposed cuts and allocate modest increases for organic research in fiscal year 2009.

Organic product sales are rapidly approaching 4 percent of the domestic food retail market, yet USDAREE expenditures directed explicitly to research and information programs for organic agriculture in fiscal year 2007 reached only slightly above 1 percent of total REE spending. This discrepancy in the share of research funding spent on organics is detrimental to an industry that relies intensively on management and information for its success. By rejecting the administration's proposed cuts to organic research and providing modest increases as outlined below, the subcommittee can help address this discrepancy and promote progress towards the "fair share" benchmark for organic research.

USDA-COOPERATIVE STATE RESEARCH, EXTENSION AND EDUCATION SERVICE

Organic Agriculture Research and Extension Initiative (OREI)[2]

Request—Protect mandatory funding.

OREI is USDA's premier competitive research and education grant program specifically dedicated to investigation of organic agriculture. Due to its success, the program is slated to receive an increase in mandatory funding in the 2008 Farm Bill and we ask that the subcommittee protect the funding level prescribed in the final bill. Even if OREI were to receive the highest number proposed in the Senate Bill ($16 million) the program would still be less than 0.7 percent of total USDA–REE expenditures in fiscal year 2007, but would mark an important step towards reaching the fair share benchmark.. If the program receives a mix of mandatory funding and an authorization for appropriations, or receives only an authorization for appropriations we ask that the Subcommittee provide discretionary funds to the program.

Organic Transitions Research Program (ORG[3]*)*

Request: $5 million.

The Organic Transitions Research Program is one of only two USDA competitive grant programs dedicated to organic research and education. This competitive grants program funds integrated (research, extension, and higher education) projects that specifically focus on helping farmers overcome the production and marketing challenges of transitioning to organic production. ORG-funded projects are currently underway in 15 States. The program is working to deliver the knowledge farmers need to successfully transition to organic production, but the number of funded projects still falls far short of meeting the needs of producers across the country.

After reaching its highest level of funding of $2.1 million in fiscal year 2003, the Organic Transitions Research Program has suffered a sustained cut over the last 5 years. The House of Representatives recognized this imprudent treatment of the Organic Transitions Program by approving $5 million for the program during fiscal year 2007 appropriations deliberations. The subcommittee should begin with this figure in formulating its fiscal year 2009 legislation.

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[1] "Report and Recommendations from a Focus Session on Organic Agriculture Conducted at the Advisory Board Meeting held in Washington, D.C. on October 29–3 1, 2007". Page 3. National Agricultural Research, Extension, Education and Economics Advisory Board. Transmitted to the Agriculture Secretary and Senate and House Committees on Agriculture, and Appropriations, March 5, 2008.

[2] The Organic Agriculture Research and Extension Initiative (OREI) is authorized by Section 7218 of the Farm Security and Rural Investment Act of 2002 which amended Section 1672B of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925b).

[3] The Organic Transitions Program (ORG) is authorized by Section 406 of the Agricultural Research, Extension, and Education Reform Act of 1998 (AREERA) (7 U.S.C. 7626).

USDA—AGRICULTURAL RESEARCH SERVICE

Organic Agricultural Systems Research

Request:

—Restore funding to specific organic research projects proposed for elimination.

—Direct ARS to continue increasing the size and breadth of its organic systems research portfolio.

—Provide $100,000 to disseminate research results through the National Agriculture Library's Alternative Farming Systems Information Center.

Although Agricultural Research Service spending on direct organic research reached 1.5 percent in fiscal year 2007, it is still far short of achieving the fair share goal of matching the organic share of the domestic food retail market, which is now approaching 4 percent. In fiscal year 2009, instead of closing this gap, the President's budget would actually widen it by cutting funding to some of the most important ARS research being conducted on organic systems, as part of an overall 7.5 percent cut in the ARS budget. Specific organic research projects marked for elimination in the President's proposal include: the Pasture Systems and Watershed Management Research at University Park, PA; Invasive Weed Management Research at Urbana, IL, and the New England Plant Soil and Water Research at Orono, ME. We request that the Subcommittee include continued funding for the organic research projects/units that are slated for cuts; and include strong report language directing the agency to continue the growth of its research activity directly focused on organic agriculture.

Subcommittee efforts to direct increased ARS spending on organic research will likely be supported by a Sense of Congress provision set to be included in the 2008 Farm Bill, encouraging ARS to spend a fair share of its research dollars on organic research. Intent to increase funding for the National Agriculture Library's Alternative Farming Systems Information Center will also likely be part of the provision. As a result, we urge the Subcommittee to act upon the intent of Congress and include strong report language directing ARS to increase its expenditures towards a fair share for organic research, with a portion of the increase for usage by National Agriculture Library's Alternative Farming Systems Information Center to disseminate research results. This recommendation is also included in the NAREEEAB report in recommendation #4.

USDA—ECONOMIC RESEARCH SERVICE/NATIONAL AGRICULTURAL STATISTICS SERVICE/ AGRICULTURAL MARKETING SERVICE

Organic Data Initiative[4]

Request: $1 Million.

Data on prices, yields and markets are vital to farmers who are planning what to plant, accessing markets, and applying for crop insurance. Unfortunately, the organic sector is still without vital comprehensive data on par with what is provided by USDA for conventional agriculture, putting organic farmers at a great disadvantage. Despite the growing demand and need, funding for organic data collection has remained stagnant. Although the final 2008 Farm Bill may include some mandatory funding for organic data collection, we urge the Subcommittee to provide additional discretionary funding to help address the large backlog of work that is needed to provide a fair playing field for organic producers.

The data collection and analysis is a cooperative effort among various agencies. For purposes of the Organic Data Initiative, allocation of funds among agencies should be at the discretion of the Secretary.

Organic agriculture is one of the fastest growing segments of American agriculture, but it has not received the level of support that it deserves. The 2008 Farm Bill will likely provide important increases to organic programs, but it will still fall far short of providing a fair share for organic agriculture. It is our hope that the Subcommittee will work to close the fair share gap by protecting any gains made in the 2008 Farm Bill, rejecting the President's fiscal year 2009 proposed budgetary cuts to organic programs, and providing long overdue increases in the organic programs under the Subcommittee's purview for fiscal year 2009.

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."

[4] The Organic Data Initiative is authorized by Section 7407 of the Farm Security and Rural Investment Act of 2002.

PREPARED STATEMENT OF THE ORGANIZATION FOR THE PROMOTION AND ADVANCEMENT OF SMALL TELECOMMUNICATIONS COMPANIES

Summary of Request

The Organization for the Promotion and Advancement of Small Telecommunications Companies (OPASTCO) seeks the Subcommittee's support for fiscal year 2009 loan levels for the telecommunications loans program administered by the Rural Utilities Service (RUS) in the following amounts:

[In millions of dollars]

Telecommunication hardship loans	145
Treasury telecommunications (cost of money) loans	250
FFB telecommunications (guaranteed) loans	300

In addition, OPASTCO requests that the distance learning, telemedicine, and broadband program be funded at sufficient levels.

OPASTCO is a national trade association of more than 600 small telecommunications carriers serving primarily rural areas of the United States. Its members, which include both commercial companies and cooperatives, together serve over 5.5 million customers in 47 States.

Perhaps at no time since the inception of the RUS (formerly the REA) has the telecommunications loans program been so vital to the future of rural America. The telecommunications industry is at a crossroads, both in terms of technology and public policy. Rapid advances in telecommunications technology in recent years are delivering on the promise of a new "information age." Both Federal and State policymakers have made ubiquitous availability of advanced communications services a top priority. However, without continued support of RUS's telecommunications loans program, rural telecommunications carriers will be hard pressed to continue deploying the infrastructure necessary to achieve policymakers' goals.

Contrary to the belief of some critics, RUS's job is not finished. Actually, in a sense, it has just begun. We have entered a time when advanced services and technology—such as fiber optics, packet switching and transmission, and digital subscriber line (DSL) technology—are expected by customers in all areas of the country, both urban and rural. Moreover, the ability of consumers to use increasingly popular voice over Internet protocol (VoIP) services requires that they first have a broadband connection from a facilities-based carrier. Unfortunately, the inherently higher costs of upgrading the rural wireline network, both for voice and data communications, has not abated.

Rural telecommunications continues to be more capital intensive and involves fewer paying customers per square mile than its urban counterpart. In the Federal Communications Commission's (FCC) September 2004 report on the deployment of advanced telecommunications capability, the Commission noted that "[r]ural areas are typically characterized by sparse and disperse populations, great distances between the customer and the service provider, and difficult terrain. These factors present a unique set of difficulties for providers attempting to deploy broadband services." More recently, the FCC's October 2007 release of statistics on high-speed connections to the Internet in the United States illustrated that low population density has an inverse association with reports that high-speed subscribers are present in an area. Thus, in order for rural telecommunications carriers to continue modernizing their networks and providing consumers with advanced services at reasonable rates, they must have access to reliable low-cost financing.

The relative isolation of rural areas increases the value of telecommunications for these citizens. For example, the availability of broadband connections can make it possible for rural residents to telecommute to otherwise far-away jobs. A modern telecommunications infrastructure can also enable existing businesses in rural areas to grow and expand as well as attract new businesses to the area. Certainly, telecommunications plays a major role in any rural community's economic development strategy.

It is important to note that even after a broadband-capable network has initially been deployed in a rural area, the modernization effort is not over. Continual investment is crucial, because the broadband networks that are deployed today are not the networks that will enable rural areas and the rest of the country to compete globally 5 years from now. Broadband is an evolving concept, subject to constant changes in technology and consumer expectations. As the services and applications that ride over the broadband infrastructure become more bandwidth intensive, carriers will need to expand their broadband network capabilities in order to make these new tools available to the businesses and residences in their areas. The evolv-

ing nature of broadband requires continual investment, and the telecommunications loans program will enable rural telecommunications carriers to do so.

While it has been said many times before, it bears repeating that RUS's telecommunications loans program is not a grant program. The funds loaned by RUS are used to leverage substantial private capital, creating public/private partnerships. For a very small cost, the government is encouraging tremendous amounts of private investment in rural telecommunications infrastructure. Most importantly, the program is tremendously successful. Borrowers actually build the infrastructure and the government is reimbursed with interest.

In addition to RUS's telecommunications loans program, OPASTCO supports sufficient funding of the distance learning, telemedicine, and broadband program. Through distance learning, rural students gain access to advanced classes which will help them prepare for college and jobs of the future. Telemedicine provides rural residents with access to specialized health care services without traveling great distances to urban hospitals. Furthermore, funding that is targeted to finance the installation of broadband transmission capacity will allow more rural communities to gain high-speed access to the Internet and receive other advanced services. In light of the Telecommunications Act's purpose of encouraging deployment of advanced technologies and services to all Americans—including schools and health care providers—sufficient targeted funding for these purposes is essential in fiscal year 2009.

Conclusion

The transformation of the nationwide telecommunications network into an information superhighway, as envisioned by policymakers, will help rural America survive and prosper in any market—whether local, regional, national, or global. However, without the availability of low-cost RUS funds, building and upgrading the information superhighway in communities that are isolated and thinly populated will be untenable. By supporting the RUS telecommunications programs at the requested levels, the subcommittee will be making a significant contribution to the future of rural America.

PREPARED STATEMENT OF PICKLE PACKERS INTERNATIONAL, INC.

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 and diabetes 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 $2.3 bil-

lion 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.

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 twenty 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. health care 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 United States 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-as-

sisted selection and genome maps of cucumber, carrot and onion will be the methods 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 United States 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) Preservation of a variety of high nutrient/high antioxidant vegetables using fermentation or acidification techniques so as to maintain the natural levels of beneficial phyotochemicals in convenient to use value-added products; (2) development of techniques to deliver living pro-biotic microorganisms to consumers in fermented or acidified vegetable products.

Certain vitamins (Vitamin C, folic acid) and beneficial phytochemicals in vegetables are stabilized by the low pH in acidified and fermented foods. In addition, low pH makes it possible to preserve vegetables with low heat or, ideally, no heat, which typically minimizes nutrient loss. While many high nutrient/high antioxidant vegetables are pickled to a very limited extent, traditional processes include steps, such as preserving in very high salt or acid followed by washing out the excess salt or acid, that result in loss many of the health-promoting components that diet authorities emphasize when they urge people to increase their consumption of fruits and vegetables. The objective will be develop new low acid/low salt preservation techniques for broccoli, Brussel sprouts, sweet potato, cauliflower, and peppers that will provide high levels of vitamin C, folic acid, carotenoids, glucosinolates, and phenolic compounds to maximize the health benefits of these vegetables in products that are convenient and attractive to consumers.

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 "probiotic" and can 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

The USDA/ARS East Lansing, Michigan location has the only federally funded research program that is devoted to developing new and/or improved engineering technologies and systems for assessing, retaining, and assuring postharvest quality and marketability of pickling cucumbers and other vegetable products. The postharvest engineering research program currently has a full-time research agricultural engineer whose research is primarily focused on tree fruits. Over the past few years, the Sugar Beet and Bean Research Unit 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 laser-based multi-spectral scattering technology for assessing the texture and flavor of fruits. The technology may be used for inspecting a variety of vegetable crops. Recently, an advanced hyperspectral imaging system was developed for automated detection of quality/defect of pickling cucumbers.

Currently the location's cucumber postharvest engineering research is grossly under funded. It is crucial that additional funds be provided so that the location can hire a research engineer to carry out research on postharvest sorting, grading and handling of pickling vegetable products at full scale. With the increasing demands from consumers and the government's regulatory agencies for high quality and safe

food products, it is crucial that an effective quality inspection and assurance system be implemented throughout the handling steps between harvest and retail. While new sensors and automated inspection systems are being used in many pickle processing facilities, there still exists considerable room for improving existing technologies and developing new and more efficient sensors and automated methods for postharvest handling and processing of pickling vegetables. Methods currently available for measuring and grading quality of cucumbers and other vegetables are still ineffective or 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 fresh cucumbers rapidly and accurately for various internal and external quality characteristics so that raw products 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. 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.

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 3 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. The initial phase of the greenhouse complex is now under construction with an expected completion date in late spring 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 $7.794 million is still needed for the planned $12.750 million 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 2 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.

Construction	Current status	Funds needed
Greenhouse	Needed	$7,794,000
Appropriations to Restore		7,794,000

New scientific staff needed	Current status	Funds 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 $1,274,000. To carry out the new research initiatives to maximize retention of beneficial components in high nutrient/high antioxidant vegetables 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 $200,000 in fiscal year 2009. 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	$318,500
Chemist	Active	318,500
Food Technologist/Biochemist	Active	318,500
Microbial Physiologist	Active	318,500
Fiscal Year 2009 Post-doctoral or Predoctoral Research Associates	Needed	200,000
Total Funding Required		1,474,000
Presidential Budget (fiscal year 2009)		1,274,000
New Funds Needed		200,000

Vegetable Crops Research Laboratory Unit, Madison, Wisconsin

Current base funding for three scientists is $868,757, 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 $200,000 to fully fund the scientists and support staff, 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
Horticulturist	Active	320,000
Geneticist	Active	320,000
Total Funding Required		960,000
Presidential Budget (fiscal year 2009)		868,757
Appropriations to Restore		91,243
New Funds Needed		200,000

A temporary addition of $200,000 was provided to enhance the research effort of this program in fiscal year 2002, and we greatly appreciate that additional support, but that addition is being proposed for reduction in fiscal year 2009. Thus, the restoration of the funds proposed for reduction, is urgently requested. We request a $291,243 permanent addition this year to sustain the long-term research of this group.

Sugar Beet and Bean Research Unit, East Lansing, Michigan

The location urgently needs to hire a full-time research engineer to develop a comprehensive research program on nondestructive inspection, sorting and grading of pickling cucumbers and other vegetable crops to assure the processing and keeping quality of pickled products. The current base funding for the cucumber engineering research is $200,000. An increase of $150,000 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	$200,000
Research Engineer	Needed	150,000
Total Funding Required		350,000
Current Funding		200,000
New Funds Needed		150,000

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 Committee, 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. (Enclosure 1).

The Resolutions contained herein were adopted by the Association during its 83rd Annual Meeting in Shreveport, Louisiana on February 21, 2008, and represent the combined concerns of the citizens of the Red River Basin Area as they pertain to the goals of the Association. (Enclosure 2).

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 the war in Iraq; 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.

The President's fiscal year 2009 budget for NRCS indicates a decrease of $142,641,000 (15 percent decrease) from what Congress appropriated in fiscal year 2008, $943,414,000. In addition, the administration eliminated three crucial programs: Watershed & Flood Prevention Operations, Watershed Survey & Planning and RC&D. Along with drastic reductions in the other programs, NRCS manpower for fiscal year 2009 would have to decrease by over 1,500 staff years, if the President's budget is implemented. This is unacceptable.

This means that NRCS conservation assistance to landowners will not be adequately funded, to the detriment of the Nation and our natural resources. We would like to address several of the programs administered by NRCS. Failure to ade-

quately fund these initiatives would reduce assistance to those who want it and the resources that need protection.

Conservation Operations.—This account has been in steady decline, in real dollars, over the past several years. The President's budget included $794,773,000, which is a decrease of $45,553,000 million from what Congress appropriated in fiscal year 2008. 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.

We request a total of $930 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.

It is our understanding that the Technical Service Providers (TSP) program has not lived up to its expectations. Experience indicates landowners are hesitant to use the program. This program funds projects at a level estimated if NRCS conducted the work. Usually the TSP cost exceeds this estimate and the landowner is responsible for the difference, effectively making the landowner cost share. We believe that TSPs should be used only after NRCS staffing is brought up to levels commensurate with the increase in workload caused by the Farm Bill, not to replace NRCS staffing.

Watershed and Flood Prevention Operations (Public Law 566 & 534).—We are greatly disappointed that the President's Budget provided no funding for watershed operations in the last three fiscal years. There is no doubt that this is a Federal responsibility, in conjunction with a local sponsor. This program addresses all watershed 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 2008, but we remind you that no funding was provided in fiscal year 2007, the year Congress turned over the budget to the administration—we can not allow that to happen again. For every $1 spent, the Nation realizes $2 in benefits. Congress must take back 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 $190 million be appropriated for Watershed Operations Programs, Public Law 534 ($20 million) and Public Law 566 ($170 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.

—*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 2009.

—*Red Bayou Irrigation Project, LA.*—The plans and specifications have been completed, making this project ready for construction in fiscal year 2007. An irrigation district has been formed and is prepared to collect funds to support the O&M for this proposed system. We request that $2,500,000 be specifically appropriated to begin construction in fiscal year 2009.

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.

The President's budget neglects the safety and well being of our community needs and only recommends $6 million for this program. This is 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.

Watershed Survey and Planning.—In fiscal year 2006, $6.1 million was appropriated to support this extremely important community program. Again, no funding was provided in fiscal year 2007 and Congress did not provide funding for fiscal year 2008. 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 2009 appropriation bill.

—*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.

—*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.

Resource Conservation and Development (RC&D).—This has traditionally been a well-received program by the administration, but not this year. Their budget proposal zeroes 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. We are truly surprised the administration would do this.

We request that $51 million be appropriated for this program, at the same level as in fiscal year 2008.

Mandatory Accounts (CCC) Technical Assistance (TA).—Request for assistance through the CCC programs has been overwhelming. Requests far exceed the avail-

able 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, approximately $40 million. 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 zeroed out!

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. Please direct your comments and questions to our Executive Director, Richard Brontoli, P.O. Box 709, Shreveport, LA 71162, (318) 221–5233, E-mail: redriverva@hotmail.com.

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 2 previous fiscal years.

ENCLOSURE 1.—RED RIVER VALLEY ASSOCIATION

The Red River Valley Association is a voluntary group of citizens bonded together to advance the economic development and future well being of the citizens of the four State Red River Basin area in Arkansas, Louisiana, Oklahoma and Texas.

For the past 80 years, the Association has done notable work in the support and advancement of programs to develop the land and water resources of the Valley to the beneficial use of all the people. To this end, the Red River Valley Association offers its full support and assistance to the various Port Authorities, Chambers of Commerce, Economic Development Districts, Municipalities and other local governmental entities in developing the area along the Red River.

The Resolutions contained herein were adopted by the Association during its 83rd Annual Meeting in Shreveport, Louisiana on February 21, 2008, and represent the combined concerns of the citizens of the Red River Basin area as they pertain to the goals of the Association, specifically:

—Economic and Community Development
—Environmental Restoration
—Flood Control
—Irrigation
—Bank Stabilization

—A Clean Water Supply for Municipal, Industrial and Agricultural Uses
—Hydroelectric Power Generation
—Recreation
—Navigation

The Red River Valley Association is aware of the constraints on the Federal budget, and has kept those constraints in mind as these Resolutions were adopted. Therefore, and because of the far-reaching regional and national benefits addressed by the various projects covered in the Resolutions, we urge the members of Congress to review the materials contained herein and give serious consideration to funding the projects at the levels requested. We can be contacted at (318) 221–5233 or redriverva@hotmail.com.

ENCLOSURE 2

RED RIVER VALLEY ASSOCIATION FISCAL YEAR 2009 APPROPRIATIONS—NATURAL RESOURCES CONSERVATION SERVICE (NRCS)

[In thousands of dollars]

Discretionary Accounts	Fiscal Year 2008 Approp	RRVA 2009 Request	Pres. 2009 Budget
Conservation Operations	840,326	930,000	794,773
Watershed & Flood Prevention Operations	30,000	190,000	.....
Walnut Bayou Irrigation Project, AR	.....	4,000	.....
Red Bayou Irrigation Project, LA	.....	1,600	.....
Watershed Rehabilitation	20,000	65,000	6,000
Watershed Survey & Planning	.....	35,000	.....
Maniece Bayou Irrigation Project, AR	.....	200	.....
North Wallace Lake Watershed, LA	.....	250	.....
Resource Conservation & Development	51,088	51,000	.....
Healthy Forest Reserve Program	2,000	5,000	.....

NOTE: The President's fiscal year 2009 budget is 15 percent less than Congress appropriated in fiscal year 2008!

Prepared Statement of the Society for Women's Health Research and Women's Health Research Coalition

On the behalf of the Society for Women's Health Research and the Women's Health Research Coalition, we are pleased to submit testimony in support of increased funding for the Food and Drug Administration (FDA), and more specifically for the Office of Women's Health, a critical focal point within the Agency on women's health.

The Society is the only national non-profit women's health organization whose mission is to improve the health of women through research, education, and advocacy. Founded in 1990, the Society 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 disproportionately, predominately, or differently than men.

The Coalition was created by the Society in 1999 to give a voice to scientists and researchers from across the country that are concerned and committed to improving women's health research. The Coalition 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.

The Society and the Coalition are committed to advancing the health status of women through the discovery of new and useful scientific knowledge. We strongly believe that appropriate funding of the FDA by Congress is absolutely critical for the Agency to be able to maintain basic functions and to assure the American public of the safety of our food and drugs. Unfortunately, the present state of the FDA does not permit for scientific growth or adequate food and drug protection. In reality, the FDA infrastructure is failing and it cannot prepare for the future as it is still trying to catch up from the past. It has been chronically under funded and lacks strength in areas needed most, specifically information technology (IT). The administration's current proposed budget of $1.72 billion, a $50 million increase for fiscal year 2009 does not even begin to address the major short falls of the FDA. Therefore, the Society urges Congress to provide the FDA with an increase of $380 million, bringing the FDA's fiscal year 2009 budget to $2.1 billion. This increase in funding would be a major stepping stone for the FDA to start rebuilding its infrastructure so it

may provide citizens with the food and drug protection promised in its mission, and begin to address the shortage of resources and failing IT systems.

In addition, many Offices and Centers within the FDA have suffered under the chronic underfunding. The Office of Women's Health (OWH) is one such example. To address years of flat funding, we recommend that Congress increase funding for OWH. OWH's women's health programs, often conducted with the Agency centers, are necessary if we are to maintain any focus on women's health within the FDA. They are critical to improved care and increased awareness of disease-specific impacts to women. OWH endeavors to ensure, for example, 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. Therefore, we strongly urge Congress to support a $6 million budget for OWH for fiscal year 2009 within the budget for the FDA. In addition, we also recommend that the current budget is not only increased in the future, but should also never be less than the administration's current proposed budget of $5 million for fiscal year 2009.

FDA INFORMATION TECHNOLOGY SYSTEMS

Under recent evaluation by the Science Board to the FDA, the FDA's IT systems were found to be inefficient and incapable of handling the current demands placed on the Agency, thus preventing the FDA from fulfilling its mission to protect its citizens. Equipment is outdated, often unsupported by maintenance, and regularly breaks down. While 83 percent of the budget goes towards workforce support, IT is privately contracted out to keep costs lower. The IT system simply cannot keep up with current scientific data and market trends, and will only continue to worsen as server age beyond usefulness increases, and serviceability and email networks fail multiple times per day for a system that needs to function 24/7.

The antiquated nature of the IT systems makes the agency unable to conduct safety analyses for product marketing applications, track the natural history and disease models for rare disorders, and access huge amounts of clinical data. In addition, one central database does not exist, therefore the system cannot query a centralized repository for all relevant facts about a certain product including where, when and how the product was made. There is a desperate need to create one single database for all relevant information to be stored across agencies, so as to maximize functionality not only of FDA but of expected research and analysis needed by the American public.

Estimations have shown that it would take $200 million ($40 million/year) over the course of 5 years to begin the process of improving the IT system. However, with the administration's proposed fiscal year 2009 budget of only $50 million for the entire agency, this update will be close to impossible. It is up to Congress to address the shortfall to the FDA and provide it a $380 increase to begin IT transformation among many other improvements.

OFFICE OF WOMEN'S HEALTH

The 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 the Society 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; and monitors women's health priorities, providing both leadership and an integrated approach across the FDA. Despite inadequate funding, OWH provides all women with invaluable tools for their health.

With little difficulty, OWH exhausts its tiny budget each year. For the previous 5 years, OWH had been provided a flat budget of $4 million. That is, in essence, a decrease due to required Federal cost of living adjustments, benefit cost increases and other related issues. Despite this squeeze, the office has managed to advance its mission both within the Agency and externally through it research grants, drug and disease pamphlets and outreach programs. OWH's pamphlets are the most requested of any documents at the government printing facility in New Mexico. (More than 3.5 million pieces are distributed to women across the Nation including target populations such as Hispanic communities, seniors and low income citizens.)

Despite the $1 million increase the OWH received for fiscal year 2008, it has been flat lined for fiscal year 2009. The OWH is in desperate need of increased funding so that it may not only continue work on current projects, but also expand for the future.

Since its beginning, OWH has funded high quality scientific research to serve as the foundation for Agency activities that improve women's health. To date, OWH

has funded over 100 research projects with approximately $15.2 million intramural grants, supporting projects within the FDA that address knowledge gaps or set new directions for sex and gender research. Extramural contracts leverage a wealth of expertise and other resources outside the FDA to provide insight on regulatory questions pertinent to women's health. All contracts and grants are awarded through a competitive process. A large number of these studies are published and appear in peer reviewed journals.

OWH funds research to more fully understand heart disease in women. Despite being the number one cause of death, women with heart disease face misdiagnosis, delayed diagnosis, under-treatment, and mistreatment due to their under-representation in heart-related research studies. Extramural research funded by OWH is looking into the use of coronary stents in women and problems associated with breast interference in interpretation of heart catherization studies. Most recently, they participated in a Sister-2-Sister Women's Heart Day conference in Washington, DC.

As part of its educational outreach efforts to consumers, OWH continues to work 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 advertisements. OWH's website received over three million hits to download campaign materials. This website provides free, downloadable fact sheets on over 40 different illnesses, diseases, and health related issues.

In addition, OWH has completed medication charts on seven chronic diseases. These are unique within the Agency. These charts list, in one place, all the medications that are prescribed and available for each disease. Again, the information is available on the website and is ideal for women to use in talking to their doctors, pharmacists or nurses about their treatment options.

OWH continues to improve the health of women through new research initiatives. Most recently, they have conducted projects addressing the participation of women and racial minorities in clinical trials for diabetes mellitus medications. They have 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.

As a result of the FDA antiquated IT system, combined with the inability to keep pace with IT needs due to budget constraints, the OWH has been unable to conduct much needed data analysis on women's health and sex-related differences. This effort originally started in 2001, when the Society submitted testimony on behalf of the OWH in support of a centralized FDA database to coordinate clinical trial oversight, monitor the inclusion of women in clinical trials, oversee the parameters of informed consent, and identify health provider training needs. As a result of Society efforts and this Committee's commitment, in 2002 Congress provided the OWH with funds to develop an agency-wide database focused on women's health activities to include demographic data on clinical trials. OWH did begin developing this database, now known as the "Demographic Information and Data Repository," to review clinical studies, enhance product labeling, identify knowledge gaps, and coordinate data collection. While $500,000 was granted for this project, the OWH was unable to design a system to communicate with the current IT system and could not access data that remained in a paper/manual process. The reason for this and other projects failures is attributed to the severely inadequate IT system at the FDA.

Currently, the FDA receives large volumes of information in applications from drug manufacturers for review and evaluation. The FDA reviewers must manually comb through the submitted drug trial reports and digital data in as many as twelve formats to evaluate a new drug's safety and effectiveness. With no uniform system or database, reviewers must handpick sex, age, and ethnicity information manually from stacks of paper reports and craft their own data comparisons. This is time consuming, makes the review process less efficient, is error-prone and 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. Therefore, in order to fully capitalize on the potential of the data warehouse and the resulting wealth of information, we urge Congress to commit $1 million to OWH for the Demographic Information and Data Repository. It is time for us all to recognize that the Agency must utilize up-to-date information technology and that it sorely needs the resources to maintain them.

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 the scientific community views the sexes, with even more information forthcoming as a result of the sequencing of the X chromosome.

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. The inclusion of women in study populations by itself is insufficient to address the inequities in our knowledge of human biology and medicine, and only by the careful study of sex differences at all levels, from genes to behavior, will science achieve the goal of optimal health care for both men and women. Sex differences play an important role in disease susceptibility, prevalence, time of onset and severity and are evident in cancer, obesity, heart disease, immune dysfunction, mental health disorders, and other illnesses. Physiological and hormonal fluctuations may also play a role in the rate of drug metabolism and effectiveness of response in females and males. This research must be supported and encouraged.

Building upon sex differences research, the Society encourages the establishment of drug-labeling requirements that ensure labels include language about differences experienced by women and men. Furthermore, we advocate for research on the comparative effectiveness of drugs with specific emphasis on data analysis by sex. When available, this information should be on labels.

Our country's drug development process has succeeded in delivering new and better medications to ensure the health of both women and men. However, there is no requirement that the data acquired during research of a new drug's safety and effectiveness be analyzed as a function of sex or that 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) be included in prescription drug labels and other patient educational and instructional materials.

The Society believes the opportunity is now before us to communicate sex differences data discovered from clinical trials to the medical community and to consumers through drug labeling and packaging inserts and other forms of alerts. As part of advancing the need to analyze and report sex differences, the Society encourages the FDA to continue adequately addressing the need for accurate drug labeling in order to identify important sex differences, 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 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 and your commitment to OWH. We recommend that you increase the overall fiscal year 2009 budget for the FDA by $380 million, so that it may dramatically improve upon current operations while also rebuilding its IT infrastructure. Secondly, we urge you to allocate $6 million for the Office of Women's Health for fiscal year 2009, 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 healthier future for all Americans.

PREPARED STATEMENT OF THE SUSTAINABLE AGRICULTURE COALITION

Thank you for the opportunity to present our funding requests for the fiscal year 2009 Agriculture, Rural Development, FDA and Related Agencies appropriations bill.

The 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.[1] Through

[1] Our member organizations include: the Agriculture and Land Based Training Association, American Natural Heritage Foundation, California FarmLink, C.A.S.A. del Llano (Communities Assuring a Sustainable Agriculture), Center for Rural Affairs, Community Alliance with Family Farmers, Dakota Rural Action, Delta Land and Community, Inc., Ecological Farming Association, Future Harvest/CASA (Chesapeake Alliance for Sustainable Agriculture), Illinois Stewardship Alliance, Institute for Agriculture and Trade Policy, Iowa Environmental Council, Iowa Natural Heritage Foundation, Izaak Walton League, Kansas Rural Center, Kerr Center for Sustainable Agriculture, Land Stewardship Project, Michael Fields Agricultural Institute, Michigan Integrated Food and Farming Systems, Michigan Land Use Institute, Midwest Organic and Sustainable Education Service (MOSES), The Minnesota Project, National Catholic Rural Life Conference, National Center for Appropriate Technology, Northern Plains Sustainable Agriculture

our member organizations, we work with and represent thousands of farmers and other rural citizens who are engaged in creating a more sustainable farm and food system.

As you begin work on the fiscal year 2009 appropriations bill, we want to applaud the subcommittee for reversing many of the damaging proposals made in the USDA budget request for fiscal year 2008 in conservation, research, marketing, and rural development. We also welcome the subcommittee's decision in the current fiscal year bill to keep cuts to a minimum for mandatory farm bill conservation, research, and rural development programs. We remain tremendously disheartened by the nearly $6 billion that has been gutted from mandatory conservation spending since passage of the 2002 Farm Bill, with the majority of cuts coming through regular and emergency supplemental appropriations bills and some by way of budget reconciliation. While the absolute amount is greatest for conservation, the limitations on mandatory spending in research and rural development have been even greater on a percentage basis. Over a third of total mandatory spending in conservation, rural development, and research has been cut and reallocated to other uses, despite the underlying programs being meritorious and greatly oversubscribed. We, therefore, encourage you to continue the practice started in the fiscal year 2008 bill of being modest and discriminating in limitations to mandatory spending.

CSREES PROGRAMS

Sustainable Agriculture Research and Education (SARE) Program.—We urge you to support an appropriation of $20 million in fiscal year 2009 for the SARE competitive grants program, divided between research and education grants ($15 million) and extension and professional development grants ($5 million). SARE is a regionally-delivered national competitive grants program that funds farmer-driven, outcome-oriented research, education, and outreach on agricultural production practices and market-based initiatives that are environmentally sound and profitable for farmers and ranchers and their communities. The program is responsible for many of the systems and practices being utilized by farmers today to farm in concert with the environment while increasing farm income and providing consumers with high quality nutritious foods. With continued and enhanced investment, the program will help create a more sustainable farm and food system for a new generation of farmers and consumers.

We applaud the subcommittee for increasing the SARE budget in fiscal year 2008. After 4 years of repeated small cuts, the increase could not have come at a more important moment, as the program is now in its 20th year of operation and demand for the program continues to grow. While we truly hoped the program would reach $20 million for the 20th year, we also truly appreciate the increase to $19 million in fiscal year 2008.

We urge you to reject the President's fiscal year 2009 proposal to severely cut program funding to 20 percent below the lowest level of funding the SARE program has received in the last 5 years and urge the subcommittee to provide an increase from $19 million to $20 million in fiscal year 2009. Over the next few years, we strongly urge an increased commitment to SARE in the context of a more balanced approach to overall competitive grants funding and 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 Research.—Although the organic share of the domestic food retail market is currently approaching 4 percent, USDA spent a little less than 1.5 percent of its total research budget on organic research in fiscal year 2007, representing just the first time USDA spending on organic research reached above 1 percent. Despite this discrepancy, the President's fiscal year 2009 budget proposes zero funding for the two main organic research programs—the Organic Agriculture Research and Extension Initiative (OREI) and the Organic Transitions Program (ORG).

At this writing, it appears likely that OREI will continue to receive mandatory funding in the 2008 Farm Bill, in which case we ask that the subcommittee protect that funding level and reject any limitation provisions. On the other hand, if the program does not continue to receive mandatory funding, we urge you to provide discretionary funding. The Organic Transitions Program is not dependent upon the outcome of the Farm Bill and relies on appropriations. We urge the committee to include $5 million in fiscal year 2009 for Organic Transitions Research. The com-

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Society, Ohio Ecological Food and Farm Association, Organic Farming Research Foundation, Pennsylvania Association for Sustainable Agriculture, Practical Farmers of Iowa, Rural Advancement Foundation International-USA, Sierra Club Agriculture Committee, Washington Sustainable Food and Farming Network, and the Union of Concerned Scientists (Food and Environment Program).

bined funding would still be far short of a fair share for organic research, but would constitute a strong movement in the right direction.

Furthermore, we oppose the President's request to transfer most Section 406 integrated program activities, including Organic Transitions, into the National Research Initiative (NRI). While we support expanding resources for the NRI and increasing the NRI's attention to integrated programs, we do not believe ending important existing integrated programs in water quality, organic transition, pest management, and other topics and simply consolidating them at NRI without a clear plan for enhancing these program functions is good policy or good process.

National Research Initiative (NRI).—We strongly support the President's request to increase from 22 percent to 30 percent the set-aside within the NRI competitive grants program for integrated and applied research supporting the goals and priorities of the Initiative for Future Agriculture and Food Systems (IFAFS). We support a funding increase in the NRI provided that the percentage for integrated projects consistent with IFAFS is raised to at least 30 percent.

Beginning Farmer and Rancher Development Program (BFRDP).—The BFRDP was authorized in the 2002 Farm Bill but unfortunately, to date, has not received any appropriations. The House version of the 2008 Farm Bill would provide the program with $15 million in annual mandatory funding. If the House prevails in conference, we urge you to protect this vital new program and keep it clear of limitation provisions. If, however, mandatory funding is not provided in the Farm Bill, we urge you to provide the program with significant discretionary funding.

New farm entry rates have decreased dramatically and there are twice as many farmers over the age of 65 than under the age of 35. The BFRDP, a competitive grants program supporting education, extension, and technical assistance initiatives directed at new farming opportunities, can help address these challenges. The BFRDP supports collaborative local, State, and regionally-based networks and partnerships to supply financial and entrepreneurial training, mentoring and apprenticeship programs, "land link" programs, and education and outreach activities to assist beginning farmers and ranchers, including targeted funds for socially disadvantaged producers. The program would be the very first program for beginning farmers at USDA other than debt financing credit programs.

Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers (Section 2501).—For the past 16 years, the Section 2501 program has provided much-needed technical information and training to socially disadvantaged farmers and ranchers. Since its inception, the program has served more than 100,000 rural constituents in more than 400 counties and has effectively reduced the decline in the number of minority farmers. In spite of this success, and a 2002 Farm Bill authorization of $25 million per year, the program has never received more than $7 million in funding in any 1 year. As a result, many farmers who qualify for assistance under the program have been unable to receive it. For fiscal year 2009, we recommend $10 million in funding for Section 2501. The House version of the 2008 Farm Bill would provide the program with $15 million in annual mandatory funding. If the House prevails in conference, we urge you to protect that funding level.

Rural Entrepreneurship Education and Enterprise Facilitation Program.—The 2008 Farm Bill will likely include a new program subject to appropriations to provide educational resources and services to rural areas to foster entrepreneurial strategies to rural development, with the stated goal of creating jobs, spurring community innovation, and increasing the start-up rate and reducing the failure rate of small businesses. With a goal of creating entrepreneurial networks, providing technical training, and conducting applied research, the program will also provide a complement to the Rural Mircoenterprise Assistance Program, which seeks to target specific individuals who have already opened a small business, or are poised to do so. We urge the committee to fund this program at $4 million for fiscal year 2009.

AMS PROGRAMS

Farmers' Market Promotion Program (FMPP).—The FMPP provides grants on a competitive basis to agricultural cooperatives, local governments, non-profits, economic development corporations and other entities to establish, expand, and promote local farmers markets and other forms of direct farmer-to-consumer markets. Prior to fiscal year 2006, AMS resources for direct marketing were limited to technical assistance, with no financial assistance available to expand direct farmerto-consumer links that increase farm profitability, consumer health and well being, and community development. Bipartisan support for this program resulted in Congress providing $1 million in first-year funding for fiscal year 2006, and the same for both fiscal year 2007 and fiscal year 2008. In just its first year of funding, the

program received 367 applications for grants totaling $19.9 million. An allocation of $5 million in fiscal year 2009 will begin to fill a major gap in marketing assistance and help complete the AMS direct marketing toolbox. It is also quite possible that the 2008 Farm Bill will provide mandatory funding of an equivalent amount, in which case we urge you to protect that funding and to not limit it in any way.

FARM SERVICE AGENCY

Direct Farm Ownership and Direct Operating Loans.—Direct loans play a very significant role in helping beginning farmers and ranchers get established in agriculture and deserve continuing support. The pending 2008 Farm Bill will modernize and update the loan limitation level for both types of loans and also create a parallel increase in the authorization for appropriation in order to not have the per loan limit increase shrink the number of borrowers served. The new Farm Bill will also include expansion and improvement of the conservation loan program, a provision sponsored by the chair of this subcommittee. In light of those changes in the Farm Bill, we strongly urge you to adopt a program funding level of at least $300 million for ownership loans and $650 million for operating loans for fiscal year 2009.

NATURAL RESOURCES CONSERVATION SERVICE PROGRAMS

Conservation Stewardship Program (CSP).—In our view, the CSP is the most important and innovative of all agricultural conservation programs. The CSP is crucial to agriculture's world trade agreement objectives and to equalizing support across the whole range of U.S. agriculture and orienting that support to the public good. The CSP correctly focuses attention on working farm and ranch land conservation, and emphasizes conservation systems that also maximize off-farm environmental benefits.

The CSP has unfortunately been made subject to limitation provisions in previous appropriations bills as well as in supplementals and in budget reconciliation. We thank you for allowing the program to move forward in fiscal year 2008 without a limitation. We urge you to continue in that new pattern and to reject the President's fiscal year 2009 request to return to a limitation on mandatory spending which in this case would cut the program by $141 million. We strongly recommend that the CSP not suffer any limitations in fiscal year 2009 and be allowed to fulfill its promise without any further appropriation restrictions throughout the term of the new farm bill cycle.

Wetlands Reserve Program (WRP).—The 2008 Farm Bill will reauthorize the WRP and provide it with a new mandatory-funded acreage cap. We hope the Farm Bill will continue to provide sufficient resources to enroll 250,000 acres of restored wetlands each year. We also hope and urge the subcommittee to allow the program to move forward without limitations on the mandatory funding provided by the Farm Bill. The WRP is the frontline in the Nation's efforts to achieve no-net-loss or hopefully positive wetland and associated habitat and water quality and conservation gains.

RURAL BUSINESS COOPERATIVE SERVICE PROGRAMS

Appropriate Technology Transfer for Rural Areas (ATTRA) Program.—We recommend $3 million in fiscal year 2009, a slight increase over the $2.6 million the program received in fiscal year 2008. Originally authorized as part of the research title of the 1985 Farm Bill and about to be newly authorized in the 2008 Farm Bill, ATTRA provides readily accessible sustainable and organic farming information to farmers and ranchers nationwide. ATTRA' professional staff answers a wide variety of agronomic, livestock, marketing, and entrepreneurial questions from farmers and ranchers. ATTRA launched a National Farm Energy Initiative in 2006 to help farmers better understand how they use energy, and how to best manage energy use to reduce operating costs. Modestly increasing ATTRA's funding will ensure the Energy Initiative continues to provide efficient, accurate, and timely information to farmers seeking to increase agriculture-based energy sources, and create sustainable economic growth in their communities.

Value-Added Producer Grants Program (VAPG).—We urge you to support funding in fiscal year 2009 for the VAPG program at the $40 million level provided by the 2002 Farm Bill or whatever mandatory funding level is provided in the 2008 Farm Bill. If mandatory funding is not provided through the 2008 Farm Bill, we urge you to provide discretionary funding at no less than $30 million.

The VAPG is a competitive grants program administered by the Rural Business Cooperative Service. The program makes grants to producers and producer-owned entities to develop value-added businesses and thereby enhance farm income, rural self-employment opportunities, local economic development, better consumer food

choices, and natural resource protection. Value-added products include those converted from raw products through processing to increase market value through higher prices, expanded markets, or both. Products are also considered value-added if they possess incremental value resulting from inherent attributes such as geographical location of production, environmental stewardship, food quality or safety, or seek to communicate these attributes through labeling or certification activities.

Rural Microenterprise Assistance Program.—The Rural Microenterprise Program is very likely to be authorized in the 2008 Farm Bill, and may also receive mandatory funding. We urge the subcommittee to fund this program at $10 million in fiscal year 2009 should the Farm Bill fail to provide mandatory funding. The program would provide technical and financial assistance to rural "micro-enterprises"—especially economically disadvantaged entrepreneurs not otherwise able to access credit. The program would provide direct training and technical assistance as well as low interest loans and grants to individuals currently operating, or seeking to operate, small businesses. Commonly recognized as the single most effective method of promoting rural economic development, small business growth will be supported through targeting individuals who have already opened a small business or are poised to do so.

PREPARED STATEMENT OF THE HUMANE SOCIETY

As the largest animal protection organization in the country, we appreciate the opportunity to provide testimony to the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Subcommittee on fiscal year 2009 items of great importance to The Humane Society of the United States (HSUS) and its 10.5 million supporters nationwide.

ENFORCEMENT OF ANIMAL WELFARE LAWS

We thank you for your outstanding support during recent years for improved enforcement by the U.S. Department of Agriculture of key animal welfare laws and we urge you to sustain this effort in fiscal year 2009. Your leadership is making a great difference in helping to protect the welfare of millions of animals across the country. As you know, better enforcement will also benefit people by helping to prevent: (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 2009:

FOOD SAFETY AND INSPECTION SERVICE/HUMANE METHODS OF SLAUGHTER ACT (HMSA) ENFORCEMENT

We Request Funding and Language to Ensure Strengthened HMSA Enforcement.—The Nation was shocked by the findings of our recent undercover investigation that revealed egregious abuse of "downer" cows too sick and injured to stand and walk on their own—by a company that was the #2 beef supplier to the National School Lunch Program and had been honored by USDA as "Supplier of the Year" for the 2004–2005 academic year. Unfortunately, the blatant and recurrent violations of food safety and humane rules documented in our 6-week hidden camera investigation were not reported by 5 USDA inspection personnel at the plant. This situation has focused national attention on the urgent need for more effective USDA oversight of humane handling and food safety rules. We urge the Committee to make this a high priority in order to better protect consumers and animals. In particular, we urge your consideration of the needed reforms outlined later in this testimony.

APHIS/ANIMAL WELFARE ACT (AWA) ENFORCEMENT

We Request That you Support the President's Request of $21,522,000 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 14,000 sites, including commercial breeding facilities, laboratories, zoos, circuses,

and airlines, to ensure compliance with AWA standards. Animal Care now has 105 inspectors (with 6 positions in the process of being filled), compared to 64 inspectors at the end of the 1990s. We are pleased that the President's fiscal year 2009 budget recommends an increase of $1,024,000 (counting allowance for pay costs) to cover hiring new inspectors to handle additional responsibilities as the number of licensed/registered facilities continues to grow.

APHIS/INVESTIGATIVE AND ENFORCEMENT SERVICES

We Request That you Support the President's Request of $13,694,000 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 the AWA and the initiation of appropriate enforcement actions. The President's budget recommends an increase of $1,343,066 (counting allowance for pay costs) for IES in fiscal year 2009, of which $725,000 will be used to improve enforcement of Federal animal welfare laws. The volume of animal welfare cases is rising significantly as new facilities become licensed and registered.

OFFICE OF INSPECTOR GENERAL/ANIMAL FIGHTING ENFORCEMENT

We Request That You Support the President's Requested Increase of $6,274,852 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, and established felony penalties in 2007. We are pleased that USDA is taking seriously its responsibility to enforce this law, working with State and local agencies to complement their efforts. The Michael Vick case is the highest profile example of new Federal efforts that have helped shine a spotlight on the barbaric practices of dogfighting and cockfighting. 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 at least 9 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.

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE /VETERINARY STUDENT LOAN FORGIVENESS

We Request $1,000,000 to Begin to Fully Implement the National Veterinary Medical Service Act (Public Law 108–161), Specifically Authorized in 2003, That Received Initial Funding of $500,000 in Each of Fiscal Year 2006 and Fiscal Year 2007, and $869,000 in Fiscal Year 2008.—We appreciate that Congress has begun to address the critical shortage of veterinarians practicing in rural and inner-city areas, as well as in government positions at FSIS (Food Safety and Inspection Service) and APHIS. Having adequate veterinary care is a core animal welfare concern. A study released in June 2006 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. Veterinarians support our Nation's defense against bioterrorism (the Centers for Disease Control estimate that 80 percent of potential bioterrorism agents are zoonotic—transmitted from animals to human). They are also on the front lines addressing public health problems associated with pet overpopulation, parasites, rabies, chronic wasting disease, bovine spongiform encephalopathy ("mad cow" disease), and a host of other concerns. To ensure adequate oversight of humane handling and food safety rules, FSIS must be able to fill vacancies in inspector positions. Veterinary school graduates face a crushing debt burden of over $100,000 on average, and the lowest pay of any of the medical professions, with an average starting salary of $46,000. 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. We hope you will build on the initial funding provided in order to expand

this needed program under CSREES or such other account as the Committee deems appropriate.

APHIS/EMERGENCY MANAGEMENT SYSTEMS/DISASTER PLANNING FOR ANIMALS

We Request That you Support the President's Request of $996,000 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 will be used for staff time and resources to support State and local governments' and humane organizations' efforts to plan for protection of people with animals. The additional resources will enable the agency to participate, in partnership with FEMA, in the newly revised National Response Plan without jeopardizing other Animal Care programs.

APHIS/HORSE PROTECTION ACT ENFORCEMENT

We Hope you will Provide $750,000 (an add-on of $251,000 Above the Amount Requested by the President for Fiscal Year 2009) Plus A one-time Appropriation of $1 Million for Specialized Equipment, and we Urge the Committee to Oppose any Effort to Restrict USDA From Enforcing This law to the Maximum Extent Possible.—Congress enacted the Horse Protection Act in 1970 to end the obvious cruelty of physically soring the feet and legs of show horses. In an effort to exaggerate the high stepping gait of Tennessee Walking Horses and gain an unfair competitive advantage at industry horse shows, unscrupulous trainers use a variety of methods to inflict pain on sensitive areas of horses' feet and legs. This cruel practice continues unabated by the well-intentioned but seriously understaffed APHIS inspection program. The most effective way to meet the goal of the Horse Protection Act—to reduce the showing of sored horses—is to have Animal Care inspectors present at the shows. Owners who sore their horses go to great lengths to avoid detection, including leaving a show when USDA inspectors arrive. The greater the likelihood of a USDA inspection, the greater the deterrent effect on those who routinely sore their horses. Unfortunately, Animal Care is able to attend fewer than 10 percent of the 500-plus shows held annually. Funding of $750,000 is needed to maintain a modest level of compliance with the Horse Protection Act by trained Animal Care professionals. Moreover, a one-time infusion of $1 million is needed to enable Animal Care to buy specialized equipment, such as thermography machines, that would enhance the ability of USDA inspectors to detect evidence of soring.

DOWNED ANIMALS AND BSE—NEEDED REFORMS TO ADDRESS PROBLEMS REVEALED BY HSUS UNDERCOVER INVESTIGATION

Close Loophole.—An unequivocal, truly comprehensive ban on the slaughter of downed animals for human consumption is needed to protect food safety and animal welfare. The current protocol that allows inspection personnel to "determine on a case-by-case basis the disposition of cattle that become nonambulatory after they have passed antemortem inspection" is unrealistic, unworkable, and reckless. It places an impossible expectation on inspectors, who can't accurately determine the reason(s) an animal became non-ambulatory. Injury and illness are often interrelated—an animal may stumble and break a leg because of a disease that causes weakness and disorientation. Of the BSE cases identified in Canada and the United States to date, 13 out of 16 have involved downers, and at least 3 of these were identified as downed due to injuries, including the 2003 U.S. case ("calving injuries") and a 2005 case in Canada ("slipped on ice/broken leg"). Major consumer groups including Consumers Union and Consumer Federation of America, support groups for victims of food-borne illness such as Safe Tables Our Priority (S.T.O.P.), Creutzfeldt-Jakob Disease Foundation, and CJD Voice, food safety organizations, companies such as McDonald's and Wendy's, and many others have all pointed out how reckless it is to rely on inspectors trying to sort out which downers are "safe." Besides the heightened incidence of BSE, downers may also be at higher risk for other foodborne transmissible pathogens, including E. coli and Salmonella, which kill hundreds of Americans every year, as these animals often lie in bacteria-laden waste and may have higher levels of intestinal pathogens due to stress.

From an animal welfare perspective, a comprehensive ban is needed because a downed animal with a broken leg suffers just as much as a sick one if he or she is dragged through a slaughterplant—maybe even more, when one considers how painful fractures are. A ban on use of all downers for human food would also provide an incentive for producers to treat animals humanely and prevent farm animals from going down. Even before the 2004 administrative ban, USDA estimated that

only 0.4 percent to 0.8 percent of all cows processed annually were non-ambulatory. A clear downer ban would encourage producers and transporters to engage in responsible husbandry and handling practices, so that this percentage could be reduced to levels approaching zero. Temple Grandin—advisor to the American Meat Institute and others in the meat industry—has noted that as many as 90 percent of all downers are preventable. Cases that involve broken bones and other injuries are perhaps the most preventable with improved husbandry.

Most Americans had no idea that animals too sick or injured to walk were being dragged with chains or pushed by forklifts en route to the food supply. When that fact came to light in December 2003, USDA's prompt announcement to ban all downer cattle from human food calmed consumers. More than 99 percent of the more than 22,000 public comments USDA received on its downer ban called on the agency to maintain and strengthen its downer ban, with most asking that other species be included. For a report on the comments received by the agency, please go to: http://files.hsus.org/web-files/PDF/2004_06_16_rept_USDA_comments.pdf.

USDA testimony before various congressional committees has made clear that the agency need not rely on slaughterplant testing of downers for BSE surveillance purposes. Surveillance of downers can and should be conducted at rendering plants and on farms.

Unfortunately, as we have learned from a January 2006 audit by the USDA Office of Inspector General and further from our late 2007 investigation, the loophole in administrative policy has substantially undercut the agency's so-called "ban." It has created financial incentives for precisely the abuses that were documented in our undercover footage. A highly visible and vigorously enforced total no-downer rule is the right policy. For the animals, removing current incentives that encourage workers to try every cruel tactic imaginable to move downers to the kill box will alleviate suffering. If crippled animals cannot be sold for food, slaughterplants have no reason to prolong their misery to try to get them through the slaughter process. Closing the loophole will also establish incentives for all involved in the production chain to minimize hazards that can cause animals to become downed in the first place, and make clear that there is no value to sending an already downed animal to a slaughterplant.

USDA can revise its rule immediately, restoring the language it promulgated in January 2004. And the Congress can pass legislation to codify a clear no-downer policy.

Strengthen Enforcement.—The USDA must rework its inspection program to ensure meaningful compliance. We recommend a combination of measures. More inspectors observing live animals are needed, and all inspectors should be trained and directed to monitor the treatment of live animals to ensure that they are handled humanely. Inspectors must understand that their oversight responsibilities begin at the moment animals arrive at slaughter premises, including when the animals are on trucks at slaughter facilities. An inspector should meet each truck when it arrives on the premises and should order the immediate humane euthanasia and condemnation of any cattle who are non-ambulatory. Egregious conduct such as forcefully striking an animal with an object, dragging an animal, ramming or otherwise attempting to move an animal with heavy machinery, or using electric shock, water pressure, or other extreme methods should be explicitly prohibited and those policies established in a formal rule to take effect immediately. Inspections should be unannounced and not on a predictable schedule. They should include undetectable inspections through video surveillance accessible for viewing by independent third parties. Slaughterplants should be required to install video cameras that would allow for viewing of all of the animal handling prior to slaughter. Finally, it would be helpful to rotate inspectors to ensure that they do not become too close with plant personnel.

Establish Criminal Penalties.—Current Federal law does not provide for criminal penalties, even in cases of repeat or egregious offenses, for violations of humane handling standards.

Ensure Humane Federal Procurement.—H.R. 1726, the Farm Animal Stewardship Purchasing Act, would set basic animal welfare standards for producers who sell food to the National School Lunch Program and other Federal programs, including requiring veterinary treatment or humane euthanasia for downed animals.

In addition to the downer and humane slaughter issues, we hope the Committee will provide adequate funding to ensure meaningful enforcement by the Food and Drug Administration of its "feed ban," designed to prevent BSE-contaminated animal products from being fed to other animals. We are concerned that inspectors visit facilities infrequently and rely on self-reporting by those facilities and paperwork checking rather than first-hand evaluation of feed content and dedicated production lines. We are also concerned that FDA relies a great deal on State agencies to con-

duct this oversight, when most States face severe budget constraints that may compromise their ability to handle this job. Preventing the spread of BSE is vital to the Nation as a whole, for public health, the agricultural industry, and animal welfare. Vigorous enforcement of the feed ban is an essential component of this effort. We hope adequate Federal funds will be provided in fiscal year 2009 to meet this challenge.

ANIMAL WELFARE INFORMATION CENTER (AWIC)

AWIC was established by the 1985 amendment to the Animal Welfare Act (the Improved Standards for Laboratory Animals Act) to serve as a clearinghouse, training center, and educational resource for institutions using animals in research, testing and teaching. This Center is the single most important resource for helping personnel at more than 1,200 U.S. research facilities meet their responsibilities under the AWA. Supported by a modest funding level, its services are available to all individuals at these institutions, from cage washers to Institutional Animal Care and Use Committee (IACUC) representatives and the Institutional Official. Given its indispensability not only in assisting with compliance with the AWA but also in providing up-to-date information on issues ranging from BSE to primate enrichment that are critical to the scientific and agricultural communities, we recommend that AWIC be listed as a separate line item. We respectfully urge Congress to reject the ARS plan to eliminate AWIC; rather, it is essential to provide an appropriation of $1.8 million in fiscal year 2009 to support ongoing services as well as critically needed expansion and other improvements to meet the growing demand for AWIC's expertise.

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 2009. We appreciate 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.

PREPARED STATEMENT OF THE WILDLIFE SOCIETY

The Wildlife Society appreciates the opportunity to submit testimony concerning the fiscal year 2009 budgets for the Animal Plant Health Inspection Service (APHIS), Cooperative State Research, Education and Extension Services (CSREES), and Natural Resources Conservation Service (NRCS). The Wildlife Society represents over 8,000 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.

Animal and Plant Health Inspection Service

The Wildlife Society is concerned that the fiscal year 2009 budget request would decrease the operations subactivity of Wildlife Services by $1.66 million and redirect $5.34 million. This would effectively reduce by $7 million Wildlife Services' ability to control wildlife damage to agriculture, aquaculture, forest, range, and other natural resources; control wildlife-borne diseases; and control wildlife at airports. The Wildlife Society strongly recommends that Congress increase the appropriation for this subactivity by $7.0 million to account for these reductions and redirections. We also recommend that Congress provide an additional $300,000 to fully fund uncontrollables.

We appreciate the recognition of the need to safeguard our Nation against highly pathogenic avian influenza and applaud the added fiscal resources to address this critical issue. The potential for this disease to spread to the North American continent and severely impact wildlife, domestic poultry, and humans highlights the importance of continued surveillance and monitoring during the coming years. The fiscal year 2006 supplemental and subsequent appropriations have allowed State fish and wildlife agencies to provide much-needed resources to ensure a coordinated, continent-wide effort. This effort must continue to ensure that America's citizens and resources are protected. The Wildlife Society strongly recommends an increase to $10 million for surveillance and monitoring of avian influenza.

The Wildlife Society is concerned about the proposed reduction in the Brucellosis Program budget. Because of its presence in wild elk and bison, brucellosis in the Greater Yellowstone Area will be especially difficult to control or eliminate and will require more, not less, fiscal resources to accomplish. We recommend Congress restore brucellosis funding to $11 million in fiscal year 2009 and that USDA–APHIS-Veterinary Services continue to utilize the authorities and expertise of the Greater

Yellowstone Interagency Brucellosis Committee to address domestic livestock interactions with wild elk and bison in the region.

The Wildlife Society commends APHIS-Veterinary Services for providing funding to State wildlife management agencies for Chronic Wasting Disease (CWD) surveillance and management in free-ranging deer and elk. Additionally, The Wildlife Society strongly supports APHIS' efforts to eliminate CWD from captive cervids in order to eliminate the risk of spread of the disease from these animals to free-ranging deer and elk. The surveillance and monitoring efforts conducted by all 50 States between 2004 and 2006 would not have been possible without this cooperative funding. Additionally, knowledge of the presence and prevalence of CWD has been enhanced by this program. Without continued funding, States will be unable to maintain the level of CWD surveillance necessary to track incidence of the disease. The Wildlife Society is very concerned by the proposal to cut this budget by $7.3 million, and by the proposed State match requirement. Such a requirement could result in many States no longer being able to perform CWD surveillance of wild cervids, reducing our capacity to prevent the spread of the disease. The Wildlife Society recommends increasing Chronic Wasting Disease funding to $20 million in fiscal year 2009.

Cooperative State Research, Education, and Extension Service

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 today than ever 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 environmental factors. The Wildlife Society recommends that the Renewable Resources Extension Act be funded at $30 million, as authorized in the 2002 Farm Bill.

The proposed budget for fiscal year 2009 reflects a decrease for the McIntire-Stennis Cooperative Forestry program. The proposal would also direct 67 percent of program funding to a multi-State research program. These funds are 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, private-land forests will increasingly be needed to supplement supplies, but trees suitable for harvest take decades to produce (versus the single year in which crops such as corn and soybeans can be harvested). 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. Replacement of McIntire-Stennis funding with competitive grants will leave long-term, stable forest research to chance. The Wildlife Society strongly believes that the reasons for continuing the McIntire-Stennis Cooperative Forestry program into the future are compelling and urges Congress to increase the fiscal year 2009 budget to $25 million, an amount more consistent with historic levels.

The Wildlife Society supports the administration's request of $257 million for National Research Initiative Competitive Grants. However, this includes an increase of $19 million for bioenergy and biofuels research and a redirection of $42 million for water quality, food safety, organic transitions, and pest management. While The Wildlife Society does not oppose this consolidation, Congress should ensure that sufficient funding is available to support all of these efforts at no less than their fiscal year 2008 levels. The Society also notes, that if not done properly, biofuels production could have a negative effect on wildlife resources.

Natural Resources Conservation Service

Reauthorization of the Farm Bill is expected to be completed in the first half of 2008. Until such a reauthorization is passed, we are operating under the program and funding levels created or reauthorized in the 2002 Farm Bill. The Farm Bill conservation programs are now 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 Wildlife Society recommends that the Farm Bill conservation programs be funded at the levels mandated in the 2002 Farm Bill until the current Farm Bill reauthorization is completed.

The fiscal year 2009 budget should anticipate the authorization of new enrollments in the Grasslands Reserve Program, a strong Conservation Security Program, and should fully fund the remaining programs at their mandatory spending levels:

—Conservation Reserve Program—39.2 million acres

—Grasslands Reserve Program—$50 million

—Wetlands Reserve Program—250,000 acres
—Wildlife Habitat Incentive Program—$85 million

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.

PREPARED STATEMENT OF THE UNIVERSITY OF SOUTHERN MISSISSIPPI AND THE MISSISSIPPI POLYMER INSTITUTE

Mr. Chairman, distinguished Members of the Subcommittee, thank you for this opportunity to provide testimony describing ongoing research and commercializing efforts of The University of Southern Mississippi (USM) and the Mississippi Polymer Institute. I am very grateful to the subcommittee for its leadership and continued support of the Institute and its work. This testimony includes an update of the Institute's achievements since my testimony of approximately 1 year ago. Our efforts focused principally on two areas for commercialization. One involves our novel, agricultural-based inventions in emulsion polymerizations, and the second was to produce a commercial quality, formaldehyde-free, soybean based adhesive for composite board materials, specifically, particleboard. During the past year, we made significant advances in emulsion polymerization technology, and in the refinement of soy adhesive utility. Particleboards made in our laboratory with the soy adhesive (formaldehyde free) exceed all required specifications for particleboard manufacture. Both technologies described above are ready for commercialization and future efforts will focus on movement of each technology into the market place. We therefore respectfully request $2.0 million in Federal funding to more fully exploit the potential of commercializing the technologies described herein. I will discuss the progress for each thrust to provide maximum clarity to our past efforts.

Three patent applications were generated in 2007. Additionally in 2007, four manuscripts were published, thirteen presentations were given, and one student won a research award. We remain energized, active, and successful at utilizing funding to increase the value of agricultural products and co-products, as they are valuable alternatives or supplements to petroleum-derived materials. Both technologies noted above depends on use of agricultural materials as primary building blocks, and clearly offers opportunities for ag-derived materials as a basic feedstock in the polymer industry. Both are groundbreaking technologies and one only has to consider the use of formaldehyde-free adhesives as the ultimate example. It is well known that formaldehyde is a carcinogen and we have developed an alternative to formaldehyde in the form of soybeans. The recent focus on FEMA trailer contamination simply amplifies what the scientific community has known for years; formaldehyde is a carcinogen and should not be used in composite board manufacture. Our patented technology remains the only performance proven alternative 100 percent formaldehyde free based on an agricultural product, i.e. soybeans.

Our 2007–08 work also included several pilot plant trials and statistical validation for commercial scale production of vegetable oil-based monomers and polymers. Vegetable oil macromonomers (VOMMs) have proven value for the manufacture of zero volatile organic content (VOC) paints and coatings. Navy Haze Gray paints, manufactured via our novel technology, free of VOC content, and matching and/or exceeding all performance requirements will be applied shipboard within weeks of this testimonies writing.

This past year's work has resulted in the discovery of methods to tailor polymers with desired use properties, a key to widespread utilization in other areas of need.

Vegetable Oil Macromonomers (VOMM) Research and Development

In the past year, vegetable oil macromonomer synthesis was moved from the traditional laboratory research category to pilot plant trials. Specifically, VOMMs of soybean oil, high oleic safflower oil, safflower oil, sunflower oil, and coconut oil were scaled, synthesized, and evaluated for utility. This work validates the commercial viability and amplifies the value of this technology for many vegetable oil types. Specifically, our work has shown that it is possible to manufacture polymers that flow and level easily at room temperature, yet will harden upon ambient conditions and achieve high performance characteristics. This is clearly a step change in tailoring polymer performance. This technology is now mature enough to take its rightful place in commercial markets.

The example below was provided in past testimonies yet remains valid today. It summarizes opportunities and impact potential for biobased VOMM polymers. In 2004, sales of low gloss water thinned paints (including tinting bases) were 181 million gallons, with a value of $1,551 million (www.census.gov.mcd). Only a 1 percent

share of this market would require manufacture of 1.81 million gallons of low gloss paint. A typical flat latex paint contains 1,200 g of latex per gallon. With latexes containing 20 percent soybean oil derivatives, this market share would consume 950,000 lbs of soybean oil or 89,540 bushels of soybeans. It would not be unrealistic to expect that in five years, a market share of 5 percent could be achieved and thus require consumption of 447,700 bushels of soybeans for high performance, value-added decorative and protective coatings. The environmental impact potential to reduce volatile organic emissions by 3.6 million lbs per year at only a 1 percent market share (data 250 g/L VOC 3.78L/gal, 1.81 million gallons and 1 percent market share) is magnanimous.

Formaldehyde-Free Soy Based Adhesives

During the last year, our efforts increased the amount of soy protein in the adhesive formulation from 28 percent to 55 percent. In 2006–2007, the main barrier to commercialization and processing was the soy protein adhesives solids content at less than 28 percent, making it difficult to transport, handle, and utilize efficiently, and that barrier to commercialization was overcome. As the utility of the experimental adhesive increases it is important to keep in mind that our platform is the only patented technology to our knowledge that is solely based upon soybean protein and is 100 percent formaldehyde free. An estimated 150,000 FEMA trailers were distributed in Mississippi, Louisiana, Florida, Alabama, and Texas following hurricanes in 2005. In May 2006, the Sierra Club, a public interest group conducting indoor air testing in Federal Emergency Management Agency (FEMA)-issued trailers in Louisiana and Mississippi reported that in Mississippi, 29 of the 31 trailers (94 percent) tested had indoor levels of formaldehyde in excess of that identified by the Environmental Protection Agency (EPA) and Consumer Products Safety Commission (CPSC) as triggering adverse health effects in humans. In Alabama and Louisiana, 83 percent of the 52 trailers were above the OSHA specified limit of 0.10 parts per million, 4 were at the limit, while 13 percent were below the limit. Formaldehyde concentration as high as 0.34 parts per million was found in one trailer—a level nearly equal to what a professional embalmer using industry-proscribed safety equipment would be exposed to on the job.

Our efforts remain focused on creation of technology platforms facilitating commercialization of alternative agricultural crops for use in the polymer industry. The reasons for these efforts are made clear when it is realized that the polymer industry maintains its position as the single largest consumer of petroleum chemical intermediates in the world. The finite supply, and increasingly higher costs of petroleum resources, demands alternatives be developed. Thus, the theme of our work is to develop high performance and environmentally responsible technologies from agricultural intermediates. In this way, we as a Nation will improve our environment, reduce our dependence on imported petroleum, and keep America's farmlands in production. As farm products meet the industrial needs of the American society, rural America is the benefactor. Heretofore, these successful efforts to utilize alternative agricultural products as an industrial feedstock continue to receive more and more attention but drastically less than these high tech innovations and opportunities warrant. Your decisions are crucial to the accomplishment of these goals as funding from this subcommittee has enabled us to implement and maintain an active group of university-based polymer scientists whose energies are devoted to commercializing alternative crops. We are most grateful to you for this support, and ask for your continued commitment.

Polymers, which include fibers, plastics, composites, coatings, adhesives, inks, and elastomers, play a key role in the materials industry. They are used in a wide range of industries including textiles, aerospace, automotive, packaging, construction, medical prosthesis, and health care. In the aerospace and automotive applications, reduced weight and high strength make them increasingly important as fuel savers. Their non-metallic character and almost unlimited design potential support their use for many national defense purposes. Moreover, select polymers are possible substitutes for so-called strategic materials, some of which come from potentially unreliable sources.

As a polymer scientist, I am intrigued by the vast opportunities offered by American agriculture. As a professor, however, I continue to be disappointed that few of our science and business students receive training in the polymer-agricultural discipline despite its enormous potential. At The University of Southern Mississippi, we are making a difference by showing others what can be accomplished if appropriate time, energy, and resources are devoted to understanding the immense value of ag-based products. For more than 40 years, I have watched the evolution of polymers where almost each new product introduced into the market place offered the opportunity for many more. Although polymer science as a discipline has experi-

enced expansion and a degree of public acceptance, alternative agricultural materials in the polymer industry continue to be an underutilized national treasure. Now is the time for agricultural materials to make significant inroads as environmentally-responsible, biodegradable, and renewable raw materials. Our national needs and economy cannot wait; we must act now.

U.S. agriculture has made the transition from the farm fields to the kitchen tables, but America's industrial community continues to be frightfully slow in adopting the use of ag-based industrial materials. The prior sentence was included in my last five testimonies but continues to ring true, even as I write this report. We are making progress and we must persist. We must aggressively pursue this opportunity and in doing so:

—Intensify U.S. efforts to commercialize alternative crops and dramatically reduce atmospheric VOC emissions and odor for a much cleaner and less noxious air for all Americans.
—Reduce U.S. reliance on imported petroleum.
—Maintain a healthy and prosperous farm economy.
—Foster new cooperative opportunities between American farmers and American industry.
—Create advanced polymer technology-based jobs that are not easily exported to foreign lands
—Maintain our innovative and developmental competitive edge over other less environmentally-responsible countries and less competitive economies.

Mr. Chairman, your leadership and support are deeply appreciated by The University of Southern Mississippi community. While I can greatly appreciate the financial restraints facing your Subcommittee, I feel confident that further support of the Mississippi Polymer Institute will continue to pay dividends by way of increasing commercialization opportunities for agricultural materials in the American industry. Advances in polymer research are crucial to food, transportation, housing, and defense industries. Our work has clearly established the value of ag products as industrial raw materials, and we must move it from the laboratories to the industrial manufacturing sector. Only then can the United States enjoy the cleaner and safer environment that these technologies offer, as well as new jobs, and expanded opportunities for the U.S. farmer. We are most grateful for the support provided by you in the past. The funding you provided has facilitated laboratory work to be conducted, manufacturing scale-up to be accomplished, and ensured sales (although limited) of products based on this technology. However, additional funds are needed to commercialize technologies. For instance, pilot scale processes are necessary to move this technology into the market place, and will be the principal focus of our upcoming work. Of course, while working to achieve commercialization, we are committed to continue technology advancement.

Since our testimony last year, our commercializing efforts have shown that sustained work will expand the viability of agricultural crops as industrial intermediates. Indeed, the technology is maturing, which must be followed by marketing and sales to realize full potential. Thus, we are asking for your support to advance these technologies to the market place, and to continue our development of other useful ag-derived technologies. We therefore respectfully request $2.0 million in Federal funding to more fully exploit the potential of commercializing the technologies described herein. We have shown that we can be successful, yet we need additional resources to optimize the potential of the knowledge creation. Our efforts will be recognized as instrumental in developing a "process" for the commercialization of new ag-based products. We have proven that we are successful in developing technologies from the "idea" stage to scale-up for commercialization in several market areas. Thank you, Mr. Chairman and Members of the Subcommittee, for your support and consideration.

PREPARED STATEMENT OF THE USA RICE FEDERATION

This is to convey the rice industry's request for fiscal year 2009 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 2009 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, in particular with the Farm Bill reauthorization currently underway.

A list of the programs the USA Rice Federation supports for appropriations in fiscal year 2009 are as follows:

FUNDING PRIORITIES

Research and APHIS

The Dale Bumpers National Rice Research Center should receive continued funding at the fiscal year 2008 approved level, which was $7.775 million, and appropriate additional funding to reflect any increased administrative and operations costs. This center 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 full funding to the Dale Bumpers National Rice Research Center.

For the Western Regional Research Center, in Albany, California, we support the administration's budget proposal for the Renewable Energy Resources project within the Agricultural Research Service (ARS) account. We understand a portion of the funding is to be directed to the Albany, CA facility for research on modification of plant cell walls in energy crops and crop residues for efficient conversion to biofuels.

This research will play a key role in the ability to utilize rice straw and other rice crop residues for the production of biofuels. Rice straw represents a current and ready-made feedstock that could meet a substantial portion of the demand for biofuels production in the regions of the country where rice is produced, including the Sacramento Valley of California. We urge you to fully fund this request as our researchers work to develop the technologies necessary to meet the ambitious goals for biofuels production set before us.

For APHIS-Wildlife Services, we encourage the subcommittees to fund the Louisiana blackbird control project at $150,000. 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 (FMD) allows USA Rice to focus on importer, foodservice, and other non-retail promotion activities around the world. We support increased funding for FMD as being considered in the pending farm bill, but for fiscal year 2009, FMD should be fully funded at no less than $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. Again, we support increased funding for MAP as being considered in the pending farm bill, but for fiscal year 2009, MAP should be funded at no less than $200 million.

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 Food and Drug Administration (FDA) fiscal year 2008 food safety purposes and accompanying report language directing the use of some of the funds to hire more domestic and imported food inspectors. We urge Congress to continue this funding direction by appropriating significant increases for the agency's fiscal year 2009 food safety personnel, programs, and related technology, including continuing to ensure the safety of imported food.

Significant funding increases would allow the FDA to help reassure consumers and speed innovation in food safety and technology. A significant increase would permit FDA to administer its food safety inspections and other related activities more fully and effectively, speed approvals for safe, new food technologies and products, and provide leadership in protecting the food supply from intentional threats.

Food Aid

We urge the subcommittees to fund Public Law 480 Title I. No Title I funding was provided in fiscal year 2008. At a minimum, fiscal year 2009 funding should be the same as 2006, the last year in which the program was funded. Public Law 480 Title 1 is our top food-aid priority and we support 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 support funding for fiscal year 2009 at the increased level of $1.8 billion in order to satisfy the 2.5 million MT required by statute. We encourage the subcommittees to fund Title II at this level to ensure consistent tonnage amounts for the rice industry. We oppose any shifting of funds, as all Title II funds 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 and at fiscal year 2008 levels, at a minimum, for the program's Commodity Credit Corporation funding component. 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. 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.

PREPARED STATEMENT OF THE UNITED STATES TELECOM ASSOCIATION

SUMMARY OF REQUEST

Project Involved

Telecommunications Loan and Grant Programs Administered by the Rural Utilities Service of the U.S. Department of Agriculture.

Actions Proposed

Supporting RUS loan levels and the associated funding subsidy, as required, for the 5 percent direct loan program ($145 million) and cost of money program ($250 million) in fiscal year 2009 in the amounts requested in the President's budget.

Supporting Section 306 guaranteed loans in the amount ($295 million) requested in the President's budget.

Supporting the President's budget request of $297,923,000 and the associated funding subsidy, as required, for broadband telecommunications loans.

Continuation of the general provision contained in previous appropriations acts that would prohibit RUS from drafting or implementing any regulation or rule requiring recertification of rural status for telephone borrowers.

Supporting the continued elimination of the 7 percent cap on cost of money loans.

Supporting continued funding, as requested in the President's budget, in the amount of $20 million for telemedicine and distance learning grants in rural areas.

Seeking language strengthening and improving the operation of the broadband loan program in the Committee Report accompanying the bill.

Supporting provision of sufficient funds for staff, including legal staff, to properly administer the telecommunications and broadband programs.

I am Walter B. McCormick, Jr., President and CEO of the United States Telecom Association (USTelecom). I submit this testimony in the interests of the members of USTelecom and the customers they serve. USTelecom represents innovative companies ranging from the smallest rural telecoms in the Nation to some of the largest corporations in the U.S. economy. Our member companies offer a wide range of services across the communications landscape, including voice, video and data over local exchange, long distance, Internet and cable networks.

USTelecom members firmly believe that the targeted assistance offered by a strong RUS telecommunications loan and grant program remains essential to a healthy and growing rural telecommunications industry that contributes to the provision of universal telecom service. We appreciate the strong support this Committee has provided for the RUS telecom program since its inception in 1949 and look forward to a vigorous program for the future.

RURAL AREAS NEED ACCESS TO BROADBAND SERVICE

Access to a reliable source of capital such as the RUS loan programs is key to the system upgrades which will enable rural areas to experience the economic growth and job creation that a freely competitive market with ready access to fairly priced capital can provide.

It is critically important that rural areas be included in the nationwide drive for greater bandwidth capacity. In order to provide higher speed services, outside plant must be modernized to accommodate technologies such as Digital Subscriber Line (DSL) or even fiber optic connections to the Internet, and switching must be migrated to new platforms. These investments may not be justified by market conditions in low density high cost rural areas, so the RUS program provides important financial incentives for additional investment which encourages rural telecommunications companies to build facilities which allow advanced services, including distance learning and telemedicine, to be provided. The externalities measured in terms of economic development and human development more than justify this investment in the future by the Federal Government.

Greater bandwidth and packet switching capabilities are crucial infrastructure elements which will allow rural businesses, schools and health care facilities to take advantage of the other programs available to them as end users. The money spent on having the most modern and sophisticated equipment available at the premises of businesses, schools or clinics is wasted if the local telecommunications company cannot afford to build facilities that quickly transport and switch the large amounts of voice, video and data that these entities generate. RUS funding enhances the synergies among the FCC and RUS programs targeted at improving rural education and health care through telecommunications.

RUS endures because it is a brilliantly conceived public-private partnership in which the borrowers are the conduits for the Federal Government benefits that flow to rural telecom customers, the true beneficiaries of the RUS program. The government's contribution is leveraged by the equity, technical expertise and dedication of local telecom companies. The small amount of government capital involved is more than paid back through a historically perfect repayment record by telecom borrowers, as well as the additional tax revenues generated by the jobs and economic development resulting from the provision and upgrading of telecommunications infrastructure. RUS is the ideal government program—it provides incentives where the market does not for private companies to invest in infrastructure promoting needed rural economic development, it allows citizens to have access to services which can mean the difference between life and death, and it has never lost a nickel of taxpayer money because of a telecom carrier default.

RECOMMENDATIONS

For fiscal year 2009, this Committee should set the loan levels and necessary associated subsidy amounts for the 5 percent direct loan program and cost of money loan programs consistent with the levels recommended in the President's budget. The guaranteed telecommunications loan program should also be funded at the level requested in the budget.

Congress and the President have recognized the tremendous potential of broadband technology to enhance human and economic development in rural areas by establishing as a priority loans for the deployment of such technology in rural areas. USTelecom urges the provision of funding for these loans sufficient to support $297,923,000, the amount recommended in the President's budget. The capital intensive nature of the telecommunications industry, particularly with respect to im-

plementation of broadband, requires a stable and predictable source of funds. Congress should be lauded for its recognition of the importance of broadband deployment to our Nation's economy and particularly for the recognition, through support of the RUS program, of the tremendous impact broadband telecommunications can have on economic growth and development in rural America.

Congress Should Adopt the Farm Bill, H.R. 2419, to Improve the Efficiency and Effectiveness of the Broadband Program.—Both the House and Senate versions of the Farm Bill better target the scarce resources dedicated to extending broadband deployment to high cost rural areas. They accomplish this by prioritizing lending to areas with no broadband service and by tightening up the definition of rural area for purposes of the lending program. Furthermore, both bills increase the availability and feasibility of RUS broadband loans, thereby better directing loan funds to areas that are more challenging to serve and are therefore most in need of government assistance. Both bills modify or eliminate the statutory exclusion of companies with more than 2 percent of that Nation's access lines from the broadband program. The language in the current statute is an unfortunate policy decision that limits the effectiveness of RUS in targeting funds to unserved areas. The RUS telephone program contains no such exclusion. Rural customers, the true beneficiaries of the RUS program, should not be denied its benefits because of the identity of the carrier from which they receive service. Similarly, both bills modify the statutory requirement that the term of broadband loans cannot exceed the expected useful life of the facilities being financed—a policy change which will decrease the size of periodic loan repayments and enhance loan feasibility without harming the government's loan security. Since RUS has a lien on all the property of the borrower, not just the new facilities, in most instances there is more than sufficient security for the loan for the broadband equipment. As long as the security of the government's loan is sufficient, the term of the loan in relation to the life of the facilities financed is irrelevant.

Improving the Effectiveness of the RUS Broadband Program

Redirecting Broadband Program Funding to Unserved Areas.—Absent adoption of a new Farm Bill this year with reforms to the RUS broadband program, RUS could still make substantial improvements to the operation of the broadband loan program through adoption of new rules. Since the inception of the broadband program, RUS has used a substantial portion of the available funds to make loans to areas that already have broadband service. RUS justifies these loans for duplicative facilities with the contention that service in these areas is inadequate and so the areas are "underserved", thereby permitting such duplication. For purposes of making broadband loans, RUS defines broadband service as 200 kbps. Yet when determining whether an area is underserved, RUS will make a loan to any entity which promises a faster speed than is provided by the incumbent, even if the incumbent is providing service far in excess of the 200kbps standard RUS has set for new loans. RUS should be directed to use the same standard for new broadband loans as for the determination that an area is "underserved".

RUS also has determined that an area is underserved if the applicant seeking to provide duplicative service will offer a substantial price differential relative to the incumbent. RUS has no objective standard for determining what constitutes a "substantial price differential".

The RUS broadband program should exclusively focus on extending the reach of broadband in rural America with a goal of ubiquitous deployment. Making loans for duplicative facilities and service, when other citizens in rural America reside in areas with no service at all, is a waste of scarce government resources. To properly redirect government funds to areas unserved by broadband, Congress should clarify that loans funds not be used for duplicative facilities, and should reaffirm that the non-duplication requirements of Title II of the Rural Electrification Act are equally applicable to the Title VI broadband program. The Undersecretary for Rural Development should be required to make a legal finding that any loan for broadband will not result in a duplication of facilities. To assist the Undersecretary in making this finding, RUS broadband applications should include the identity, list of services and charges as well as the service areas of the incumbent provider. Also, to the extent that they do not conflict, Congress should reaffirm that all the provisions of Title II, such as those relating to area coverage and loan feasibility, are equally applicable to the Title VI broadband program.

Elimination of the 7 Percent Cap on the Interest Rate for the "Cost of Money" Program

For a number of years, through the appropriations process, Congress has eliminated the 7 percent "cap" placed on the insured cost-of-money loan program. The

elimination of the cap should continue. If long term Treasury interest rates exceeded the 7 percent ceiling contained in the authorizing act, the subsidy would not be adequate to support the program at the authorized level. This would be extremely disruptive and hinder the program from accomplishing its statutory goals. Accordingly, USTelecom supports continuation of the elimination of the 7 percent cap on cost-of-money insured loans in fiscal year 2009.

Recommended Loan Levels

USTelecom recommends that the telephone program loan levels for fiscal year 2009 be set as follows:

Insured 5 percent Direct Loans	$145,000,000
Insured Cost-of-Money Loans	250,000,000
Loan Guarantees	295,000,000
Broadband Telecommunications Loans	297,293,000
Total	987,293,000

Loans and Grants for Telemedicine and Distance Learning

USTelecom supports the inclusion of $20 million in grants for distance learning and telemedicine, as provided in the President's budget. As we move into the Information Age with the tremendous potential of the Internet to increase productivity, economic development, education and medicine, such funds can help continue the historic mission of RUS to support the extension of vital new services to rural America.

Recertification of Rural Status Would Be Disruptive and Chill Rural Telecom Investment

The administration's budget notes that USDA will propose rule changes to require recertification of rural status for each electric and telecommunications borrower on the first loan request received in or after 2009 and on the first loan request received after each subsequent Census. Telecom construction and investment is a long term continuous process, not a project by project proposition. The uncertainty created by the possibility of decertifying a borrower as rural after it has established a relationship with RUS and begun borrowing funds for expansion and upgrading according to a long term plan would be disruptive and discourage borrowers from participating in the RUS program, thereby denying its benefits to subscribers. The "once rural always rural" practice of RUS has been extraordinarily successful at providing needed long term capital, at a careful and measured pace, to telecom carriers intent on expanding and upgrading service to promote rural economic development. Congress should deny funding in fiscal year 2009 for such a rule change.

CONCLUSION

Our members take pleasure and pride in reminding the Committee that the RUS telecommunications program continues its perfect record of no defaults by telecommunications carriers in over a half century of existence. RUS telecom borrowers take seriously their obligations to their government, their Nation and their subscribers. They will continue to invest in our rural communities, use government loan funds carefully and judiciously, and do their best to assure the continued affordability of telecommunications services in rural America. Our members have confidence that the Committee will continue to recognize the importance of assuring a strong and effective RUS Telecommunications and Broadband Program through authorization of sufficient funding and loan levels.

PREPARED STATEMENT OF THE WILDEARTH GUARDIANS

Re: Request to cut Funding for the USDA–APHIS–WS's Wild Carnivore-Killing Program

We the 30 undersigned organizations, and on behalf of our 10.9 million members across the Nation, respectfully submit the following request that lethal predator control funding be discontinued for the U.S. Department of Agriculture (USDA)—Animal and Plant Health Inspection Service (APHIS)—Wildlife Services (WS). Most Americans strongly support protection of wildlife, endangered species, and carnivores. Several reasons for discontinuing Federal support for predator control exist. Predator control activities are (1) generally ineffective and ecologically harmful; (2) fiscally irresponsible; (3) inhumane and against the public's interest; and (4) a national security hazard. It is time for a change that reflects these facts and that em-

bodies a more enlightened set of values, the weight of public opinion, and public safety.

The WS's Program is Ineffective, Ecologically Harmful, & Fiscally Irresponsible

Large-scale predator eradication is biologically harmful, economically expensive, and inherently non-selective (Treves and Karanth 2003, Mitchell et al. 2004, Stolzenburg 2006). In fact, there is no correlation between the number of coyotes killed and the number of lambs lost (Knowlton et al. 1999, Mitchell et al. 2004). Lethal predator controls do little to benefit the sheep industry; market forces—primarily the price of hay, wages, and lambs—play a far greater role in the decline of the sheep industry than do predators (Berger 2006).

On behalf of agribusiness, over 100,000 native carnivores such as coyotes, bobcats, foxes, bears and wolves are killed each year (in fiscal year 2006, WS killed 117,113). The numbers of predators killed to protect livestock is highly disproportionate—one study showed that somewhere on the order of between 1.5 to 9.7 million animals were killed for the benefit of agricultural interests "without cause," or indiscriminately, by Federal agents during the period 1996 to 2001 (Treves and Karanth 2003). These high levels of predator killing have been aptly dubbed the "sledgehammer" approach to wildlife management (Logan and Sweanor 2001, Mitchell et al. 2004, Stolzenburg 2006). Lethal controls, including poisons, are unselective for specific animals, and are used to remove the most individuals from an area (Mitchell et al. 2004). Yet carnivores are important ecosystem actors. Native carnivores such as wolves, mountain lions, and coyotes increase the richness and complexity of animal life and indirectly contribute to better ecosystem function.[1]

Between 2004 and 2006, WS killed 6,156,223 total animals to protect agricultural interests—at an average annual cost of $100 million. (Table 1.) Most animals were killed with lethal poisons, others with traps and guns. Many were shot from aircraft (see www.goAGRO.org). In the past decade, Wildlife Services has killed an increasing number of species that are protected under the Endangered Species Act.

TABLE 1.—WILDLIFE SERVICES' ANNUAL BUDGET & KILLS

Year	Budget	Total animals killed	Total killed per hour	Mammals killed	Mammals killed per hour
2004	$101,490,740	2,767,152	316	179,251	20
2005	99,792,976	1,746,248	199	170,814	19
2006	108,590,001	1,642,823	188	207,341	24

Sheep and Cattle Losses from Predators are Miniscule and do Not Justify Wildlife Services' Aggressive Killing Schemes

Despite calls from agribusiness for more WS's funding, Congress should consider the tiny effect predators have on livestock; instead, a reduction in is justified. The USDA's own data show that few cattle and sheep die from predation (see Tables 2 through 5).

Every year the USDA's National Agricultural Statistics Service (NASS) reports on the U.S. cattle and sheep production inventory. Every 5 years, NASS counts unintended cattle and sheep deaths from predation, weather, disease, and other causes. The most recent report released for cattle deaths is 2006 and, for sheep, 2005. The reports reflect data from the previous calendar year.

In 2004, sheep producers raised 7,650,000 animals nationwide (USDA NASS 2005b) (USDA NASS 2005b). Native carnivores and domestic dogs killed 3 percent of the total production, or 224,200 sheep (USDA NASS 2005c). In comparison, 5 percent of sheep died from illness, dehydration, falling on their backs or other causes (USDA NASS 2005c) [Tables 2 & 3].

[1] Prior to 1995 in Yellowstone National Park, elk had decimated willow and aspen stands. When wolves were reintroduced, elk were forced to be more mobile to avoid predation. With less elk herbivory, willow and aspen communities returned. Beavers followed; they used the new trees and shrubs to build their dams and lodges. Those structures not only brought water from underground to the surface, but made water flow more dependable. As a result, neotropical and water-wading birds and moose populations increased and diversified (Smith et al. 2003). Secondly, the presence of mountain lions in desert ecosystems can have the same top-down effects resulting in increased biological diversity and functionality of rare riparian systems (Ripple and Beschta 2006). Third, coyotes regulate populations of medium-sized carnivores such as skunks, raccoons, and house cats. Thus coyotes indirectly benefit ground-nesting birds (Crooks and Soule 1999) and make rodent species diversity more robust (Henke and Bryant 1999). Mezquida et al. (2006) found that coyotes indirectly benefit sage grouse populations—a species on the brink.

TABLE 2.—SHEEP AND LAMBS PRODUCED IN 2004 & TOTAL UNINTENDED MORTALITY TOTAL SHEEP & LAMBS

	Total number	Percent of total production
Total sheep & lambs produced in the U.S.	7,650,000	100
Total predator-caused sheep deaths	224,000	2.9
Total sheep deaths from other causes	376,100	4.9

TABLE 3.—OTHER CAUSES OF SHEEP MORTALITY

	Number
Illness/disease	159,350
Lambing	53,400
Unknown	48,100
Old age	39,900
Weather	39,450
Starve, dehydrate, fire	19,400
Poison	10,300
On their back	3,800
Theft	2,400
Total	376,100

The Colorado Woolgrowers website claims that Colorado is the fifth largest sheep producer in the U.S. (CWGA 2008). A report by the Colorado Agricultural Statistics Service (July 2007) shows that the sheep industry decline 48 percent since 1990. Even Colorado WS admits that "the sheep and wool market had declined making it uneconomical to raise sheep" (WS June 2005 CO PDM EA at 11, emphasis added). Yet, WS provides devoted attention to protecting sheep—an industry hammered by global markets, not predators.

In 2005, U.S. producers raised 104.5 million head of cattle (USDA NASS 2005a). Of the 104.5 million cattle that were produced in 2005, 190,000 (or 0.18 percent) died as the result of predation from coyotes, domestic dogs, and other carnivores (USDA NASS 2006). In comparison, livestock producers lost 3.9 million head of cattle (3.69 percent) to maladies, weather, or theft (USDA NASS 2006) [Tables 4 & 5].

TABLE 4.—CATTLE & CALVES PRODUCED IN 2005 & TOTAL UNINTENDED MORTALITY TOTAL CATTLE (BEEF, DAIRY, ETC.)

	Number	Percent of total production
Total cattle (beef, dairy, etc) produced	104,500,000	100
Predator-caused cattle deaths	190,000	18
Cattle death from other causes	3,861,000	3.69

The Public's Interest in Wildlife & Balancing the Economic Equation

According to the Bureau of Land Management (BLM) (2004), "ranching tends to be a low- or negative-profit enterprise, and public land ranchers are no exception." The BLM (2004) adds, "data show that operations in all regions had, on average, negative returns." The Federal agency charged with managing most of the ranches in the West acknowledges that ranching is a poor way to make a living—even when grazing fees are enormously subsidized by the government, and even though Wildlife Services provides heavily subsidized predator-control activities.

The impulse to ranch, suggests the BLM, is not for profit but for social considerations such as "family, tradition, and a desirable way of life" (USDI BLM 2004). There are roughly 23,000 public lands ranching permittees. In one study of Forest Service and BLM ranchers, two general groups of ranchers emerged: hobby ranchers, which represented 50.5 percent of the total, had diversified income sources, and generally had small operations; and, secondly, dependent ranchers, who represented 49.5 percent of the total, were more dependent on ranching income, and ran larger operations which used public lands (USDI BLM 2004). Thus, most ranchers in the West are in the business for pleasure and social reasons, or as a hobby, but not to make a living. Compare 23,000 ranching permittees, half of which are hobby ranch-

ers, with the number of other citizens who appreciate wildlife and spend billions to engage in their various recreational pursuits. [Table 6].

TABLE 5.—CATTLE DEATHS FROM ALL OTHER CAUSES

	Number
Respiratory problems	1,110,000
Digestive problems	648,000
Calving	572,000
Unknown	474,000
Weather	275,000
Other	271,000
Disease	174,000
Lameness/injury	132,000
Metabolic problems	78,000
Mastitis	67,000
Poison	39,000
Theft	21,000
Total	3,861,000

The U.S. Department of Interior, FWS et al. (2007) reported that in the United States in 2006, 12.5 million people hunted, 30 million fished, but 71.1 million people watched wildlife (USDI FWS 2007). [Table 6.] The wildlife-watching group increased substantially from the 2001 study, while the number of hunters and anglers declined (USDI FWS 2001a). The $100 billion spent annually to pursue these pursuits is enormous, especially when compared to the flagging ranching sector.

The fundamental question with regards to wildlife management in the agricultural sector is this: Do taxpayers owe agribusiness a living? If so, at what cost to the public's interest in wildlife protection?

Americans should not be required to further subsidize unnecessary predator control activities serving a select segment of the population. Given that the entire public lands ranching community is made up of 23,000 permittees and that more than half of those produce livestock for social and not economical reasons, WS's funding should, in fact, be reduced, and the predator-control program eliminated.

Wildlife-Killing Programs are Inhumane

Humaneness issues vex WS. WS's own agents admit they have had "diminishing acceptance"—even among wildlife colleagues—when it comes to "guns, traps, and poisons" (US GAO 2001). Muth et al. (2006) studied the response of over 3,000 wildlife professionals and found that most favor a ban on trapping. That is because these kill methods—particularly poisons and traps—are inherently indiscriminate, can be excruciatingly painful, stressful, and injurious (Mason and Littin 2003, Littin and Mellor 2005, Muth et al. 2006, Iossa et al. 2007).

Wildlife Services is a National Security Hazard

WS has failed numerous Federal audits that put the public at risk.

In 2002, the Office of Inspector General (OIG) found that "APHIS could not account for 60 pounds of strychnine-treated bait and over 2,000 capsules containing sodium cyanide" (USDA OIG 2002). The following year, APHIS–WS could account for these toxins, but failed to put in place an "adequate chemical inventory and tracking system" (USDA OIG 2004). In her 2002 statement before Congress, Joyce Fleishman, Acting Inspector General for the USDA reported, "we found that APHIS lacks adequate accountability and control over hazardous pesticides and drugs maintained by some of its State offices for use in wildlife damage control" (Fleischman 2002).

In a 2004 OIG report, Assistant Inspector General Robert Young found that WS could not "fully account for its inventories of hazardous pesticides and controlled drugs" and that the materials were stored in unsafe and insecure ways leaving hazardous material "vulnerable to undetected theft and unauthorized use, and may pose a threat to human and animal safety" (USDA OIG 2004).

TABLE 6.—NATIONAL SURVEY OF FISHING, HUNTING, AND WILDLIFE-ASSOCIATED RECREATION

	No participants (million)	Expenditures (billion)
Hunters	12.5	$22.9

TABLE 6.—NATIONAL SURVEY OF FISHING, HUNTING, AND WILDLIFE-ASSOCIATED RECREATION—Continued

	No participants (million)	Expenditures (billion)
Anglers	30.0	42.2
Wildlife watchers	71.1	45.7

In 2005 and 2006, the USDA OIG failed APHIS in two audits because the agency was not in compliance with the Bioterrorism Preparedness and Response Act. In the first, the OIG found that APHIS had not secured "dangerous biological agents and toxins" (USDA OIG 2006a). In the second, the OIG found that APHIS–WS was not in compliance with regulations; unauthorized persons had access to toxicants; individuals using toxicants had inadequate training; and that inventories of hazardous toxicants were open to theft, transfer, or sale (USDA OIG 2006b). Of the sites OIG visited, none were in compliance (USDA OIG 2006b).

In its November 5, 2007 stakeholder newsletter, WS issued an astonishing revelation:

In the wake of several accidents in WS' programs, WS is conducting a nationwide safety review focusing on aviation and aerial operations, explosives and pyrotechnics, firearms, hazardous chemicals, immobilization and euthanasia, pesticides, vehicles, watercraft, and wildlife disease activities. The review will be conducted by subject matter experts from WS, Federal and State government, and private industry. We expect the review to be completed in the next year. (Emphasis added.)

WS experienced two aircraft crashes in 2007 as part of its aerial-gunning program. The June, Utah event ended in two fatalities, and the September, Texas one resulted in two serious injuries (see www.goAGRO.org). WS's news of a "wake of several accidents" comes on the heels of several failed Federal audits relative to WS's storage, inventory, and access to its toxics supply.

After WS's November 2007 disclosure, Sinapu (n/k/a WildEarth Guardians) and PEER requested that WS conduct the national safety review with public transparency. WS dismissed our concerns. In a November 14 response, Deputy Administrator William Clay wrote that the agency itself would select auditors who "demonstrated professional expertise" and who were "unaffiliated" with the agency. WS plans to embed the outside auditors with an agency insider. Mr. Clay told Sinapu and PEER that the public would have the opportunity to "read the final [national safety review] document" upon completion.

Congressional Precedent for Reform & Conclusion

Through a plethora of investigations, committee reports and attempts at reform over a period of eight decades, the agency that kills wildlife to benefit agribusiness has only limited its activities when compelled to do so. Congress has played an important role in making reform happen.

In 1964, Secretary of the Interior Stewart L. Udall's Advisory Board on Wildlife and Game Management, issued the "Leopold Report" (named for its chairman, Dr. A. Starker Leopold, son of pioneering ecologist Aldo Leopold). The Leopold Report described the killing agency as a "'semi-autonomous bureaucracy whose function in many localities bears scant relationship to real need and less still to scientific management'" (Robinson 2005). The Leopold Report offered reform recommendations to Congress.

In 1971, Secretary of the Interior C. B. Morton convened another investigative committee, this time, chaired by Dr. Stanley A. Cain. The 207-page "Cain Report" lamented that the predator—control program "contains a high degree of built-in resistance to change" and that monetary considerations that favored the livestock industry served to harm native wildlife populations (Cain et al. 1971). The Report called for substantive changes to wildlife management regimes by changing personnel and control methods, valuing "the whole spectrum of public interests and values", and asserting protections for native wildlife (Cain et al. 1971, Robinson 200).

Without firm Congressional resolve, the USDA–WS will continue to test limits that are beyond the pale. WS's sloppy practices have resulted in failed safety audit after failed audit. The agency's "sledgehammer" approach cannot be justified by its numerous costs and risks. Sheep and cattle losses from predators are insignificant, 3 percent and .18 percent, respectively, and yet $100 million is spent each year to kill millions of animals in a way that many find abhorrent and disagreeable. It is taxation without representation, to paraphrase a founding father. Compare the ranching industry's 23,000 public lands permittees to the 71.1 million people who spend $54.7 billion to watch wildlife each year. Our request presents Congress with

a unique opportunity to trim the Federal budget, protect public safety, and conserve native wildlife populations.

PREPARED STATEMENT OF THE AG COUNCIL OF CALIFORNIA; AGRICULTURAL COOPERATIVE COUNCIL OF OREGON; BLUE DIAMOND GROWERS; CALCOT; COBANK; COLORADO COOPERATIVE COUNCIL; DIAMOND FOODS, INC.; GROWMARK; KANSAS COOPERATIVE COUNCIL; LAND O'LAKES; MEADOWBROOK FARMS COOPERATIVE; NATIONAL CORN GROWERS ASSOCIATION; NATIONAL COUNCIL OF FARMER COOPERATIVES; NATIONAL GRAPE COOPERATIVE ASSOCIATION/WELCH'S; OLIVE GROWERS COUNCIL OF CALIFORNIA; SUNKIST GROWERS, INC.; SUNMAID GROWERS OF CALIFORNIA; SUNSWEET GROWERS, INC.; TEXAS AGRICULTURAL COOPERATIVE COUNCIL; VALLEY FIG; AND WINEAMERICA

Dear Chairman Kohl and Ranking Member Bennett: In advance of the fiscal year 2009 Agriculture Appropriations Bill, we are writing to urge your strong support for full funding for USDA's Value-Added Producer Grants Program.

Since its establishment, the Value-Added Producer Grants Program has been a tremendous success. This matching fund program has provided grants to over 900 individual producers, producer-controlled organizations and farmer cooperatives across the Nation.

With those funds, recipients are empowered to capitalize on new value-added business opportunities that would have otherwise gone unexplored. Their successful, self-sustaining products have translated into greater and more stable income for producers from the marketplace. It has also served to promote economic development and create needed jobs, especially in rural areas where employment opportunities are often limited.

The benefits of this program far exceed the cost. Given its track record of success, we believe that strong justification exists to provide full resources to this important program.

Your leadership and support on this issue would be greatly appreciated.