

April 17, 2013

The Honorable Mark Pryor
Chairman
Appropriations Subcommittee for
Agriculture, Rural Development, Food and
Drug Administration, and Related Agencies
U.S. Senate
Washington, DC 20510

The Honorable Roy Blunt
Ranking Member
Appropriations Subcommittee for
Agriculture, Rural Development, Food and
Drug Administration, and Related Agencies
U.S. Senate
Washington, DC 20510

Dear Chairman Pryor and Ranking Member Blunt:

Thank you for your leadership in ensuring that funding food safety activities is one of Congress's highest priorities especially during this time of federal budget reductions. The below signed organizations are committed to making sure America's food supply is the safest in the world. We urge you to continue to appropriately fund the food safety activities of the U.S. Food and Drug Administration (FDA) rather than support the imposition of any new food regulatory taxes on food makers and consumers.

As you know, the administration's recently proposed fiscal year (FY) 2014 budget for FDA includes a proposal to impose a food facility registration and inspection fee to fund agency activities "required by the *Food Safety Modernization Act* (FSMA)." The agency projects it will collect \$59 million in FY 2014 from food and feed producers, makers and distributors if this new fee is authorized by Congress. A food import fee is also proposed, with projected revenues of \$166 million in FY 2014.

FDA's budget proposals for FY 2012 and FY 2013 also recommended raising revenue from new facility registration fees to help fund the agency's food safety activities. Congress rejected those proposals. Congress also considered and rejected such food facility registration fees during its consideration of FSMA, which was signed into law on January 4, 2011.

If FDA requires additional funds to support FSMA implementation and food inspection activities, we believe the agency should request such funding through the appropriations process, rather than seeking authorization of new regulatory taxes, which Congress has repeatedly rejected.

Over the past five years, FDA has been one of the few federal agencies to receive discretionary funding increases through the annual appropriations process. In fact, Congress provided approximately \$12.8 million in the recently passed FY 2013 continuing resolution to support FDA's implementation of FSMA.

The food and beverage community has worked diligently over the past two years to assist the agency in modernizing the food inspection system and implement FSMA. We stand ready to work with Congress and the administration to help FDA prioritize and fund

its food safety and inspection activities. However, imposing new fees on food facilities would represent a food safety tax on consumers.

As food and beverage companies and consumers continue to cope with a period of prolonged economic turbulence, the creation of a new food tax would burden food makers with higher costs and consumers with higher food prices.

We urge Congress to provide FDA with sufficient funds to meet its food safety responsibilities without saddling food makers and consumers with new regulatory taxes.

If you have questions, please contact any of the signatory organizations. Thank you for your consideration and continued leadership.

Sincerely,

Agribusiness Council of Indiana
American Bakers Association
American Council of Independent Laboratories
American Dairy Products Institute
American Farm Bureau Federation
American Feed Industry Association
American Frozen Food Institute
American Fruit and Vegetables Processors and Growers Coalition
American Meat Institute
Association for Dressings and Sauces
Association of Food Industries
Association of Margarine Manufacturers
California League of Food Processors
Cheese Importers Association of America
Food Marketing Institute
Frozen Potato Products Institute
Global Cold Chain Alliance
Grain and Feed Association of Illinois
Independent Bakers Association
International Association of Refrigerated Warehouses
International Bottled Water Association
International Dairy Foods Association
International Food Additives Council
Juice Products Association
Kansas Grain and Feed Association
Michigan Agri-Business Association
Michigan Bean Shippers
Midwest Food Processors Association
Minnesota Grain and Feed Association
National Chicken Council

National Confectioners Association
National Fisheries Institute
National Frozen Pizza Institute
National Grain and Feed Association
National Grocers Association
National Pasta Association
National Renderers Association
National Turkey Federation
North American Meat Association
North American Millers' Association
Northwest Food Processors Association
Ohio AgriBusiness Association
Pet Food Institute
Refrigerated Foods Association
Shelf-Stable Food Processors Association
Snack Foods Association
Texas Grain and Feed Association
The Vinegar Institute
United Egg Producers
United Fresh Produce Association
U.S. Chamber of Commerce
USA Rice Federation
Wisconsin Agri-Business Association

cc: Members of the Senate Appropriations Committee