

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

**Statement of Mr. Kevin Shea, Acting Administrator
Before the Subcommittee on Agriculture, Rural Development,
Food and Drug Administration, and Related Agencies**

Mr. Chairman and distinguished members of the Subcommittee, I appreciate the opportunity to appear before you on behalf of the dedicated and hard-working men and women of our Agency to discuss the United States Department of Agriculture's (USDA) priorities for the Animal and Plant Health Inspection Service (APHIS) and to provide you with an overview of our Fiscal Year (FY) 2014 budget request.

APHIS' mission is to protect the health and value of U.S. agriculture and natural resources. We carry out this mission by working with a variety of partners—States, Tribal Nations, farmers, ranchers, industry associations, and all stakeholders—to address the animal and plant pest and disease challenges that affect agriculture and our nation's ability to feed, clothe, and provide fuel for people in the United States and around the world. Our programs continue to support all of the Secretary's goals: assisting rural communities to create prosperity so they are self-sustaining, repopulating, and economically thriving; ensuring our national forests and private working lands are conserved, restored, and made more resilient to climate change, while enhancing our water resources; helping America promote agricultural production and biotechnology exports as America works to increase food security; and ensuring that all of America's children have access to safe, nutritious, and balanced meals.

APHIS continues to achieve program results while making tough choices that allow us to live with a substantially reduced budget. We have looked closely at our operations over the past 2 years and reduced staffing by more than 600 employees since FY 2011 through attrition (and only filling the most critical vacancies); reduced travel costs by more than 28 percent; identified several millions of dollars in savings on telecommunications costs; and, generally held the line on all spending. APHIS has also identified programmatic efficiencies using industry standard practices. We implemented business process improvements in areas such as licensing of veterinary biologics, investigation and enforcement, import and export reviews, and reviews of petitions to determine the regulatory status of genetically engineered crops. As a result, we have been able to avoid furloughs, reductions in force, and other actions that might have had a larger impact on our ability to continue providing services to our stakeholders.

These cost savings and business improvements alone are only part of the story. We also made tough decisions to reduce our involvement in several programs where we could not make good progress with the tools currently available, or where simply there were higher priorities. For example, although the emerald ash borer, Johne's disease, and chronic wasting disease are concerns, we have greatly reduced our role in these programs. In some cases, long term success, such as in eradicating boll weevils and screwworm, has allowed us to reduce funding as well.

Before I discuss our FY 2014 request, I want to first acknowledge the level of dedication and effort that APHIS employees give to their jobs every day and would like to report on our key accomplishments of the past year. Following vigorous debate in the industry and public input, APHIS announced a final rule in December 2012 establishing regulations for improving the traceability of U.S. livestock moving interstate. Under the final rule, unless specifically exempted, livestock moved interstate must be officially identified and accompanied by an interstate certificate of veterinary inspection or other documentation, such as owner-shipper statements or brand certificates. After considering public input, APHIS made several changes in the final rule that will provide more options for States and producers. This final rule meets the diverse needs of the countryside where States and Tribes can develop systems for tracking animals that work best for them and their producers, while addressing gaps in our overall disease

response efforts. Having a strong traceability program in place will provide even more assurances to our trading partners that the United States can quickly contain an animal disease outbreak if it occurs and prevent potentially infected products from being exported.

APHIS conducts surveillance to detect foreign, emerging, zoonotic and domestic diseases that potentially could have a substantial impact on domestic producers and the national economy. Since FY 2012, APHIS has made progress in implementing a more efficient surveillance system for serious swine diseases. The more efficient system allows the Agency to use various sample streams to conduct targeted surveillance for multiple diseases, such as pseudorabies and classical swine fever. This approach allows us to maintain the same level of surveillance, and target those samples with the highest level of risk while reducing surveillance costs. At the same time, APHIS has continued to meet or exceed international standards and support U.S. producers' ability to export.

APHIS works to protect specialty crop production in the United States and ensure the availability of fresh fruits and vegetables. For example, we and our State and industry partners continue progress toward eliminating the European grapevine moth (EGVM) from California. This program protects more than 11,000 grape farms in the State (more than 40 percent of which are in the immediately affected area) as well as those in 30 other States with climates suitable for EGVM. APHIS and a host of State and industry partners have worked together on an intensive effort that reduced the number of moths detected by more than 99 percent between FY 2010 and FY 2011, the first two years of the program's operation. Only 77 individual moths (75 adults and 2 larvae) were detected in FY 2012 (down from a high of 100,959 in FY 2010). Because of this rapid success, APHIS was able to release from quarantine 9 of the 10 affected counties in California in calendar year 2012. Continued support for this program is essential to ensuring that the pest is eradicated. Eliminating this moth from the United States will protect grape production, worth \$3.9 billion in California alone, and exports valued at \$833 million in FY 2012.

Agricultural trade is a bright spot for the U.S. economy, with agricultural exports reaching \$135.8 billion in 2012, the second highest total on record. In fact, the past few years have been the best for farm exports in our Nation's history, making America's agricultural sector a key contributor to achieving President Obama's goal under the National Export Initiative of doubling exports by the end of 2014. I am proud of APHIS' role in helping to broaden international trade pathways for America's farmers, ranchers, and related businesses while ensuring they are protected from pests and diseases at home. We use a consistent approach of focusing on the science and applying sound risk analysis to resolve the sanitary and phytosanitary (SPS) issues that impact U.S. farmers' and ranchers' ability to export their products.

Last year, APHIS, in cooperation with other agencies, worked hard to keep international markets abroad open for American agricultural products by eliminating unjustified SPS barriers. Together, we successfully negotiated and resolved 207 SPS issues involving U.S. agricultural exports with a total estimated market value of \$2.56 billion. These accomplishments involved more than 50 countries around the globe and a wide variety of plant and animal products, including beef, poultry, peas and pulses, potatoes, cherries, grapes, stone fruit, live swine and cattle, and many more. Our presence overseas also allows us to assist U.S. exporters when U.S. shipments are detained at foreign ports. In FY 2012, our personnel stationed overseas successfully secured the release of 324 shipments of U.S. agricultural products, from cherries to cotton, worth more than \$41 million.

APHIS also supports exports through certifying that U.S. products meet foreign countries' entry requirements. In FY 2012, we issued more than 41,500 export certificates for live animals and just over 167,000 for animal products. On the plant side, we issued a record 580,000 certificates, most of them through our automated Phytosanitary Certificate Issuance and Tracking system that allows exporters to make appointments and payments on line.

Our Animal Welfare program carries out activities designed to ensure the humane care and treatment of animals covered under the Animal Welfare Act (AWA) through inspections, enforcement, education, and collaboration with others. In FY 2012, APHIS published a

proposed rule to revise the definition of “retail pet store” in the AWA regulations to close a loophole that has, in some cases, allowed unhealthy and badly treated pets to be sold sight unseen over the Internet and via phone- and mail-based businesses. The proposed rule will help to ensure that breeders who sell dogs, cats, and other pet animals, sight unseen, at retail provide their animals with humane care and treatment in accordance with AWA standards.

FY 2014 Budget

Our FY 2014 request contains several requests to support mission critical activities. We are requesting \$20 million for our Wildlife Damage Management program to address feral swine in the United States. Due to feral swine populations increasing rapidly, this destructive invasive species is spreading throughout the United States. The population increase and expanding range threatens animal and human health; crops and livestock; rural, suburban, and urban properties; and, natural and native resources. They already cause an estimated \$1.5 billion in damages annually and that number will continue to grow unless we take coordinated, national action. A study conducted in Texas demonstrated that feral swine populations increased 21 percent a year. The time to act to control these animals is now, before their populations grow too large to manage. APHIS will implement a national strategic plan to conduct integrated feral swine removal, thereby reducing damage to property, and reducing threats to agriculture, urban areas, and humans.

APHIS is also requesting an increase to support the implementation of the new Animal Disease Traceability rule. Traceability continues to be an important issue with trading partners. The new approach, while advancing traceability for disease response, will also help the U.S. animal and animal product exports remain competitive in the global market place as trade requirements increasingly require such a system to allow access to markets.

APHIS is requesting an increase to implement the retail pet stores rule, which is designed to close the loophole of pets being sold over the Internet, phone, and by mail, and that are currently exempt from USDA oversight. APHIS estimates that approximately 3,000 to 5,000 new entities

will require a USDA license to continue operations. This increase will allow APHIS to identify these entities and conduct education and licensing activities designed to protect the health and well-being of the animals they sell.

Other areas where additional resources are needed to support continued progress include Tree and Wood Pests and Specialty Crop Pests. APHIS is making progress toward eradicating Asian longhorned beetle outbreaks in several areas—we expect to declare ALB eradicated from Manhattan and Staten Island in New York City and from Middlesex and Union Counties in New Jersey by the end of FY 2013. But the large infestations in Ohio and Massachusetts that threaten our hardwood forests and the industries (such as lumber, maple syrup, and tourism) they support will demand more resources. APHIS is also requesting an increase to finish the job of eradicating the European grapevine moth to protect grape production in California and the nation.

APHIS' mission of safeguarding United States agriculture is becoming ever more critical. The words on the USDA seal—Agriculture is the foundation of manufacture and commerce—are as true today as they were when first written in the 19th century. Healthy plants and livestock provide abundant and affordable food for all Americans, and increase our export market potential, thereby contributing to a healthy U.S. economy. On behalf of APHIS, I appreciate all of your support and look forward to a continued, productive working relationship. I would be glad to answer any questions you may have.