As Prepared

Opening Statement
Chairman Robert Aderholt
FY 2015 Budget Hearing
Food and Drug Administration

Thank you for joining us for our hearing to discuss FDA's FY 15 budget request. As I have mentioned at all the previous budget hearings this year, the Subcommittee is conducting its work with three primary themes: (1) ensuring the proper use of funds through the Committee's oversight responsibility, (2) ensuring the appropriate level of regulation to protect producers and the public, and (3) ensuring that taxpayer funds are targeted to the most vital programs. We will be reviewing your budget request with these themes in mind.

I would like to welcome to the Subcommittee Dr. Margaret Hamburg, Commissioner of the Food and Drug Administration, Mr. William Tootle, Director of the Office of Budget, FDA, Mr. Norris Cochran, Deputy Assistant Secretary, Department of Health and Human Services.

Everyone in this room or anyone viewing this hearing online will be touched in some way by FDA today or tomorrow. The Agency's work -- from food safety to the safety of cosmetics and human drugs -- plays a critical role in our health and welfare. I believe that I can speak for all of us on the dais in expressing our appreciation for the dedicated service of you and your colleagues.

Most of the public and many of our colleagues here in Congress are often surprised to learn that FDA regulates 20 to 25 percent of every consumer dollar spent on products in the United States. Your work can contribute to saving lives on the one hand and on the other hand, your regulatory decisions can mean the life or death of businesses across the Nation and the world. The extensive involvement of FDA in so many aspects of our daily life and the economy as a whole carries both benefits and risks. Because of your Agency's influence on so much of our personal and professional lives, it is incumbent upon this Subcommittee to ensure that FDA is making sound financial and regulatory decisions throughout the year and not just over the course of the next few hours here today.

FDA's responsibilities have grown over the past few years via the global marketplace and by way of Congressional action. Congress has passed four major pieces of legislation during President Obama's time in office. These are:1) the Family Smoking Prevention and Tobacco Control Act of 2009; 2) the Food Safety Modernization Act of 2011; 3) the Food & Drug Administration Safety & Innovation Act of 2012; and, the Drug Quality and Security Act of 2013.

Your FY 15 budget request contains increases associated with two out of four of these broadened activities - food safety and drug compounding. Congress has responded by providing FDA with funding increases over this time as well to a degree that very few agencies have experienced.

The year before President Obama came into office, FDA had budget authority of $1.72 billion and 7,844 Full Time Equivalent positions. The Appropriation Congress provided in January for FY 14 included $2.6 billion and 10,325 FTE positions for FDA. This is an increase of 49 percent in funding and 32 percent in personnel. When factoring in authorized user fees, FDA's funding has increased by 93 percent over this period.

FDA is requesting $4.74 billion for FY 2015, of which $2.58 billion is in discretionary budget authority and $2.16 billion is in user fees. The request includes new user fees for food imports and food inspection and facility registration once again. In total, FDA is requesting

$260 million in new fees but has failed to gain support from the stakeholders most impacted by such fees - the regulated food industry. The authorizing committees have not authorized the fees, and I see little to no chance that Congress will authorize the fees for FY 15.

We can continue to debate whether or not FDA needs more funding, but my colleagues and I need to be convinced that the Agency is utilizing its current resources in the most efficient way to get the job done. On a related note, we continue to have concerns that FDA may be taking on too many issues right now without finishing some of the critical health matters on its plate. These are things this Congress specifically mentioned in our FY 14 Explanatory Statement such as the seafood advisory for pregnant women and sunscreen ingredients.

We are all well aware that Congress has limited discretionary dollars to go around. While it may look like we are doing our job by providing FDA with ever more funds to match growing demands, we need to be absolutely sure that taxpayer dollars are being spent wisely and resources are directly linked to tangible results.