

## **As Prepared**

**Chairman Robert Aderholt  
FY 2015 Budget Hearing  
Marketing and Regulatory Program Mission Area of USDA  
April 2, 2014**

Today we begin our review of the fiscal year 2015 budget request from the agencies of USDA's Marketing and Regulatory Program mission area -- a critically important function necessary to ensure a safe, healthy, fair, transparent, and efficient marketplace.

I would like to welcome to the Subcommittee Mr. Ed Avalos, USDA's Under Secretary for Marketing and Regulatory Programs.

We also have joining us today Mr. Kevin Shea, Administrator, Animal and Plant Health Inspection Service; Mr. Larry Mitchell, Administrator, Grain Inspection, Packers and Stockyards Administration; Ms. Anne Alonzo, Administrator, Agricultural Marketing Service; and Mr. Mike Young, USDA's Budget Director.

The work of this Subcommittee in making funding decisions and related policy matters is tied directly to the success of this mission area. Some of you have heard me emphasize the themes and principles of our work this year and it is worth noting again. The Subcommittee is conducting its work with three primary themes: (FIRST) ensuring the proper use of taxpayer funds through the Committee's oversight responsibility, (SECOND) ensuring that the agencies here today develop, implement, and execute an appropriate level of regulation to protect producers and the public, and, (THIRD) ensuring that taxpayer funds are targeted to the most vital programs. We will be reviewing your budget request with these three themes in mind.

Our hearing today provides us with an opportunity to review the programs, operations, and funding for a mission area at USDA charged with facilitating domestic and international marketing of U.S. agricultural products and ensuring the health of plants and animals. On the one hand, we have GIPSA with a dual function of regulating livestock and poultry markets and facilitating the marketing of grains and grain products around the world; we have AMS with the broad charge to facilitate the efficient and competitive marketing of all types of agricultural products domestically and internationally as well as a major role in the purchase of commodities for USDA's nutrition programs; and lastly, we have APHIS with a wide spectrum of responsibilities ranging from keeping animal diseases and plant pests out of the U.S. to regulating biotechnology to fighting non-tariff trade barriers in overseas markets.

MRP's funding sources are as unique as its responsibilities. USDA is proposing a total of \$965 million in discretionary resources in FY15 for these three agencies. When combined with user fees and Customs receipts, total budgetary resources are estimated at about \$2.3 billion. The APHIS budget comes in at a decrease of 3.6 percent after excluding the increase request for GSA Rent. The major funding increase for AMS is again in the area of Transportation and Marketing Programs for local and regional market development. Lastly, GIPSA requests less than \$1.0 million for regulatory equipment, supplies, and other support expenses.

I commend USDA for including fewer budgetary gimmicks this fiscal year. While I appreciate the more straightforward request, there are some decisions in this budget that I cannot agree with and I frankly do not understand. One such decision is the Administration's request for decreases related to citrus health after Congress clearly emphasized its priorities with increases for citrus greening and when Florida alone has lost an estimated \$3.63 billion in lost revenues and 6,611 jobs since 2006 as a result of this disease. Members on this Subcommittee and elsewhere in Congress are thankful for the Department's work with the private sector to fight

citrus greening and other high priority pests and diseases and we look forward to continuing to work with your agencies.

While this Subcommittee is keenly aware of the hard budget decisions made over the past few years and achievements made in budget savings across the mission area, this Subcommittee is still faced with a number of challenging decisions in front of us over the next couple of months and we hope your responses today can assist us in the development of a responsible budget for the next fiscal year.

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