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Folder Title:
Food Safety Initiative: Budget Fiscal Year 1999

Stack:	Row:	Section:	Shelf:	Position:
S	66	4	3	2

INITIATIVE: HEALTH

HHS/USDA
FOOD SAFETY INITIATIVE
(budget authority, in millions of dollars)

	<u>FY1998</u>	<u>FY1999</u>	<u>FY2000</u>	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>
FY Budget.....	43	43	42	42	41	NA
Passback.....	--	112	112	112	112	112
<u>Change to Passback:</u>						
Original Proposal.....	--	+0	+0	+0	+0	+0
Agency Appeal.....	--	+60				
OMB Recommendation	--	[+0]	[+0]	[+0]	[+0]	[+0]

HHS/USDA did not provide outyear estimates.

- **Background.** On January 25, 1997, the President announced the FY 1998 National Food Safety Initiative. The Initiative highlighted six areas for improving the Federal food inspection system including 1) expansion of the Federal food safety surveillance system, 2) better coordination among Federal, State, and local health authorities, 3) implementation of improved inspection strategies, 4) improved risk assessment capabilities, 5) additional research, and 6) more food safety education for consumers and retail food service workers.

- **Original OMB Proposal.** Fund base by increasing the agencies' passback allocation. HHS: \$30 million — \$25 million for FDA and \$5 million for CDC. USDA: \$25 million.

- **Agency Appeal.** HHS: \$44 million — \$39 million for FDA and \$5 million for CDC, a 129% increase over the FY 1998 enacted level; USDA: \$16 million.

- **OMB Recommendation.** Maintain funding at level provided in passback for base programs, a \$69 million increase over the FY 1998 enacted level.

- **Implications.** OMB's Recommendation:

- Increases FDA import inspectors and staff from under 4 FTEs to over 60 FTEs and would allow FDA to inspect imported foods and evaluate the farming/food safety systems of over 50 countries over two years. This increase is consistent with the President's October 2, 1997, food safety announcement.

- Increases funding for CDC food safety activities to expand surveillance activities.

- Provides USDA funds to expedite the development of strategies to prevent antibiotic and antimicrobial agent resistance, development of tests for viruses and bacteria, and development of new intervention strategies. Targeted education programs for high-risk.

Domestic
39 / 17.2
21.9
Imported

5 - FSI

4.1	FY99
2.8	FY98

FDA

5.4 sur
1.0 coord

33.1 insp.
18.1 risk

14.5 ⁴⁷ _{prop}
20.2 _{rso}

CDC

18.3 sur
2.7 ed

21.4 - CDC

88.3 - FDA

61.4 / 26.9

174.5

703-323-7746

Callahan

Summary of HHS Appeal for Selected Programs - FY 1998 Budget
(BA in Millions)

Agency	FY 1998 Enacted	FY98 OMB Recommendation			HHS Appeal - (+/-) OMB Rec.		
		Base	Initiatives	Total	Base	Initiatives	Total
FDA Total (BA)	826	842	0	842	+201	+38	+240
Program Level	1,038	1,088	0	1,088	+119	+39	+158
BA Substitution for User Fees	0	-114	0	-114	+228	+0	+228
Food Safety	24	49	0	49	+0	+35	+35
Laboratory Construction	15	0	0	0	+26	+0	+26
Tobacco	34	43	0	43	+37	+0	+37
HRSA Total (BA)	2,628	2,684	0	2,684	+206	+0	+206
Ryan Wills	1,150	1,250	0	1,250	+0	+0	+0
Community Health Centers	826	826	0	826	+60	+0	+60
Healthy Start Demo Grants	96	96	0	96	+75	+0	+75
MCH Block Grant	683	683	0	683	+50	+0	+50
HHS Total (BA)	2,090	2,089	0	2,089	+100	+0	+100
Program Level	2,431	2,446	0	2,446	+100	+0	+100
CDC Total (BA)	2,378	2,362	0	2,362	+293	+5	+298
Program Level	2,438	2,438	0	2,438	+277	+5	+282
Emerging Infectious Diseases	60	60	0	60	+43	+0	+43
Food Safety	15	20	0	20	+0	+5	+5
HIV Prevention	634	634	0	634	+10	+0	+10
STD's	114	114	0	114	+13	+0	+13
Immunizations	427	427	0	427	+10	+0	+10
Diabetes	56	56	0	56	+11	+0	+11
Tobacco	28	49	0	49	+53	+0	+53
NK Total (BA)	13,648	13,648	819	14,467	+0	+334	+334
SAMHSA Total (BA)	2,147	2,169	0	2,169	+238	+0	+238
Targeted Substance Abuse							
Capacity Expansion Grants	67	63	0	63	+100	+0	+100
Substance Abuse Demonstrations	240	170	0	170	+70	+0	+70
Natl Household Survey on Drug Abuse	18	22	0	22	+6	+0	+6
AHCPR Total (BA)	80	80	30	80	+31	+29	+60
Program Level	146	125	30	155	+27	+29	+56
HCFA Total (BA)	1,743	1,668	0	1,668	+455	+0	+455
Program Level	1,803	2,072	0	2,072	+246	+0	+246
Office of the Secretary (BA)	243	218	0	218	+27	+0	+27
Anti Terrorism	2	2	0	2	+0	+0	+0
General Administration	102	88	0	88	+0	+0	+0
Race and Health	0	0	30	30	+0	+0	+0
Undistributed Reduction	0	-8	0	-8	+8	+0	+8
Health Subtotal (BA)	26,802	26,722	870	27,591	+1,569	+407	+1,976
ACF (BA)	8,101	7,861	140	8,001	+33	-140	-107
Refugees	419	360	0	360	+55	+0	+55
National Youth Sports	14	0	0	0	+16	+0	+16
AsA (BA)	866	866	0	866	+60	+0	+60
Home Delivered Meals	112	112		112	+40	+0	+40
HHS Total (BA)	35,868	35,448	1,019	36,467	+1,642	+267	+1,909

FYs 1998 and 1999 Food Safety Budgets, Requests, Appeals

	FY 1998 Approp.	FY 1999 Increment	FY 1999 Total Request	Initial OMB Passback	FY 1999 FDA Appeal	Revised Passback Increment	Revised Passback Total	Dept-Approved Appeal Increment	Dept-Approved Appeal Level with Base
Domestic	\$ 24.0	\$ 61.4	\$ 85.4	\$ 24.0	\$ 61.4	\$ 20.0	\$ 44.0	\$ 17.2	\$ 61.2
Imports	\$ -	\$ 26.9	\$ 26.9	\$ -	\$ 26.9	\$ 5.0	\$ 5.0	\$ 21.9	\$ 26.9
Total	\$ 24.0	\$ 88.3	\$ <u>112.3</u>	\$ 24.0	\$ 88.3	\$ <u>25.0</u>	\$ 49.0	\$ <u>39.1</u>	\$ <u>88.1</u>

49

63.3

24

 24
 25
 49


DETERMINED TO BE AN
ADMINISTRATIVE MARKING
INITIALS: C DATE: 09/20/93

Revised: 12/8/97

~~CONFIDENTIAL~~

FOOD AND DRUG ADMINISTRATION

Domestic Food Safety Initiatives
(Dollars in Millions)

	1997 <u>Enacted</u>	1998 <u>Enacted</u>	<u>FY 1999</u>		<u>Appeal +/- Passback</u>
			<u>OMB Passback</u>	<u>Appeal</u>	
Budget Authority	\$ 887.6	\$ 925.1	\$ 825.0	\$1,081.8	+\$17.2
Program Level	\$ 995.9	\$1,037.8	\$1,069.2	\$1,244.3	+\$17.2
Outlays	\$ 907.2	\$ 951.9	\$ 823.3	\$ 958.1	+\$13.2
FTE	9,182	9,288	N/A	9,473	+ 174

Brief Description of OMB Passback: The revised OMB passback included \$44.0 million (a \$24.0 million continuation of the funding provided in FY 1998 and an additional \$20 million for FY 1999) for the next steps of implementing activities to improve domestic food safety.

Key Arguments of Appeal: Every year tens of millions of Americans become ill, and as many as 9,000 die as a result of infections caused by foodborne pathogens. On January 25, 1997 President Bill Clinton told the nation, *"We have built a solid foundation for the health of America's families. But clearly we must do more. No parent should have to think twice about the juice they pour their children at breakfast, or a hamburger ordered during dinner out. We must continue to modernize the food safety system put in place at the dawn of the 20th century so that it may meet the demands of the 21st century."*

Building upon FDA's portions of the President's interagency Food Safety Initiative and the FY 1998 investment, FDA appeals this passback for the resources necessary to meet the President's commitment and goals. Specifically, FDA would:

- Expand the national "early warning system" to help detect and respond to outbreaks of foodborne illness earlier and provide data needed to help prevent future outbreaks.
- Improve the coordination between state and Federal authorities in response to foodborne disease outbreaks. Such coordination should help to reduce the number of deaths and illnesses.

- Reduced illness outbreaks related to food preparation in the home and in the retail food industry through educational programs targeted to the general public and the entire food industry.
- Prepare for the implementation of HACCP regulations for the fresh juice industry.
- Increase coverage of imported non-produce products.
- Establish two additional sentinel sites for the collection of community-based animal microbial resistance data.
- Inspections -- Implementation of Seafood HACCP. Eighty new inspectors will be trained in FY 1998. High-risk firms will be inspected in FYs 1998 and 1999 with full coverage (annual inspection of both high and low-risk firms) in place by FY 2000.
- Reduced average time between inspections for high-risk food products.
- Development of more rapid and effective test and decontamination methods for *Vibrio vulnificus*, *Salmonella*, *Campylobacter*, *E. Coli* 0157:H7, and the Norwalk virus, as well as other pathogens.
- Conduct routine surveillance, directed surveys and sample analysis of animal feed for microbiological agents such as bacteria and transmissible spongiform encephalopathies (TSEs).
- Introduce HACCP planning in the rendering industry, emphasizing controls against amplification and dissemination of the BSE infective agent.
- Develop data and modeling techniques to better understand the casual relationship between antimicrobial drug use in animals and human pathogen drug resistance as well as to identify and better characterize potential risk to humans from pathogens in animal feed.

FOOD AND DRUG ADMINISTRATION

Safety of Imported Foods (Dollars in Millions)

	1997 Enacted	1998 Enacted	FY 1999		Appeal +/- Passback
			OMB Passback	Appeal	
Budget Authority	\$ 887.6	\$ 925.1	\$ 825.0	\$1,081.8	+\$21.9
Program Level	\$ 995.9	\$1,037.8	\$1,069.2	\$1,244.3	+\$21.9
Outlays	\$ 907.2	\$ 951.9	\$ 823.3	\$ 958.1	+\$16.9
FTE	9,182	9,288	N/A	9,473	+ 185

Brief Description of OMB Passback: The revised OMB passback included \$5.0 million for implementation of food safety initiatives for imported fresh fruits and vegetables.

Key Arguments of Appeal:

- The President issued a directive on October 2, 1997, to take the necessary additional actions to improve the safety of imported foods, and committed to providing funds in his FY 1999 budget to enable FDA to dramatically improve the inspection of food safety conditions abroad and at points of entry into the United States.
- To quote, the President made the following commitment: *"In my next budget, I will provide enough funds to ensure that the FDA can fully implement this new legislation by dramatically expanding its international food inspection force. With these efforts, we can make sure that no fruits or vegetables cross our borders, enter our ports, or reach our dinner tables without meeting the same strict standards as those grown in America."*
- Currently, FDA is unable to adequately protect American consumers from potentially contaminated imported fresh fruits and vegetables. Because of the increasing number and complexity of food safety issues, FDA has had to respond to new foodborne safety hazards, including emerging pathogens, which pose serious threats to the health and well-being of consumers. The funded requested would allow correction of the following situations:
- FDA would evaluate the agricultural production processes and/or systems of up to 80 countries and/or commodities. Resources would be targeted to the 40 or so countries that provide the bulk of our imports, as well as to high-risk areas.

- Imported foods which fall within FDA's regulatory purview increased from 950,000 entries in 1985 to 2.2 million entries in 1996. This increase, coupled with a constant number of inspectors, has resulted in a significant reduction in the percentage of imports inspected at entry. These additional resources would allow FDA to increase its review of imports offered to this country.
- FDA would develop the legislative authority necessary to halt imported products where the level of protection provided by a foreign country is less than the level of protection provided in the United States. USDA currently has this authority for the food products under its purview.



whubbard @ bangate.fda.gov
12/12/97 05:29:35 PM

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Record Type: Record

To: jmande

cc:

Subject: ...no subject...

Here are a few items that might be helpful in understanding what additional food safety funds for FDA will get the Administration/public/country:

In the research area, new funds will get us such things as:

- An effective test method for *Vibrio Vulnificus* in foods
- New decontamination methods for a variety of bacterial and viral agents
- Alternatives to heat processing for eliminating pathogens
- Understanding of how microorganisms spread during food transportation and how to eliminate cross-contamination

In the risk assessment area, we will be able to do such things as

- Understanding how humans become exposed to foodborne contaminants and creating a model that will help us identify how humans are threatened by these contaminants
- Identifying the causal relationship between antimicrobial drug use in animals and antibiotic resistance in humans, which will greatly enhance the government's ability to address this rapidly emerging major health concern

In the inspections area, funding will:

- Allow FDA to increase coverage of imported foods from the current minimal level
- Reduce the average interval between inspections of high risk food products
- Achieve adoption of the model Food Code by all 50 states, which will dramatically leverage Federal resources across the country

- Ensure the implementation HACCP controls in the juice industry

In the education area, we could

- Reach children in schools with a message about safe food handling and avoidance of foodborne illness
- Inform farmers and produce manufacturers of the new Good Agricultural Practices for fruits and vegetables to enable them to understand and implement those guidelines
- Ensure widespread availability on the Internet of good food safety information

In the coordination area, funding would ensure that:

- The Federal government and state and local governments have the infrastructure to ensure proper detection, evaluation, and coordination when foodborne outbreaks occur



FAX TRANSMISSION

UNITED STATES DEPARTMENT OF AGRICULTURE

FOOD SAFETY AND INSPECTION SERVICE

OFFICE OF THE ADMINISTRATOR

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WASHINGTON, DC 20250-3700

TELEPHONE: 202-720-7025

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To: *Terry Mande / ERIC OLSEN* Date: _____
Fax #: *456-6026* Pages: _____, including this cover sheet.
From: *Joan*
Subject: _____

COMMENTS:

FY 99 Budget

UNITED STATES DEPARTMENT OF AGRICULTURE

1999 PRESIDENT'S FOOD SAFETY INITIATIVE

Foodborne illness is a growing concern to consumers and industry. There continues to be highly publicized outbreaks involving a variety of pathogens and food products, both foreign and domestic. These outbreaks have raised consumers' level of awareness and concern over the safety of the food supply. They have demonstrated the need for the Government to take more aggressive action to assure the safety of the food supply. In the past year:

- A wide variety of products, including strawberries, raspberries, cider, lettuce, meat, poultry, and seafood, contaminated with pathogens have caused illness and death;
- A broader range of pathogens, including bacteria and parasites, have been implicated in foodborne disease outbreaks;
- Combating foodborne disease has become a global issue involving both imported and exported products.

USDA's request of \$41.3 million from the Presidential Priority Reserve for the 1999 food safety initiative supports USDA's strategic goal of reducing the incidence of foodborne illness. It builds on the successes of the 1998 initiative as well as fills the gaps that have been identified in the past year.

1. Improve Inspections and expand preventive food safety measures (+\$13.5 million):

- Internationally (+\$3.0 million): In support of the President's Food Safety Directive, USDA, in cooperation with FDA, will begin developing profiles of exporting countries. These profiles will give us information that can be used to target inspection and testing resources to ensure that imported food is safe. USDA will also facilitate international understanding of food safety issues and strategies to address them.
- Domestically (+10.5 million): USDA will provide, for the first time, assistance to local school food service providers for independent health and safety inspections at each self-preparation school lunch facility.

The 1998 initiative provided HHS resources to expand the intensity of inspection of imported product after it enters the United States. Since the development of the 1998 initiative, the President directed USDA and HHS to take more aggressive action to ensure the safety of imported food before it arrives in the United States. In 1999, USDA will be in a front line position to document foreign food safety practices, work cooperatively with foreign governments to develop effective food

safety strategies for food entering the United States, and ensure countries of the safety of food imported from the United States.

The 1998 food safety initiative focused on retail establishments and the seafood industry. In 1999, the scope of the initiative will be expanded to include the 70,000 schools that prepare their own meals. Unlike production and manufacturing facilities that are inspected under existing Federal and State laws, these schools receive little or no oversight on food safety issues. The USDA initiative will enhance the ability of State and local school food services to safeguard the health and safety of the 20 million children participating in school meal programs.

2. Improve the capability to estimate risks associated with foodborne (+\$1.5 million):

- Quantitative risk assessments (+1.5 million): USDA will initiate quantitative risk assessments to identify food safety hazards and controls, make faster and more accurate regulatory decisions, target more effectively program resources, and facilitate the development and evaluation of surveillance plans and risk reduction strategies.

The 1998 initiative identified the development of risk assessment methodologies for living microbial pathogens as an area where intensive commitment is essential. The initiative allocated 1998 resources to the development, testing, and validation of microbial risk assessment and foodborne illness valuation methods. For 1999 USDA will require additional resources to utilize the knowledge gained through the 1998 initiative to conduct risk assessments that provide industry and regulatory agencies the information necessary to make better informed choices among alternative production and program options intended to increase food safety.

2. Build the national food safety education campaign (+\$7.0 million):

- Consumer Education (+\$3.0 million): Safe food handling messages will be developed and disseminated to target food handlers in homes, congregate feeding sites, and address the specific concerns of the elderly.
- School Food Service Provider Education (+\$2.0 million): USDA will establish training workshops to educate local school food service professionals about the latest safe food handling practices specific to their needs and the updated Food Code.
- Producer Education (+\$2.0 million): USDA will establish partnerships with industry and academia to educate food animal producers on food safety assurance practices, risk management, and risk communication.

Under the 1998 initiative, USDA and HHS laid the foundation for a nationwide food safety education campaign in a new public-private partnership. The campaign will

deliver four key food safety messages to general audiences nationwide. For 1999, food safety education initiatives will be developed to target specific segments of food handlers from farm-to-table, all of whom have the ability to control foodborne pathogens.

3. Accelerate food safety research to support the President's Food Safety Directive (+\$19.3 million):

- Methods Development (+\$1.0 million): Rapid tests will be developed that detect viruses on a broader range of food products, including fruits and vegetables;
- Basic Research (+\$8.0 million): Research will be conducted to enhance the understanding of pathogen growth and control, including toxins in algae;
- Applied Research (+\$4.0 million): Alternative food production, processing, and handling systems that eliminate or reduced pathogen contamination will be designed and evaluated for fresh produce, in particular sprouts. Conditions under which transportation of food producing animals contributes to pathogenic contamination will be identified;
- Baseline Studies (+\$6.3 million): For the first time, a national microbiological baseline for pathogens on fruits and vegetables will be developed.

The 1998 initiative identified a number of long-term research activities to be undertaken in addition to those proposed for 1998. For 1999, in support of these activities and the President's Food Safety Directive, USDA will conduct additional basic research on a broader number of pathogens, including bacterial, viral, and parasitic contaminants, found on fresh fruits and vegetables. In addition, USDA will utilize its expertise in applied research to evaluate and develop production and processing practices that minimize and control the exposure of fruits and vegetables to these pathogens.

Outbreaks of foodborne illness subsequent to the 1998 initiative highlighted the need to expand the scope of the 1998 initiative to include aquaculture and transportation of food producing animals. In addition, the President's Food Safety Directive and recent consumer concerns over the safety of raspberries, strawberries, and other fresh fruits and vegetables, pointed out the need to develop a statistically reliable picture of the level of contamination on these products found in the United States. To address this need in 1999, USDA will utilize the existing programmatic infrastructure for determining the level of chemical residues on these products, to develop statistically reliable national estimates for both domestically produced and imported fruits and vegetables in US commerce.

PRESIDENT'S FOOD SAFETY INITIATIVE
UNITED STATES DEPARTMENT OF AGRICULTURE
1998 BUDGET PROPOSAL
(Dollars in Millions)

		1998		1999			
	1997	Budget	Change from 1997	Dept. Estimate	Change from 1998	Pres. Initiative	Change from Department Estimate
A. SURVEILLANCE							
Food Safety and Inspection Service	\$1.0	\$1.5	\$0.5	\$1.5	0.0	\$1.5	0.0
Economic Research Service	0.0	0.0	0.0	0.5	\$0.5	0.5	0.0
Subtotal, Surveillance	1.0	1.5	0.5	2.0	0.5	2.0	0.0
B. COORDINATION	0.0	0.0	0.0	0.0	0.0	0.0	0.0
C. INSPECTIONS							
Food Safety and Inspection Service	0.0	0.6	0.6	11.0	10.4	11.0	0.0
Foreign Agricultural Service	0.0	0.0	0.0	0.0	0.0	3.0	3.0
Food and Consumer Service	0.0	0.0	0.0	0.0	0.0	10.5	10.5
Subtotal, Inspections	0.0	0.6	0.6	11.0	10.4	24.5	13.5
D. RISK ASSESSMENT							
Agricultural Research Service	6.5	6.9	0.4	6.4	0.5	6.4	0.0
Cooperative State Research, Education, and Extension Service	0.7	1.2	0.5	1.2	0.0	1.2	0.0
Food Safety and Inspection Service	0.0	0.0	0.0	0.0	0.0	1.0	1.0
Economic Research Service	0.0	0.0	0.0	0.5	0.5	1.0	0.5
Office of the Chief Economist	0.1	0.1	0.0	0.1	0.0	0.1	0.0
Subtotal, Risk Assessment	6.3	7.2	0.9	8.2	1.0	9.7	1.5
E. EDUCATION							
Cooperative State Research, Education, and Extension Service	2.4	4.4	2.0	4.4	0.0	7.4	3.0
Food Safety and Inspection Service	0.0	0.0	0.0	0.5	0.5	2.5	2.0
Food and Consumer Service	0.0	0.0	0.0	0.0	0.0	2.0	2.0
Economic Research Service	0.4	0.4	0.0	0.4	0.0	0.4	0.0
Subtotal, Education	2.8	4.8	2.0	5.3	0.5	12.3	7.0
F. RESEARCH							
Agricultural Research Service	44.2	47.9	3.7	55.4	7.5	62.4	7.0
Cooperative State Research, Education, and Extension Service	2.6	6.2	3.6	6.2	0.0	12.2	6.0
Agricultural Marketing Service	0.0	0.0	0.0	0.0	0.0	6.3	6.3
Subtotal, Research	46.8	54.1	7.3	61.6	7.5	80.9	19.3
TOTAL, INITIATIVE	<u>56.9</u>	<u>69.2</u>	<u>11.3</u>	<u>88.1</u>	<u>19.9</u>	<u>129.4</u>	<u>41.3</u>

PRESIDENT'S FOOD SAFETY INITIATIVE
UNITED STATES DEPARTMENT OF AGRICULTURE
1999 BUDGET PROPOSAL
(Dollars in Millions)

	1998			1999			Change from Department Estimate
	1997	Budget	Change from 1997	Dept. Estimate	Change from 1998	Pres. initiative	
AGENCY TOTALS:							
Agricultural Research Service	\$49.7	\$53.6	\$4.1	\$61.8	\$8.0	\$68.8	\$7.0
Cooperative State Research, Education, and Extension Service	5.7	11.8	6.1	11.8	0.0	20.8	9.0
Agricultural Marketing Service	0.0	0.0	0.0	0.0	0.0	6.3	6.3
Food Safety and Inspection Service	1.0	2.1	1.1	13.0	10.9	16.0	3.0
Economic Research Service	0.4	0.4	0.0	1.4	1.0	1.9	0.5
Office of the Chief Economist	0.1	0.1	0.0	0.1	0.0	0.1	0.0
Food and Consumer Service	0.0	0.0	0.0	0.0	0.0	12.5	12.5
Foreign Agricultural Service	0.0	0.0	0.0	0.0	0.0	3.0	3.0
Total, USDA	56.9	68.2	11.3	88.1	19.9	129.4	41.3

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December 22, 1997

The Honorable William Jefferson Clinton
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500

Dear Mr. President:

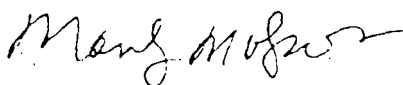
On behalf of the food manufacturing industry, we request that the Administration's FY 1999 budget provides adequate funding for the Food and Drug Administration, and does so without the inclusion of food user fees. We believe that the public is well served by, and very supportive of, a strong and effective FDA, properly funded with appropriated dollars. The food industry also strongly supports the Administration's commitment to food safety as does the United States Congress as evidenced by their providing additional funding for the Administration's Food Safety Initiative.

FDA is mandated by Congress to ensure the safety of the food supply, in addition to the safety and efficacy of drugs, medical devices, radiological products and other products subject to its jurisdiction. By virtue of new laws being enacted by Congress, it has also had to take on more responsibilities in the past few years without concomitant resources being provided. This has significantly affected that part of FDA responsible for the regulation of food.

Previously proposed Administration budgets have included food user fees as a funding mechanism to replace appropriated dollars which Congress has repeatedly rejected. User fees should only be employed to reimburse agencies for specific benefits they provide to identifiable regulated companies. For example, the "Prescription Drug User Fee Act" guarantees that by paying a user fee, a drug company receives a direct benefit by having its product reviewed/approved on a more timely basis. The same argument cannot be made with regards to fees for FDA's regulatory responsibilities to ensure a safe, plentiful and wholesome food supply, which benefits the public. These actions largely involve enforcement activities, specifically, inspection and regulatory action against adulterated or misbranded food products.

We urge you to fund adequately the Food and Drug Administration without the imposition of food user fees. Thank you in advance for your consideration.

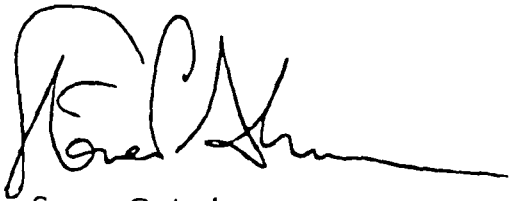
Sincerely,



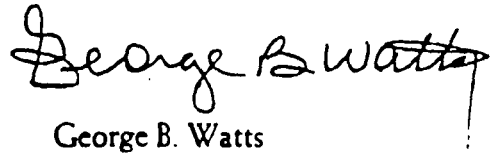
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President and Chief Executive Officer
Grocery Manufacturers of America



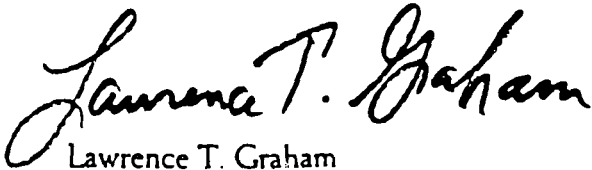
Paul Abenante
President and Chief Executive Officer
American Bakers Association



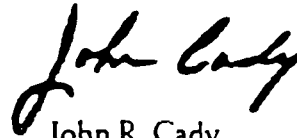
Steven C. Anderson
President and Chief Executive Officer
American Frozen Food Institute



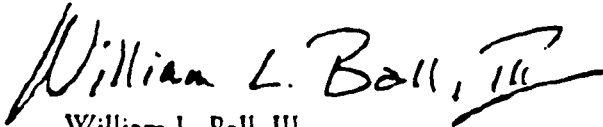
George B. Watts
President
National Broiler Council



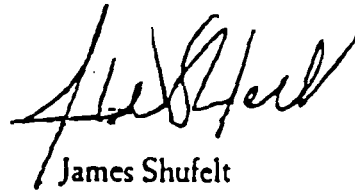
Lawrence T. Graham
President
Chocolate Manufacturers Association/
National Confectioners Association



John R. Cady
President and Chief Executive Officer
National Food Processors Association



William L. Ball, III
President
National Soft Drink Association



James Shufelt
President
Snack Food Association