



Should the Specialty Crop Block Grant Program Funds Be Used to Fund the Food Safety Modernization Act?

BACKGROUND

U.S. farmers grow more than 350 types of specialty crops including fruits, vegetables, tree nuts, flowers, nursery, and other horticultural crops in addition to the major bulk commodity crops. Specialty crop producers are not eligible for the federal commodity price and income support programs that benefit commodity crop producers, but are eligible for other types of USDA support. Support for specialty crops spans a wide range of existing USDA programs, many of which also provide support to other agricultural commodities. These include marketing and promotion programs, crop insurance and disaster assistance, plant pest and disease protection, trade assistance, and research and Extension services.

A majority of specialty crop producers are considered specialized, which means that they receive at least half of their gross value of production from the sale of vegetables, fruits, tree nuts, or other horticultural crops. These specialized farms rely mostly on specialty crop production for their farm income, even though they may also be engaged in other forms of agricultural production. Specialized farms account for 90-95 percent of the total value of U.S. specialty crop production. Specialized fruit and vegetable farms are more concentrated along the west coast. Some farms also participate in the major commodity support programs, but these tend to be more concentrated in the Midwestern states.

The Specialty Crop Block Grant Program (SCBG) provides block grants to the 50 state departments of agriculture to enhance the competitiveness of specialty crops. The program is mandatory and not subject to annual appropriations. Program funding is \$72.5 million annually (FY2014-2017) and \$85 million for FY2018 and each year thereafter. Funding for multi-state project grants will increase from \$1 million in FY 2014 to \$5 million in FY 2018.

Each state receives a base grant plus additional funds based on the state's share of the total value of U.S. specialty crop production. Traditionally, California, Florida, and Washington have been the three largest recipients under this program, accounting for approximately one-half of all available funds. Each state develops priorities for the funding and spends its allocation accordingly.

In FY2013, a total of 694 projects were funded covering marketing and promotion (26 percent of projects), education (23 percent), research (15 percent), pest and plant health (16 percent), food safety (8 percent), and production (6 percent), among other types of projects (6 percent).

In FY 2015 each state, Washington, D.C. and five territories were awarded funds to perform a total of 755 projects that benefit the specialty crop industry. Awards were based in the following areas: research (152 projects/20 percent), education (209 projects/27 percent), food safety (50 projects/7 percent), marketing and promotion (169 projects/22 percent), pest and plant health (81 projects/11 percent), production (51 projects/7 percent), and projects characterized as other (43 projects/6 percent).

ISSUE

State departments of agriculture are under pressure to use the SCBG to fund implementation of the Food Safety Modernization Act (FSMA). Since funds are currently distributed by application and peer review in each state, any funds used for the implementation of FSMA would take away from these programs.

OPTION #1

Oppose the use of SCBG funds to help fund FSMA.

OPTION #2

Support the use of SCBG funds to help fund FSMA

OPTION #3

Attempt to increase funding for SCBG funds so that current projects and FSMA can be funded.