

## **Fruit and Vegetable Industry Advisory Committee**

**2001-2009**

### **Complete List of Recommendations and Statements (organized by Working Group)**

#### **PACA, Inspection Service and Market News:**

**Recommendation:** The produce industry and the Market News Service should work together to educate industry members of the importance of providing accurate price and shipment information to the Market News Service. This educational effort should include information on the process, how information is gathered, how the information is used, and the potential ramifications of inaccurate reports. (April 2003)

**Recommendation:** The PACA and the Inspection Service should develop a long-range plan to review and re-evaluate the Grade Standards for perishable agricultural commodities. The process should involve members from all segments of the produce industry. The review and possible revision of U.S. standards is necessary to incorporate modern industry practices and terminologies. (April 2003)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee recommends that software and computer systems used by USDA and various state agencies to administer the Federal-State Inspection Program are compatible to increase efficiencies and decrease costs. (April 2002)

**Statement:** The Fruit and Vegetable Industry Advisory Committee recognizes the value of the destination market inspection service. (April 2002)

**Statement:** The Fruit and Vegetable Industry Advisory Committee would like to commend AMS Fruit and Vegetable Programs for their quick progress on developing and implementing a long-range plan to review and re-evaluate U.S. grade standards for perishable agricultural commodities. (February 2004)

**Recommendation:** USDA should seek to educate the industry as to what is meant by the USDA grade stamp. USDA should discourage the representation of anything more than what it represents. (July 2004)

**Recommendation:** Mindful that an effective Perishable Agricultural Commodities Act (PACA) is critical to the fruit and vegetable industry, the Fruit and Vegetable Industry Advisory Committee recommends the following changes to the PACA:

- Consolidate license functions to one location; reduce field offices to three locations;
- Evaluate development of a national call center as an industry resource;
- Evaluate increasing the filing fee for informal and formal complaints;
- Increase industry outreach and web resources; and
- Evaluate the inclusion of a processing fee for single-year license renewals. (July 2004)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee strongly recommends a multiyear approach to addressing the revenue/cost gap that exists in the Fresh Products Branch's terminal market inspection program, to recognize the impact on demand for services that significant price increases could have. We commend recent and encourage future initiatives to hold down and reduce costs while maintaining the level of quality service needed by our industry. (July 2005)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee recommends that the Department of Agriculture amend Perishable Agricultural Commodities Act regulations for the purpose of implementing a fee structure associated with industry members requesting PACA audits in connection with reparation complaints. We propose that licensees pay \$1,000 and non-licensees pay \$3,000 per audit. (January 2007)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee recommends to the Secretary of Agriculture that PACA license fees be raised in Fiscal Year 2010 so that the PACA Trust Fund will not fall below 25 percent of the program's budget obligations before 2012. (January 2007)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee recommends to the Secretary of Agriculture that PACA complaint filing fees be raised to \$100 for informal complaints and \$500 for formal complaints. (January 2007)

**Recommendation:** The Advisory Committee recommends that USDA propose increases in Perishable Agricultural Commodities Act annual license fees in order to ensure its continued financial viability. The Committee supports PACA Branch recommendations to increase basic license fees to \$995, and branch fees to \$600, with a cap of \$8,000. (February 2009)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee recommends USDA amend the Perishable Agricultural Commodities Act regulations to preserve PACA Trust protection in instances where sellers extend payment terms beyond 30 days in cases involving contractual default of buyers. (February 2009)

## **Farm Bill:**

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee commends Secretary Johanns for his strong support of the fruit and vegetable industry. The Committee further urges the Department's support for provisions in the next Farm Bill that increase demand for fruits and vegetables, improve the health of Americans, and enhance the competitiveness of fruit and vegetable producers. (June 2006)

**Recommendation:** Recognizing the significant contributions the specialty crop industry makes to the American diet, U.S. agriculture, and the economies of the states in which they are produced, the Fruit and Vegetable Industry Advisory Committee believes fruit and vegetable growers should receive equitable treatment in federal farm programs. Accordingly, the Committee commends Secretary Johanns for his strong support of the fruit and vegetable industry and notes with interest the specific recommendations relating to specialty crops contained in USDA's 2007 Farm Bill Proposals. In addition to the Department's recommendations, the Committee recommends that USDA consider the following:

- Support the provisions of the EAT Healthy America Act (HR 1600) and the Specialty Crops Competition Act of 2007 (S 1160), which provide needed assistance to fruit and vegetable producers in critical areas such as conservation, international trade, pests and disease, nutrition, research, block grants to states, and renewable energy; and
- Reconsider its position advocating the elimination of the fruit and vegetable planting restriction on program crop acres. The removal of this important provision would place unsubsidized fruit and vegetable producers at a competitive disadvantage to subsidized program crop producers. (June 2007)

## **Domestic Fruit and Vegetable Nutrition, Consumption and Distribution:**

**Recommendation:** We recommend that USDA define the current distribution channels for fresh fruits and vegetables and develop, in complete detail, the optimum scenario for delivering fresh fruits and vegetables to schools with the highest quality, maximum efficiency and cost effectiveness.

AMS/State warehouses  
Department of Defense  
Fresh Local Level Direct Purchasing (April 2003)

**Recommendation:** We ask USDA to break down each of these three distribution models in a way that all costs of the supply chain are identified. Once completed, we ask USDA to present this information to the Fruit and Vegetable Industry Advisory Committee, thus allowing the Committee to review and provide recommendations in regards to improving models. (April 2003)

**Recommendation:** We recommend USDA communicate and celebrate an educational program which promotes successful local school food service programs encompassing fresh fruit and vegetable offerings like the Best Practices program and less reliance on competitive foods. The three areas that define success:

Better nutrition  
Cost effectiveness, self sufficient food service programs  
More fruit and vegetable offerings overall (April 2003)

**Recommendation:** We encourage USDA to review current allocations of funds to effectively provide the ultimate objective of increasing of fresh fruits and vegetables in schools, and expanding the four-state pilot program. (April 2003)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee strongly recommends USDA promote the increased consumption of fruits and vegetables as a method to achieve good eating habits and to help facilitate the fight against obesity/malnutrition in the United States. (April 2002)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee recommends that the appropriations of USDA be reallocated to more closely mirror the value of fruits and vegetables and their role in the health of the American consumer. (April 2002)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee encourages the formulation of a *Memorandum of Understanding* with the Department of Education that would initiate a curriculum including exercise and complete nutrition information about the benefits of eating fruits and vegetables. (April 2002)

**Statement:** The Fruit and Vegetable Industry Advisory Committee applauds USDA for finalizing the *Memorandum of Understanding* related to and becoming an active participant in the 5-A-Day For Better Health Campaign. (April 2002)

**Statement:** The Fruit and Vegetable Industry Advisory Committee advocates a closer working relationship with the appropriate state agencies that would facilitate the effective deliveries of USDA-purchased fresh fruits and vegetables through state warehouses to food recipients. This could include pilot projects. (April 2002)

**Statement:** The Fruit and Vegetable Industry Advisory Committee supports the reconciliation of U.S.-Canada differences related to the use of the 5-A-Day For Better Health Program logo. (April 2002)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee would like USDA to supplement the Food Stamp Program with an incentive mechanism that would allow eligible persons to buy additional fruits and vegetables. (April 2002)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee urges the study of more efficient distribution systems for USDA commodity purchase programs. (February 2004)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee recommends that USDA continue existing programs and develop additional initiatives that will focus on increasing consumption of all fruits and vegetables in recognition of the tremendous health benefits that a daily diet, which includes five to ten servings of highly nutritious fruit and vegetables, provides. USDA and other federal agencies should collaborate in programs that will increase fruit and vegetable consumption to help combat chronic diseases, including obesity. (February 2004)

**Statement:** The Fruit and Vegetable Industry Advisory Committee supports the continuation of programs promoting consumption of all fruits and vegetables. We urge USDA to continue the Fresh Pilot Program. (February 2004)

**Recommendation:** USDA should develop a centralized means to communicate via a smooth delivery system scientifically sound nutritional information from the various sources used to develop the Dietary Guidelines. The focus should be on the importance of education as the key to promoting increased consumption of fruits and vegetables to fight obesity and promote healthy living. (July 2004)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee strongly encourages the enhancement of the USDA purchase programs with incentives to include more fruits and vegetables. (July 2004)

**Statement:** The Fruit and Vegetable Industry Advisory Committee commends USDA for the successful introduction of new dietary guidelines and encourages USDA to continue an ongoing publicity campaign to ensure continued awareness. (July 2005)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee strongly supports the addition of fruits and vegetables to Women, Infants and Children (WIC) food packages and commends USDA for addressing the need for change. The Committee encourages continued nutrition education (i.e. MyPyramid.gov) as part of the program. (July 2005)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee strongly recommends that USDA follow the Dietary Guidelines in its education and implementation of nutrition assistance programs, such as school lunch, school breakfast, food stamps, and Women, Infants and Children (WIC). (June 2006)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee strongly supports the establishment of the USDA Fresh-cut Pilot program for schools and urges its expansion to other commodities as soon as practical. The Committee respectfully requests that Secretary Vilsack play an active leadership role in the implementation of the program. The Committee strongly supports the following objectives in the reauthorization of the Child Nutrition Act in 2009:

- The establishment of a National School Salad Bar policy that would encourage schools to offer salad bars and provide incentives to promote implementation.
- Increase by 35 cents the reimbursement rate for all school meals.
- Significantly expand the commodity purchase of fresh and fresh-cut fruits and vegetables for schools.
- Allow funding for the Department of Defense Fresh Program up to \$100 million per year.
- Update nutrition standards for school meals consistent with the Dietary Guidelines. (February 2009)

## **Trade and Country of Origin:**

**Recommendation:** USDA should be more specific in defining Country of Origin Labeling rules pertaining to the U.S. produce industry's mandatory adherence to documentation requirements and violations; utilize familiar PACA rules to define Country of Origin Labeling requirements; and publish proposed final regulations in the *Federal Register* as soon as possible. (April 2003)

**Recommendation:** USDA should issue an opinion on the preservation of trust fund rights available under the Perishable Agricultural Commodities Act (PACA) of 1930 pertaining to electronic invoicing and a statement that USDA is in fact fulfilling buyers obligations in trust protection. (April 2003)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee recommends that USDA, AMS continue its harmonization work with its counterparts in North America through the appropriate mechanism. The immediate focus should be on implementing the following five harmonization initiatives which are essential elements of establishing a more positive business environment for produce trade across North America:

- Development and implementation of a new destination market inspection service that builds on the USDA model in Canada;
- Modernizing the licensing and arbitration regulations under the Canada Agriculture Products Act;
- Development of an industry-lead strategy to reduce costly and disruptive practices in major markets in Canada;
- Harmonization of Canadian and U.S. grade standards and inspection procedures; and
- Development of a Perishable Agricultural Commodities Act-like trust in Canada. (January 2005)

## **Labor, Immigration and Crop Insurance:**

**Recommendation:** The Secretary should send a letter to the White House endorsing the reform of H2A, the temporary foreign agricultural worker program, as proposed by Senator Craig and supported by the National Council of Agricultural Employers, and the earned adjustment status for the current agricultural workforce. (April 2003)

**Recommendation:** USDA is urged to fill the critically important position of special assistant for labor affairs with an expert in labor affairs. (April 2003)

**Statement:** The Fruit and Vegetable Industry Advisory Committee acknowledges the importance of agricultural labor in the production and distribution of agricultural commodities. We would strongly support legislation that would provide a legal labor force for agricultural producers, including, but not limited to, immigration and H2A reform. We also recognize the importance of the farmworker in our industry. (February 2004)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee recognizes that federal crop insurance needs to offer products that have fair and equitable access to all farmers. The Committee encourages the review of pilot programs to ensure that they do not create unequal opportunities within a commodity region. (July 2005)

**Statement:** The Fruit and Vegetable Industry Advisory Committee reaffirms the importance of agricultural labor in the production and distribution of agricultural commodities. We would strongly support legislation that would provide a legal labor force for agricultural producers, including, but not limited to, immigration and H2A reform. We also recognize the importance of the farmworker in our industry. (January 2007)

## **Food Safety, Third-Party Audits, Microbiological and Traceability:**

**Recommendation:** USDA should either:

- A. Increase funding of the Microbiological Data Program to generate information that will be useful in risk assessment to meet public health objectives; or
- B. If the project can not be funded to meet the objectives, USDA should not appropriate additional funds beyond the 2003 fiscal year; or
- C. Because data generated to date are inconclusive. USDA should not release findings until data from multiple years are accumulated and analyzed to draw conclusions. (April 2003)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee would like USDA to be a stronger advocate with other federal agencies in the development of science, outcome based regulations when proposed regulations are putting the U.S. fruit and vegetable industry at a competitive disadvantage. Examples: the Environmental Protection Agency; the Department of Labor; the Food and Drug Administration; the Immigration and Naturalization Service; and the Occupational Safety and Health Administration. (April 2002)

**Statement:** The Fruit and Vegetable Industry Advisory Committee has concerns about USDA's Microbiological Data Program (MDP) in its current form and questions:

- 1) the objective of the MDP;
- 2) how the information could be misunderstood/misused;
- 3) the risk basis for choosing produce items; and
- 4) the validity of the process of sampling and collecting. (April 2002)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee recommends that future USDA research clearly address the impact on each segment of the supply and marketing chain, beginning with the grower. (April 2002)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee strongly encourages the Animal and Plant Health Inspection Service's Plant Protection and Quarantine to increase its interaction with the produce industry, and to develop proactive communication channels through state and national produce trade associations, emphasizing the importance of early detection and communication to the industry of threats in advance of reaching quarantine levels. (July 2005)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee advocates a strong partnership between industry and appropriate Federal Government agencies to develop and ensure effective food safety standards that are consistent and applicable to all produce grown anywhere in the United States, or imported into the country. These standards must allow for commodity-specific food safety practices based on the best available science. The Committee urges the Secretary to devote the resources of USDA, including critical research programs, to assist and support industry in initiatives to enhance food safety. (January 2007)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee strongly recommends the Department of Agriculture facilitate and advocate the development and adoption of unified food safety standards for the fruit and vegetable industry that reflect the risks associated with individual commodities and the entire supply chain. (June 2007)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee recommends that USDA make marketing agreements and marketing orders available to industries to facilitate national adoption and compliance with food safety standards, such as Good Agricultural Practices (GAPs), Good Handling Practices (GHPs) and Good Manufacturing Practices (GMPs). (February 2008)

**Statement:** The Fruit and Vegetable Industry Advisory Committee supports industry efforts to establish a national marketing agreement for leafy greens. (February 2009)

## **Organic:**

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee recommends that USDA work to drive its organic program towards the education of consumers. The relationship between the organic industry and the USDA should remain focused on using industry knowledge and USDA resources to build consumer confidence through strengthening the integrity of the National Organic Program. The NOP needs to protect the integrity and values of the organic industry and its consumers by continuing its efforts to bring clarity to the federal rules. (January 2005)

## **Marketing Orders:**

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee, while recognizing the historical value of marketing orders, encourages USDA to explore and ensure that protocols within orders are in place that will provide for transparency in innovation, a streamlined grievance process, and that orders are responsive to the demands and needs of consumers. (July 2005)

## **Miscellaneous Topics:**

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee recommends that USDA continue to communicate support of the critical use exemption process concerning Methyl Bromide, which is written within the Montreal Protocol. We recommend that concerns about economic impact to farms be kept at the highest level of priority when working within the decision and negotiation process. We recommend to continue high involvement with the negotiating parties by providing real U.S. farm impacts. We recommend voicing a concern to streamline this process to make this phase out a controlled and workable process, based on sound verifiable science. (February 2004)

**Statement:** The Fruit and Vegetable Industry Advisory Committee has established the following working groups and will provide feedback and recommendations for consideration by the next Committee meeting:

- Food Defense and Security/Food Safety/Third Party Audits/Traceability
- Organic
- PACA and Potential Restructuring
- Domestic Fruit and Vegetable Consumption and Distribution/Commodity Purchasing/Nutrition/Food Pyramid
- Microbiological Data Program
- Labor/Immigration/Crop Insurance (February 2004)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee would like the Secretary to recognize and if necessary mitigate the cost and impact that regulations have on the Fruit and Vegetable Industry. Regulations may increase the cost of fruits and vegetables to consumers. (January 2005)

**Recommendation:** The Fruit and Vegetable Industry Advisory Committee strongly supports the full implementation of the Specialty Crop Competitiveness Act of 2004. The Committee calls on the Secretary of Agriculture to include funding for the Specialty Crop Competitiveness Act in USDA's budget request. The Committee recognizes the importance of the Act as a significant tool to address the short and long-term industry competitiveness issues. Funding this Act represents a critical step in advancing support and commitment for the U.S. fruit and vegetable industry. (January 2005)

**Statement:** Be it resolved that the Fruit and Vegetable Industry Advisory Committee hereby recognizes A. J. Yates for his exemplary service as Administrator of the Agricultural Marketing Service, USDA. The Committee further acknowledges a lifetime of achievement, leadership, vision and contribution to advancing proactive initiatives to advance the profile of the fruit and vegetable industry. The Committee expresses the sincere appreciation of the industry for a career of dedicated public service. (January 2005)

**Statement:** Be it resolved that the Fruit and Vegetable Industry Advisory Committee hereby expresses appreciation to Secretary Ann Veneman for supporting the creation and continued existence of the Committee. The Committee further applauds a career of stewardship and dedication to American agriculture. (January 2005)

**Recommendation:** One of the greatest challenges to the produce industry and the environment is the continued challenge of dealing with invasive pests and diseases. The Fruit and Vegetable Industry Advisory Committee recommends the Department of Agriculture and the Department of Homeland Security deal with these issues with the highest order of priority. (January 2007)