

October 22, 202

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Darrell Hughes
Designated Federal Office
Fruit and Vegetable Industry Advisory Committee
USDA-AMS-Specialty Crops Program,
1400 Independence Avenue SW,
Suite 1575, STOP 0235,
Washington, DC 20250-0235

Dear Mr. Hughes:

On behalf of the membership of Produce Marketing Association (PMA) and United Fresh Produce Association (United Fresh), we respectfully submit the following comments regarding your upcoming advisory committee meeting schedule for November 3-4, 2021.

PMA is the leading trade association representing companies from every segment of the global produce and floral supply chain. PMA helps members grow by providing connections that expand business opportunities and increase sales and consumption.

Founded in 1904, the United Fresh brings together companies across every segment of the fresh produce supply chain, including growers, shippers, fresh-cut processors, wholesalers, distributors, retailers, foodservice operators, industry suppliers and allied associations. We empower industry leaders to shape sound government policy. We deliver the resources and expertise companies need to succeed in managing complex business and technical issues. We provide the training and development individuals need to advance their careers in produce. Through these endeavors, we unite our industry with a common purpose – to build long-term value for our members and grow produce consumption.

As of January 3, 2022, PMA and United Fresh will be creating a single new organization representing the global produce and floral communities. Our new association is committed to supporting our members in areas including, but not limited to, food safety, sustainability, technology, and government policy.

The USDA Fruit and Vegetable Advisory Committee, which was established in 2001, has been one of the industry's most important tools, ensuring that our voices are heard throughout USDA. Most importantly, the recommendations coming out of this committee over the last 20 years have served as an important platform to recognize important challenges and opportunities of our industry and we can partner with USDA to provide solutions. With that understanding, below are some important areas that we believe the Fruit and Vegetable Advisory Committee should address in the upcoming and subsequent meetings.



U.S. FDA Agriculture Water Rule at OMB – There is no more important issue for the produce industry today than the safety of our food. That is our top priority and why we supported the Food Safety Modernization Act. However, it’s been over 10 years since the passage of the Food Safety Modernization Act, and over 5 years since the Produce Safety Rule was finalized, but FDA has yet to settle on requirements for agricultural water. Currently the “Water Rule” is stuck at the Office of Management and Budget for review. Because the USDA AMS HGAP and HGAP+ includes standards for ag water that are contingent on FDA’s actions, and because USDA FAS has been instrumental in educating growers worldwide on the Produce Safety Rule, USDA has a vested interest and an opportunity to help growers gain clarity and certainty from FDA on the way they will regulate water usage for fresh produce.

Recommendation: The Advisory Board should request USDA intervene with OMB to push for the release of the proposed rule and timely finalization this rule.

Data collection by USDA on FFVP schools – The Fresh Fruit and Vegetable Program was authorized in the 2002 Farm Bill and provides a fruit and vegetable snack to elementary school students outside the traditional school lunch and breakfast program. Due to its success and popularity, Congress has continued to support the program, expanding it nationwide in 2008. Despite being a federally funded program there is currently no publicly available data collection at USDA indicating which schools participate in the program.

Recommendation: The Advisory Committee should recommend that USDA FNS create a database that includes names of schools that participate in the program, including total amount of funding provided to each school, number of students served, and percentage of students in school who qualify for free or reduced-price meals.

USDA Procurement/USDA HGAP Requirements – Produce growers seeking to do business with USDA must be audited to the USDA HGAP audit. During the early phases of COVID, USDA provided flexibility by allowing growers to be audited by any audit benchmarked to the Global Food Safety Initiative (GFSI, which is the “gold standard” for audits worldwide). There are several produce safety audits that have achieved this recognition and many buyers specify which audit their suppliers use. USDA is limiting the pool of produce suppliers by only allowing one specific audit (the USDA HGAP); many growers are not able to afford multiple audits, and as a result, competition may be limited.

Recommendation: The Advisory Committee should recommend that USDA require that potential produce vendors be audited to a GFSI recognized food safety audit scheme without specifying that the USDA audit is the only permissible audit.

Buy American Requirement – USDA’s Buy American requirement for school nutrition programs requires that unprocessed commodities be U.S. grown or produced and that processed commodities be made up of 51% or more domestic product. The two exceptions to the rule are for products that are not available domestically in sufficient amounts or when, through a competitive bid process, the cost of the domestic product is significantly higher than the non-



domestic product. Exceptions must be documented. Uncertainty remains for many school nutrition professionals around how USDA may interpret and define the exceptions and documentation, leading to challenges at the procurement level. Additionally, many well-intentioned Members of Congress push for an even stricter interpretation of Buy American without fully appreciating the consequences on providing students with year-round access to a wide variety of fresh fruits and vegetables.

Recommendation: USDA should provide additional and clearer guidance to schools, including standardized templates to ensure that schools feel empowered to make purchasing decisions in the best interest of their students' nutrition needs that guarantees a wide variety of produce during the school year.

Vaccine Requirements for Federal Contractors – On Friday September 24, the White House's "Safer Federal Workforce Task Force" issued guidance requiring all federal contractors to ensure that 100% of their employees are fully vaccinated by December 8, 2021. The guidance indicated that companies only selling products to the federal government while not providing any services were not covered by the mandate. However, agencies were "strongly encouraged" to incorporate a clause requiring compliance with this guidance into contracts or subcontracts for the manufacturing of products.

The USDA's Agricultural Marketing Service purchased more than \$8 billion in food products during the 2020/21 fiscal year with over \$4 billion in food purchases for distribution to school feeding programs.

If USDA officials acted to incorporate the federal contractor standard (100% employee vaccination requirement with no testing option) into all future USDA food purchase invitations, no major food company in the entire country would be able to certify that 100% of their employees are vaccinated. As a result, they would be unable to participate in any food sales to USDA.

Recommendation: Ask USDA for clarification on this issue and what USDA will ask of its contractors. If necessary, establish a recommendation that does not hold food companies selling into USDA to the federal contractor vaccination standard. Hold them to the same vaccination standard as every other privately owned business.

DATA Gap for Fruits and Vegetables at USDA – Over the past 20 months USDA's information on the commercial fruit and vegetable industry is very limited. This has become very apparent as new programs to address COVID-19 issues were being developed. USDA was severely handicapped when trying to address some of our challenges compared to other major commodities that USDA monitors. This included their lack of data around accurate pricing information, supply-chain disruptions, input cost and cost of production data, labor challenges, scope of operations, and other issues.



Recommendation: Assess what are current USDA programs and departments that collect data on the fruit and vegetable industry. Have USDA do an analysis of what is needed for better DATA and who should lead that effort at USDA.

Update on USDA Specialty Crop Research Committee – The Specialty Crop Committee was created as a subcommittee of the National Agricultural Research, Extension, Education, and Economics (NAREEE) Advisory Board in accordance with the Specialty Crops Competitiveness Act of 2004. The committee was formulated to study the scope and effectiveness of research, extension, and economics programs affecting the specialty crop industry. Based on our research, the committee has not held a meeting in the last three years, nor has it fully filled committee board seats since 2017.

Recommendation: Urge the Secretary to reestablish this committee and ensure that it is fully functional by the end of the year.

Update on State Block Grant Funding Projects for COVID-19 – As part of the most recent COVID-19 relief package passed by Congress (March 2021), USDA was provided an additional \$97 million in funding through the Specialty Crop Block Grant Program for “to assist farmworkers (e.g., for PPE and vaccination costs), projects to fund farmers, food businesses, and other relevant entities to respond to risks and supply chain disruption.” In addition, the White House and the Office of Management and Budget provided flexibility on all grant programs and that they could be used for COVID-19 assistance.

Recommendation: The Advisory Committee should be given an update on what states have done with their last two years of specialty crop block grant funding, including the supplemental \$97 million in 2021, to address COVID-19 related issues for specialty crops in their states.

Specialty Crop Block Grant Prioritization – The 2008 Farm bill fully funded the Specialty Crop State Block Grant Program. Since the 2008 Farm bill over 9,200 projects have been awarded in all 50 states and 6 territories. While there is a wide variety of projects that have been approved over the last 13 years, there has been very little coordination amongst the states on what should be overall priorities for consideration of grant applications. In fact, the only guidance in the law is the “enhance the competitiveness of specialty crops.” As an Advisory Committee to USDA, your input and guidance could be a useful tool for states to consider as they review and approve grant application in their states.

Recommendation: Create a process whereas the USDA Fruit and Vegetable Advisory Committee could recommend what are top priorities for the states to consider as they develop and approve specialty crop block grant programs.

Pandemic Response and Safety Programs – USDA has announced the creation of a \$650 Pandemic Response and Safety (PRS) Grant Program provides grants to specialty crop producers and processors, other select producers, meat and other processors, distributors, and farmers



markets to respond to coronavirus, including for measures to protect workers against novel coronavirus 2019 (COVID-19). The application period closes on November 22, 2021.

Recommendation: The Advisory Committee should be provided a review of this program to better understand its intended goals. In addition, Congress authorized mid-sized businesses to also be eligible for a program such as this. The Advisory Committee should request an update on this effort and when will USDA announce that program.

Impact Assessment of Produce Industry Response to COVID – In May of 2020 and 2021, USDA AMS partnered with 17 organizations representing different sectors of the local and regional food system. This resulted in a comprehensive report on the impact of COVID on these important parts of the food supply chain.

Recommendation: The Advisory Committee should recommend USDA AMS partner with produce industry to do similar study.

Subcommittee and Working Groups

The USDA Fruit and Vegetable Advisory Committee established four subcommittees to address several important topics. Based on these subcommittees we would recommend the following issues be addressed

Labor & Production Subcommittee – Discuss the impacts of current labor and immigration policies on the access to labor throughout the fruit and vegetable supply chain. Consider recommendations that could ease the burden on both production agriculture and the other portions of the supply chain to ensure an adequate supply of labor. While USDA is not the primary federal agency in this space, they have the opportunity to play a pivotal role in ensuring the industry has the essential workers needed.

- Using USDA and other agency data, identify both the impact of a lack of labor to the current industry, the ability to grow the industry and the impact it has had on consumer access to fruits and vegetables.

Consumption Subcommittee – Discuss USDA and federal government setting a consumption goal and timeline around fruits and vegetables. Currently, around 1:10 Americans meeting fruit and vegetable serving recommendations. In addition, how USDA procurement programs aim to address the Dietary Guidelines for Americans recommendations on under-consumed food groups. While USDA procurement programs aim to provide foods that fall within DGA recommendations, they do not necessarily consider the most under-consumed foods, like fruits and vegetables, in procurement and distribution practices. Discuss ways in which USDA can address chronically under-consumed food groups through USDA programs. Finally, using USDA's recent research around barriers to healthy eating for low-income and SNAP consumers, identify specific ways fruit and vegetable consumption can be addressed in response to each of the barriers identified.



Food Safety Subcommittee – Please see above regarding food safety priorities.

We appreciate your consideration of these comments in support of the fresh produce industry.

Sincerely,

A handwritten signature in black ink that reads "Robert Guenther".

Robert Guenther
Senior Vice President Public Policy
United Fresh Produce Association