March 28, 2019

The Honorable Richard Shelby
Chairman
Committee on Appropriations
United States Senate
Washington, DC 20510

The Honorable Patrick Leahy
Ranking Member
Committee on Appropriations
United States Senate
Washington, DC 20510

The Honorable John Hoeven
Chairman, Agriculture Subcommittee
Committee on Appropriations
United States Senate
Washington, DC 20510

The Honorable Jeff Merkley
Ranking Member, Agriculture Subcommittee
Committee on Appropriations
United States Senate
Washington, DC 20510

The Honorable Nita Lowey
Chairwoman
Committee on Appropriations
United States House of Representatives
Washington, DC 20515

The Honorable Kay Granger
Ranking Member
Committee on Appropriations
United States House of Representatives
Washington, DC 20515

The Honorable Sanford Bishop
Chairman, Agriculture Subcommittee
Committee on Appropriations
United States House of Representatives
Washington, DC 20515

The Honorable Jeff Fortenberry
Ranking Member, Agriculture Subcommittee
Committee on Appropriations
United States House of Representatives
Washington, DC 20515

Dear Chairmen Shelby, Hoeven, Lowey & Bishop, and

Ranking Members Leahy, Merkley, Granger & Fortenberry:

The Animal Agriculture Coalition (AAC) writes to urge your consideration of its views and recommendations for the fiscal year (FY) 2020 Agriculture, Rural Development, Food and Drug Administration and Related Agencies spending bill. The AAC is comprised of most major animal and animal-related commodity organizations as well as allied organizations representing veterinary medicine, animal science and various livestock or animal agricultural interests in the U.S. A successful, healthy, and strong U.S. agriculture industry is reliant on federal funding that supports the U.S. Department of Agriculture (USDA) and Food and Drug Administration's (FDA) programs.

The AAC is grateful to Congress for passing the Agriculture Improvement Act of 2018, which provides critical mandatory funding to combat animal disease outbreaks. Congress included mandatory funding to support: a national Animal Pest, Disease and Disaster Prevention and Response Program to improve coordination between state veterinarians, the U.S. Department of Agriculture, and on-the-ground veterinarians during a disease outbreak; enhancements to the National Animal Health Laboratory Network to facilitate rapid diagnosis and response times for new animal disease outbreaks; and a new

national livestock vaccine bank with immediate attention to foot-and-mouth disease, to provide vaccine resources for response to high-consequences disease outbreaks.

The AAC will continue to work with Congress and USDA to implement these important provisions, which are necessary complements to the discretionary requests outlined below.
Funding through the Agriculture Subcommittee plays a vital role in our daily lives by ensuring a safe and plentiful food supply, defending America's animal and plant resources from agricultural pests and diseases, and advancing agriculture research. The AAC urges Congress to make the following investments in FY 2020:

Animal and Plant Health Inspection Service (APHIS)

AAC requests at least $1.011 billion in FY 2020 for APHIS, an agency that is critical to the overall health and competitiveness of the U.S. animal agriculture industry. APHIS Veterinary Services (VS) conducts routine surveillance for more than 160 foreign, emerging, and endemic animal diseases, including bovine tuberculosis, foot and mouth disease, avian influenza, and scrapie, as well as for disease vectors such as the cattle fever tick. This surveillance is done through a number of surveillance streams, including testing at slaughter facilities, livestock markets, shows, sales, buying stations, on-farm, and at rendering facilities. APHIS' National Veterinary Services Laboratories (NVSL) serves as the only national reference and confirmatory laboratory for APHIS animal health programs. In 2017 alone, NVSL participated in 1,790 foreign animal disease or emerging disease investigations; the highest number of investigations in the last 20 years.

APHIS plays a central role in protecting American agriculture, implementing emergency protocols and partnering with affected States to quickly manage and eradicate outbreaks. The Agency's quick footed and aggressive approach lessens the impact of outbreaks which can cost U.S. taxpayers billions in response, clean up, and indemnity costs. That doesn't include lost export markets, temporary shortages, or price increases for certain poultry and their products.

AAC specifically requests support for the following APHIS-administered programs:

- Increased support for the **National Animal Health Monitoring System (NAHMS)**. A stronger Federal system of data collection, monitoring and enhanced surveillance will greatly assist in understanding the impacts of the FDA Judicious Use policy, fully implemented January 1, 2017; and FDA's announced five-year plan for Supporting Antimicrobial Stewardship in Veterinary Settings: Goals for Fiscal Years 2019-2023. As part of its Antimicrobial Resistance Action Plan, the USDA has worked with FDA's Center for Veterinary Medicine to plan activities that will add to our understanding of how antibiotics are used in veterinary medicine and animal agriculture and how those uses affect antibiotic resistance levels. This information will not only assist policymakers but will assist veterinarians and producers as they make management decisions about the use of antibiotics on their farms. The veterinary medicine and animal agriculture community have diligently worked to implement FDA's Judicious Use strategy and we need our federal partners to be equipped with the funding to collect data and do the research to measure the impact of these changes, and changes that may result from FDA's Five-year Plan, in order to produce information to help producers and veterinarians become better users of these products.

- AAC recommends $30 million for the **National Animal Health Laboratory Network (NAHLN)**, which represents the full authorized funding level for the network. AAC has long advocated for a fully-funded NAHLN network to properly support the 59-member laboratory network that collaborates with the *National Veterinary Services Laboratories. When* a large-scale animal-disease outbreak occurs, tracking its progress and performing diagnostic tests on thousands of diagnostic samples is a big challenge. To get the job done, it is important that all parties involved—Federal agencies and NAHLN member laboratories – communicate and collaborate effectively. Federal funding for the NAHLN is necessary to expand surveillance and surge capacity to diagnose diseases and ramp up during emergency situations. Further increases are needed to bolster the number and level of participating state labs; to spur development of infrastructure for electronic transmission of data between sample collectors, labs and state and federal databases; and increase efficiency and effectiveness of lab personnel training and employment both regionally and nationwide.

- $20.5 million, an increase of $4 million, for the **Center for Veterinary Biologics (CVB)** to maintain the Center's ability to review and approve veterinary biologics and keep these products on the market. Without this additional funding, current vaccines used to protect both livestock and pet health could become unavailable, and new and innovative technologies will be shelved or delayed as review times increase. CVB has been under-funded for more than a dozen years, resulting in under-staffing, personnel losses and a backlog of submissions that will only worsen if the necessary funding is not provided by additional appropriations. CVB has increased its capacity to receive submissions from manufacturers and approve them for release to market by finding numerous efficiencies, but these will not be adequate to compensate for the coming wave of retirements by experienced CVB staffers.

  Each year, U.S. animal health companies produce more than 100 billion doses of animal vaccines. These vaccines are critical to protecting the health of America's flocks, herds, and pets from domestic and foreign animal diseases. In addition to improving animal health, these technologies could lead to similar breakthroughs in products for humans. Animal health companies are also developing new and innovative biologics to greatly reduce the presence of food-borne pathogens in production animals, as well as reduce the need for the use of antibiotics. These new products represent a step forward in on-farm contributions to food safety. Additionally, Congress provided funds in the farm bill last year to fund a National Vaccine and Veterinary Countermeasures bank, and those dollars will be spent more efficiently if the underlying infrastructure to review vaccine technologies is fully operational. To leverage the benefits of these new products and public health assets it is essential that CVB is fully funded and staffed.

- $33 million for the **National Rabies Management Program (NRMP)**. APHIS Wildlife Services coordination of the oral rabies vaccination program is cost-effective. NRMP reduces exposure and transmission of rabies among wildlife, livestock, pets and people. Funding at this level will allow NRMP to maintain the immune barrier along the Texas border with Mexico, prevent reentry of coyote (canine) rabies in the U.S., and grey fox rabies into Texas. Funding increases are necessary to continue to contain and initiate elimination of the raccoon rabies strain in the Northeast U.S. and the Atlantic coastal states.

National Institute for Food and Agriculture (NIFA)

Investment in animal science research, education and extension programs are essential outlays in USDA's "tactical science assets" that develop science-based solutions to plan for, prevent, mitigate, and recover from the devastating impacts of emerging disease outbreaks like those faced by our country in recent years– avian influenza, PEDv and Porcine Deltacoronavirus.

AAC requests FY 2020 support for the following programs with specific emphasis and impacts on animal agriculture:

- $9 million, a $1 million increase, for the **Veterinary Medicine Loan Repayment Program (VMLRP).** The Coalition is grateful that Congress has recognized the importance of VMLRP in closing gaps in access to veterinary services in areas they are needed most - farming communities and underserved rural areas. Since 2010, nearly 500 awards have been made while over 1,500 veterinarians have applied to serve in the program. Each year, there is not enough funding to accommodate the demand. For 2019, USDA designated 190 veterinary shortage areas across the country. Additional support will allow VMLRP to meet the needs of more communities across the country. AAC also urges congress to exempt VMLRP awards from withholding taxes in order to maximize the funding provided.

- Continued funding of $3 million for the **Veterinary Services Grant Program (VSGP).** AAC is grateful for the increase provided in FY 2019 and encourages the subcommittee to maintain this funding level for FY 2020. VSGP offers competitive grant funding to bolster national food supply veterinary capacity and infrastructure needs through education and training activities and practice enhancement or expansion. Since the program launched in 2016, USDA has made over 30 awards to complement VMLRP in addressing veterinary access gaps.

- Continued funding of $2.5 million for the **Food Animal Residue Avoidance Database (FARAD)**. AAC is very appreciative that Congress has funded FARAD at its authorized level of $2.5 million. FARAD serves as the primary source for scientifically-based recommendations regarding safe withdrawal intervals of drugs and chemicals in food-producing animals. As such, FARAD is a key resource for protection of our nation's food supply, including meat, milk and eggs, against residues that could compromise food safety. FARAD also provides assistance in trade matters related to foreign drug approvals and trains future veterinarians in the principles of residue avoidance.

- $10 million for the **Food and Agriculture Defense Initiative (FADI)** to support nationally coordinated networks identifying and responding to high-risk biological pathogens in the food and agricultural system and protecting the nation from disease threats through surveillance, early detection, mitigation, and recovery.

USDA Research Enterprise

Investment must be made to reposition the U.S. and the world leader in agriculture research and development. Such investment will help ensure the U.S. is able to meet the demand for food in the future. AAC is encouraged by USDA's increasing focus on livestock production and protection research programs in critical areas such as avian influenza, foreign animal diseases and antimicrobial resistance.

With continued investments, USDA's research enterprise has the potential to make significant progress towards solving problems facing America's livestock and poultry producers. The AAC recommends the following programs be increased:

- $10 million, a $6 million increase, for **Section 1433, Continuing Animal Health and Disease, Food Security, and Stewardship Research, Education and Extension Programs** within NIFA. Reauthorized in the 2018 Farm Bill, funding at this level will permit the competitive side of the program to commence and allow both land-grants and non-land-grant colleges of agriculture to compete for grants in high priority areas including food security, one health and stewardship. The first $5 million goes toward capacity distribution for animal health and disease research. Funding above $5 million would be distributed with 15 percent to capacity and 85 percent to competitive grants focusing on critical priorities in food security, one health and stewardship.

- $445 million, a $30 million increase over FY 2019, for the **Agriculture and Food Research Initiative (AFRI),** USDA's premiere competitive grants program. While we recognize the budget restraints the subcommittee faces, the coalition urges full authorized funding of $700 million as soon as is practical. Agricultural research is one of the best investments our government can make, and yet it accounts for a mere 2% of total federal R&D spending. A recent study estimates there is a $20 return for every one dollar invested in agricultural research through AFRI. Animal sciences continue to face a funding imbalance within the AFRI program; however, AAC is encouraged that AFRI funding has resulted in additional investments in animal research. Bringing AFRI to its fully authorized level would further enable the agency to increase investments in critical animal science areas. Further, investments in sound science will lead to healthy animals and healthier and safe food.

- $40 million for the **Agricultural Genome to Phenome Initiative**. The 2018 Farm Bill establishes a new research program to advance science on genomics and phenomics in agriculturally important species. Significant research is needed to fully characterize the phenotypes, which are collectively known as the "phenome" of our major animal and crop species. Understanding the relationships between genes and trait phenotypes will enable farmers and ranchers to enhance production by identifying optimal combinations of genetics and management practices.

- $1.821 billion for the **Agricultural Research Service** intramural research for projects that require a long-term investment leading to high-impact payoffs, while maintaining the capacity and readiness to respond to emerging and pressing problems. We are very encouraged that Congress rejected the Administration's 2019 proposal to cut ARS research programs and eliminate 20 ARS laboratories and facilities, instead providing a topline increase for the Agency. ARS also plays a critical role in partnering with the university community and industry to advance science and address emerging issues, and we thank the subcommittee for investing in ARS buildings and facilities infrastructure needs this past fiscal year.

  As you consider the future needs for ARS, we emphasize that the funding increase provided in FY 2019 brings the agency's budget slightly above the FY 2010 funding level when adjusted for inflation. Therefore, we recommend $1.821 billion for FY 2020, which would provide an increase of

$84 million or 5 percent to support all four national program areas, including animal production and protection, and include funding for standup activities of the new National Bio and Agro-Defense Facility (NBAF). AAC urges ARS to concentrate on strengthening food security through feed efficiency, energetic efficiency, reproduction; One Health including new approaches to development of a vaccine bank/stockpile for Foot and Mouth Disease (FMD), African Swine Fever (ASF), and Avian Influenza (AI); research on novel technologies to detect, manage and eliminate foreign livestock pests and other devastating animal diseases, understanding and controlling zoonoses with an emphasis on food safety and improving animal health through feed; stewardship with a focus on flow of nutrients and other potential pollutants from animal production systems; estimation and reduction of greenhouse gas production; and impacts of housing systems on animal well-being.

Amplifying USDA's research on these animal diseases will improve animal health and welfare, help protect the U.S. food animal-producing industries from economic harm, and protect U.S. consumers from contamination of the domestic food supply. Specifically, AAC wants to see USDA's research enterprise make progress in the following areas:

- **Highly Pathogenic Avian Influenza (HPAI):** There are currently 4 commercially available vaccines for AI licensed in the US but there are several problems associated with their use. They are primarily in injectable form which makes their utilization in the face of a major disease outbreak labor and cost intensive. Additionally, their use must be approved by the USDA and state veterinarian because vaccination can have negative trade implications. Vaccinated animals cannot be differentiated from naturally infected animals. Importing countries view the presence of antibody as evidence of prior or active infection. Additional funding to further develop both the differentiation of infected and vaccinated animals (DIVA) vaccination strategy for AI as well as continued research into the development of an effective vaccine against avian influenza that can be administered via aerosol or water would greatly benefit the United States and its poultry industry.

- **Foot and Mouth Disease (FMD):** USDA is urged to redouble investment in the development of a universal vaccine for FMD as well as biotherapeutic countermeasures that will provide immunity. There are seven different types of FMD viruses and more than 60 subtypes, so vaccines must be highly specific, matched to the type and subtype present in an outbreak, to protect animals against developing clinical signs of disease. Resources need to be devoted to investigating ways to differentiate between vaccinated and infected animals. Current diagnostic testing methods are only validated for single sample/single animal testing. To have any hope of responding to an outbreak, pooled sample/multi-animal diagnostic tests must be developed and validated.

- **African Swine Fever (ASF):** There is no treatment for ASF, and all attempts to develop a vaccine have so far been unsuccessful. Prevention depends on ensuring that neither infected live pigs nor pig meat products are introduced into areas free of ASF. All successful eradication programs have involved the rapid diagnosis, slaughter, and disposal of all animals on infected premises. Introduction of this disease into the United States would have a devastating effect on the American swine industry. USDA has developed surveillance programs for the early detection of

FMD and ASF. These programs are awaiting validation in order to be approved for deployment to the veterinary diagnostic laboratories. In addition, the current sample types (oral swabs for FMD and whole blood for ASF) are not routinely included in most swine diagnostic samples submitted to the veterinary diagnostic laboratories. Additional sample types (such as oral fluids or tonsil) need to be developed and validated. The funding necessary to support surveillance enhancement, validation and implementation need to be prioritized.

- **Cattle Fever Tick (CFT) and Bovine Babesiosis:** B*abesia* are emerging health threats to both animals and humans in the U.S. Accelerated research at USDA is needed to prevent catastrophic economic losses due to cattle fever tick (CFT) and bovine babesiosis. Additionally, there are impacts from human babesiosis due to cattle-associated *Babesia divergens* and *Babesia divergens*-like organisms which has led to an increase in the number of cases of human babesiosis over the past 25 years. Research on novel technologies to manage and eliminate foreign livestock pests and tick-borne diseases from south Texas is needed to protect the U.S. cattle industry from suffering losses similar to those faced by Brazil ($3 billion) and Mexico ($573 million). Movement of CFT infested wildlife (i.e., white-tailed deer and nilgai across the Mexican border) exacerbates our need to protect the U.S. cattle industry and human health. At present, Texas is issuing temporary preventive quarantines on multiple premises in the CFT-free zone of the U.S.; however, that is not a permanent solution. We need methods for integrated eradication to control and eliminate CFT outbreaks involving wildlife, expedited area-wide tests of innovative technologies to control CFT infestation, and to adapt protocols for research in wildlife. Technology innovation involves anti-tick vaccines; longer-acting acaricide formulations; safer acaricides; alternative acaricide delivery systems; tick growth regulators; acaropathogenic fungi and nematodes; remote surveillance and delivery systems; and algorithms to assess return on investment for the implementation of adaptive area-wide integrated CFT eradication protocols. Resistance to acaricides commonly used to prevent/treat CFT infestation renders those treatments ineffective, and drugs to prevent bovine babesiosis are not approved for use in the U.S. Funding is needed to research new methods to prevent further spread of CFT and to mitigate the risk for the re-emergence of bovine babesiosis.

Food and Drug Administration (FDA)

- AAC requests $198,314 million for the **FDA's Center for Veterinary Medicine (CVM)**, which oversees the safety of animal drugs, feeds and biotechnology-derived products. We request that the new user fees established by the Animal Drug User Fee Act (ADUFA) of $30,524 million be included in the appropriations bill. ADUFA established a system of performance standards and user fees to improve the new animal drug review process at CVM. Predictability of the review process has improved as CVM has met the agreed-upon performance standards. To maintain this success, we request that the fees be integrated into this year's appropriation bill. The appropriation is entirely budget neutral as the money will be provided by the animal health companies. Within this total request, we support the President's request to hire additional staff within the Center for Veterinary Medicine's Division of Animal Feeds for the animal feed ingredient review teams and request $6 million for such new hires.

- AAC requests a $5 million increase for the **National Antimicrobial Resistance Monitoring System (NARMS)**. NARMS serves as a source of data for the approval of new animal antibiotics and for the post-approval safety monitoring of these compounds. NARMS assesses the risks associated with new drugs and monitors the continued safe use of older agents. Established in 1996, NARMS tracks antibiotic resistance in foodborne bacteria from humans, retail meats, and food animals. AAC also supports efforts to advance the protection of human and animal health through integrated monitoring of antimicrobial resistance within the FDA food safety program. We lend our support to developing scientifically valid methods to better understand antimicrobial drug use practices in animals and the public health impacts of resistant bacteria.

USDA Workforce

AAC is grateful for the funding provided in FY 2018 to address persistent vacancy rates among public health veterinarians (PHVs) within the Food Safety and Inspection Service (FSIS) through enhanced recruitment and retention efforts. PHVs are critical to ensuring the food safety mission of FSIS and we remain concerned that there continues to be persistent high levels of vacancies within FSIS. AAC urges Congress to provide continued funds for these critical recruitment and retention efforts and urges the subcommittee to require the FSIS to issue a report on the use of the funding provided to-date, actions taken to resolve these chronic and perpetual workforce issues, and the future needs.

Beyond FSIS, the AAC is concerned about vacancy rates and looming retirements within USDA more broadly. For example, APHIS Veterinary Services (VS) workforce numbers have been declining over the last several years because of retirements and funding decreases. In order for APHIS to maintain its quick footed and aggressive approach in preventing disease entry and combating endemic animal diseases, attention must be paid to workforce needs, especially the field workforce. Underscoring this point, the current outbreak of virulent Newcastle Disease (vND) in poultry has pulled veterinarians and animal health technicians away from other critical work to fight this devastating and costly foreign disease. Importantly, the emergency funds given to VS to fight this outbreak can only be used for this effort and do not help to build the workforce back to the level required to prevent diseases from entering the country.

The USDA workforce is absolutely critical to ensuring the success of the aforementioned programs, and we appreciate your attention to these concerns.

Conclusion

AAC asks that you give our requests careful consideration as you set out to fund the nation's agricultural policy priorities in FY 2020. We realize the difficulty of your task but know that increased investment in the outlined programs will prove to be a wise decision now and for the future. AAC stands ready to work with you and your staff to expeditiously pass the agriculture appropriations bill. Thank you for your consideration; if you would like to discuss the AAC's recommendations further, please contact Dr. Lauren Stump, AAC Vice Chair, at lstump@avma.org or Dr. Elizabeth Wagstrom, AAC Chair, at wagstromL@nppc.org.

On behalf of:

AAC Commodity Members
American Dairy Goat Association
American Goat Federation
American Horse Council
American Rabbit Breeders Association
American Sheep Industry Association
American Veal Association
National Livestock Producers Association
National Milk Producers Federation
National Pork Board
National Pork Producers Council
National Turkey Federation
North American Meat Institute
R-CALF United Stockgrowers of America
United Egg Producers
U.S. Poultry & Egg Association
Western United Dairymen

AAC Allied Animal Agriculture Members
American Association of Avian Pathologists
American Association of Bovine Practitioners
American Association of Mycobacterial Diseases
American Association of Small Ruminant Practitioners
American Association of Swine Veterinarians
American Association of Veterinary Laboratory Diagnosticians
American Dairy Science Association
American Farm Bureau Federation
American Feed Industry Association
American Society of Animal Science
American Veterinary Medical Association
Animal Health Institute
Association of American Veterinary Medical Colleges
Association of Veterinary Biologics Companies
Biotechnology Innovation Organization
Council for Agricultural Science and Technology
FASS
Livestock Exporters Association of the USA
Livestock Marketing Association
Mycobacterial Diseases of Animals Multistate Initiative
National Aquaculture Association
National Association for the Advancement of Animal Science
National Association of Animal Breeders
National Association of Federal Veterinarians
National Association of Public Health Veterinarians
National Association of State Departments of Agriculture
National Dairy Herd Improvement Association
National Farmers Union
National Grain and Feed Association
National Institute for Animal Agriculture
National Renderers Association
Poultry Science Association
U.S. Animal Health Association