

NEWS RELEASE

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Midwest Food Processors, Coalition Oppose Food Processing Fees

The Midwest Food Processors Association (MWFPA) along with a coalition of more than 60 food industry groups sent an open letter to congressional leaders urging that any additional United States Food and Drug Administration (FDA) funding to support the Food Safety Modernization Act (FSMA) come from the regular Congressional budget rather than from new user fees on the industry.

The coalition, led by the American Frozen Food Institute, says in its February 23 letter that the Obama Administration's fiscal 2017 budget for the FDA again includes a proposal to impose a "food facility registration and inspection fee" to fund activities related to the FSMA – but that, as in several prior years, Congress rejected such fees.

The letter states, "As consumers continue to cope with a period of prolonged economic recovery and food makers and retailers struggle with fluctuating commodity prices, the creation of new food taxes or regulatory fees would mean higher costs for food makers and lead to higher retail food prices for consumers."

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The budget plan seeks to collect \$61.3 million from a food facility and inspection fee in addition to \$105.3 million from a food import fee to help FDA fund activities related to FSMA.

The letter was sent to House Appropriations Committee Chairman Hal Rogers, a Kentucky Republican, and Senator Thad Cochran, a Republican from Mississippi who chairs the Senate Committee on Appropriations, among others. The American Meat Institute, the Snack Food Association, the Juice Products Association, and the American Frozen Food Institute were among the groups that cosigned the letter.

FDA's budget request for the last five years recommended raising revenue from new facility registration fees. Congress rejected those proposals and it considered and failed to adopt food facility registration fees during its consideration and passage of FSMA in 2011.

"In fact, F.D.A.'s budget request for FY 2016, FY 2015, FY 2014, FY 2013 and FY 2012 recommended raising substantial new revenue from new facility registration fees to help fund the agency's food safety activities," the letter stated. "Congress rejected those proposals. Congress also considered and failed to adopt food facility registration fees during its consideration and passage of FSMA in 2011."

The signatories affirmed maintaining the safety of the foods they produce and sell is the highest priority of food makers and retailers and should be considered a national priority.

According to MWFPA President Nick George, "Funding FSMA implementation requires more resources, and we believe Congress must make food safety a priority by providing those additional resources."

In addition to MWFPA, groups signing on to the letter include: Agribusiness Council of Indiana, American Bakers Association, American Council of Independent Laboratories, American Dairy Products Institute, American Farm Bureau Federation, American Feed Industry Association, American Frozen Food Institute, American Fruit and Vegetable Processors and Growers Coalition, American Spice Trade Association, Association for Dressings & Sauces, Association of California Egg Farmers, California Grain and Feed Association, California League of Food Processors, California Seed Association, California Warehouse Association, Canned Food Alliance, Cheese Importers Association of America, Corn Refiners Association, Flavor & Extract Manufacturers Association, Florida Feed Association, Inc., Food Marketing Institute, Fresh Produce Association of the Americas, Frozen Potato Products Institute,

Global Cold Chain Alliance, Grain and Feed Association of Illinois, Grocery Manufacturers Association, Independent Bakers Association, Institute of Shortening and Edible Oils, International Association of Refrigerated Warehouses, International Bottled Water Association, Juice Products Association, Michigan Agri-Business Association, Michigan Bean Shippers Association, Minnesota Grain and Feed Association, Montana Feed Association, National Association of Manufacturers, National Association of Margarine Manufacturers, National Automatic Merchandising Association, National Confectioners Association, National Fisheries Institute, National Grain and Feed Association, National Grocers Association, National Pasta Association, National Renderers Association, National Turkey Federation, Nebraska Grain and Feed Association, North American Meat Institute, North Dakota Grain Dealers Association, Northwest Food Processors Association, Ohio AgriBusiness Association, Oklahoma Grain and Feed Association, Pacific Egg and Poultry Association, Peanut and Tree Nut Processors Association, Pet Food Institute, Produce Marketing Association, Shelf-Stable Food Processors Association, Snack Food Association, United Dairymen of Arizona, United Egg Producers, United Fresh Produce Association, The Vinegar Institute, West Coast Seafood Processors Association, Wisconsin Agri-Business Association