

**Coburn Amendment 1006 - Retains funding for the Specialty Crop Block Grant program at the current spending level while prioritizing food projects related to safety and access to affordable foods for low income families and school children.**

The Specialty Crop Block Grant program (SCBGP) receives mandatory funding from USDA's Commodity Credit Corporation (CCC), "available without an annual (or discretionary) appropriation."<sup>1</sup> The program was created in 2004 to provide grants to states to specifically support specialty crops, which are defined as "fruits and vegetables, tree nuts, dried fruits and horticulture and nursery crops, including floriculture."<sup>2</sup>

Spending on the program has grown from \$10 million in Fiscal Year (FY) 2008 to \$55 million in 2012. The farm bill (S. 954) increases this funding to \$70 million "for fiscal year 2014 and each fiscal year thereafter."

In order to ensure the truly essential roles of government, such as food safety, are not comprised during this era of sequestration, Washington must set priorities and learn to do more with less. Increasing funding for the Specialty Crop Block Grant Program as proposed, therefore, is not fiscally realistic. However, by setting priorities for this and other programs, it is possible to do more with less, which is what this amendment aims to assist USDA do.

This amendment would retain funding for the Specialty Crop Block Grant at \$55 million and prioritize food safety and access to affordable nutritious foods for school children and low income families.

**The Amendment Saves \$75 Million Over Five Years Without Reducing Current Spending Levels**

This amendment freezes spending for the Specialty Crop Block Grant at \$55 million rather than the increase to \$70 million authorized by the bill.

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<sup>1</sup> "Fruit and Vegetable Programs; Specialty Crop Block Grant Program; Fiscal Year 2012 Description of Funded Projects," USDA Agricultural Marketing Service website, accessed May 17, 2013; <http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5100734> .

<sup>2</sup> "USDA Definition of Specialty Crop," USDA website, accessed May 20, 2013; <http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5082113> .

This would save \$25 million over the next five years which will enable USDA to better live within the constraints of sequestration and ensure appropriate resources for food safety and other higher priority responsibilities.

### **The Amendment Prioritizes Food Safety and Access to Affordable Foods for School Children and Low Income Families**

About one-third of the projects funded by the Specialty Crop Block Grant program last year were marketing and promotion. Less than ten percent were for production of crops and even less were related to the health of plants and crops.<sup>3</sup>

The promotional projects supported by the program have varied:

- Michigan, for example, spent SCBGP funds on a campaign to promote “the emotional benefits of real flowers and plants in the home.”<sup>4</sup>
- Louisiana spent grant funds for a float that travels to fairs and festivals to encourage people to eat more fruits and vegetables.<sup>5</sup>
- The Oregon Wine Consortium received funds to pay for wine tastings and receptions in China and Taiwan.<sup>6</sup>
- In Washington state, the Pear Bureau Northwest received \$7,500 “to produce a series of short videos showcasing pear growers” from the

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<sup>3</sup> “Fruit and Vegetable Programs; Specialty Crop Block Grant Program; Fiscal Year 2012 Description of Funded Projects,” USDA Agricultural Marketing Service website, accessed May 17, 2013; <http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5100734> .

<sup>4</sup> Rosemary Parker, “Federal grant to promote Michigan's live Christmas trees, poinsettias, among \$1.3 million awarded to state agricultural projects,” Kalamazoo Gazette, October 11, 2011; [http://www.mlive.com/business/west-michigan/index.ssf/2011/10/federal\\_grant\\_to\\_promote\\_michi.html](http://www.mlive.com/business/west-michigan/index.ssf/2011/10/federal_grant_to_promote_michi.html) .

<sup>5</sup> “Rolling billboard promotes Louisiana produce,” KATC Lafayette News (Louisiana), October 19, 2011; <http://www.katc.com/news/rolling-billboard-promotes-louisiana-produce/> .

<sup>6</sup> “Fruit and Vegetable Programs Specialty Crop Block Grant Program; Fiscal Year 2008 Farm Bill Description of Funded Projects,” USDA Agricultural Marketing Service website, accessed May 17, 2013; <http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5072701> .

state<sup>7</sup> and the Washington Wine Commission received \$75,000 to promote state wines in Mexico and India.<sup>8</sup>

This amendment would re-prioritize the program to emphasize production, access, and safety of specialty crops.

Specifically the amendment would require that no less than 80 percent of the total funding appropriated for the special crop block grant program in a year be spent on the following—

- Increasing access, availability and affordability of specialty crops for children, youth, families and others at risk, including but not limited to providing specialty crops for meals served in schools and food banks;
- Ensuring food safety;
- Protecting crops from plant pests and disease;
- Producing specialty crops.

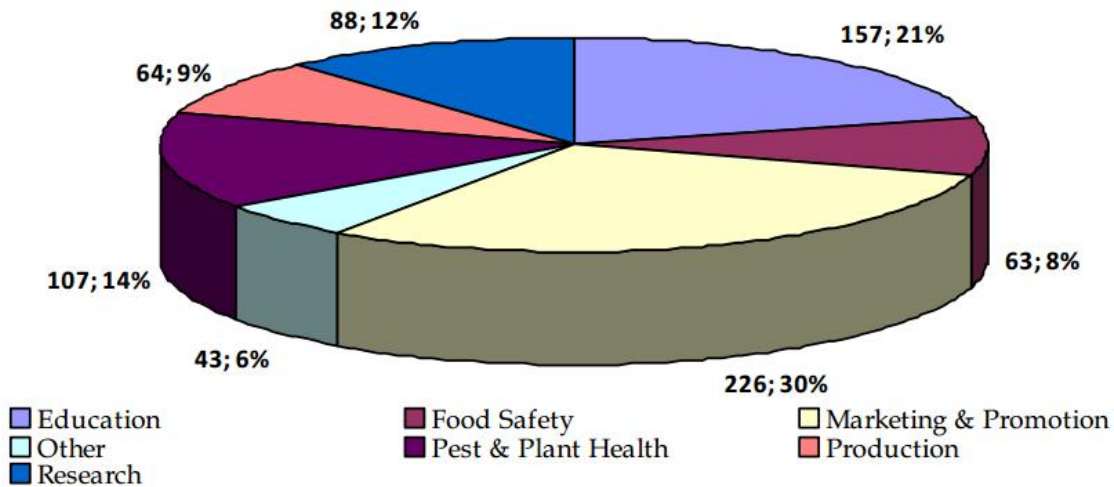
Funds could still be spent on marketing, promotion and other activities but not at the expense of protecting crops and consumers.

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<sup>7</sup> “Local agricultural organizations receive \$324,000 in federal grants,” Yakima Herald-Republic (Washington), October 3, 2008; <http://www.yakima-herald.com/stories/2008/10/02/local-agricultural-organizations-receive-324-000-in-federal-grants> .

<sup>8</sup> “\$2.6 million in federal grants will promote Washington agriculture,” Washington State Department of Agriculture, October 15, 2009; <http://agr.wa.gov/News/2009/09-34.aspx> .

## 2012 Project Types



About one-third of the projects funded by the Specialty Crop Block Grant program last year were marketing and promotion. Less than ten percent of funded projects were for production of crops and even less were related to the health of plants and crops.<sup>9</sup>

### This Amendment Cuts Wasteful, Unnecessary and Questionable Spending

The Specialty Crop Block Grant program has funded a number of questionable, unnecessary and wasteful projects over the years. These have included:

- The Alabama Watermelon Association spent part of a \$25,000 SCBGP grant to send the state’s Watermelon Queen on a promotional tour.<sup>10</sup>
- The Hawaii Chocolate Association received SCBGP funds to support the annual Hawai’i Chocolate Festival the past two years.<sup>11 12</sup>

<sup>9</sup> “Fruit and Vegetable Programs; Specialty Crop Block Grant Program; Fiscal Year 2012 Description of Funded Projects,” USDA Agricultural Marketing Service website, accessed May 17, 2013; <http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5100734> .

<sup>10</sup> “Fruit and Vegetable Programs; Specialty Crop Block Grant Program; Fiscal Year 2012 Description of Funded Projects,” USDA Agricultural Marketing Service website, accessed May 17, 2013; <http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5100734> .

- In Georgia, \$20,000 of SCBGP funds paid for the “retrofit and renovation” of the Vidalia Onion Museum<sup>13</sup> and “to create the Vidalia onion story.”<sup>14</sup> Another \$10,000 paid for renovations of the Official Vidalia Onion Website ([www.VidaliaOnion.org](http://www.VidaliaOnion.org)).<sup>15</sup> The program also paid for a Vidalia Onion Jingle Contest.<sup>16</sup>
- The Alaska Chip Company is spending SCBGP funds to compare various Alaska Grown potato products.<sup>17</sup> According to the company’s website, it produces both popcorn and potato chips, including Grizzly Chips and Volcano Chips (“Hot chips from a cool state.”).<sup>18</sup>
- The Oregon Potato Commission has received funding to promote potato chips grown in the state including an executive chef who did demonstrations in potato dish presentations.<sup>19</sup>
- A grant from the program paid for a two week Asian excursion for representatives from the Washington and Oregon departments of agriculture as well as the states’ potato commissions. The group visited Singapore, Vietnam, Macau and Hong Kong to promote potatoes as well as tree fruit and wine.<sup>20</sup>

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<sup>11</sup> “Fruit and Vegetable Programs; Specialty Crop Block Grant Program; Fiscal Year 2011 Description of Funded Projects,” USDA Agricultural Marketing Service website, accessed May 17, 2013; <http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5093992> .

<sup>12</sup> “Fruit and Vegetable Programs; Specialty Crop Block Grant Program; Fiscal Year 2012 Description of Funded Projects,” USDA Agricultural Marketing Service website, accessed May 17, 2013; <http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5100734> .

<sup>13</sup> “Vidalia lands grant to promote onions,” WTOC 11 (Savannah, Georgia), December 10, 2009; <http://www.wtoctv.com/Global/story.asp?S=11658506> .

<sup>14</sup> <http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5080060> .

<sup>15</sup> “Vidalia lands grant to promote onions,” WTOC 11 (Savannah, Georgia), December 10, 2009; <http://www.wtoctv.com/Global/story.asp?S=11658506> .

<sup>16</sup> “Fruit and Vegetable Programs; Specialty Crop Block Grant Program; Fiscal Year 2011 Description of Funded Projects,” USDA Agricultural Marketing Service website, accessed May 17, 2011; <http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5093992> .

<sup>17</sup> “Fruit and Vegetable Programs; Specialty Crop Block Grant Program; Fiscal Year 2012 Description of Funded Projects,” USDA Agricultural Marketing Service website, accessed May 17, 2013; <http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5100734> .

<sup>18</sup> Alaska Chip Company website, accessed May 20, 2013; [http://www.akchip.com/our\\_chips.html](http://www.akchip.com/our_chips.html) .

<sup>19</sup> “Fruit and Vegetable Programs Specialty Crop Block Grant Program; Fiscal Year 2008 Farm Bill Description of Funded Projects,” USDA Agricultural Marketing Service website, accessed May 17, 2013; <http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5072701> .

<sup>20</sup> Steve Brown, “Northwest trade mission to push potatoes in Asia; State officials to visit Singapore, Vietnam, Chinese cities,” Capital Press, October 27, 2011; <http://www.capitalpress.com/oregon/SB-Asia-trip-102811> .

- The Delaware Christmas Tree Growers' Association received support "to promote the marketing of Christmas trees" and to "educate the general public on the environmental and societal benefits of growing Christmas Trees."<sup>21</sup> The Christmas Tree Associations of Georgia, Michigan, North Carolina, Tennessee, New Hampshire-Vermont, and Virginia also received grants last year to promote Christmas trees.<sup>22</sup> According to the National Christmas Tree Association, Americans purchased nearly 31 million "farm-grown Christmas trees" in 2011, amounting to a retail value of \$1.07 billion.<sup>23</sup>
- The Massachusetts Farm Winery Growers Association is developing an interactive wine trail app for smart phones with the support of SCBGP funds. Wine trails in other states, including Iowa, Oklahoma, and Tennessee, also received grants from the program.<sup>24</sup> Grants in the past have paid "to map potential vineyard sites via satellite" in Virginia and "improve highway access to vineyards in Colorado."<sup>25</sup>
- The Washington Apple Commission spent about \$193,000 of SCBGP funds to conduct seminars on the proper merchandizing of Washington apples and other products in China, Russia, and other nations.<sup>26</sup>
- The Florida Nursery, Growers and Landscape Association spent SCBGP funds to partner with Walt Disney World for the Annual Floriculture Field Days and Performance Trials.<sup>27</sup>

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<sup>21</sup> "Fruit and Vegetable Programs; Specialty Crop Block Grant Program; Fiscal Year 2012 Description of Funded Projects," USDA Agricultural Marketing Service website, accessed May 17, 2013;

<http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5100734> .

<sup>22</sup> "Fruit and Vegetable Programs; Specialty Crop Block Grant Program; Fiscal Year 2012 Description of Funded Projects," USDA Agricultural Marketing Service website, accessed May 17, 2013;

<http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5100734> .

<sup>23</sup> "Consumer Survey Results," National Christmas Tree Association website, accessed May 20, 2013;

<http://www.christmastree.org/dnn/NewsMedia/IndustryStatistics/ConsumerSurvey.aspx> .

<sup>24</sup> "Consumer Survey Results," National Christmas Tree Association website, accessed May 20, 2013;

<http://www.christmastree.org/dnn/NewsMedia/IndustryStatistics/ConsumerSurvey.aspx> .

<sup>25</sup> Keith F. Girard, "States Pour Government Money into Wine; Though vineyard profits are scarce, most states see wineries as good tourism investments, so all 50 fund them," Bloomberg Businessweek, October 21, 2010;

[http://www.businessweek.com/smallbiz/content/oct2010/sb20101020\\_349721.htm](http://www.businessweek.com/smallbiz/content/oct2010/sb20101020_349721.htm) .

<sup>26</sup> Rochelle Feil Adamowsky, "Ag agencies receive almost \$400,000 in grants," The Wenatchee World (Washington), November 7, 2009; <http://www.wenatchee-world.com/news/2009/nov/07/ag-agencies-receive-almost-400000-in-grants/> .

<sup>27</sup> "Fruit and Vegetable Programs; Specialty Crop Block Grant Program; Fiscal Year 2012 Description of Funded Projects," USDA Agricultural Marketing Service website, accessed May 17, 2013;

<http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5100734> .

This amendment would prohibit Specialty Crop Block Grant program funds from being spent:

- To produce, purchase, promote or market junk food or candy, including potato chips and chocolate;
- For sponsorship or attendance of field days at amusement parks or festivals;
- To support pageants or tours by pageant winners; or
- To promote, produce or otherwise support products that are ornamental in nature.

This will ensure more funds for the production, protection, and availability of crops.

### **Three States Reap Most of the Spending for the Specialty Crops Block Grant Program**

As designed, three states receive the bulk of SCBGP funding. California, Florida, and Washington have received “nearly one-half of all available funds” allocated to date.<sup>28</sup>

Most states receive less than \$1 million.<sup>29</sup>

The formula for the funding is based upon a “state's share of the total value of U.S. specialty crop production.”<sup>30</sup>

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<sup>28</sup> “Fruit and Vegetable Programs; Specialty Crop Block Grant Program; Fiscal Year 2012 Description of Funded Projects,” USDA Agricultural Marketing Service website, accessed May 17, 2013; <http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5100734> .

<sup>29</sup> “Fruit and Vegetable Programs; Specialty Crop Block Grant Program; Fiscal Year 2012 Description of Funded Projects,” USDA Agricultural Marketing Service website, accessed May 17, 2013; <http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5100734> .

<sup>30</sup> “Fruit and Vegetable Programs; Specialty Crop Block Grant Program; Fiscal Year 2012 Description of Funded Projects,” USDA Agricultural Marketing Service website, accessed May 17, 2013; <http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5100734> .

## **The Specialty Crop Block Grant Program Duplicates Other USDA Programs**

The Specialty Crop Block Grant Program provided funding for a number of purposes including marketing and promotion, pest and plant life, research, education, food safety, production, and other projects.<sup>31</sup>

There are a number of other USDA programs that provide assistance for these same purposes including the Market Access Program (MAP) which provides “producers, exporters, private companies, and other trade organizations finance promotional activities for U.S. agricultural products”<sup>32</sup> and Value-Added Producer Grants (VAPG) that assists “agricultural producers enter into value-added activities related to the processing and/or marketing of bio-based value-added products” with the goal of “generating new products, creating and expanding marketing opportunities, and increasing producer income.”<sup>33</sup>

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<sup>31</sup> “Fruit and Vegetable Programs; Specialty Crop Block Grant Program; Fiscal Year 2012 Description of Funded Projects,” USDA Agricultural Marketing Service website, accessed May 17, 2013; <http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5100734> .

<sup>32</sup> “Market Access Program (MAP),” U.S. Department of Agriculture Foreign Agricultural Service website, accessed May 20, 2013; <http://www.fas.usda.gov/mos/programs/map.asp> .

<sup>33</sup> “Value-Added Producer Grants (VAPG),” U.S. Department of Agriculture Rural Development website, accessed May 20, 2013; [http://www.rurdev.usda.gov/BCP\\_VAPG.html](http://www.rurdev.usda.gov/BCP_VAPG.html) .





**The Specialty Crop Grant Block Grant Program has funded the Vidalia Onion Museum as well as a Vidalia Onion Jingle Contest.**



**The Hawaii Chocolate Association received SCBGP funds to support the annual Hawai'i Chocolate Festival the past two years.**



**The Alabama Watermelon Queen's promotional tour was paid for in part with \$25,000 from the Specialty Crop Block Grant Program.**



**Public education about the “environmental and societal benefits” of Christmas trees is just one of the many Christmas tree related projects funded by the Specialty Crop Grant Block Grant Program. According to the National Christmas Tree Association, Americans purchased nearly 31 million Christmas trees in 2011 for a retail value exceeding \$1 billion, bringing into question why taxpayers should be asked to fund the lucrative industry’s public marketing campaigns.**