

**A.G. Kawamura**  
**Committee on Government Reform**  
**Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs**  
**December 12, 2003 10:00 a.m**  
**Steinbeck Center, Salinas California**

Good morning ladies and gentlemen, my name is A.G. Kawamura and I stand before you as the newly appointed Secretary of the California Department of Food and Agriculture as well as a third generation farmer. Mr. Chairman, thank you for the opportunity to testify on “Problems Facing the Specialty Crop Industry.” I want to commend you for holding this timely hearing.

An abundant, affordable supply of highly nutritious food is critically important to the health and well being of all Americans, especially our children. Research has shown that increased consumption of specialty crops provides tremendous health benefits to consumers. The California Department of Food and Agriculture is committed to working with Congress to ensure that agriculture policies promote the ability of growers to continue providing consumers with a wide variety of nutritious specialty crops at affordable prices.

Specialty crop growers in California, and throughout the nation, face many challenges as they attempt to remain competitive in global markets. I believe there are a number of federal policy changes that are needed to accomplish the compatible goals of achieving a healthy diet for the American public and increasing the competitiveness of specialty crop producers. These changes are contained in the Specialty Crop Competitiveness Act of 2003 (H.R. 3242), which you, Mr. Chairman introduced in Congress recently along with Congressman Dooley. I support this legislation as not only a means to address sanitary and phytosanitary issues facing farmers but also a way to address nutritional challenges facing an increasingly obese society.

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Sound strategies for promoting nutritious specialty crops as part of a balanced diet are a wise investment in the future of America. By increasing the consumption of specialty crops, we will not only boost economic productivity, but we also will reduce health care costs related to obesity and many other problems associated with a poor diet. A recent study by USDA's Economic Research Service estimated that healthier diets could save billions per year in medical costs and lost productivity, and lead to a reduction of premature deaths associated with coronary heart disease, cancer, stroke, hypertension, obesity and osteoporosis. Also, a study in the journal *Health Affairs* estimated that medical spending on problems linked to excessive body weight and obesity totaled \$92.6 billion in 1998, or 9.1 percent of the nation's medical expenditures in that year. These figures clearly illustrate that increasing the consumption of specialty crops is a win-win outcome for all by improving the economic stability of specialty crop growers and providing a nutritional diet for the American public.

### **Specialty Crop Grant Program**

We took a small step in the right direction in 2001, when Congress enacted a Specialty Crop Block Grant program as part of agricultural "Market Loss Assistance" legislation. The block grant program has been extremely successful in providing states with funding needed for investment in research and other activities intended to increase the consumption of specialty crops and allow growers to become more efficient and competitive.

With block grant funds, California created the Buy California Initiative, and awarded 97 grants to various government entities, non-profit and for-profit organizations. The goal of the initiative was to boost consumption of California's agricultural commodities and raise awareness of California's agricultural heritage, as well as provide growers of specialty crops new tools to improve their work through research, food safety, and educational programs. The following are

some highlights of the Buy California Initiative:

**Linking Education, Activity and Food (LEAF) Program -Grant Amount \$4,000,000**

LEAF received \$4 million to incorporate 12 pilot projects in various school districts for physical activities, as well as improved student nutrition based on fruit and vegetable consumption. The pilot projects include changing school cafeteria facilities, creating a healthier eating environment for students. It also provides funds for implementation of school salad bars, healthy beverage outlets and breakfast buffets, all of which incorporate the value of nutrition.

**Western United Dairymen –Grant Amount \$100,000**

We awarded \$100,000 to Western United Dairymen to place milk vending machines in 16 Central Valley high schools. Since the program's start in September of this year, 28,282 chugs of milk have been sold through the vending machines, attaining the program's goal of increasing nutrition among high school students and benefiting California's dairy industry. One of the participating schools has decreased the servings of soft drinks and is urging the district to cease contract agreements with soft drink companies.

**California State University, Fresno Foundation - Grant Amount \$280,000**

We awarded \$280,000 to the California State University, Fresno Foundation, which has provided an aggressive public education campaign on motor vehicle safety targeting the Spanish-speaking farm employee population in Fresno and Tulare counties. A total of 131 radio and television mentions, two health fair booths, two live talk shows, and over 15,000 educational promotional materials have been distributed to convey the message of the importance of farm employee motor vehicle safety.

### **Community Alliance with Family Farmers (CAFF ) - Grant Amount \$100,000**

CAFF received \$100,000 to perform research and develop and implement farm-to-school programs into elementary schools in Ventura, Sonoma, and Yolo county school districts. CAFF is linking these school districts with local farmers to purchase their produce and incorporate their commodities in the elementary school lunch programs. In addition to teaching students the importance of healthy nutrition, local farmers are also reaping the benefits through increased consumption and sales.

### **California Association of Winegrape Growers - Grant Amount \$46,000**

The California Winegrape Growers Foundation was awarded \$46,000 to publish a California Vineyards and Wildlife Habitat publication that highlights successful sustainable farming practices and addresses viticulture and wildlife needs. This publication features a variety of practices and partnerships to illustrate how winegrowers can farm in harmony with the environment.

### **California Agriculture Emergency Response Team (CAERT) – Grant Amount \$2,000,000**

The California Agriculture Emergency Response Team was awarded \$2 million to centralize the department's effort to support all emergency responses pertaining to food safety, pest and disease prevention. CAERT is currently working with the Office of Emergency Services (OES) to develop operating procedures, as well as training and exercise programs to enable an efficient CDFA emergency response team.

These examples of innovative programs funded by the Buy California Initiative show the importance of these funds to not only specialty crop growers, but students, consumers and

California's economy.

## **H.R. 3242**

Title I of H.R. 3242 continues a block grant program similar to the one enacted by Congress in 2001. This will enable state agriculture departments to expand upon these successful programs that will boost specialty crop consumption and invest in research that will enhance the competitiveness of U.S. specialty crop growers in the global marketplace.

The Specialty Crop Competitiveness Act of 2003 provides \$470 million annually for five years, making block grants to the agriculture departments of the 50 states to support production-related research, commodity promotion, food safety and inspection, and other programs that enhance the competitiveness of specialty crop producers. Each state shall receive a minimum of \$2 million for five years. The grant allocations shall be made in an amount that represents the proportion of the value of specialty crop production in a given state in relation to the national value of specialty crop production for the previous calendar year. The state agriculture departments shall have discretion as to how these funds are allocated, provided that they are distributed in a manner that reflects the diversity of specialty crop production in the state. The funds shall not be used to provide direct market loss assistance or other direct payments to producers and cannot supplant existing program funds. To meet their competitiveness objectives, the specialty crop block grant beneficiaries are encouraged to match block grant funds with other private funds.

## **School Garden Program**

The bill also supports the broadening of an already successful school garden program at

both the state and local level. These programs are educating school children about the important health benefits of including nutritious specialty crops in a balanced diet. School garden programs benefit both growers and consumers by boosting consumption of specialty crops, and are especially important to children across the nation.

H.R. 3242 will expand this successful concept by authorizing funding of \$15 million for a pilot school garden program to be implemented in five states. The bill also provides the Secretary of Agriculture with the authority to expand the program to additional states, and requires that the Secretary consult with the state departments of agriculture on implementation of the program.

### **Pest Exclusion**

Another major challenge growers face today is an increase in invasive pests, diseases and other biological pollution. As a grower, I can tell you the cost of having your crops destroyed by an invasive pest is devastating both economically and environmentally. As the secretary of agriculture for the state I can tell you that CDFA recently eradicated a major infestation of Mexican fruit fly in San Diego costing \$22 million. If this pest would have become established, the added cost of control measures could have exceeded \$124 million a year. Additionally, California recently suffered an outbreak of exotic Newcastle disease in poultry in Southern California. The cost to eradicate this disease in California was \$177 million, with 18,000 properties quarantined and 2,000 government employees working around the clock to prevent the spread of this disease throughout the state and the nation. To this end, the Specialty Crop Competitiveness Act contains a number of provisions to strengthen the efforts of the federal Animal and Plant Health Inspection Service (APHIS), which protects United States growers

from the increasing threat of invasive pests and diseases.

### **International Trade**

Finally, as the former chair of the USDA's Agricultural Technical Advisory Committee, I have gained a great insight on our nation's international trade policies. I believe we need to have a balanced approach to trade policy and we should urge Congress to work with the U.S. Trade Representative to negotiate free trade agreements with countries that have strong demand for specialty crops. This will enable our growers to expand into foreign markets.

These are just a few of the issues that I believe are critically important to both California's specialty crop growers and consumers. I look forward to working with you, Mr. Chairman, and your colleagues in Congress to ensure a competitive specialty crop industry in California and throughout the United States. Thank you.