

California Canning Peach Association



January 5, 2022

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

Re: Public Comment for February 1, 2022 Meeting

Dear Mr. Hughes:

The California Canning Peach Association (CCPA) respectfully submits the following comments in advance of the Fruit and Vegetable Industry Advisory Committee meeting scheduled for February 1, 2022.

CCPA is the nation's oldest farm bargaining cooperative representing our grower-members who produce 75% of the cling peaches sold to California processors who account for the nation's entire domestic canned/plastic peach supply.

We understand that the Committee intends to review and discuss industry recommendations provided by the Produce Marketing Association (PMA) and the United Fresh Produce Association (United Fresh) on October 22, 2021. (As of January 1, 2022, PMA and United Fresh have completed a merger and now operate as the International Fresh Produce Association.) Although the CCPA is supportive of many of the PMA/United Fresh recommendations to the Committee, we would strongly oppose any attempt to weaken the language contained in the Committee's 2019 recommendation to the Secretary regarding the Buy American provision for school food purchases (see attachment). The PMA/United Fresh recommendations refer to potential uncertainty around how USDA may interpret and define exceptions and documentation requirements for schools and express their concerns that "many well-intentioned members of Congress are pushing for even stricter interpretation of Buy American without fully appreciating the consequences of providing students with year-round access to a wide variety of fresh fruits and vegetables." CCPA notes that the renewed focus on Buy American provisions is not confined to well-intentioned members of Congress, one of President Biden's initial actions was to issue his *Ensuring the Future is Made in All of America by All of American Workers* Executive Order on January 25th, 2021 which included a call for review of all agency waivers to Buy American requirements.



Subsequent to President Biden's Executive Order, USDA's Food and Nutrition Service issued a Request for Information regarding Buy American Provisions in the National School Lunch and School Breakfast Program in early August. The Department has received nearly 160 comments in response to this Request for Information. In reviewing all the comments submitted, CCPA representatives observed that comments submitted by United Fresh indicated their support for the purchase of counter-seasonal fresh produce items that are imported by U.S. based companies. United Fresh also states that there are far more U.S. employees working in the fresh produce import business than in domestic adding that exceptions to the Buy American provisions have been an important tool in providing students with a wide variety of fresh fruits and vegetables.

However, the trend toward more foreign sourcing of fruits and vegetables is impacting many U.S. growers. Clearly the Florida fresh tomato industry and the Southeast blueberry industry has faced devastating impacts due to low priced imports of seasonal and perishable fruit. In 1993, the U.S. imported approximately \$1.2 billion of fresh fruits and vegetables from Mexico. By 2019, imports had increased by 1,025 percent to \$13.5 billion. While we acknowledge that any U.S. based company can choose to outsource their farming and packing operations to foreign countries with lower labor costs and less stringent environmental regulations, we do not believe that these outsourcing decisions should be rewarded with taxpayer funded purchases of imported fruits and vegetables that are also grown in the U.S. We believe that any USDA action which results in schools spending additional taxpayer money to purchase foreign sourced food products directly contradicts both the letter and spirit of President Biden's Executive Order.

We appreciate the opportunity to provide these comments in advance of the Committee's upcoming meeting. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Rich Hudgins', with a long horizontal line extending to the right.

Rich Hudgins
President & CEO

cc: Celeste Drake, Office of Management and Budget

USDA Fruit and Vegetable Industry Advisory Committee (FVIAC)

2018-2020 Recommendations

Explanatory Notes

for Labor, Production, and Trade recommendations



TRADE RECOMMENDATIONS *with Explanatory Notes* (pgs. 9-10)

	Explanatory (Background) Statement	Corresponding Recommendation
Buy American	<p>Industry information presented to the Committee provides insight suggesting that significant quantities of imported products are being purchased by schools and being served to our students. It is believed that over 80% of the apple juice served in schools in 2014 and 26 states, including California and Georgia served Chinese canned peaches to their students in some districts. In 2016, a number of schools purchased Egyptian strawberries, which later were subject to a recall due to potential Hepatitis A contamination. Whether it is a problem of enforcement or of education it seems clear that many in charge of school lunch procurement do not have readily available guidance, regulations or information regarding the Buy America requirement (National School Lunch Act) and some schools are not even aware of the requirement. Imported product is exhibited for purchase at School Nutrition Association conferences implying that its use is not only accepted but routine.</p> <p>The 2018 Farm Bill seems to acknowledge the issue and begins a process to address in Sec. 4207 "Buy America Requirements". The language calls for the Department to fully comply with enforcement of the Buy America Act for all school purchases (not just fruits and vegetables) and calls for a report back to Congress.</p> <p>American grown food is produced under the strictest regulations to ensure food safety, reduce environmental impacts, carefully manage pesticide use and conserve our resources. Spending taxpayer dollars to source cheaper food products for our students that are grown and processed under very different standards does not reflect our nation's policy priorities and is extraordinarily discouraging to all of us in the agricultural community who work so hard to comply with our rigorous standards. Schools should not risk the health and safety of our children for the sake of saving a few dollars on their food expenditures. It seems obvious that President Truman had it right over 70 years ago – "In the long view, no nation is healthier than its children, nor more prosperous than its farmers". The best way to ensure that our kids have safe, nutritious food at school is to support U.S. farmers and ranchers.</p>	<p>We recommend the Agriculture Secretary consider meaningful improvements in the guidance for and enforcement of Buy American requirements for school food purchases enhanced by Sec. 4207 of the Agriculture Improvement Act of 2018 – and request the Secretary to keep the Committee advised of his actions on the following:</p> <ol style="list-style-type: none"> 1. Strike the "Significant Cost Differential" language from the Buy American exceptions provided to schools. This exemption is significantly too ambiguous and does not recognize the myriad of fruits and vegetable options that are available should the desired first choice be cost prohibitive. 2. Require public notice when schools elect to purchase foreign sourced food products instead of domestically produced including and require that schools maintain documentation to justify foreign purchase of fruits and vegetables over domestic. For instance; whether alternate supply sources were considered, whether bids were sought at the best time of the year to allow domestic participation, whether substitutions were considered (applesauce instead of peaches, pears instead of mixed fruit cocktail, etcetera). 3. Establish financial or commercial (restrict from supplying schools) penalties for food distributors that misrepresent their food products or who switch foreign sourced products for contracted domestic food products.
Trade Promotion	<p>The alarming trade imbalance between U.S. fruits and vegetables and foreign competition due to myriad challenges is complex and requires multiple approaches to achieving long-term solutions. Erosion of market share, whether in the U.S. or abroad, driven by unfair trading rules and practices, can most effectively be reversed through meaningful reforms that balance trade requirements that foster an equal playing field in combination with robust market promotion that drives sales.</p>	<ol style="list-style-type: none"> 4. We recommend the Agriculture Secretary make the following Committee position known to the President and Congress: The critical importance of ensuring that Export Market Promotion programs continue to be made available to U.S. agriculture to successfully compete against foreign competition in export markets and that the available funding for these programs be increased to offset the imbalance of trade restrictions and impacts of trade disputes.

