



**Animal and Plant  
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# Remarks

**Remarks as Prepared for Administrator Kevin Shea  
National Association of State Departments of Agriculture  
Winter Policy Conference**

WASHINGTON, Feb. 3, 2015—Good afternoon, everyone. Thank you for inviting me to speak to you again this year.

Once more, I have the opportunity to tell you how greatly I value our partnership with all of you. Together, in a year full of unexpected challenges and change, we've helped keep American agriculture healthy and profitable.

Today, I want to hear your perspectives on the work we do with you and learn how we can best cooperate in future.

I'm pleased to have other APHIS officials here with me. They include:

- Associate Administrator Jere Dick;
- John Clifford, Deputy Administrator, and Jack Shere, Associate Deputy Administrator, of our Veterinary Services program;
- Mike Watson, Associate Deputy Administrator for Policy Management of our Plant Protection and Quarantine program;
- Bill Clay, Deputy Administrator of our Wildlife Services program;
- Mike Firko, Deputy Administrator, and Janet Bucknall, Associate Deputy Administrator, of our Biotechnology Regulatory Services program; and
- Hallie Zimmers, our liaison to you all in NASDA, as well as many of our other partners and stakeholders.

I'm very pleased to say we have a full schedule of one-on-one meetings with many of you and appreciate the chance for us to consult together.

As I mentioned last year, we also laid out some specific, top priorities—10, to be exact—that, with your help, we believed we could achieve on behalf of American agriculture. We've made great progress on quite a few of those items—such as moving closer to eradicating European grapevine moth (EGVM) and boll weevil, improving our biotechnology approval processes, and establishing a national feral swine damage management program.

I'm going to talk more about those initiatives and other animal and plant health issues in a few moments. First, though, I'd like to talk with you about the budget outlook for fiscal year (FY) 2015.

## **Budget**

When I spoke to you this time last year, APHIS' relatively bleak budget situation had just started to turn around. I'm pleased to say that trend has continued into this year.

Based on the budget that Congress passed and the President signed in December, APHIS' total funding for FY 2015 is about \$874 million—close to \$50 million more than we received last year.

Although this is good news, the vast majority [\$42.6 million] of this budget increase is an accounting adjustment that reflects changes in how rent is paid for many of our facilities. This is not new money for the Agency that can be used to fund our programs.

In addition, funding shortfalls since 2010 and the effects of sequestration have brought our cumulative losses close to \$450 million to date.

That's a lot of ground to make up. Still, we're moving in a positive direction. We received welcome increases in several priority areas: swine health [\$2 million], citrus health [\$4.5 million], wildlife damage management [\$2.6 million], the National Veterinary Stockpile [\$250,000], and our overseas technical and trade operations [\$2 million].

We're also hiring again, replacing some of the 800 employees we lost in recent years.

## **Animal Health Issues Update**

### ***Avian Influenza***

I'd like to update you on two animal health issues that have us all concerned: outbreaks of highly pathogenic avian influenza (HPAI) in the Pacific Northwest, and swine enteric coronavirus diseases (SECDs).

Until late last year, a combination of vigilance and luck had kept HPAI out of our country's poultry flocks for about a decade—longer, frankly, than we'd anticipated. But in December, it appeared the Pacific Flyway's wild birds had brought the virus to West Coast backyard poultry.

After we got confirmation in December that a strain of HPAI had infected several farms in British Columbia, related strains infected one backyard poultry flock in Oregon, three in Washington State, and one in Idaho.

Unfortunately, in late January we also confirmed the presence of HPAI in a commercial turkey flock in California.

I want to stress that no human cases of the particular H5 avian influenza viruses confirmed in the Pacific Flyway have been detected in the United States, Canada, or internationally. There continues to be no public health concern.

But, because HPAI is so infectious and so deadly to poultry, we teamed immediately with the California Department of Food and Agriculture, which quarantined the facility. We worked together to initiate an incident command response and helped depopulate the flock.

We did the same with State partners in the earlier cases of the backyard poultry flocks in Washington, Oregon, and Idaho that I mentioned. We now have a few additional outbreaks—in a backyard flock and a game bird flock in Washington—and we are dealing with them this way as well.

Through additional surveillance of the Pacific Flyway, we've confirmed the disease in wild birds in Washington, Oregon, California, Utah, and Idaho.

We're reevaluating our needs in light of these developments and will be working closely with Congress to ensure we have the resources we need in our FY 2016 budget.

We are also actively looking for and may well find more cases in wild birds and in backyard flocks with access to the outdoors. But I assure you that the United States has the strongest AI surveillance program in the world, and that, working with partners like you, we'll continue to do everything we can to monitor where HPAI is appearing and stop it from spreading.

### ***Effects on Trade***

Meantime, about 30 countries have imposed restrictions on U.S. poultry exports. Some countries' restrictions are limited to the regions of the States where the outbreaks occurred; other countries such as South Korea, South Africa, and China, have imposed bans on poultry from the entire United States.

In tandem with our trade partners, the industry, trade associations, and other stakeholders, we're working hard to reduce or eliminate unjustified trade restrictions and mitigate the impact of the HPAI detections on exports.

We are always mindful that exports are of crucial importance to U.S. farmers and ranchers. All told, our agricultural exports broke yet another record in FY 2014, coming in at \$152.5 billion.

We're continuing our commitment to supporting this phenomenal growth by issuing health certificates for plant and animal exports as quickly as possible and working to retain and expand foreign markets.

Among many other things, I'm pleased to note that the United States and China recently agreed to a regulatory framework that will allow all U.S. apple varieties to be exported to China.

And I want to mention that we're making good progress on APHIS' goal of eliminating all barriers to export markets related to bovine spongiform encephalopathy (BSE).

Last fiscal year, eight trading partners, including Mexico and Hong Kong, removed their BSE restrictions and granted full access to U.S. beef and beef products. This fiscal year, Costa Rica, Guatemala, and New Zealand did as well. The Chinese, Australians, and a few others still won't allow U.S. beef into their countries, but we're working on it.

### ***SECDs***

Two other export sectors that have faced trade challenges of late are live hogs and swine genetics, due to the appearance of PEDv and porcine delta coronavirus. Combating these swine enteric corona diseases (SECDs), which have sickened and killed millions of U.S. piglets, remains a high priority for us.

About 6 months ago, we issued a Federal Order making it mandatory to report cases of SECDs to Federal and State animal health officials. Thanks to this and to improved technology networks, we're getting more accurate and timely information, which is in turn helping us better understand how SECDs spread and how best to contain them.

Last June, we received \$26.2 million in Commodity Credit Corporation emergency funds for diagnostic testing as well as biosecurity and herd plans for producers and veterinarians. We'll continue these activities while funding lasts, likely to the end of this fiscal year. We've also granted two conditional licenses for vaccines, providing producers with additional options to help protect their herds. USDA scientists are continuing their research.

Because SECDs spread much more readily in colder months, we're urging producers to be vigilant this winter in following their biosecurity practices.

In the spring, we'll work with you and industry partners to assess how effective these practices are and determine what the SECD program should look like in the future.

### ***National List of Reportable Animal Diseases/Emerging Disease Framework***

SECDs are just the latest additions to the growing international catalog of emerging diseases, as our world shrinks and international movement of people and animals grows.

To successfully combat emerging and established animal diseases, we need a better organized national framework for tracking them.

It may surprise many of you to learn that the United States doesn't have a single, standardized list of animal diseases that must be reported to State and/or Federal authorities. So, we worked with the United States Animal Health Association and the National Animal Health Reporting System Steering Committee to create one.

We will coordinate very closely with you and other partners to ensure this vital reporting is complete and accurate, and as always, to respond appropriately to reported detections.

But first, we need to make sure we've got the list right. That's why we posted the proposed list for comment last year on our Web site. We also posted a framework for developing early assessments of and appropriate responses to emerging animal diseases in the United States.

The comment period closed on January 16, 2015, and we're reviewing the comments we received. After we do that and can develop a formal rule to codify the list, we'll be taking a huge step forward in enhancing animal health in our country.

I've spoken in the past about the importance of finding nonregulatory solutions to many issues we face, but this is one instance where new rulemaking is essential.

### ***Feral Swine***

Regarding the terrible problem of feral swine, we've established operational programs in 41 States to manage the damage they cause—and have permission to carry out this work on 117 million acres of land.

We're also well on the way to launching the National Feral Swine Damage Management Program that we announced last year, which brings all of these programs under one umbrella.

In December 2014, a draft environmental impact statement (EIS) was published in the Federal Register assessing this program and several other strategies for public review and comment. The comment period just closed yesterday [February 2, 2015].

We're reviewing the comments we received as quickly as we can, so we can publish a final EIS as soon as possible.

### **Plant Health Issues Update**

#### ***EGVM***

Now that we've covered some key developments in animal health, I'd like to share some good news from the plant side, beginning with our very successful work with the State of California and industry to keep EGVM from establishing a foothold here.

We detected more than 100,000 of these moths in the first year of the program. Last year, on track with our expectations, we found a single, solitary moth. That's a pretty dramatic decrease.

And it meant we could free all of Solano County, and portions of Sonoma and Napa counties, from Federal quarantine in time for the fall grape harvest.

Although we can't claim just yet that we've completely eradicated this pest, this progress is a tremendous win for all of us and for America's grape producers and wine makers.

And in another California success, in January we were able to declare that the red palm weevil—a major palm tree pest—had been eradicated from the Laguna Beach area of Orange County.

### ***Cotton Pests***

In Texas, we're getting closer to eradicating a more infamous weevil—the boll weevil—thanks to cooperation from partners like you and America's cotton growers.

Over the past 30 years, we've beaten back this pest—from 99 percent of U.S. cotton acreage to a small pocket in the Lower Rio Grande Valley.

Last year, Valley cotton growers planted almost 145,000 acres—a 62 percent increase over 2013. And even though they planted more acres, we captured only 43,663 weevils—31 percent fewer than in 2013.

To make sure no weevils reproduce within 150 miles of the U.S.-Mexico border, we're working with a growers' eradication program in the State of Tamaulipas and the Mexican government to ensure that necessary planes, pesticides, and oversight are all in place.

### ***Faster Biotechnology Approvals***

One more piece of good news on the plant side is the progress we've made on responding to petitions for nonregulated status for certain genetically engineered crops. Our Deputy Administrator for Biotechnical Regulatory Services, Mike Firko, talked to some NASDA members about that in January.

For the past few years, we've worked hard to improve the timetable for completing the regulatory review of petitions. As the number and complexity of petitions we received increased, the resources and process efficiencies to keep pace this increase did not keep up.

The increase in staff and most important, the business process improvements we announced in March 2012, are paying off. Back then, we had 23 petitions awaiting resolution. Of those 23 legacy petitions we have only 3 left. We are hopeful that 2 of these remaining 3 will be completed by the end of 2015. And of the 11 new petitions that have come in since we changed the way we do business, we've completed 7. Three of the remaining 4 should be complete by the end of FY 2015.

Better still, we've halved the average processing time between the receipt of a petition and providing a determination, from 3 or more years to just over 1.5 years. And we're on target to cut that figure to 15 months or less by the end of the year.

### ***Citrus Greening***

To combat huanglongbing (HLB), also known as citrus greening, USDA's HLB Multi-agency Coordination Group (MAC)—which is led by APHIS—is in the process of allocating \$21 million to support promising tools and solutions. In FY 2014, the MAC allocated more than \$5 million for biocontrol agents, antimicrobial field trials, and more. It will soon be allocating \$8 million to fund a number of projects focusing on early detection, treatments such as thermal therapy, and best management practices.

Meanwhile, as I mentioned earlier, APHIS received an increase of \$4.5 million for our Citrus Health Response Program this year that will be used for enhanced monitoring of HLB and its insect vector, the Asian citrus psyllid, in Florida, California, Texas, and Arizona.

### ***Tree Pests***

Those of you from States affected by emerald ash borer and Asian longhorned beetle know the devastation they cause—and our need for a multinational system that helps keep foreign tree pests like these from ever getting here in the first place.

Last June, in China and with the cooperation of our international plant protection partners, we helped hold the first of a proposed series of international workshops to help other nations and regions implement, comply with, and improve international wood-packaging standards. It was a productive experience, and we're working to hold a similar workshop, in another region, in the near future.

I want to emphasize again that we're going to stay focused on these goals—eradicating EGVM and boll weevil, speeding up the biotechnology petition process, combating citrus greening and tree pests—and as noted, eliminating BSE-related barriers to trade. We intend to see all of them through to completion.

### **Conclusion**

I've updated you on a number of issues I thought would be of general interest to you; I'm sure you will have other topics to bring up in individual meetings.

I alluded briefly above to regulatory approaches to getting things done versus nonregulatory solutions. There is no getting around the fact that certain situations require regulatory action. But it's also true that we now face an anti-regulatory climate in Washington and around the country. In each of the past 3 years, it's taken us 50 percent longer to publish 50 percent fewer regulations. That means less time available for directly assisting our stakeholders.

So, we will continue to look for instances where a nonregulatory solution might be a more effective means of delivering services—while working toward making necessary rules and regulations more flexible, less prescriptive, and more performance-based.

I've also talked today about ways that APHIS is improving, updating, and modernizing to better serve its stakeholders, the public, and partners like you.

That's important, but when it comes to partnerships and communications, sometimes the old-fashioned ways work best. There just isn't a substitute for seeing you and hearing from you personally about what you need and how we can help.

As those of you who spoke to us one-on-one last year know, we're committed to following up on the issues you raise. We may not be able to resolve all of them right away, and occasionally, we run into unexpected roadblocks.

But in the vast majority of circumstances, there is something we can do. We just need to learn from you what it is.

In the year ahead, I look forward to expanding our dialogue—and to the cooperation that has made our partnerships such a success.

Thank you.

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