



**Animal and Plant  
Health Inspection Service**

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# Remarks

**Remarks for Acting Administrator Kevin Shea  
APHIS Public Meeting for Stakeholders  
Washington, D.C.  
April 11, 2013**

- Good morning. I want to thank all of you for taking the time to join us for our second all-APHIS stakeholder meeting.
- I'm Kevin Shea. Dr. Gregory Parham is currently serving as an Acting Assistant Secretary. While Dr. Parham is serving the Department in that role, I am filling in as Acting Administrator.

## **Introduction of AMT**

- I would like to introduce the APHIS Management Team. Here with me today are:
  - Beth Jones, Deputy Administrator for Legislative and Public Affairs,
  - Marilyn Holland, Deputy Administrator for Marketing and Regulatory Programs Business Services,
  - Gary Washington, Chief Information Officer,
  - Chris Zakarka, Deputy Administrator for Policy and Program Development,
  - Chester Gipson, Deputy Administrator for Animal Care,
  - Bill Clay, Deputy Administrator for Wildlife Services, and
  - Mike Gregoire, Deputy Administrator for Biotechnology and Regulatory Services
- Rebecca Bech, Deputy Administrator for Plant Protection and Quarantine (PPQ), and John Clifford, Deputy Administrator for Veterinary Services (VS), are both traveling and regret that they cannot be with us.
- In fact they are both meeting with International counterparts in keeping with our constant efforts to open or keep open export markets for American farmers and ranchers. In their stead we have Osama El Lissy, Associate Deputy Administrator for PPQ, and Jere Dick, Associate Deputy Administrator for VS. Also, Associate

Deputy Administrator for International Services, Cheryle Blakely, is here for Beverly Simmons.

- This is the team responsible for ensuring that Animal Agriculture remains free from disease; that our plant and forest resources are safeguarded from pests; and that the products of biotechnology are safely brought to the marketplace.
- They also oversee wildlife damage work; prevent bird strikes at our Nation's airports; enforce the Animal Welfare and Horse Protection Acts, and work to open markets to U.S. agricultural products.
- I am honored to work with them every day and I am very pleased they are here for this important discussion.

### **APHIS Today and Tomorrow**

- Last year we celebrated our 40<sup>th</sup> anniversary as an agency. We proudly recounted some great things that we achieved, along with our State, industry, and foreign partners. We almost entirely eliminated brucellosis from the United States, and made strides against tuberculosis. Boll weevils are looking for a home only in one part of one State, and we are about to shut down that neighborhood to them as well. We eradicated screwworm not only from the United States, but from all of North America as well. We fought off invasive pests and diseases like Medflies, hog cholera, and Exotic Newcastle disease. We helped to dramatically reduce the cruel and inhumane practice of horse soring. We allowed the safe introduction of new plant technologies that are now staples to many American farmers. We opened export markets that had been closed to us, and saved many more that were threatened. And we pioneered methods to protect Americans who fly every day—including many serving in Iraq and Afghanistan—from the hazards of bird strikes. And although some pests and diseases did make into the United States, we kept out countless others.
- We're still proud of those things. But we live in the present and look to the future. And both look very different to us. We know that we can't do things the same way we did over the past 40 years. We know that we probably can't do as many things, or at least not on the scale we did them before. But how do we achieve our overriding mission of protecting the health of animal and plants, contribute to a thriving American Agriculture, and fulfill our responsibilities under the Animal Welfare and Horse Protection Acts? One of the biggest myths in the world is "do more with less." Maybe you can achieve more with less, but

you can't literally do more with less. So we have to figure out how to do the things we must do better and faster, but at the same time figure out which things we simply must do less or even none of anymore. Our intent is to have a new strategic plan to guide these changes for the future.

- My request of you today, is that you give us your advice, your suggestions, your thoughts. What can we do better? What things are “must-dos” and what things are “nice to dos?” What is it appropriate to ask others, in industries and States, to do more of? And how can create innovative partnerships to accomplish together what we cannot accomplish alone?
  
- Many things are driving the need for change. Among these are:
  - a pervasive anti-regulatory climate;
  - changing business practices that make many of our regulations speed bumps on the highway of commerce;
  - the need to feed additional hundreds of millions of people in the world in the next 50 years;
  - the importance of export markets to our farmers and ranchers;
  - new technology that should allow us to do our jobs faster and better;
  - the emerging realization that animal health and human health are so intertwined that professionals in one can't operate to the exclusion of the other;
  - and the 24 hour a day news cycle and social media that bring constant scrutiny to everything we do, both from those who support and those who oppose some of our work. But of course the most immediate and unavoidable driver for change is the budget.
  
- The Appropriations Act just passed gives APHIS about \$761 million this year. That is \$148 million—almost 17 percent—less than 3 years ago. Taking the last three years together, we received over a quarter of a billion dollars less than we would have had our appropriation just remained flat.
  
- We've tried to do lots of things to live within this new funding reality. A few years ago, we saw the signs pointing to a quickly tightening budget and began taking steps.
  
- We looked anywhere and everywhere for savings. You know, budget cuts are not all bad: they focus your mind on just how you spend your money. Our employees made suggestions. For example, our Telecommunications Chief told us that we could save money by combining cell phone contracts, finding less costly

providers, and switching to Voice Over Internet Protocol land lines. We did all that and saved at least \$3 million. We placed much tougher tests on just which travel was necessary and reduced our spending on that by over 30 percent. But there are only so many efficiencies like that you can find. We analyzed our funding outlook and determined that we could not sustain our work force at the same levels. We implemented hiring controls and offered early-out incentives for retirement, thereby reducing APHIS' rolls by approximately 600-700 employees. Almost all hiring since then has been for mission-critical, on-the-ground work. That has helped us avoid the specter of furloughs, but make no mistake about it: we can't do everyone we used to do with nearly 10 percent fewer people.

- We made tough decisions to dramatically reduce spending on some programs that were not making progress because we just lacked the technology or the tools. We also had to make tough priority decisions. You just can't do all the things you did with \$905 million with \$761 million. It doesn't mean that some of the things we stopped doing or did less of don't have merit or that the problems were solved. We just don't have the money.
- But figuring out how to live within new funding realities is not a one-time task. It's an ongoing process. Most importantly, it's a process that we need our stakeholders to be involved in, which is why we are all here today.
- Yes, we cannot conduct business as we used to. We simply can't afford to. Nor is it particularly fruitful to dwell on what has happened or how we got here.
- I'm reminded of an old Peanuts cartoon. Charlie Brown says, "Sometimes I lay awake at night and I ask, 'Why me?' Then a voice answers, 'Nothing personal. Your name just happened to come up.'"
- In this case, it's nothing personal—*everyone's*, well almost everyone's, name came up in funding cuts and now we have to move forward.
- And there is some good news on that front; the President's Budget, released yesterday, would restore our funding to just over \$800 million or nearly \$40 million more than we have this year.
- But even with that increase, if granted, we still cannot be all things to all people, and we certainly cannot return to old familiar ways. We must continue to prioritize our activities and make changes responsibly.

- So we're exploring new strategies, new approaches, and new tools to help us address these challenges.

### **Nonregulatory Solutions**

- Let's look at regulations. We all know that the rulemaking process can take a very long time...and regulations can be inflexible tools when it comes to addressing immediate or evolving needs. This can be frustrating for everyone involved.
- So it is unrealistic to rely on regulatory measures alone to resolve pressing animal and plant health issues in the future. As an example of some alternatives, we can:
  - Move detailed lists—such as those for regional disease classifications, authorized treatments, and prohibited commodities—from the Code of Federal Regulations to our Web site where we can quickly and easily make updates.
  - Leave some process details—such as for surveys, trapping, and sampling—to be worked out between agencies rather than specifying all of them in regulations. This will allow more flexibility in carrying out the provisions specified in rulemaking.
- We'll continue to explore other options for making regulations less prescriptive, moving more toward performance standards.
- We'll also be looking at ways we can use science to make our regulations more flexible. For example, we are looking at—and have sought your input on—a new path for the bovine brucellosis and bovine tuberculosis programs that don't require the blunt instrument of State status.

### **Partnership, Innovation, and Successes**

- We also want to try new approaches to our partnerships.
- Our response to the European Grapevine Moth--EGVM --is a good example of a successful and creative partnership.
- EGVM is a pest that primarily affects grapes but can also affect other industries valued at \$5.7 billion in California alone.

- Following the 2009 detection, stakeholders across sectors came together to determine the best ways to prevent the spread of the pest, keep it from becoming established, and mitigate its impact on affected growers and industries.
- We worked closely with our State, county, and industry partners to design protocols to allow the safe movement of regulated articles and ensure that markets remained open to their products.
- Industry stepped up to assume most of the treatment operations and costs. It's faster for them to handle these because it is easier for owners to treat their own lands than for us to treat them given the approvals we need to conduct treatments and the ever-present threat of litigation.
- As a result of our success in these efforts, international and domestic markets have remained open to U.S. grapes, stone fruits, berries, and other host commodities. And eradication is sight with just a few years.
- Currently, we are planning new partnership approaches to the problem of feral swine, which are thought to cause about \$1.5 billion annually in damage and management costs throughout the United States. They are already a significant issue in many States, and a growing concern for others. It is such a problem that even in this toughest of budget climates the Administration yesterday proposed to spend \$20 million in FY 2014 to kick off a nationwide program.
- We have every reason to believe that joint efforts between Federal, State, Tribal, and private partners will be successful in this area too.

### **Trade Successes**

- As I mentioned earlier, helping increase and protect American Agriculture exports is an extraordinarily high priority for us.
- We continually work to open new markets and keep existing ones open for U.S. agricultural products by working to eliminate unjustified sanitary and phytosanitary, or SPS, barriers.
- In fiscal year (FY) 2012, in cooperation with other agencies, APHIS:
  - resolved 150 SPS issues involving U.S. agricultural exports, with an estimated market value is \$2 billion,

- worked with officials in China to resume log exports to that country from Virginia and South Carolina,
  - increased exports of live swine, poultry, and horses to China by nearly 40 percent,
  - opened Mexican markets to imports U.S. eggs intended for processing, and
  - negotiated an agreement with Japan to permit the import of U.S. beef from cattle less than 30 months of age, which we estimate will result in hundreds of millions of dollars in exports of U.S. beef to Japan in coming years.
- As we move forward, I want to reiterate our strong commitment to facilitating safe, profitable agricultural trade and expanding future opportunities for American producers.

## **New Technology**

- I'd like to talk about the role that technology plays in the APHIS mission, especially as it relates to trade.
- We know that exporters and importers alike need us to move at the speed of business. As a Federal agency, security considerations are crucial. You have probably heard about how some in other countries hack into our systems and steal data. That will continue to be a challenge. However, we have made significant progress in recent years automating some of our processes.
- For example, APHIS' plant product export certification process is now online, making it more convenient for exporters and more efficient for APHIS, State, and local entities that issue the certificates.
- Using the Phytosanitary Certification Inspection & Tracking system—or PCIT—exporters can track their application, view and print copies of applications and issued certificates, and securely pay for certificates online.
- PCIT has not only produced a record 580,000 certificates for plant-based exports; it also features a new Phytosanitary Export Database—a vast repository of foreign country import requirements for exporters and certifying officials alike.

- Implementing new and existing technologies ensures that our stakeholders can move their products to market more efficiently. I assure you that we remain committed to exploring options for updating some of our other, paper-based processes to make them faster and more convenient for our stakeholders.

### **Stakeholder Engagement/Dialogue**

- In recent years, we have tried to improve communication and coordination between APHIS and you, our stakeholders.
- We've increased our efforts to ensure timely, consistent, and quality communications. This includes hosting meetings such as today's, creating a stakeholder liaison position—held by Hallie Zimmers, who is with us today—and developing a stakeholder page on our Web site to keep you current on APHIS issues.
- We need to involve you earlier in various processes so that your feedback can inform, and in some cases drive, our planning and decision making. And when we announce the results of our efforts and decisions, we want to connect with you to give you information and answer your questions.
- Looking ahead, I can assure you that our commitment to—and reliance on—stakeholder engagement will continue.
- For example, later this spring, we plan to hold a public meeting at our headquarters in Riverdale, Maryland to discuss feral swine management. The meeting will allow us to provide a national perspective on the issue and get feedback and perspectives from involved stakeholders.
- As we get closer to these events, we'll keep you informed via the stakeholder page on our Web site and through our stakeholder registry.

### **Stakeholder Feedback**

- At last year's stakeholder meeting, Dr. Parham said that the decisions APHIS faces are not easy and they cannot and should not be made alone. That is still very much the case. If anything, I would say that the decisions are becoming more difficult.

- We made the easy decisions quite a while ago. We've begun making the hard ones and there are more ahead. We can't do it alone.

So today, we'd like to hear from you. I've already highlighted some of the areas APHIS is looking at for improvement and those are the same key areas where we'd like your input. And of course feel free to offer your ideas on anything I may not have mentioned.

### **Closing**

- Thank you again for being here today, either in person or virtually, and I welcome your questions and thoughts.
- Hallie will now give us direction on logistics.