

STEVE RUSSELL
5TH DISTRICT, OKLAHOMA

COMMITTEE ON EDUCATION
AND THE WORKFORCE

COMMITTEE ON OVERSIGHT AND
GOVERNMENT REFORM

HOUSE ARMED
SERVICES COMMITTEE

128 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-2132

DEL CITY OFFICE
4600 SE 29TH, SUITE 400
DEL CITY, OK 73115
(405) 602-3074

russell.house.gov

Congress of the United States
House of Representatives
Washington, DC 20515-3605

February 25, 2016

The Honorable Robert Aderholt
Chairman
House Appropriations Committee
Subcommittee on Agriculture, Rural
Development, Food and Drug Administration,
and Related Agencies
H-305, The Capitol
Washington, DC 20515

The Honorable Sam Farr
Ranking Member
House Appropriations Committee
Subcommittee on Agriculture, Rural
Development, Food and Drug Administration,
and Related Agencies
H-305, The Capitol
Washington, DC 20515

Dear Chairman Aderholt and Ranking Member Farr,

I write to request language be included in the FY 2017 Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations bill to eliminate federal funding from USDA's Valued Added Producer Grants to support the marketing of beer, wine, hard cider, and distilled spirits like vodka, whiskey, and moonshine.

In 2015, the USDA awarded 258 Value Added Producer Grants to producers throughout the country. Of the nearly \$34 million distributed that year, USDA spent \$4.7 million, over 13 percent, on grants to breweries, wineries, distilleries, and other businesses involved in producing and marketing alcohol products. Money for the grants comes from both appropriated and mandatory funding.

According to federal statute, the grants are to be used to create "marketing opportunities." Accordingly, almost all of the 2015 grants awarded to alcoholic beverage producers were used at least in part to market alcoholic products to the American public.

There is no public interest reason for the federal government to encourage increased alcohol consumption. In fact, the USDA's own *Dietary Guidelines* "does not recommend that individuals who do not drink alcohol start drinking for any reason." The guidelines acknowledge that moderate alcohol consumption can be incorporated into healthy eating patterns, but also warns of the negative effects of excessive drinking.

I request the following language:

"None of the funds made available by this Act may be used to provide a value-added agricultural product market development grant under section 231 of the Agricultural Risk Protection Act of 2000 (7 U.S.C. 5 1632a) if the value-added agricultural product (as defined in subsection (a)(5) of such section) is wine, beer, distilled spirits, hard cider, or other alcohol product."

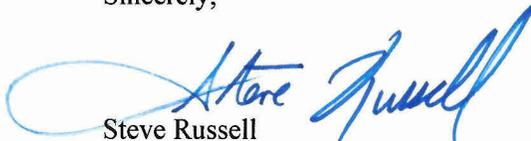
Based on past history, the USDA can reasonably be expected to award approximately \$4.5 million in FY 2017 funding to breweries, wineries, and distilleries in absence of congressional direction. I therefore

also request that appropriated funding for Rural Cooperative Development Grants be no more than \$17,550,000, and appropriated funding for the value-added agricultural product market development program be no more than \$6,250,000, to reflect the likely savings from the prohibition of grants for alcohol products. The chart below details the proposed funding levels.

	FY 15 Actual	FY 16 Actual	FY 17 Proposed
Rural Cooperative Development Grants	22,050,000	21,087,000	17,550,000
Appropriated funds for value-added agricultural product market development program (in addition to existing mandatory funding)	10,750,000	10,000,000	6,250,000
Value-added Producer Grants awarded to breweries, wineries, and distilleries	4,699,944	Not yet announced	0

Although many Americans responsibly enjoy alcoholic beverages, there is no compelling reason to use our own tax dollars to encourage ourselves to drink more. In a time of growing deficits and tight spending limits, such grants are simply not a priority. This legislation will save \$4.5 million in taxpayer money and eliminate these unnecessary projects from the Value Added Producer Grant program.

Sincerely,



Steve Russell
Member of Congress