House Committee on Agriculture Subcommittee on Biotechnology, Horticulture & Research Focus on the Farm Economy: Factors Impacting Cost of Production April 27, 2016

Testimony of Jay Vroom, President, CropLife America

Thank you, Chairman Davis and Ranking Member DelBene, for the opportunity to address the Subcommittee on behalf of CropLife America and its member companies. CropLife America's member companies, and our counterparts at RISE, develop, manufacture, formulate and distribute crop protection products for American agriculture and specialty uses outside of agriculture, such as for the promotion of public health and commercial pest management.

America's nutritious and affordable food supply depends on the availability of safe, effective crop protection products. Our members support modern agriculture by looking forward: each year the crop protection industry spends hundreds of millions of dollars on research and development, with much of that investment going into producing data that meets or exceeds the Environmental Protection Agency's (EPA) information requirements and requests for pesticides.

Technology, innovation and adoption is a key factor in advancing farmer profitability and rural economies. A recent study commissioned by CropLife America showed profitability gains on the farm by the careful use of crop protection tools resulted in the annual generation of \$33 billion in off-farm wages for more over one million American workers. (Link to report available here: www.croplifeamerica.org/economic-impact and CLA statement here: http://www.croplifeamerica.org/wp-content/uploads/2015/08/CLA-Socio-Economic-Report.pdf)

CropLife America has a long history of working cooperatively with EPA on issues affecting crop protection, human health and the environment. But, recently, the crop protection businesses that support American agriculture have seen serious deviations from the regular order, transparency and scientific integrity of EPA's risk assessment based pesticide review process. These departures have made it difficult to provide business predictability for producers and users and they potentially inhibit investment in more advanced products.

We hope that today's hearing will help put EPA and agriculture back on a path to a more productive dialogue that leads to reasonable, timely regulatory decisions and solutions to shared concerns. A return to established regulatory process and sound science will help our industry support rural communities and improve farm incomes.

I would like to begin by reminding the Subcommittee of CropLife's longstanding support of the House, and now the Senate, effort to overturn the 6th Circuit court's requirement for Clean

Water Act NPDES permits for pesticide applications over or to waters of the United States. Strong bipartisan support exists in the House and Senate for a legislative fix and pesticide users are well overdue for relief from the double regulation of pesticides under this water permit -- especially those protecting public health from pest borne diseases like West Nile and Zika.

The NPDES permit poses a substantial paperwork burden on operators. But, most significantly, it creates legal jeopardy due to the potential for citizen suits based solely on mistakes, missed deadlines, or, even a neighbors 'judgement.' This is especially true now, since EPA's final Clean Water *Rule* expands the jurisdiction of what is determined to be a federal waterbody. If the rule is allowed to be implemented, it would substantially increase the number and type of applications that could be subject to NPDES pesticide permit coverage and liability. We thank the Committee for your bipartisan efforts to unwind this burden and ask that you continue to look for vehicles to *finally* provide relief to pesticide users conducting FIFRA compliant applications.

CropLife America and pesticide stakeholders have every reason to believe the current array of our most serious challenges are more about political science that actual science. On several occasions, EPA officials have alluded to policy decisions being driven by 'internet campaigns, social media' and NGO 'write-in campaigns.' The result of this internal response to external forces is a systemic breakdown in established regulatory process within EPA's pesticide program and a deviation away from FIFRA risk assessment based science towards precaution.

EPA is shifting focus to not just consider, but instead *elevate and rely on* less robust science, including epidemiological studies and models, rather than real-world and verified laboratory data. For example, in proposing to revoke the "tolerance" for chlorpyrifos – which could make the product virtually unmarketable – EPA is choosing to rely heavily on a decades-old epidemiological study, referred to as the *Columbia Study*, that suggests a correlation between adverse health outcomes for some children allegedly exposed to the pesticide in cities and for which Columbia will not publicly release the raw data from their study. At the same time, EPA is pushing aside the findings of long-standing verified laboratory studies and important new toxicological data that do exist about chlorpyrifos, all of which are available and subject to public scrutiny and demonstrate that the product is safe for agricultural use.

Just last week, EPA impaneled a Scientific Advisory Panel – or SAP – to once again look at this Columbia epidemiological study. Twice previously – in 2008 and 2012 – SAP's did the

same work and both rejected the Columbia work. Last week's three day session should reach the same outcome based on the material presented.

As a part of my presentation at the SAP, I noted the provision put in the 2014 Farm Bill, at your insistence mister Chairman, which instructs EPA's Scientific Advisory Board to create an Agricultural Advisory Committee within the SAP structure. (Link to CLA statement on SAP available here http://www.croplifeamerica.org/croplife-america-pushes-for-transparent-robust-data-at-fifra-sap/.) I noted that it is very unfortunate that EPA has yet to finalize and impanel that group.

In the review of other pesticides, EPA has pivoted to relying extensively on new ultraconservative models for predicting consumptive exposures from drinking water. Further, the agency will not even consider other assessment methods that would allow for the factoring in of robust, real-world water monitoring data. Denying the use of this actual data could mean the loss of products for some existing crop uses or preclude access for new crop uses.

In evaluating the potential impacts of pesticides to pollinators, CropLife America believes that the pesticide program has been overly influenced by unscientific pressure from social media and other politicized campaigns. EPA attempted to "regulate by letter" on mandates for key seed treatments applications and in forcing label changes where we believe Administrative Procedures Act requirements for a public notice and comment were not properly followed. EPA went on to release a draft report suggesting that soybean crops did not benefit from neonicotinoid seed treatments, despite public findings from USDA demonstrating the products' benefits to the crop. Fortunately, the overarching White House Pollinator Task Force Report – called for by President Obama – is more balanced. But, *un*fortunately, the devil still remains in the actual regulatory details formulated at EPA.

This Subcommittee may be aware of the activities of the United Nations World Health Organization (WHO) International Agency for Research on Cancer – known as "IARC." As Reuters reported last week, this is the agency that 'ranks bacon alongside plutonium' as a carcinogen. One of IARC's other monographs recently concluded that the herbicide glyphosate is a carcinogen, too – notwithstanding all the prior science and risk assessment pointing to the opposite conclusion and demonstrating the safety of its use. Oddly, the US government's representative to this IARC monograph came from EPA's Office of Research and Development – not the Office of Pesticide Programs where the expertise in glyphosate resides. Further, since

this surprise IARC action on glyphosate, many governments around the world have refuted the finding...but, our own US EPA has yet to do so! EPA's reluctance to defend its own scientific findings and the safe use of such an important, widely used and well-studied product is very troubling.

You may be wondering, "does CLA think EPA does anything right?" Of course. Most recently, EPA robustly defended the use of risk assessment based decision making and routinely argued against the precautionary principle during trade negotiations, including leading the effort to resolve environmental policy disputes during TTP discussions with Asian-Pacific nations and during ongoing TTIP negotiations between the US and European Union (Link to example of EPA-EU interaction available here: http://www.usda-eu.org/wp-content/uploads/2015/01/United-States-Submission-Endocrine-Disrupters-2015-01-20.pdf).

EPA can be credited for their recent use of PRIA funds to advance new product approvals. However, we do ask that the Committee continue to provide careful oversight of the Pesticide Registration Improvement Act and, also, help to ensure that appropriators fund these critical program mechanisms at the agency.

Recently, CropLife helped the market research firm, Phillips McDougall, develop a study that shows the overall cost to discover and advance a new crop protection product averages \$286 million – up 21% over the previous 5 years! (Link to CLA statement with imbedded report available here: http://www.croplifeamerica.org/cost-of-crop-protection-innovation-increases-to-286-million-per-product/.) The biggest driver in that cost increase appears to be regulatory compliance. That statistic demonstrates why it is so important to be sure that US regulatory requirements are assessments of real science and safety advancements, not simply reactions to non-scientific political ideologies.

Despite EPA's significant deviations from process, science and, perhaps, even the law, the crop protection industry stands with farmers and rural communities as we all weather the uncertain economic and regulatory headwinds ahead – we hold a positive and long view for American agriculture. Tremendous, measurable increases in farm productivity and improved stewardship demonstrate that agricultural technology helps not only farmers but also creates jobs and economic development beyond the farm gate. CropLife America commits to the Committee to be full partners in providing the best crop protection and pest management tools that the law will allow in order to support rural communities and improve farm income.

Thank you for the opportunity to testify today and I welcome your questions.