

PRESIDENT SUBMITS \$4.15 TRILLION BUDGET

President Obama sent Congress a proposed \$4.15 trillion federal budget on February 9 to fund the federal government through fiscal year 2017 (October 1, 2016--September 30, 2017).

Included is \$155 billion for USDA, down \$9 billion from FY2016. More than 70% of the USDA proposal is for nutrition assistance, including SNAP (food stamps - \$81.6 billion) and school lunches, helping to feed 44.5 million Americans. USDA's proposed new budget includes programs in Cuba, \$182 million for overseas food assistance, and \$36 million for bee research and protection.

Sen. Thad Cochran (R-Miss.), chairman of the Senate Appropriations Committee, called the Obama budget "All manner of new spending and tax increases..." Hearings will begin later this spring in both the U.S. Senate and House of Representatives for adoption prior to the beginning of the new fiscal year.

NEW DIETARY GUIDELINES

The Federal Government finally released its 2015 Dietary Guidelines in January, following a delay until the New Year. "We determined that the best time to release the new Dietary Guidelines was January, given Americans' focus on healthy eating and exercise around the New Year," explained a Health & Human Services (HHS) spokesperson. APA worked for the past two years to ensure that the Guidelines give full credit to processed fruits, in addition to fresh produce. Now with the guidelines released, Congress plans to hold listening sessions to prepare for the next set due out in 2020.

Federal Dietary Guidelines provide scientific recommendations on how Americans can have a healthier diet by improving their overall eating patterns. This is the eighth set of Dietary Guidelines, covering 2016 through 2020. Both a printed edition and a downloadable PDF are being made available at www.health.org.

USDA PROPOSES TIGHTER CHILD NUTRITION RULES

USDA's Food and Nutrition Service (FNS) is proposing tighter requirements for states and other operators of child nutrition programs. Included are school lunches, school breakfasts, child and adult care food programs, and summer food service. Processed apple products are included in most of the USDA feeding programs. FNS establishes guidelines for products and services provided by the \$110 billion USDA programs.

FNS says that tighter rules and supervision are necessary in order to improve the integrity of the nation's child nutrition services. Comments are due by May 27. Details available at: <http://s3.amazonaws.com/public-inspection.federalregister.gov/2016-06801.pdf>

NEW CUBAN INTERCHANGE OPENED

USDA opened up new market opportunities for agriculture during President Obama's recent trip to Cuba in late March. The Trade Sanctions Reform Act opened up sales of food/agriculture commodities and some other commercial goods including pharmaceuticals in 2000, but export assistance, credit, and some cash sales were severely restricted. Despite the tight restrictions, at least one APA member was trading with Cuba, and total U.S. agricultural exports to the island nation reached \$300 million.

Latest allowances by USDA include opening ag research and information-sharing activities by industry and marketing order groups, expanded travel authority, and widespread meeting and information exchanges. The U.S. apple industry is included in the 40 approved industry and research/promotion groups.

STUDENTS CHOOSE HEALTHIER FOOD

Students chose healthier foods with fewer calories when schools followed new USDA nutritional guidelines. That's the conclusion of a survey by the Robert Wood Johnson Foundation of 7,200 middle and high school students in Washington State.

The healthier foods included more readily available fruits and vegetables. Students came from a diverse urban district, where 46 percent of them participated in the National School Lunch Program (NSLP). A total of 30.4 million children participate in NSLP, down 1.4 million from the previous 2010-2011 school year. APA has promoted processed apple products to federal government officials for years as "healthier foods." Most dietary guidelines now call for both fresh and processed fruit products.



RETURN TO THE ROCKIES: THEME OF 2016 APA ANNUAL MEETING

APA heads west to the Rocky Mountains for its 2016 Annual Meeting. Plan to register this week for the June 19-21 sessions at the five-star Broadmoor Resort at the southern end of the majestic Rocky Mountains.

It's been eight years since APA held one of its most memorable and successful meetings at the Colorado Springs resort. The 95-year old luxurious resort is an American heritage icon, with fine restaurants, championship golf, and amenities for the entire family. Pike's Peak is nearby, along with miles of hiking, biking, and sightseeing.

APA has planned a full program of informative briefings, social events, and group tours. Special presentations include "No More Food Fights: Growing Food

and Farm Conversation" by acclaimed author Michele Payne-Knoper, a thought-provoking survey on "Dietary Trends in America" by publicist Mary K. Young, M.S., R.D., and latest federal requirements and updates on food labeling and industry operations.

And it's up on the mountain to the picturesque Cheyenne Lodge for cocktails and dinner, an afternoon for the annual APA golf tournament on the Broadmoor's mountainside East Course, dinner on the Lake Terrace, and dancing in the resort's spacious Main Ballroom.

Don't miss this special three-day event. The resort is very busy at this peak time of year, so room reservations must be received by May 18 to assure you get APA's special rate. Don't hesitate to contact APA if you have questions or need assistance planning your trip.



The Broadmoor is a AAA Five-Diamond resort in Colorado Springs, CO that features an award winning spa, championship golf & meeting facilities. On the shores of man-made Cheyenne Lake, this luxury resort is 11 miles from the Colorado Springs Airport and 30.9 miles from Pikes Peak. space and 8 restaurants, plus numerous other resort amenities.

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GMO LABELING STALLED IN SENATE

The issue of whether U.S. food labels should declare any reference to genetically modified ingredients (GMO) is stalled in the U.S. Senate, as government and industry try to decide a compromise position.

Vermont set July 1 as a deadline to require GMO labeling on all foods sold in the state, although in late March it announced a six-month “safe harbor” delay through the end of the year. USDA Secretary Tom Vilsack came out in strong support for GMO reference on all food labels, and the 475-member food industry coalition announced support of uniform national standards that would override varying state laws. APA is part of the industry coalition.

The U.S. House of Representatives passed legislation in July to set national standards for labeling foods that contain genetically modified ingredients, but the U.S. Senate failed to act on its similar bill before Easter recess. Supporters of the bills have pointed out that up to 80 percent of food now available in the U.S. contains genetically modified ingredients, and action is needed. The Senate is expected to try again for acceptable language after their return in early April.

FDA SEEKS TO DEFINE “NATURAL”

After repeated requests from both consumers and industry on how the word “Natural” might be used on food labels, FDA has developed a list of 16 questions to help them define the term. Both USDA’s Agricultural Marketing Service (AMS) and Food Safety & Inspection Service (FSIS) have been asked to assist.

Questions include “Should the term be used on food labels?” “Should both raw and processed foods be included?” “What’s the difference between “Natural” and “Organic?” “If processed foods are included, what type of processing?” “How can consumers be educated to understand the meaning of the word?” “What are the public health benefits, if any?” “Should “Natural” have nutritional benefits associated with it?” “What benefits?” FDA has asked both USDA and the public to respond by May 10. APA is considering an official statement on behalf of the apple processing industry.

2016 WASHINGTON SEMINAR TO FEATURE ELECTION ANALYSIS

Mark your calendars for Thursday and Friday, November 10 & 11, in Washington, D.C. APA holds its 2016 Washington Seminar in the Nation’s Capital, just a week after the historic 2016 national elections. You won’t want to miss it!

U.S. SENATE CONFIRMS NEW FDA COMMISSIONER

Nearly a year after FDA Commissioner Dr. Margaret Hamburg resigned, the U.S. Senate has confirmed Dr. Robert Califf as her replacement. Dr. Califf was most recently Deputy FDA Commissioner for Medicine.

He came to FDA from Duke University in 2015, where as a cardiologist, he ran a \$200 million clinical research institute. He is highly regarded as a supporter of biotechnology and pharmaceutical research, and will head the federal agency at a time when a new food safety law and revised federal nutrition guidelines have been adopted by Congress.

APA works closely with FDA’s Center for Food Safety & Applied Nutrition (CFSAN) on a variety of food issues, including food labeling, food safety inspections, and nutritional guidelines.

AMS ADVISORY MEETING SCHEDULED FOR APRIL 6&7

USDA’s Agricultural Marketing Service (AMS) has scheduled its next Fruit & Vegetable Industry Advisory Committee meeting for April 6 and 7. Following that meeting, during the summer, AMS will advertise for nominees to fill 12 committee positions that will expire on July 31.

Agenda for the Arlington, VA meeting includes remarks from the AMS Administrator, survey data on specialty crops, and reports on food safety, and an update on AMS fees. APA traditionally nominates a member of the AMS advisory committee to represent the apple processing industry.

CDC SEEKS TO REDUCE SODIUM INTAKE

The Centers for Disease Control and Prevention (CDC) is offering \$3,000,000 in grants for strategies on how to reduce sodium intake by the U.S. population.

Grants of up to \$500,000 each are being awarded to companies, institutions, and individuals for effective ideas on how individuals can reduce the average 3,500 mg of sodium that they consume every day through food intake. Grants are aimed primarily at processed foods, not salt added at the table.

While 2015 grants were due by March 15, details on the program are available at: OGSTIM@CDC.gov

PRELIMINARY AGENDA



2016 APPLE PROCESSORS ASSOCIATION ANNUAL MEETING

SUNDAY, JUNE 19, 2016

4:00 PM—6:00 PM	REGISTRATION	Pompeii Room
6:00 PM—7:30 PM	WELCOME RECEPTION	Cheyenne Lodge
7:30 PM—9:00 PM	DINNER	Cheyenne Dining Room

MONDAY, JUNE 20, 2016

7:00 AM—8:45 AM	BOARD OF DIRECTORS’ BREAKFAST	Farny Room
9:00 AM—10:45 AM	GENERAL SESSION I	
9:00 AM – 9:10 AM	“Welcome to the Annual Meeting” Tim Proctor, APA Chairman	Robert Trent Jones
9:10 AM—9:30 AM	“Colorado Welcome”	
9:30 AM —10:45 AM	“No More Food Fights: Growing Food and Farm Conversation” Michele Payn-Knoper, Cause Matters	
10:45 AM—11:00 AM	COFFEE/JUICE BREAK	Golf Mezzanine
11:00 AM---11:45 AM	“Dietary Trends in America” Mary K. Young, M.S., R.D., Edelman Public Relations	
12:30 PM—5:00 PM	APA GOLF TOURNAMENT	East Course
6:00 PM—7:00 PM PM	RECEPTION	Fountain Room
7:00 PM—9:30 PM	DINNER	Lake Terrace Dining Rm

TUESDAY, JUNE 21, 2016

8:00 AM—9:00 AM	SUPPLIERS’ BREAKFAST	Golf Club Porch
9:00 AM—10:45 AM	GENERAL SESSION II	Robert Trent Jones
9:00 AM –10:00 AM	“Formulating Food Labels”	
10:00 AM—10:45 AM	“Packaging Preview”	
10:45 AM—11:00 AM	COFFEE/JUICE BREAK	Golf Mezzanine
11:00 AM—11:45 AM	“Food Industry Update” Maggie Gentile, MS, RD, Food Directions LLC	
6:00 PM—10:00 PM	APA CHAIRMAN’S RECEPTION	Pompeii Room
7:00 PM—10:00 PM	DINNER	Main Ballroom