

STATE COOPERATIVE AGREEMENT FUNDING

Escalating budget shortfalls and drastic cuts from federal agencies to state agencies are an active reality. These reductions are resulting in widespread job losses at the state level, wiping out millions of dollars in investments made to train and maintain a state workforce. Additionally, the replacement of efficient, cost-effective state-run systems with more expensive, non-local federal personnel drives up federal costs and weakens essential prevention measures. This erosion of state programs and infrastructure is putting the integrity and security of the U.S. food supply at risk.



*Scan to learn more about
NASDA's cooperative
agreements policy.*



What are Cooperative Agreements?

Cooperative agreements are a collaborative funding instrument used by federal agencies to provide money to other entities for specific programs that benefit the public. Unlike grants, they involve shared responsibilities and active collaboration between federal agencies and recipient organizations (e.g., state governments, nonprofit organizations and universities). The use of fully funded cooperative agreements ensures successful and impactful outcomes, particularly in the vital areas of food safety, biosecurity and public health.

The Critical Role of State-Federal Partnerships in Prevention:

Cooperative agreements leverage state resources, which are more cost-effective than federal agencies conducting the same work. Federal agencies can save extensive amounts of money and labor.

Prevention of foodborne illnesses, disease outbreaks and other public health threats is a shared responsibility between state and federal agencies. The benefit of cooperative agreements is the close cooperation between state and federal agencies, enabling the effective implementation and monitoring of essential agricultural, food safety and biosecurity initiatives. Cooperative agreements allow federal agencies to ensure that local expertise and resources are available.

NASDA'S POLICY ASKS

NASDA urges Congress to restore and increase funding for cooperative agreements. By strengthening these state-federal partnerships, we can bolster the U.S. food system's resilience and security.

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NASDA is particularly focused on three cooperative agreements requiring immediate attention:

FDA Cooperative Agreement: State & Local Food Safety Programs

States conduct 50% of human food processing inspections, 70% of animal food inspections and over 90% of produce safety inspections. Proposed cuts from \$117 million to \$83 million could reduce inspection capacity by 50%, increasing the risk of foodborne illness outbreaks and job losses.

- NASDA requests \$170 million for state and local Food Safety Regulatory Activities.
- NASDA asks Congress to include a line item along with the increased budget to detail specific funding for state and local food safety issues for the FDA to ensure they have the budgetary certainty needed to carry out their work. This includes:
 - Produce Safety Rule Implementation through the State Cooperative Agreement Program
 - Food Safety Outreach & Education Programs led by states
 - Including the Produce Safety Alliance administered by Cornell University.
 - Preventive Controls for Human Food Rule Implementation
 - Preventive Controls for Animal Food Rule Implementation

USDA FSIS Cooperative Agreement: State Meat & Poultry Inspection Programs

State inspections support small and medium-sized local slaughter facilities. Traditionally, USDA Food Safety and Inspection Service has provided state programs with a full 50% funding match for inspection activities. However, in recent years, USDA FSIS has been providing state programs with significantly less funding, challenging states' ability to provide inspection services. Funding reductions could lead to the closure of these facilities and disruptions in local markets.

- NASDA requests \$75 million for State Food Safety and Inspection, a \$3.4 million increase to maintain state inspection programs.

USDA APHIS Cooperative Agreement: Animal Disease Protection

State agencies are crucial in combating and protecting against diseases such as highly pathogenic avian influenza, foot and mouth disease and African swine fever. States are critical partners and are often the frontlines for prevention, surveillance, early detection, management and, ultimately, eradication of foreign animal disease. Budget cuts would limit disease surveillance and rapid response capabilities, increasing the risk of disease outbreaks.

- NASDA requests \$400 million for Animal Health Programs, which is a 1.75% increase to support animal disease prevention and response efforts.

January 2025