



Jeffrey A. Meyers
Commissioner

Marcella Jordan Bobinsky
Acting Director

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES

29 HAZEN DRIVE, CONCORD, NH 03301-6527
603-271-4549 1-800-852-3345 Ext. 4549
Fax: 603-271-8705 TDD Access: 1-800-735-2964



NH DIVISION OF
Public Health Services
Improving health, preventing disease, reducing costs for all

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October 24, 2016

The Honorable Neal M. Kurk, Chairman
Fiscal Committee of the General Court, and

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

[Signature]
Approved by Fiscal Committee 11/10/16
Date

REQUESTED ACTION

Pursuant to the provisions of RSA 14:30-a, VI, Additional Revenues, authorize the Department of Health and Human Services, Division of Public Health Services, Bureau of Public Health Protection, Food Protection Section, to accept and expend federal funds in the amount of \$212,025 from US Food and Drug Administration (FDA) to fund the Produce Safety Rule program effective upon date of approval by the Fiscal Committee and Governor and Council, through June 30, 2017, and further authorize the funds to be allocated as follows. Grants funds awarded for periods after SFY 17 will be included in the operating budgets for SFY18 and SFY 19. 100% Federal Funds.

05-95-90-901510-50300000 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVS, HHS: DIVISION OF PUBLIC HEALTH, BUREAU OF PUBLIC HEALTH PROTECTION, PRODUCE SAFETY RULE

SFY 2017

Class/Object	Class Title	Current Modified Budget	Increase (Decrease) Amount	Revised Modified Budget
000-401352	Federal Funds	\$0	\$212,025	\$212,025
000-000000	General Funds	\$0	\$0	\$0
Total Revenue		\$0	\$212,025	\$212,025

010-500100	Personnel Serv – Perm	\$0	\$32,321	\$32,321
020-500200	Current Expense	\$0	\$8,900	\$8,900
030-500301	Equipment	\$0	\$1,300	\$1,300
039-500188	Telecommunications	\$0	\$720	\$720
041-500801	Audit Fund Set Aside	\$0	\$250	\$250
042-500620	Additional Fringe Benefits	\$0	\$3,395	\$3,395
060-500601	Benefits	\$0	\$26,937	\$26,937
066-500543	Employee Training	\$0	\$500	\$500
070-500700	Travel – in-state	\$0	\$9,504	\$9,504
080-500710	Travel – out-of-state	\$0	\$8,296	\$8,296
102-500731	Contractual	\$0	\$119,902	\$119,902
Total Expenses		\$0	\$212,025	\$212,025

EXPLANATION

The State of New Hampshire, Department of Health and Human Services/Division of Public Health Services (DHHS/DPHS) has applied for and received notice of a Cooperative Agreement with the Food and Drug Administration (FDA). The purpose of this Cooperative Agreement is to encourage the safe production of fresh fruits and vegetables and to promote understanding and compliance with the requirements of FDA’s Regulation “Standards for the Growing, Harvesting, Packing, and Holding of Produce for Human Consumption” commonly referred to as the Produce Safety Rule (PSR). Illness caused by or related to food is a significant public health burden. An estimated 1 out of 6 people in the US get sick, 128,000 are hospitalized, and 3,000 die each year from foodborne illness (CDC, 2011). Illnesses specific to whole fruits and vegetables consumed raw has been documented. A few recent examples include *Salmonella Newport Infections Linked to Cucumbers—United States, 2014; Outbreak of Escherichia coli O104:H4 Infections Associated with Sprout Consumption — Europe and North America, May–July 2011; Outbreak of Salmonella Serotype Saintpaul Infections Associated with Multiple Raw Produce Items — United States, 2008 (MMWR, CDC).*

Prior to submitting an application for this grant, DHHS/DPHS held a public briefing to the House Environment and Agriculture Committee on April 13, 2016 on the PSR and funding opportunity impacts to the State. It was explained that if the state did not pursue any role in implementing the PSR, then this would fall to the FDA to implement. It is important to have this capacity at the state level, so that NH farmers have access to local resources for training and guidance on compliance to the rule.

The PSR establishes science-based standards for growing, harvesting, packing, and holding produce which are designed to work across the wide diversity of produce farms. The standards in the final rule include requirements for water quality, employee health and hygiene, wild and domesticated animals, biological soil amendments of animal origin (such as compost and manure), and equipment, tools and buildings. When followed, the standards are designed to help minimize the risk of serious illness or death from consumption of contaminated produce. The State of New Hampshire DHHS/DPHS will educate and implement FDAs Produce Safety Rules through coordinated efforts among three state agencies/organizations. Working as a collaborative team, DHHS will contract with a qualified institution and also work with the Department of Agriculture, Markets and Food (DAMF) to assess, educate, train and oversee the implementation of the FDA Produce Safety Rule (PSR) at the state and local level. We will develop a farm friendly food safety framework that supports a well-informed food production

community about good agricultural practices that can improve produce safety. Through the education and implementation of established safe growing and harvesting practices for all farms, the goal is to improve public health protection and minimize the risk of foodborne illness. The promotion of food safety best practices will provide reasonable assurances that the produce is not adulterated by preventing the introduction of biological hazards during the growing, harvesting, packing and holding of produce. The benefit to farms of adopting PSR practices will be strengthened public confidence in locally produced fruit and vegetables.

Funds are to be budgeted as follows:

- Funds in class 010 – Personnel Services to hire a Supervisor IV, Program Manager, with responsibility for developing subject matter expertise, coordinating project deliverables as defined in the grant application and overall project management. Funding is for existing position number 42925 Program Planner III, which will be reclassified to a Supervisor IV, Program Manager for the Produce Safety Rule grant.
- Funds in class 020 – Current Expense for standard costs such as supplies, postage, meeting and educational materials
- Funds in class 030 – Equipment to purchase a laptop computer for the new position.
- Funds in class 039 – Telecommunications for staff phone line and cell phone
- Funds in class 041- Audit Fund Set Aside per state requirements.
- Funds in class 042 – Additional Fringe Benefits to fund retiree benefits.
- Funds in class 060 – Benefits to fund the required benefits associated with the position.
- Funds in class 066 – Employee Training to pay registration for staff to attend PSR trainings.
- Funds in class 070 – In-State Travel to cover travel expenses that staff incur while performing their duties.
- Funds in class 080 – Out-of-State Travel to cover travel expenses to attend required travel. Two (2) national meetings and four (4) regional, workshop, conferences and planning meetings hosted by FDA to inform implementation of the project
- Funds in class 102 – Contracts for Program Services for IT add-on for farms to data system and to support the DPHS performance management system. Contract to provide education, training, outreach and strategic planning involving the regulated community

In response to the anticipated two-part question, “Can these funds be used to offset General Funds?” and “What is the compelling reason for not offsetting General Funds?” the Division offers the following information: The funds are provided for a specified purpose by the FDA as defined in the Notice of Grant Award and cannot be used to offset general funds.

These funds will not change the program eligibility levels. Although this will be a new program for the state Food Protection Section, it is not a new program that pertains to any eligibility for benefits.

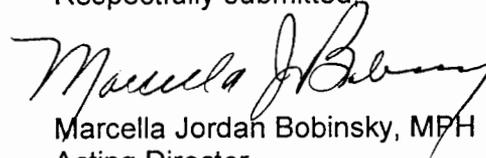
Area served: Statewide

Source of funds: These funds are 100% Federal from the US Food and Drug Administration to fund the implementation of the Produce Safety Rule.

Attached is the Notice of Grant Award and award history. Notice of these funds was received on September 9, 2016. They were not added to the operating budget because the Funding Opportunity Announcement was released by the FDA on March 17, 2016, and the funding opportunity did not exist and was not known during the development of the SFY 16/17 biennial budget.

In the event that these Federal funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Marcella Jordan Bobinsky, MPH
Acting Director

Approved by



Jeffrey A. Meyers
Commissioner

JAM/MAB/ecl

Award History
 implementation of the FDA Produce Safety Rule
Food Produce Safety

Award Ending 6/30/2017	250,356
Expended Through 6/30/16	<u>-</u>
Available Award Balance 7/1/17	250,356
FY 17 Appropriations *	(38,331)
OYR - brought forward	-
Available To Accept	<u><u>212,025</u></u>
Amount Requested this Action	<u><u>212,025</u></u>

SFY * Appropriations: 0-030300000 (401352)	2017 Budget	OYR	Total	This Action	Revised Budget
DA Produce Safety	-	-	-	212,025	212,025
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	-	-	-	212,025	212,025
Adj for Other AU _Allocated	38,331		38,331		38,331
Total		-	-		



Notice of Grant Award

RESEARCH DEMONSTRATION COOPERATIVE
AGREEMENTS
Department of Health and Human Services

Issue Date: 09/09/2016



FOOD AND DRUG ADMINISTRATION

Grant Number: 1U18FD005917-01
FAIN: U18FD005917

Principal Investigator:
Michael Dumond

Project Title: Improving public health protection through coordinated efforts among three state agencies to assess, educate, train and oversee the implementation of the FDA Produce Safety Rule.

Dumond, Michael
Bureau Chief
29 Hazen Drive
Concord, NH 033016504

Award e-mailed to: dcooper@dhhs.state.nh.us

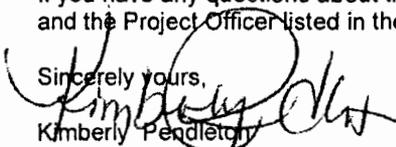
Budget Period: 09/05/2016 – 06/30/2017
Project Period: 09/05/2016 – 06/30/2021

Dear Business Official:

The Food and Drug Administration hereby awards a grant in the amount of \$250,356 (see "Award Calculation" in Section I and "Terms and Conditions" in Section III) to NH state Dept/Public Health in support of the above referenced project. This award is pursuant to the authority of PHS Act, Sec 1706,42 USC 300u-5, as amended; Sec 2(d), PL 98-551 and is subject to the requirements of this statute and regulation and of other referenced, incorporated or attached terms and conditions.

Acceptance of this award including the "Terms and Conditions" is acknowledged by the grantee when funds are drawn down or otherwise obtained from the grant payment system.

If you have any questions about this award, please contact the Grants Management Specialist and the Project Officer listed in the terms and conditions.

Sincerely yours,

Kimberly Pendleton
Grants Management Officer
Office of Acquisitions & Grants Services
Division of Acquisition Support and Grants
Grants & Assistance Team
FOOD AND DRUG ADMINISTRATION

See additional information below

SECTION I – AWARD DATA – 1U18FD005917-01

Award Calculation (U.S. Dollars)

Salaries and Wages	\$32,321
Fringe Benefits	\$26,937
Personnel Costs (Subtotal)	\$59,258
Equipment	\$1,300
Supplies	\$7,620
Travel Costs	\$17,800
Alterations and Renovations	\$500
Other Costs	\$2,250
Consortium/Contractual Cost	\$119,902

Federal Direct Costs	\$208,630
Federal F&A Costs	\$41,726
Approved Budget	\$250,356
Federal Share	\$250,356
TOTAL FEDERAL AWARD AMOUNT	\$250,356

AMOUNT OF THIS ACTION (FEDERAL SHARE)	\$250,356
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SUMMARY TOTALS FOR ALL YEARS		
YR	THIS AWARD	CUMULATIVE TOTALS
1	\$250,356	\$250,356
2	\$292,646	\$292,646
3	\$169,116	\$169,116
4	\$172,578	\$172,578
5	\$206,120	\$206,120

* Recommended future year total cost support, subject to the availability of funds and satisfactory progress of the project.

Fiscal Information:

CFDA Number:	93.103
EIN:	1026000618B3
Document Number:	UFD005917A
PMS AccountType	P(Subaccount)
Fiscal Year:	2016

IC	CAN	2016	2017	2018	2019	2020
FD	6990928	\$250,356	\$292,646	\$169,116	\$172,578	\$206,120

* Recommended future year total cost support, subject to the availability of funds and satisfactory progress of the project.

FDA Administrative Data:

PCC: ORA17 / OC: 4141 / Processed: ERAAPPS 09/02/2016

SECTION II – PAYMENT/HOTLINE INFORMATION – 1U18FD005917-01

Grant payments will be made available through the DHHS Payment Management System (PMS). PMS is administered by the Division of Payment Management, Program Support Center (PSC), DHHS, Office of the Deputy Assistant Secretary, Finance. Requests for downloadable forms and inquiries regarding payment should be directed to: