AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

107TH CONGRESS
1st Session
HOUSE OF REPRESENTATIVES
REPORT
107–116

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL, 2002

JUNE 27, 2001.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. BONILLA, from the Committee on Appropriations, submitted the following

REPORT

together with

ADDITIONAL VIEWS

[To accompany H.R. 2330]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for fiscal year 2002.

SUMMARY OF ESTIMATES AND RECOMMENDATIONS

	FY 2001 appropriation [1]	FY 2002 estimates	FY 2002 recommendation	FY 2002 recommendation compared with FY 2001 appropriation	FY 2002 recommendation compared with FY 2002 estimates
Title I—Agricultural Programs	$33,249,900,000	$31,636,339,000	$31,769,514,000	−$1,480,386,000	+$133,175,000
Title II—Conservation Programs	871,556,000	928,605,000	948,632,000	+77,076,000	+20,027,000
ACP Rescission	.....	.....	−45,000,000	−45,000,000	−45,000,000
Title III—Rural Economic and Community Development Programs	2,481,127,000	2,401,520,000	2,488,414,000	+7,287,000	+86,894,000
Title IV—Domestic Food Programs	34,111,685,000	36,629,391,000	36,648,628,000	+2,536,943,000	+19,237,000
Title V—Foreign Assistance and Related Programs	1,090,199,000	1,096,953,000	1,106,701,000	+16,502,000	+9,748,000
Title VI—FDA and Related Agencies	1,165,304,000	1,281,304,000	1,288,554,000	+123,250,000	+7,250,000
Title VII—General Provisions	29,945,000	1,996,000	155,000,000	+125,055,000	+153,004,000

SUMMARY OF ESTIMATES AND RECOMMENDATIONS—Continued

	FY 2001 appropriation [1]	FY 2002 estimates	FY 2002 recommendation	FY 2002 recommendation compared with FY 2001 appropriation	FY 2002 recommendation compared with FY 2002 estimates
Title VIII—Natural Disaster Assistance and Other Emergency Appropriations	3,638,949,000	0	0	−3,638,949,000	0
Title X—Anti-Dumping	39,912,000	0	0	−39,912,000	0
Total	76,678,577,000	73,976,108,000	74,360,443,000	−2,318,134,000	+384,335,000

[1] Includes impact of 0.22 percent reduction pursuant to P.L. 106–554.

For discretionary programs the Committee provides $15,669,000,000, which is $3,046,700,000 less than the amount available in fiscal year 2001 and $260,214,000 more than the budget request.

In this report, all references to enacted fiscal year 2001 appropriations levels represent the amounts enacted in Public Law 106–387, as reduced by 0.22 percent pursuant to Public Law 106–554.

INTRODUCTION

The programs funded in this legislation improve the lives of every American, every day. The Department of Agriculture administers nutrition and feeding programs for millions of Americans. USDA is also responsible for the safety of our meat and poultry supply.

This bill provides funding for research to strengthen our Nation's food supply, to make American exports competitive in world markets, to improve human nutrition, and to help ensure food safety. Funds in this bill make it possible for less than two percent of the population to provide a wide variety of safe, nutritious, and affordable food for all Americans and for many more people overseas.

Food safety remains one of the Committee's highest priorities. The bill provides funding for the Food Safety and Inspection Service, the Food and Drug Administration, the Office of the Chief Economist, the Economic Research Service, the Food and Nutrition Service, the Agricultural Research Service and the Cooperative State Research, Education and Extension Service for food safety related activities.

The rural development programs funded in this bill provide basic housing, safe water, and opportunities for economic growth in rural America. Conservation and environmental programs preserve lands and watersheds for use by future generations.

In addition, this bill provides funding for the Food and Drug Administration which oversees the safety of an enormous range of food, drugs, and medical devices and the Commodity Futures Trading Commission which regulates an increasingly complex market in commodity trading.

To establish priorities for funding for so many diverse and critical activities is never easy and the task will be more difficult as the effort to preserve the budget surplus continues. There are very few program increases in this bill. Many of the accounts are at current levels of spending or decreased from the previous fiscal year.

In setting program levels the Committee was constrained by allocations for budget authority and outlays in comparison with fiscal

year 2001. The Committee's recommended program levels are based upon appropriated funds as well as limitations on mandatory programs.

Pay Costs.—The Committee's recommendation includes full funding to cover 4.6% pay increases for fiscal year 2002, the level contained in the conference agreement on the budget resolution. Without this funding, agencies would be required to reduce the level of services provided in order to cover mandatory cost increases.

Program Priorities/Loan Targeting.—The Committee will expect the Department to focus exclusively on economic need when attempting to target increased lending under various farm loan and rural housing loan and assistance programs.

Proposed New User Fees.—The budget request assumes the establishment of new user fees in the following areas:

- Animal and Plant Health Inspection Service, Animal Welfare Inspections
- Grain Inspection, Packers and Stockyards Administration, Grain Standards Development
- Food and Drug Administration:
  - Import Program Operations
  - Food Export Certificates

None of these proposed user fees are currently authorized in law. The Committee does not recommend establishing such fees in annual appropriations acts, but will consider such fees should they achieve authorization.

Unauthorized Appropriations Requests.—The Committee directs that budget justification materials submitted in support of future appropriations requests will contain tabular listings of any item that is not authorized by law, in the format contained elsewhere in this report under the heading "Appropriations Not Authorized by Law".

CONSTITUTIONAL AUTHORITY

Clause 3(d)(1) of rule XIII of the Rules of the House of Representatives states that:

> Each report of a committee on a bill or joint resolution of a public character, shall include a statement citing the specific powers granted to the Congress in the Constitution to enact the law proposed by the bill or joint resolution.

The Committee on Appropriations bases its authority to report this legislation from Clause 7 of Section 9 of Article I of the Constitution of the United States of America which states:

> No money shall be drawn from the Treasury but in consequence of Appropriations made by law * * *

Appropriations contained in this Act are made pursuant to this specific power granted by the Constitution.

TITLE I—AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING, AND MARKETING

OFFICE OF THE SECRETARY

2001 appropriation	$2,908,000
2002 budget estimate	2,992,000
Provided in the bill	3,015,000
Comparison:	
2001 appropriation	+107,000
2002 budget estimate	+23,000

The Secretary of Agriculture, assisted by the Deputy Secretary, Under Secretaries and Assistant Secretaries, Chief Information Officer, Chief Financial Officer, and members of their immediate staffs, directs and coordinates the work of the Department. This includes developing policy, maintaining relationships with agricultural organizations and others in the development of farm programs, and maintaining liaison with the Executive Office of the President and Members of Congress on all matters pertaining to agricultural policy.

The general authority of the Secretary to supervise and control the work of the Department is contained in the Organic Act of 1944 (7 U.S.C. 2201–2202). The delegation of regulatory functions to Department employees and authorization of appropriations to carry out these functions is contained in 7 U.S.C. 450c–450g.

COMMITTEE PROVISIONS

For the Office of the Secretary, the Committee provides an appropriation of $3,015,000, an increase of $107,000 above the amount available for fiscal year 2001 and an increase of $23,000 above the budget request.

Plant and animal pest and disease emergencies.—The Committee is concerned about the increasing risk to our nation's food supply from plant and animal pests and diseases. Recent examples include citrus canker in Florida, glassy-winged sharpshooter in California, Asian longhorned beetles in Illinois and New York, Mediterranean and Mexican fruit flies throughout the southern United States, and the possibility for a foot and mouth disease incursion. The Committee notes that the Secretary of Agriculture has authority to declare emergencies and to use the resources of the Commodity Credit Corporation for the arrest and eradication of such threats to American agriculture. This system has served our country well for many years by granting the Secretary the power to make virtually unlimited efforts to eliminate emerging pest and disease problems before outbreaks expand and become unmanageable.

Criminal acts/terrorist incidents.—The Committee is concerned about rising numbers of criminal acts targeting animal and plant research facilities. The Secretary is directed to report to the Com-

mittee on the extent of animal and plant terrorism incidents at USDA funded facilities, the consequence of these activities on research, recommendations for improving security at federally funded facilities, and guidance on the appropriate federal role in response to such criminal activities. This report shall be submitted to the Committee on Appropriations and the Committee on Agriculture of both the House and Senate by March 31, 2002.

Farmers' Market at USDA Headquarters.—The Committee notes that the Farmers' Market operating at USDA headquarters in Washington, D.C. has been a successful link between farmers and consumers, demonstrating the role that USDA can play in alternative market structures for producers. The Committee encourages the Secretary to continue the operation of the USDA Farmers' Market in its current location.

Food Guide Pyramid.—The Committee directs the Secretary of Agriculture to study and report within 90 days of enactment of this Act on the design of an effective program for elementary school children to make use of the Food Guide Pyramid.

State Office Colocation.—The Committee continues to direct that any reallocation of resources related to the colocation of state offices scheduled for 2001 and subsequent years is subject to the Committee's reprogramming procedures. The Committee notes that no such reprogramming requests have been received to date.

Alternative Energy.—The Committee notes that notwithstanding the participation of the Secretary of Agriculture in the National Energy Policy Development Group, the Report of the Group to the President does not call sufficient attention to the role of the Department of Agriculture in the development of renewable energy sources. The Committee urges the Department to continue its strong efforts in support of ethanol, biodiesel, and other biobased renewable fuels, and to work to bring these efforts to the forefront of public attention. Further, the Committee looks forward to the receipt of the report required by FY 2001 appropriations legislation from the Secretaries of Agriculture, Energy, and Interior, regarding the feasibility of including ethanol and biodiesel as part of the national Strategic Fuels Reserve.

Agriculture Exhibit at the Smithsonian.—The Committee believes that it is important that Americans be given a comprehensive impression of the history of American agriculture, and its continuing vitality and importance to our economy. To that end, the Committee encourages the Secretary to work with officials at the American History Museum of the Smithsonian Institution to assist that museum in achieving the goal to properly portray the key role agriculture plays in our country with revisions and improvements to the current exhibit.

Global Food for Education Initiative.—The Committee expects the Secretary of Agriculture to continue in fiscal year 2002 the Global Food for Education Initiative program implemented in fiscal year 2001, at the level implemented in fiscal year 2001. The assistance provided under this section shall be in addition to other demands for section 416(b) and PL 480 Title I commodities.

Computing and Information Technologies Review.—The Committee recognizes that U.S. competitiveness in 21st Century agriculture will be based on multi-disciplinary research that requires

the most advanced computing and information technologies. The Committee directs the Secretary to conduct a review of its advanced computational capabilities, particularly in the Agriculture Research Services, the Cooperative State, Research, Education and Extension Service and the Economic Research Service. The Committee is concerned that the department is not keeping pace with other federal agencies both in in-house and external research programs. The Committee also urges the Secretary to convene a symposium of researchers from the leading agricultural universities to identify complex agricultural, environmental and natural resource research problems that require significant computational resources and programming to advance.

The Committee is concerned that extensive use of contracting outside the Department for administrative and core mission activities may not yield the best cost benefit or the best customer benefit in terms of dealing with experienced career federal personnel. Customers of federal programs such as those administered by the Rural Development Services and the Farm Service Agency often have needs and circumstances that are not dealt with in the private sector. The Committee directs the Department to make cost comparisons of the use of private contractors with federal employee performance and to employ the most efficient organization process as described in OMB Circular A–76. The Committee also directs the Department to solicit input from federal employees in agencies affected by contracting out in order to ensure the expertise of those employees is a part of any decision made by management. The Committee also directs the Department to report on its contracting out policies, including the agency budgets for contracting out, with its annual budget submission for fiscal year 2003.

EXECUTIVE OPERATIONS

Executive Operations was established as a result of the reorganization of the Department to provide a support team for USDA policy officials and selected department-wide services. Activities under Executive Operations include the Office of the Chief Economist, the National Appeals Division, and the Office of Budget and Program Analysis.

OFFICE OF THE CHIEF ECONOMIST

2001 appropriation	$7,446,000
2002 budget estimate	7,648,000
Provided in the bill	7,704,000
Comparison:	
2001 appropriation	+258,000
2002 budget estimate	+56,000

The Office of the Chief Economist advises the Secretary of Agriculture on the economic implications of Department policies and programs. The Office serves as the single focal point for the Nation's economic intelligence and analysis, risk assessment, energy and new uses, and cost-benefit analysis related to domestic and international food and agriculture, and is responsible for coordination and review of all commodity and aggregate agricultural and food-related data used to develop outlook and situation material within the Department.

COMMITTEE PROVISIONS

For the Office of the Chief Economist, the Committee provides an appropriation of $7,704,000, an increase of $258,000 above the amount available for fiscal year 2001 and an increase of $56,000 above the budget request.

Agricultural supply and demand.—The Committee urges the Department to work with a qualified entity such as Columbia University's International Research Institute for Climate Prediction to obtain improved and available tools and mechanisms for foreign agricultural supply and demand estimates.

NATIONAL APPEALS DIVISION

2001 appropriation	$12,394,000
2002 budget estimate	12,766,000
Provided in the bill	12,869,000
Comparison:	
2001 appropriation	+475,000
2002 budget estimate	+103,000

The National Appeals Division conducts administrative hearings and reviews adverse program decisions made by the Rural Development mission area, the Farm Service Agency, the Risk Management Agency, and the Natural Resources Conservation Service.

COMMITTEE PROVISIONS

For the National Appeals Division, the Committee provides an appropriation of $12,869,000, an increase of $475,000 above the amount available for fiscal year 2001 and an increase of $103,000 above the budget request.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

2001 appropriation	$6,750,000
2002 budget estimate	6,978,000
Provided in the bill	7,041,000
Comparison:	
2001 appropriation	+291,000
2002 budget estimate	+63,000

The Office of Budget and Program Analysis provides direction and administration of the Department's budgetary functions including development, presentation, and execution of the budget; reviews program and legislative proposals for program, budget, and related implications; analyzes program and resource issues and alternatives, and prepares summaries of pertinent data to aid the Secretary and departmental policy officials and agency program managers in the decision-making process; and provides department-wide coordination for and participation in the presentation of budget related matters to the Committees of the Congress, the media, and interested public. The Office also provides department-wide coordination of the preparation and processing of regulations and legislative programs and reports.

COMMITTEE PROVISIONS

For the Office of Budget and Program Analysis, the Committee provides an appropriation of $7,041,000, an increase of $291,000

above the amount available for fiscal year 2001 and an increase of $63,000 above the budget request.

OFFICE OF THE CHIEF INFORMATION OFFICER

2001 appropriation	$10,029,000
2002 budget estimate	10,261,000
Provided in the bill	10,325,000
Comparison:	
2001 appropriation	+296,000
2002 budget estimate	+64,000

Section 808 of P.L. 104–208 required the establishment of a Chief Information Officer for major Federal agencies. Pursuant to this Act, the Office of the Chief Information Officer was established in August 1996, to provide policy guidance, leadership, coordination, and direction to the Department's information management and information technology investment activities in support of USDA program delivery. The Office provides long-range planning guidance, implements measures to ensure that technology investments are economical and effective, coordinates interagency Information Resources Management projects, and implements standards to promote information exchange and technical interoperability. The Office also provides telecommunications and ADP services to USDA agencies through the National Information Technology Center with locations in Ft. Collins, Colorado and Kansas City, Missouri. Direct ADP operational services are also provided to the Office of the Secretary, Office of the General Counsel, Office of Communications, the Office of the Chief Financial Officer and Executive Operations.

Additionally, the Office of the Chief Information Officer is responsible for certain activities under the Department's Working Capital Fund (7 U.S.C. 2235).

COMMITTEE PROVISIONS

For the Office of the Chief Information Officer, the Committee provides an appropriation of $10,325,000, an increase of $296,000 above the amount available for fiscal year 2001 and an increase of $64,000 above the budget request.

The Committee directs the Chief Information Officer to keep the Committee updated, on a routine basis, as the information risk management and telecommunications programs are implemented.

COMMON COMPUTING ENVIRONMENT

2001 appropriation [1]	$39,912,000
2002 budget estimate	59,369,000
Provided in the bill	59,369,000
Comparison:	
2001 appropriation	+19,457,000
2002 budget estimate	

[1] Excludes $19.5 million less 0.22% rescission in emergency funding appropriations provided by P.L. 106–387.

The Department of Agriculture Reorganization Act of 1994 requires the Secretary of Agriculture to procure and use computer systems in a manner that enhances efficiency, productivity, and client services, and that promotes computer information sharing among agencies of the Department. Section 808 of P.L. 104–208 re-

quires USDA to maximize the value of information technology acquisitions to improve the efficiency and effectiveness of USDA programs. Since its beginning in 1996, the USDA Service Center Modernization initiative has been working to restructure county field offices, modernize and integrate business approaches and replace the current, aging information systems with a modern Common Computing Environment that optimizes information sharing, customer service, and staff efficiencies.

COMMITTEE PROVISIONS

For the Common Computing Environment, the Committee provides an appropriation of $59,369,000, an increase of $19,457,000 above the amount available in fiscal year 2001 and the same amount as the budget request.

The Committee directs the Department to continue reporting to the Committee on Appropriations on a quarterly basis on the implementation of the Common Computing Environment.

Within the amount appropriated, $4,500,000 is for data storage infrastructure hardware and software with heterogeneous connectivity to all existing USDA information systems and applications, and which enables remote mirroring for disaster recovery, and of which $1,500,000 is for the same data storage technology for the Combined Administrative Management System.

OFFICE OF THE CHIEF FINANCIAL OFFICER

2001 appropriation	$5,160,000
2002 budget estimate	5,335,000
Provided in the bill	5,384,000
Comparison:	
2001 appropriation	+224,000
2002 budget estimate	+49,000

Under the Chief Financial Officers Act of 1990, the Chief Financial Officer is responsible for the continued direction and oversight of the Department's financial management operations and systems. The Office supports the Chief Financial Officer in carrying out the dual roles of the Chief Financial Management Policy Officer and the Chief Financial Management Advisor to the Secretary and mission area heads. The Office provides leadership, expertise, coordination, and evaluation in the development of Department and agency programs for financial management, accounting, travel, Federal assistance, and performance measurements. It is also responsible for the management and operation of the National Finance Center. The Office also provides budget, accounting, and fiscal services to the Office of the Secretary, departmental staff offices, Office of the Chief Information Officer, Office of Communications, and Executive Operations.

COMMITTEE PROVISIONS

For the Office of the Chief Financial Officer, the Committee provides an appropriation of $5,384,000, an increase of $224,000 above the amount available for fiscal year 2001 and an increase of $49,000 above the budget request.

The Committee has included bill language that directs the Chief Financial Officer to actively market and expand the cross-servicing activities of the National Finance Center.

The Committee recommends language that allows the Secretary to transfer funds provided in this Act and other available unobligated balances of the Department of Agriculture, with the approval of the agency administrator, to the Working Capital Fund for the acquisition of plant and capital equipment necessary for the delivery of financial, administrative, and information technology services of the National Finance Center in New Orleans, LA, and the National Information Technology Center in Kansas City, MO and Ft. Collins, CO.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

2001 appropriation	$628,000
2002 budget estimate	647,000
Provided in the bill	652,000
Comparison:	
2001 appropriation	+24,000
2002 budget estimate	+5,000

The Office of the Assistant Secretary for Administration directs and coordinates the work of the departmental staff in carrying out the laws enacted by the Congress relating to real and personal property management, ethics, personnel management, equal opportunity and civil rights programs, and other general administrative functions. Additionally, the Office of the Assistant Secretary for Administration is responsible for certain activities financed under the Department's Working Capital Fund (7 U.S.C. 2235).

COMMITTEE PROVISIONS

For the Office of the Assistant Secretary for Administration, the Committee provides an appropriation of $652,000, an increase of $24,000 above the amount available for fiscal year 2001 and an increase of $5,000 above the budget request.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

2001 appropriation	$182,345,000
2002 budget estimate	187,581,000
Provided in the bill	187,647,000
Comparison:	
2001 appropriation	+5,302,000
2002 budget estimate	+66,000

Rental Payments.—Annual appropriations are made to agencies of the Federal government so that they can pay the General Services Administration (GSA) fees for rental of space and for related services.

The requirement that GSA charge commercial rent rates to agencies occupying GSA-controlled space was established by the Public Buildings Amendments of 1972. The methods used to establish commercial rent rates in GSA space follow commercial real estate appraisal practices. Appeal and rate review procedures are in place to assure that agencies have an opportunity to contest rates they feel are incorrect. The cost of newly leased space reflects current

private sector market rates. The leases are competitively acquired in close coordination with USDA and other customer agencies.

Building Operations and Maintenance.—On October 1, 1984, GSA delegated the operations and maintenance functions for the buildings in the D.C. complex to the Department. This activity provides departmental staff and support services to operate, maintain, and repair the buildings in the D.C. complex. Since 1989, when the GSA delegation expired, USDA has been responsible for managing, operating, maintaining, repairing, and improving the headquarters complex, which encompasses 14.1 acres of ground and four buildings containing approximately three million square feet of space occupied by approximately 8,000 employees. In fiscal year 1998, USDA began operations of the Beltsville Office Facility.

Strategic Space Plan.—The Department's headquarters staff is presently housed in a four-building government-owned complex in downtown Washington, D.C. and in leased buildings in the metropolitan Washington area. In 1995, USDA initiated a plan to improve the delivery of USDA programs to the American people, including streamlining the USDA organization. A high priority goal in the Secretary's plan is to improve the operation and effectiveness of the USDA headquarters in Washington. To implement this goal, a strategy for efficient re-allocation of space to house the restructured headquarters agencies in modern and safe facilities has been proposed. This USDA Strategic Space Plan will correct serious problems USDA has faced in its facility program, including the inefficiencies of operating out of scattered leased facilities and serious safety hazards which exist in the huge Agriculture South Building. During FY 1998, the Beltsville Office Facility was completed. This facility was constructed with funds appropriated to the Department and is located on Government-owned land in Beltsville, Maryland. In fiscal year 1999, USDA began operations at the Beltsville Office Facility.

COMMITTEE PROVISIONS

For Agriculture Buildings and Facilities and Rental Payments to GSA, the Committee provides an appropriation of $187,647,000, an increase of $5,302,000 above the amount available for fiscal year 2001 and an increase of $66,000 above the budget request.

Included in this amount is $130,266,000 for rental payments to GSA. The Committee includes language permitting the Secretary of Agriculture to transfer not more than five percent of this appropriation to or from another agency's appropriation. The Committee expects that such a transfer will be proposed only when a move into GSA space is vacated in favor of commercial space. This flexibility is provided to allow for incremental changes in the amount of GSA space and is not intended merely to finance changes in GSA billing.

The Committee includes language as requested that allows for the reconfiguration and release of space back into the General Services Administration inventory in order to reduce space rental cost for space not needed for USDA programs. The Committee directs that the Appropriations Committees of both Houses of Congress shall be notified at least 15 days in advance of any proposal to commit or obligate funds for this purpose.

The following table represents the Committee's specific recommendations for this account:

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

[In thousands of dollars]

	2001 estimate	*2002 budget request*	*Committee recommendation*
Rental Payments	$125,266	$130,266	$130,266
Building Operations	31,136	31,372	31,438
Strategic Space Plan	25,943	25,943	25,943
Total	182,345	187,581	187,647

HAZARDOUS MATERIALS MANAGEMENT

2001 appropriation	$15,665,000
2002 budget estimate	15,665,000
Provided in the bill	15,665,000
Comparison:	
2001 appropriation	.....
2002 budget estimate	.....

Under the Comprehensive Environmental Response, Compensation, and Liability Act and the Resource Conservation and Recovery Act, the Department has the responsibility to meet the same standards regarding the storage and disposition of hazardous materials as private businesses. The Department is required to contain, clean up, monitor, and inspect for hazardous materials in areas covered by the Department or within departmental jurisdiction.

COMMITTEE PROVISIONS

For Hazardous Materials Management, the Committee provides an appropriation of $15,665,000, the same as the amount available for fiscal year 2001 and the same amount as the budget request.

DEPARTMENTAL ADMINISTRATION

2001 appropriation [1]	$35,931,000
2002 budget estimate	37,079,000
Provided in the bill	37,398,000
Comparison:	
2001 appropriation	+1,467,000
2002 budget estimate	+319,000

[1] Excludes $200 thousand less 0.22% rescission in emergency funding provided by P.L. 106–387 which was transferred to the Small Business Administration.

Departmental Administration is comprised of activities that provide staff support to top policy officials and overall direction and coordination of the Department. These activities include department-wide programs for human resource management, management improvement, occupational safety and health management, real and personal property management, procurement, contracting, motor vehicle and aircraft management, supply management, civil rights, equal opportunity and ethics, participation of small and disadvantaged businesses and socially disadvantaged farmers and ranchers in the Department's program activities, emergency preparedness, and the regulatory hearing and administrative proceedings conducted by the Administrative Law Judges and Judicial Officer. Departmental Administration also provides administrative

support to the Board of Contract Appeals. Established as an independent entity within the Department, the Board adjudicates contract claims by and against the Department, and is funded as a reimbursable activity.

Departmental Administration is also responsible for representing USDA in the development of government-wide policies and initiatives; analyzing the impact of government-wide trends and developing appropriate USDA principles, policies, and standards. In addition, Departmental Administration engages in strategic planning and evaluating programs to ensure Department-wide compliance with applicable laws, rules, and regulations pertaining to administrative matters for the Secretary and general officers of the Department.

COMMITTEE PROVISIONS

For Departmental Administration, the Committee provides an appropriation of $37,398,000, an increase of $1,467,000 above the amount available for fiscal year 2001 and an increase of $319,000 above the budget request.

OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS

2001 appropriation	$2,993,000
2002 budget estimate	2,993,000
Provided in the bill	2,993,000
Comparison:	
2001 appropriation	.....
2002 budget estimate	.....

This program is authorized under section 2501 of title XXV of the Food, Agriculture, Conservation, and Trade Act of 1990. Grants are made to eligible community-based organizations with demonstrated experience in providing education or other agriculturally related services to socially disadvantaged farmers and ranchers in their area of influence. Also eligible are the 1890 land-grant colleges, Tuskegee University, Indian tribal community colleges, and Hispanic serving post-secondary education facilities.

COMMITTEE PROVISIONS

For the Outreach for Socially Disadvantaged Farmers and Ranchers Program, the Committee provides an appropriation of $2,993,000, the same as the amount available for fiscal year 2001 and the same amount as the budget request.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS

2001 appropriation	$3,560,000
2002 budget estimate	3,684,000
Provided in the bill	3,718,000
Comparison:	
2001 appropriation	+158,000
2002 budget estimate	+34,000

The Office of the Assistant Secretary for Congressional Relations maintains liaison with the Congress and White House on legislative matters. It also provides for overall direction and coordination in the development and implementation of policies and procedures

applicable to the Department's intra and inter-governmental relations.

COMMITTEE PROVISIONS

For the Office of the Assistant Secretary for Congressional Relations, the Committee provides an appropriation of $3,718,000, an increase of $158,000 above the amount available for fiscal year 2001 and an increase of $34,000 above the budget request.

Within 30 days from the enactment of this Act, the Secretary shall notify the House and Senate Committees on Appropriations on the allocation of these funds by USDA agency, along with an explanation for the agency-by-agency distribution of the funds.

OFFICE OF COMMUNICATIONS

2001 appropriation	$8,604,000
2002 budget estimate	8,894,000
Provided in the bill	8,975,000
Comparison:	
2001 appropriation	+371,000
2002 budget estimate	+81,000

The Office of Communications provides direction, leadership, and coordination in the development and delivery of useful information through all media to the public on USDA programs. The Office serves as the liaison between the Department and the many associations and organizations representing America's food, fiber, and environmental interests.

COMMITTEE PROVISIONS

For the Office of Communications, the Committee provides an appropriation of $8,975,000, an increase of $371,000 above the amount available for fiscal year 2001 and an increase of $81,000 above the budget request.

OFFICE OF INSPECTOR GENERAL

2001 appropriation	$68,715,000
2002 budget estimate	70,839,000
Provided in the bill	71,429,000
Comparison:	
2001 appropriation	+2,714,000
2002 budget estimate	+590,000

The Office of Inspector General was established October 12, 1978, by the Inspector General Act of 1978. This reaffirmed and expanded the Office established by Secretary's Memorandum No. 1915, dated March 23, 1977.

The Office is administered by an Inspector General who reports directly to the Secretary of Agriculture. Functions and responsibilities of this Office include direction and control of audit and investigative activities within the Department, formulation of audit and investigative policies and procedures regarding Department programs and operations, analysis and coordination of program-related audit and investigation activities performed by other Department agencies, and review of existing and proposed legislation and regulations regarding the impact such initiatives will have on the economy and efficiency of the Department's programs and operations

and the prevention and detection of fraud and abuse in such programs. The activities of this Office are designed to assure compliance with existing laws, policies, regulations, and programs of the Department's agencies, and to provide appropriate officials with the means for prompt corrective action where deviations have occurred. The scope of audit and investigative activities is large and includes administrative, program, and criminal matters. These activities are coordinated, when appropriate, with various audit and investigative agencies of the executive and legislative branches of the government.

COMMITTEE PROVISIONS

For the Office of Inspector General, the Committee provides an appropriation of $71,429,000, an increase of $2,714,000 above the amount available for fiscal year 2001, and an increase of $590,000 above the budget request.

OFFICE OF THE GENERAL COUNSEL

2001 appropriation [1]	$31,012,000
2002 budget estimate	32,627,000
Provided in the bill	32,937,000
Comparison:	
2001 appropriation	+1,925,000
2002 budget estimate	+310,000

[1] Excludes $500,000 less 0.22% rescission in emergency funding provided by P.L 106–554.

The Office of the General Counsel, originally known as the Office of the Solicitor, was established in 1910 as the law office of the Department of Agriculture, and manages all of the legal work arising from the activities of the Department. The General Counsel represents the Department on administrative proceedings for the promulgation of rules and regulations having the force and effect of law; in quasi-judicial hearings held in connection with the administration of various programs and acts; and in proceedings involving freight rates and practices relating to farm commodities. Counsel serves as General Counsel for the Commodity Credit Corporation and the Federal Crop Insurance Corporation and reviews criminal cases arising under the programs of the Department for referral to the Department of Justice.

COMMITTEE PROVISIONS

For the Office of the General Counsel, the Committee provides an appropriation of $32,937,000, an increase of $1,925,000 above the amount available in fiscal year 2001 and an increase of $310,000 above the budget request.

OFFICE OF THE UNDER SECRETARY FOR RESEARCH, EDUCATION, AND ECONOMICS

2001 appropriation	$555,000
2002 budget estimate	573,000
Provided in the bill	578,000
Comparison:	
2001 appropriation	+23,000
2002 budget estimate	+5,000

The Office of the Under Secretary for Research, Education, and Economics provides direction and coordination in carrying out the laws enacted by the Congress for food and agricultural research, education, extension, and economic and statistical information. The Office has oversight and management responsibilities for the Agricultural Research Service; Cooperative State Research, Education, and Extension Service; Economic Research Service; and National Agricultural Statistics Service.

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Research, Education, and Economics, the Committee provides an appropriation of $578,000, an increase of $23,000 above the amount available for fiscal year 2001 and an increase of $5,000 above the budget request.

ECONOMIC RESEARCH SERVICE

2001 appropriation [1]	$66,891,000
2002 budget estimate	67,200,000
Provided in the bill	67,620,000
Comparison:	
2001 appropriation	+729,000
2002 budget estimate	+420,000

[1] Does not reflect the transfer of $1 million to FPA in the Food and Nutrition Service.

The Economic Research Service (ERS) provides economic and other social science information and analysis for public and private decisions on agriculture, food, natural resources, and rural America. ERS produces such information for use by the general public and to help the executive and legislative branches develop, administer, and evaluate agricultural and rural policies and programs.

COMMITTEE PROVISIONS

For the Economic Research Service, the Committee provides an appropriation of $67,620,000, an increase of $729,000 above the amount available for fiscal year 2001 and an increase of $420,000 above the budget request. The Committee has provided $9,195,000 for food program studies and evaluations work under the Economic Research Service and $3,000,000 for food program studies under the Food and Nutrition Service.

NATIONAL AGRICULTURAL STATISTICS SERVICE

2001 appropriation	$100,550,000
2002 budget estimate	113,786,000
Provided in the bill	114,546,000
Comparison:	
2001 appropriation	+13,996,000
2002 budget estimate	+760,000

The National Agricultural Statistics Service (NASS) administers the Department's program of collecting and publishing current national, state, and county agricultural statistics, which are essential for making effective policy, production, and marketing decisions. These statistics provide accurate and timely estimates of current agricultural production and measures of the economic and environmental welfare of the agricultural sector. NASS also provides sta-

tistical services to other USDA and Federal agencies in support of their missions, and provides consulting, technical assistance, and training to developing countries.

Beginning with the fiscal year 1997 appropriation, funding has been provided to NASS for the Census of Agriculture which has been transferred from the Department of Commerce to the Department of Agriculture to consolidate the activities of the two agricultural statistics programs. The Census of Agriculture is taken every five years and provides comprehensive data on the agricultural economy including: data on the number of farms, land use, production expenses, farm product values, value of land and buildings, farm size, and characteristics of farm operators. It provides national, state, and county data as well as selected data for Puerto Rico, Guam, and the United States Virgin Islands.

COMMITTEE PROVISIONS

For the National Agricultural Statistics Service, the Committee provides an appropriation of $114,546,000, an increase of $13,996,000 above the amount available in fiscal year 2001 and an increase of $760,000 above the budget request. Included in this amount is $25,456,000 for the Census of Agriculture. The Census of Agriculture collects and provides comprehensive data every five years on all aspects of the agricultural economy.

The budget year is the third year in a five-year funding cycle for the Census of Agriculture; Census funding needs are cyclical and increase as data collection activities begin.

AGRICULTURAL RESEARCH SERVICE

2001 appropriation	$896,835,000
2002 budget estimate	915,591,000
Provided in the bill	971,365,000
Comparison:	
2001 appropriation	+74,530,000
2002 budget estimate	+55,774,000

The Agricultural Research Service (ARS) was established by the Secretary of Agriculture on November 2, 1953, under the authority of the Reorganization Act of 1949 (5 U.S.C. 133z–15), Reorganization Plan No. 2 of 1953, and other authorities. Pursuant to the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6912), ARS includes functions previously performed by the Human Nutrition Information Service and the National Agricultural Library. ARS conducts basic and applied research in the fields of animal sciences, plant sciences, entomology, soil, water and air sciences, agricultural engineering, utilization and development, human nutrition and consumer use, marketing, development of integrated farming systems, and development of methods to eradicate narcotic-producing plants.

ARS also directs research beneficial to the United States which can be advantageously conducted in foreign countries through agreements with foreign research institutions and universities, using foreign currencies for such purposes. This program is carried out under the authority of sections 104(b) (1) and (3) of Public Law 480, and the Agricultural Trade Development and Assistance Act of 1954, as amended.

Salaries and expenses.—For salaries and expenses of the Agricultural Research Service, the Committee provides an appropriation of $971,365,000, an increase of $74,530,000 above the amount available for fiscal year 2001 and an increase of $55,774,000 above the budget request.

Animal vaccines.—There is a critical need to develop new technologies to mitigate the adverse impacts of disease on cattle, poultry, and swine. The USDA estimates that the annual monetary loss as a result of cattle and swine diarrheal disease is $500 million in the U.S. alone. Additionally, USDA estimates that food borne pathogens cause between 6.5 million and 33 million cases of human disease and 9,000 deaths annually. The Committee provides an increase of $400,000 in fiscal year 2002 for expanded research on advanced animal vaccines and diagnostic applications currently carried out jointly by ARS, the University of Connecticut, and the University of Missouri.

Animal Welfare Information Center (AWIC).—ARS' National Agricultural Library (NAL) operates the Animal Welfare Information Center which was established as mandated by the 1985 Animal Welfare Act, as amended. AWIC is a key component of NAL's integrated information services program that enhances access to information about animal welfare. The center assists researchers and others responsible for the care of laboratory animals with important information to enable them to comply with the humane standards established under the Animal Welfare Act. The Committee provides an increase of $400,000 in fiscal year 2002 for expanded animal welfare activities.

Aquaculture initiatives, Harbor Branch Oceanographic Institute.—The Committee provides an increase of $1,200,000 in fiscal year 2002 for collaborative research between the Agricultural Research Service and the Harbor Branch Oceanographic Institute, with participation of the Florida State University on research to design low-cost energy efficient recirculating aquaculture production systems for marine species in new environments. This research will expand aquaculture of subtropical marine species to inland sites throughout the Southeastern U.S. by adapting marine species to new environments of fresh water. This research will focus on culture technologies, energy efficiency, and design of low-cost recirculating systems for intensive aquaculture production.

Bee research.—The Committee recognizes the important research carried out at Weslaco, Texas in control of parasitic mites and directs the agency to continue its support of the bee research program at the fiscal year 2001 level.

Binational agriculture research and development.—The Committee recognizes the important research carried out through the binational agriculture research and development program and provides $399,120, the same level as in fiscal year 2001.

Biobased products and bioenergy.—The development of biobased products and bioenergy represents an additional source of demand for agricultural products as well as enhanced energy security. Ethanol, biodiesel, and other biobased products are also necessary to provide products that have environmental benefits. The Committee

provides $15,000,000 for this research as justified in the President's budget. Research to improve conversion of agricultural materials to biofuels: Peoria, Illinois, $4,800,000; Wyndmoor, Pennsylvania, $1,200,000; and Albany, California, $2,000,000. Develop biobased materials for agricultural commodities: Peoria, Illinois, $1,500,000; Wyndmoor, Pennsylvania, $1,250,000; and New Orleans, Louisiana, $1,250,000. Improve biomass feedstocks for energy: Lincoln, Nebraska, $700,000; St. Paul, Minnesota, $400,000; and Madison, Wisconsin, $400,000. Sustainable bioenergy and bioproduct crop production systems, $1,500,000, to be conducted at El Reno, Oklahoma; Tifton, Georgia; Mandan, North Dakota; University Park, Pennsylvania; and Corvallis, Oregon.

Bioinformatics.—The Committee provides $4,500,000 to develop bioinformatic tools and provide database support for ARS' plant and animal science programs. The research will be conducted at Beltsville, Maryland; Ithaca, New York; Clay Center, Nebraska; Ames, Iowa; and Stoneville, Mississippi. The genomics program will generate information for dairy cattle, beef cattle, pigs, and poultry. It will enhance the capacity to manage information from the analysis of plant and crop genomes. Bioinformatics and database support will be developed for soybeans, cotton, corn, maize, and catfish. This effort will prove invaluable in developing new technologies that will provide more rapid and efficient methods to characterize, identify, and manipulate useful properties of genes and genomes.

Biomineral Soil Amendments for Control of Nematodes.—The Committee recognizes the need for additional research on crop pests, particularly soil nematodes. The Committee provides an increase of $500,000 for a cooperative project involving the ARS Beltsville research center, private partners and other universities for systematic field experiments in major nematode-impacted crop production areas.

Biotechnology Research Development Corporation—BRDC.—BRDC is a uniquely successful public/private partnership dedicated to promoting technology development and commercialization of agricultural technology. The success of this investment can be measured by the large number of patents and technology licenses of inventions sponsored through BRDC. The Committee is providing an increase of $1,000,000 in fiscal year 2002 to expedite the development and commercialization of agricultural technology which will result in an improved farm economy and related agribusiness based industries.

Biotechnology risk assessment.—The Committee provides $3,000,000 as requested to conduct research which will provide early identification of potential risks in deploying biotech crops, and data sets that can be used by regulatory agencies to assess risk and apply science-based management. The research is directed to assessing the risks of lateral gene transfer in the environment; preventing the buildup of resistant pest populations; and decreasing allergens and increasing nutritional qualities of biotech food products. This research will be carried out at Beltsville, Maryland; Madison, Wisconsin; Albany, California; Ithaca, New York; and West Lafayette, Indiana.

Bovine genetics.—The cattle industry in the U.S. is a $400 billion annual business. The Committee supports a research program on biotechnology and genetics in cattle to be jointly carried out by ARS, the University of Connecticut and the University of Illinois. This program will utilize advanced research technologies to improve efficiency of clones and establish cell lines from elite cows and bulls for cloning. The Committee provides an increase of $900,000 for these studies.

Center for Biological Controls, Florida A&M University.—The Center for Biological Controls conducts important research in the area of biological controls for insects and pests that cost agricultural producers millions of dollars in losses annually. The Center partners with the USDA in providing minority students with the opportunity to engage in cutting edge research in agriculture sciences. The Committee provides an increase of $250,000 for this joint research.

Cereal crops research.—The Committee is aware of the significant research on the quality and improved production practices for barley and oats conducted at the Cereal Crops Research Laboratory in Madison, Wisconsin. The Committee provides an increase of $400,000 in fiscal year 2002 for expanded research on these important commodities.

Chloroplast genetic engineering research.—The Committee is aware of research advances at the University of Central Florida on chloroplast genetic engineering. The Committee provides an increase of $300,000 in fiscal year 2002 for cooperative research with the University of Central Florida to conduct research on the efficient and effective means of genetically-engineering chloroplast to increase efficiency of photosynthesis as a key component of agricultural production and to reduce the spread of transgenes via pollen flow.

Coffee and cocoa research.—The Committee provides an increase of $500,000 in fiscal year 2002 for the expansion of alternative crop research development with specific emphasis on coffee and cocoa. This disease resistance/alternative crop research development program is critical in controlling a range of domestic and tropical fungal and pest diseases that particularly plague coffee and cocoa.

Continuing Programs.—The Committee recognizes the importance of ongoing research projects in addressing problems faced by the Nation's food and fiber producers. In this regard, the Committee directs the Agricultural Research Service to continue to fund the following areas of research in fiscal year 2002 at the same funding level provided in fiscal year 2001: Mid-West/Mid-South Irrigation; Microbial Pathogens in Small Watersheds; National Sedimentation Laboratory-Acoustics; National Soil Dynamics Laboratory; Soil Tilth Research; Water Use Management Technology; Watershed Research; Western Grazinglands; Bee Research; Biological Controls and Agricultural Research; Cereal Crops Research; Citrus and Horticultural Research; Coffee and Cocoa Research; Endophyte Research; Floriculture and Nursery Crops Research; Golden Nematode; Grape Rootstock; Greenhouse and Hydroponics Research; Greenhouse Lettuce Germplasm, Salinas, CA; Lettuce Geneticist/Breeder, Salinas, CA; Fusarium Head Blight; Nematology Research; Organic Minor Crop Research, Salinas, CA; Potato Re-

search; Rangeland Resource Management; Rice Research; Risk Assessment for Bt. Corn; Root Diseases in Wheat and Barley; Sustainable Vineyard Practices Position; Temperate Fruit Flies; U.S. Plant and Water Conservation Laboratory; Viticulture Research; Animal Vaccines; Aquaculture Fisheries Center; Aquaculture Initiative for the Mid-Atlantic Highlands; Aquaculture Initiative, Harbor Branch Oceanographic Institute; Aquaculture Systems; Asian Bird Influenza; Avian Pneumovirus; Catfish Genome; Malignant Catarrhal Fever (MCF) Virus; Mosquito Trapping Research and West Nile Virus; Poultry Enteritis-Mortality Syndrome (PEMS); Poultry Diseases; Aflatoxin in Cotton; Cotton Ginning Research; Post-harvest and Controlled Atmosphere Chamber; Barley Food Health Benefits Research.

Dairy genetics research.—The Committee provides an increase of $250,000 in fiscal year 2002 to the Animal Improvement Research Laboratory, Beltsville, Maryland for increased research on dairy cattle genetics and to undertake research related to reproductive health. This research will include the maintenance of a national database for genetic research on milk yield, composition, and fitness traits; improved methods of comparing genetic evaluations across countries, and determine economic values of health and reproductive traits.

Diet and immune function research.—Infectious diseases are a major cause of mortality and morbidity in all segments of the population. Nutritional imbalances can lead to impaired immune response. Additional research is needed to determine the effects of diet on the immune system and whether infectious agents can alter their pathogenicity in response to the diet of the host. The Committee provides an increase of $300,000 for this research to be conducted at the ARS nutrition center at Little Rock, Arkansas.

Dryland production research.—The Committee is aware that the ARS Central Great Plains Research Station is the only Federal research station engaged at solving the dryland production problems in the four-state region encompassing eastern Colorado, western Nebraska, western Kansas, and southeastern Wyoming covering approximately 55 million acres of which one-half are non-irrigated cropland. Technology developed at the Station is critical to dryland crop producers of the region. An increase of $300,000 is provided in fiscal year 2002 to the ARS Central Great Plains Research Station at Akron, Colorado to implement innovative crop rotation systems and reduce tillage practices and improve crop yields, while minimizing weed, disease, and insect damage.

Emerging diseases of animals.—The Committee provides $5,000,000 as requested for research on bovine spongiform encephalopathy (BSE) to establish the nature and transmission of BSE; detection and diagnosis of this disease; and safe disposal of carcasses. The research will determine the causative agent of BSE and determine the factors that allow transmissible spongiform encephalopathies to cross species barriers. Research will be conducted to improve diagnostic tests for rapid detection of BSE agents in blood or tissues and in feed and foods of animal origin.

Emerging diseases of crops.—Continued development of pathogen detection, exclusion, and quarantine treatment technologies is important to keep new diseases from becoming established in the U.S.

The Committee acknowledges the need for research to improve genetic resistance to diseases in plants, biocontrol to replace synthetic pesticides; and more accurate methods of pathogen identification and detection. The Committee provides $1,282,000 for this research, to be carried out in Raleigh, North Carolina; Ft. Detrick, Maryland; Fargo, North Dakota; and College Station, Texas.

Ergot research.—Ergot is a major fungus disease of sorghum. The disease has spread rapidly since it was first recognized in Brazil in 1995. Currently grown sorghum varieties have little resistance to this fungus. While the Agricultural Research Service has a research program to combat this disease, greater effort is required. ARS carries out sorghum related research at numerous locations, but in many instances the research is not of sufficient effort to contribute to the solution of the problems associated with sorghum in the U.S. The Committee directs that ARS collect and focus $300,000 of these funds at Lincoln, Nebraska, to combat the spread of ergot disease.

Floriculture and nursery research.—Floriculture and nursery crops represent more than 10% of the total U.S. crop cash receipts while environmental horticulture is the third largest value crop in the U.S. The Committee provides an increase of $1,000,000 in fiscal year 2002, with a portion allocated through cooperative agreements to university partners including Cornell University, University of California, and Ohio State University.

Food safety for Listeria and E. coli.—The Committee provides an increase of $300,000 in fiscal year 2002 to continue research on the control and prevention of *Listeria* monocytogenes in ready-to-eat meat and poultry products and E. coli 0157:H7 in raw beef products.

Formosan subterranean termite.—The exotic Formosan Subterranean termite costs the U.S. one billion dollars each year. It is particularly damaging in the Greater New Orleans area, along the Gulf Coast, and Hawaii. The Committee is aware that ARS scientists, in cooperation with scientists from Louisiana State University Agricultural Center and the City of New Orleans Mosquito and Termite Control Board successfully demonstrated in a 15-block New Orleans French Quarter test that populations of the termite can be dramatically reduced on an area-wide basis by the use of detection and baiting technologies. The Committee provides an increase of $1,000,000 in fiscal year 2002 to the Southern Regional Research Center at New Orleans, Louisiana to expand the 15-block test to encompass the entire 108-block area of the historically and economically important French Quarter. New information and technologies gained from this expanded test will be used to increase the effectiveness of area-wide programs in other parts of Louisiana and other states.

Foundry sand by-products utilization.—The Committee recognizes the potential for the use of foundry sand by-products as soil amendment or components of blended materials including composts for agricultural applications. The Committee provides an increase of $600,000 in fiscal year 2002 to enable ARS and university/industry partners to evaluate the beneficial uses of foundry sand in agriculture and horticulture. Benefits and risks of using foundry sand will be determined and management practices will be developed.

Research will also be conducted to determine if trace elements in the foundry sand pose a risk to human health or water quality.

Ft. Pierce horticultural research laboratory.—The Committee is aware that this recently completed horticultural research laboratory is operating significantly below authorized staffing levels. This laboratory carries out critical research on citrus, fruits, and vegetables and nursery crops. The Committee provides an increase of $500,000 in fiscal year 2002 for the U.S. Horticultural Research Laboratory at Ft. Pierce, Florida for increased staffing needs.

Ginning technologies.—The Committee directs that research carried out by ARS in cotton ginning harvesting and the development of ginning technologies be maintained at fiscal year 2001 funding levels.

Golden nematode.—The Committee provides an increase of $50,000 in fiscal year 2002 to Cornell University to continue golden nematode research in plant breeding, nematology, and activities involving seed production and extension.

Grape rootstock.—Grapes are the highest value fruit crop in the U.S. and sixth largest crop overall. Increased grape research is needed to sustain this crop which is processed into raisins, grape juice, and wine, thereby adding enormous value to the crop. The Committee provides an increase of $500,000 in fiscal year 2002 for expanded grape rootstock research at Geneva, New York.

Great Basin rangelands.—The Committee acknowledges the need to provide support for the rangelands of the Great Basin area. The Agricultural Research Service carries out investigations to control infestations such as medusahead, Canadian thistle, Russian knapweed, and many other existing and invasive weeds. Research is conducted on management of rangelands, including conservation, restoration, and sustainable utilization. Research is also carried out to develop predictive models of basin-scale hydrologic systems. The Committee provides an addition of $750,000 for research to be conducted at ARS laboratories at Reno, Nevada; Burns, Oregon; and Boise, Idaho.

Honey bee research.—Pollination by honey bees in the U.S. is valued at $10 billion per year, but the viability of commercial honey bee pollination and honey production as well as survival of wild honey bees (free pollination) is threatened by two exotic parasitic mites—the Varroa and tracheal mites. New chemical treatments, including an evaluation of natural product chemicals for these mites, are urgently needed because current chemical treatments have been rendered ineffective by the mites' ability to become resistant. Long-term control of the mites will be achieved through the selection of honey bees resistant to the mites. ARS scientists at Baton Rouge, LA, have developed honey bees genetically resistant to the mites, as well as possessing excellent handling characteristics, honey production, and winter survival. Breeding, selection, and distribution of these resistant honey bees to the industry must be accelerated. The Committee provides an increase of $500,000 to continue this research at the ARS honey bee facility at Baton Rouge, Louisiana.

Hops research.—The Committee is aware of the significant increase in U.S. hops production with exports to over 80 countries worldwide. The Committee also recognizes the important contribu-

tion of research to U.S. hop growers in competing successfully with European hop growers for domestic and international markets. The Committee provides an increase of $200,000 for increased research required by U.S. hop growers to remain competitive in the domestic and world markets as well as in controlling new and emerging diseases affecting hops.

Improved animal waste management practices.—The Committee provides an increase of $300,000 in fiscal year 2002 to the ARS Florence, SC research station for expanded research on improved manure management practices for producers in the Southeastern U.S. This station develops improved treatment technologies and systems to enable producers to manage animal waste from swine production to protect water and air quality.

Improved crop production practices.—The drought of 2000 caused disastrous losses to row crops in the mid-south and southeast. In Alabama alone, losses amounted to $329 million. Studies have shown that farmers using conservation-tillage, water-thrifty cropping systems, and other soil sustaining production practices in concert with new technologies, such as global positioning systems, geographic information systems, and remote sensing, can reduce drought-related risks and production costs. The Committee provides an increase of $800,000 in fiscal year 2002 for expanded research at the ARS Soil Dynamics Research Unit in Auburn, Alabama, and Auburn University.

Invasive species.—Invasive weeds and other pests species cost the U.S. over $122 billion per year. Weeds such as leafy spurge, melaleuca, old world climbing fern, giant Salvinia, salt cedar, hydrilla, water hyacinth, yellow starthistle, downy brome, Brazilian pepper, jointed goat grass, purple loosestrife, and many others infest at least 100 million acres in the United States which increase 8 to 20 percent annually. The Committee supports research that will result in greater exclusion of potential invasive species, quicker detection and more effective eradication of new invading species. The Committee provides an increase of $3,500,000 for this research on the systematics of invasive weeds and insects; the development of new biological information and species discovery; and the development of integrated weed management systems. This research will be conducted at ARS laboratories in Beltsville, Maryland; Davis, California; Ft. Pierce, Florida; Montpellier, France; Ft. Lauderdale, Florida; Urbana, Illinois; Ithaca, New York; and Cheyenne, Wyoming, as recommended in the budget. The Committee directs that $500,000 be utilized for a cooperative research program with the Connecticut Agriculture Experiment Station in New Haven for controlling aquatic weeds seriously threatening the health of many of Connecticut's lakes.

Jornada Experimental Range Research Station.—Congress supported the design and construction of a replacement facility at the Jornada Experimental Range Research Station. The facility will be completed in fiscal year 2002. The Committee provides an increase of $500,000 to provide for needed research equipment for operations at this new research station.

Livestock and range research.—Range livestock production requires new, innovative strategies to meet the challenges of land use management, environmental quality and economic sustainability.

The Committee provides an increase of $300,000 for fiscal year 2002 to support this research effort at the Fort Keogh Livestock and Range Research Laboratory, Miles City, Montana.

Manure management research.—There is a need for nutritional technology to reduce odor excretion in swine while increasing efficient digestion of dietary nutrients. In addition, an integrated system research effort to develop swine production systems that reduces odor, nutrients, and pathogen problems associated with manure is likewise needed. The Committee provides an increase of $500,000 in fiscal year 2002 for the ARS swine waste management program based at the National Swine Research Center, Ames, Iowa.

Methyl bromide.—The Committee has been made aware that new information may be available concerning the impact of methyl bromide on the ozone layer. In view of the adverse economic impact that the current phase-out schedule is having on the farmer and the food industry, the Committee urges the Department to convene a panel of scientists who specialize in this area to reexamine the science and report its findings as soon as possible.

Mid-Atlantic highlands aquaculture initiatives.—The Committee provides an increase of $200,000 in fiscal year 2002 for ARS cooperative research on aquaculture initiatives with the Canaan Valley Institute (CVI) headquartered at Canaan Valley, West Virginia. CVI provides a forum where small watershed groups, government, industry, and the research community can address economic development issues affecting the mid-Atlantic highland states of Pennsylvania, Maryland, Virginia, and West Virginia.

Mid-West/Mid-South Irrigation.—While irrigation is normally associated with the arid, western part of the U.S., the fastest growing irrigation states are found in the Mid-West and the Mid-South. The need for irrigation in these areas is critical in reducing production risks, increase producer yields, promote good land management practices, and reduce input costs. The Committee provides an increase of $130,000 in fiscal year 2002 for cooperative research into irrigation methods and technologies with the Delta Center, University of Missouri at Portageville, Missouri.

Minor use pesticides (IR–4).—Meeting the challenges of pest management for minor crops is a major problem in rural America. Pest control product registrations are critical to minor crop agriculture. However, the crop production industry has little incentive to pursue such registrations because of small acreage and low return of investment. This program produces research data for clearances for pest control products on minor food and ornamental crops and supports the FQPA. The Committee provides an increase of $500,000 in fiscal year 2002 for this research.

National germplasm resources program.—The Committee is aware of the important research carried out under the ARS National Genetics Resources Program. The research effort to collect, maintain, characterize, evaluate and enhance the germplasm is essential to agriculture and a critical component of the ARS mission. The Committee provides an increase of $1,500,000 for fiscal year 2002 for plant germplasm research at College Station, Texas; Griffin, Georgia; Miami, Florida; Pullman, Washington; Ames, Iowa; and Urbana, Illinois. Under the National Genetic Resources Pro-

gram, Congress authorized the National Animal Germplasm Program to evaluate, collect and store germplasm, DNA and other tissues for preservation and utilization of genetic resources. ARS, academia (land grant and Historically Black Colleges and Universities), and industry are all involved in this program. The Committee provides an increase of $500,000 in fiscal year 2002 for this research at Fort Collins, Colorado.

Northwest small fruits research.—The Committee acknowledges the long-standing and productive investigations carried out at the ARS research station at Corvallis, Oregon. The research is concentrated on genetic improvements and germplasm evaluations for many varieties of small fruits. This research benefits small fruit industries throughout the Pacific Northwest. An addition of $300,000 is provided for fiscal year 2002.

Nutritional requirements research.—Nutrition requirements begin *in utero*, and are affected by the mothers dietary intake. These requirements continue throughout life. Although nutrient requirements differ at various stages of life, there is a lack of understanding as to the specific nutritional needs at each life stage. This research would lead to a better understanding of how dietary factors affect growth and development, and the onset of chronic diseases. The Committee provides an increase of $500,000 for these studies to be conducted at the ARS human nutrition center at Houston, Texas.

Nutrition Monitoring.—Nutrition monitoring activities are vital to shaping policies for food safety, child nutrition, food assistance, and dietary guidance. While the Committee suports the process underway to integrate the National Health and Nutrition Examination Survey (NHANES) conducted by the Department of Health and Human Services and the Continuing Survey of Food Intakes by Individuals (CSFII) conducted by USDA, it is concerned the USDA has failed to continue to conduct the CSFII in 2000 and 2001 as the integration process continues.

Olive fruitfly research.—The olive fruitfly is the world's number one pest of olives, causing devastating effects on the $66 million olive industry in California. The Committee provides an increase of $300,000 in fiscal year 2002 for increased research on the trap monitoring detection program and the integrated pest management program to control the olive fruitfly. Expanded research will be implemented at the Horticultural Research Laboratory, Parlier, CA; and the European Biological Control Laboratory, Montpellier, France.

Pathogens for biological control.—The Committee acknowledges the need to expand efforts in biological control of insects and weeds. Investigations will be undertaken to develop biologically based weed and arthropod integrated pest management (IPM), with emphasis on formulation and delivery of plant pathogen agents, fungal agents, microbial agents, and effective insect control agents. Weeds such as salt cedar, leafy spurge, melaleuca; and insects and mites such as whiteflies, Russian wheat aphid, and glassy-winged sharpshooter are high priority targets for IPM. The Committee concurs with the budget recommendation to provide $1,500,000 for this research to be carried out at Weslaco, Texas; Yakima, Washington; Stoneville, MS; and Brisbane, Australia.

Pay act costs.—The Committee provides funding for increased costs associated with Federal employees salaries and benefits.

Pecan scab research.—Pecan scab is considered the most serious disease threat to pecan production in the humid southeastern U.S. Recent discoveries indicating the persistence of pecan fungicides have complicated the task of developing effective disease control. The Committee provides an increase of $250,000 in fiscal year 2002 to the ARS Southeastern Fruit and Tree Nut Research Laboratory at Byron, Georgia to expand research efforts on the introduction and evaluation of new technology for fungicide application, increased knowledge of pathogens, orchard management and disease control.

Pierce's disease.—The Committee is aware that in the last 18 months, the highly virulent disease known as Pierce's Disease and its vector the Glassy-winged Sharpshooter (PD–GWSS) has devastated vineyards in Southern California and established strongholds in several other premium growing areas threatening the entire grape and wine industry. Several other commodities have been impacted because they serve as hosts of the glassy-winged sharpshooters. Citrus and nursery stock growers now have costly requirements for inspection and treatment regimens to curb the spread of PD–GWSS. International trade has also been restricted as Australia recently banned imports of California grapes over fears of Pierce's Disease. The Committee provides an increase of $3,000,000 in fiscal year 2002 to enable the ARS center at Parlier to move aggressively and effectively against this serious pest/disease combination threat to the economic viability of many crops in California. The Committee directs that $600,000 of the increase support new scientist positions at Davis, California, and Ft. Pierce, Florida.

Plant stress and water conservation research.—The Committee is aware of the staffing needs at the new U.S. Plant Stress and Water Conservation Laboratory in Lubbock, TX. Increased research is required to develop strategies to alleviate the impacts of temperature stress and water deficits on plant performance, improve the efficient use of available water supplies for dryland and irrigated production systems, and research production strategies to enhance the entire soil-plant-water relationship. An increase of $750,000 is provided in fiscal year 2002 for staffing needs of the U.S. Plant Stress and Water Conservation Laboratory.

Poultry diseases.—The Committee is aware that research on poultry diseases is critical to national and international competitiveness of animal agriculture and that poultry diseases are a limiting factor to the expansion of U.S. poultry exports. The Committee provides an increase of $250,000 for fiscal year 2002 for increased research on Avian coccidiosis, an intestinal parasitic disease which is responsible for estimated losses of over $300 million annually. The Committee also provides an increase of $150,000 for increased research to help accelerate effective avian pneumovirus disease treatment and vaccine development.

Quantify basin water budget components in the Southwest.—The Committee provides an increase of $400,000 for the ARS Southwest Watershed Research Center at Tucson, Arizona, and directs ARS to cooperate with a consortium of 16 local, state, Federal and NGO's

of the Upper San Pedro Partnership to provide research, hydro-ecological modeling, and specialized field experimental campaigns to more accurately quantify components of a basin's water budget to support local and community based watershed management.

Rangeland resources research.—The Committee is aware that ARS High Plains Grassland Research Station at Cheyenne, Wyoming is a leader in the fields of grazing practices, carbon cycling, reclamation of disturbed mineland and general rangeland ecology. The Committee provides an increase of $250,000 in fiscal year 2002 to support this important rangeland resources research program at the station.

Residue management in sugarcane.—Current systems for sugarcane production in Louisiana include the practice of burning the crop residue after the sugarcane has been harvested. To meet current air quality regulations and additional environmental restrictions anticipated in the future, research is urgently needed to develop sugarcane productions systems that do not include residue burning. Residue management strategies must be evaluated for their impact on sugarcane production, runoff, water quality, nutrient and pesticide transport and retention in the soil profile, and on soil physical properties. The Committee provides an increase of $500,000 in fiscal year 2002 for the ARS Sugarcane Research Unit at Houma, Louisiana and the ARS Soil and Water Research Unit at Baton Rouge, Louisiana to develop Best Management Practices (BMP) to ensure the economic production of sugarcane without adverse environmental damage.

Rice research.—The Committee recognizes the need for additional research to help keep the U.S. rice industry competitive in the global marketplace by assuring high yields, superior grain quality, pest resistance, and stress tolerance. The Committee provides an increase of $250,000 for this research to be carried out at the ARS center in Stuttgart, Arkansas.

Seismic and acoustic technologies in soil research.—New acoustic and seismic technologies open the path for improved and more efficient crop production practices. Use of these new technologies to characterize soils, detect hard pan levels, assess water content, and other applications must be accelerated to reduce crop production costs and conserve energy, water, and soil. The Committee provides an increase of $300,000 in fiscal year 2002 to the ARS National Sedimentation Laboratory at Oxford, Mississippi to accelerate research in this area.

Sorghum research.—Sorghum is an important grain crop in the U.S. and worldwide. In 1999, the estimated value of sorghum in the U.S. was $1.7 billion. In terms of grain and oilseed crops, sorghum follows corn, soybeans and wheat. Additional research is needed to enhance the economic viability of this crop in the development of alternative uses; pest resistance, soils research and fundamental genetic and molecular research on drought and temperature stress. The Committee provides an increase of $1,950,000 for sorghum utilization research at Manhattan, Kansas, $250,000; genetics and breeding at Stillwater, Oklahoma, $250,000; soil and water related research at Bushland, Texas, $200,000; and to establish molecular/genetic research to address fundamental issues of drought and temperature stress at Lubbock, Texas, $1,250,000.

Source Water Protective Initiatives.—The Committee recognizes agricultural and environmental water quality issues related to water movement through agricultural drainage systems serving as conduits for movement of pollutants into surface water systems. The management of subsurface or groundwater flow can have a major effect on pesticides and soil erosion. The Committee provides an increase of $300,000 to the Soil Drainage Research Unit in Columbus, Ohio to implement the Source Water Protective Initiative in the Upper Big Walnut Creek Watershed. The Committee also provides an increase of $300,000 to the National Soil Erosion Laboratory in West Lafayette, Indiana, to implement the Source Water Protective Initiative in the St. Joseph River Watershed to address the problem of surface runoff and transport of sediment and agricultural chemicals and nutrients from fields and agricultural lands.

Southwest pecan research.—Pecan is the most valuable native North American nut crop. The Committee recognizes the need to strengthen research to increase pecan production. This research emphasizes development of improved cultivars and rootstocks; collection and maintenance of germplasm, and development of host plant resistance to control pecan insects and diseases. An addition of $300,000 is provided in fiscal year 2002 for this research, which is conducted at the College Station and Brownwood, Texas, research stations.

Soybean and nitrogen fixation.—The ARS Soybean and Nitrogen Fixation Laboratory, Raleigh, North Carolina, has been widely recognized for its work in developing higher-value soybeans that improve profitability for farmers. Scientists at this laboratory require additional resources in their efforts to develop new varieties that have drought tolerance and improved oil and protein quality. The Committee provides an increase of $400,000 for this research.

Stuttgart National Aquaculture Research Center.—The Stuttgart National Aquaculture Research Center benefits the aquaculture industry enormously with its research on disease control production improvements, stress tolerance, and food quality. The Committee provides an increase of $250,000 in fiscal year 2002 to expand the research carried out at this aquaculture center.

Sudden Oak disease.—Since 1995, oak trees have been dying in large numbers along the California and Oregon coasts. The disease has spread to other plants including rhododendron and huckleberry. There is great potential for this disease to spread throughout the country. The Committee provides an increase of $500,000 to conduct research to identify causative agents and diagnostic tools. The primary focus of this research is the ARS Ft. Detrick research laboratory.

Sugarbeet research.—The Committee is aware of the importance of the sugarbeet research at Ft. Collins, Colorado. The Committee directs the ARS to fund this project at the fiscal year 2001 level.

Sugarcane variety research.—The Committee provides an increase of $500,000 in fiscal year 2002 for the ARS Sugarcane Research Station at Canal Point, Florida. There funds will be used toward strengthening and expanding the breeding, pathology, and soil conservation projects currently in progress. This ARS station provides the necessary breed stock for sugarcane growers in Texas, Florida, Louisiana, and Hawaii.

Sustainable vineyards practices position.—The Committee provides an increase of $300,000 for the sustainable vineyards practices position at UC-Davis. This research position will be responsible for the development of biologically and environmentally sound practices for grape growing which enhance compatibility with soil, water, air, and biotic resources.

U.S. National Arboretum.—The U.S. National Arboretum's Gardens Unit is responsible for maintaining the garden displays, collections, and grounds of the 446 acre campus in northeast Washington, D.C. The collections include valuable germplasm of species and cultivated plants that are used by researchers, the ornamental horticultural trade, gardeners, and the general public throughout the country. The Committee provides an increase of $325,000 to maintain, document and distribute germplasm and increase efforts to disseminate information on ornamental horticulture.

Vaccines and microbe control for fish health.—Diseases and toxins produced by algae and microbes in the water are the most serious problems affecting the billion dollar fish farming industry, including channel catfish. Stressful conditions caused by factors such as crowding and high feeding levels to increase growth rates act to suppress the resistance of fish to disease. Farmers lack preventive methods to combat the diseases and toxins. The Committee provides an increase of $500,000 in fiscal year 2002 to the ARS Fish Diseases and Parasites Research Unit at Auburn, Alabama in collaboration with Auburn University for problem-focused research urgently needed to develop vaccines that safely and effectively prevent diseases and toxicity, and identify gene resistance of fish to disease and toxicity.

Virus diseases of vegetables.—The Committee recognizes the need to increase research efforts to determine the etiology and epidemiology of emerging virus diseases of vegetables. Research will focus on virus-resistant vegetable germplasm and development of integrated disease control methods. The Committee provides $500,000 to the U.S. Vegetable Laboratory at Charleston, South Carolina, as requested.

Viticulture research.—The Committee is aware of the importance of the grape and wine industry in the Pacific Northwest and of the work being conducted by ARS in cooperation with the University of Idaho. The Committee provides an additional $150,000 to ARS for expanded research in fiscal year 2002.

Water resources management research.—Water quality and water resource management continue to be priority issues for agriculture and the environment. Research is needed to enhance water management initiatives regionally and nationally. The Committee concurs with the need to investigate the network of stream flow, precipitation, groundwater, water quality, and land use information for the entire Suwannee River Basin. The Committee provides an increase of $500,000 for the Southeast Watershed Research Laboratory to carry out this research in cooperation with the University of Georgia and the Suwannee River Water Management District. In addition, new technologies to improve water use efficiency and quality at both a state and watershed scale should be expedited. The Committee provides an increase of $250,000 in fiscal year 2002 to the ARS research station at Tifton, GA, for this work. This in-

crease will be used to advance the discovery and use of economical precision water application technologies for water conservation and water quality and to develop accurate source, impact and solution information on water quality concerns related to total maximum daily loading (TMDL's) of critical streams in the region.

Wheat quality research.—The Committee supports ARS' ongoing wheat research program, and recognizes the need for additional research to improve competitiveness and export quality in hard wheat, club wheat, durum wheat, soft red wheat, and white wheat. The Committee provides an additional $1,000,000 for this research to be carried out at the ARS research locations in Pullman, Washington; Wooster, Ohio; Manhattan, Kansas; and Fargo, North Dakota.

Wild rice research.—The Committee provides an increase of $50,000 in fiscal year 2002 for the wild rice breeding and germplasm improvement cooperative project directed at the ARS research station in St. Paul, Minnesota.

Woody ornamental genomics and breeding for the Southeast.—Ornamental horticulture is valued at $11 billion annually in farm gate receipts. Expansion of this industry in Tennessee and other Appalachian States would help offset the declining value of other traditional agricultural products such as tobacco, dairying, and feed grain. However, profitable expansion of ornamental horticulture is impeded by insect, disease, and nematode pests, which also cause extensive chemical usage. The Committee provides an increase of $400,000 in fiscal year 2002 for cooperative research with the ARS research station at Poplarville, Mississippi, and the University of Tennessee Institute of Agriculture.

Seed Stock.—The Committee is concerned that as more ownership of seed stock rests in private rather than in the public domain, the ability to maintain an inventory of stock for future national needs becomes more difficult. The Committee directs the Department to provide a report in advance of the fiscal year 2003 hearings detailing the scope and condition of known collections of seed stocks in the United States and around the world, what steps are being taken to identify and catalogue privately and publicly held seed stock and where such stock might be reposited. Further, this report shall also detail the ability and limits faced by the Department in developing new seed stock varieties for American agriculture, and what might be the most critical immediate and medium term needs to assure the broadest representation of germplasm in seed stocks over which the United States can maintain access and assure quality.

BUILDINGS AND FACILITIES

2001 appropriation	$74,037,000
2002 budget estimate	30,462,000
Provided in the bill	78,862,000
Comparison:	
2001 appropriation	+4,825,000
2002 budget estimate	+48,400,000

The ARS Buildings and Facilities account was established for the acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities which di-

rectly or indirectly support research and extension programs of the Department. Routine facilities maintenance, construction or replacement items would continue to be funded under the limitations contained in the regular account.

COMMITTEE PROVISIONS

For Agricultural Research Service, Buildings and Facilities, the Committee provides an appropriation of $78,862,000, an increase of $4,825,000 above the amount available for fiscal year 2001 and an increase of $48,400,000 above the budget request.

The following table summarizes the Committee's provisions:

AGRICULTURAL RESEARCH SERVICE

[In thousands of dollars]

	FY 2002 estimate	Committee provisions
BUILDINGS AND FACILITIES		
Arizona:		
U.S. Water Conservation and Western Cotton Laboratories, Maricopa	0	$8,400
California:		
Western Regional Research Center, Albany	$3,800	3,800
Western Human Nutrition Research Center, Davis	5,000	5,000
District of Columbia:		
U.S. National Arboretum	4,600	4,600
Illinois:		
Agricultural Utilization Research, Peoria	6,500	6,500
Iowa:		
USDA Facility Consolidation and Modernization, Ames	0	40,000
Maryland:		
National Agricultural Library, Beltsville	1,800	1,800
New York:		
Plum Island Animal Disease Center, Greenport	3,762	3,762
Pennsylvania:		
Eastern Regional Research Center, Philadelphia	5,000	5,000
Total, Buildings and Facilities	30,462	78,862

U.S. Water Conservation and Western Cotton Research Laboratories.—The U.S. Water Conservation Laboratory (USWCL) was constructed in 1959. The USWCL conducts research to increase water use efficiency in agricultural production for the irrigated West and to conserve and improve the quantity and quality of our Nation's water supplies. The Western Cotton Research Laboratory (WCRL) was constructed in 1971. The WCRL conducts research to increase the efficiency of producing cotton in the irrigated West to ensure that U.S. cotton will be competitive in both price and quality in the world market. The ARS laboratories in Phoenix utilized an adjacent University of Arizona research farm to conduct large scale field plot experiments essential to support the water conservation and cotton production research programs. The University established a new large farming and research facility near Maricopa. Due to the unavailability of field plot land near the Phoenix location, the ARS researchers must now travel about 28 miles to the Maricopa Agricultural Center (MAC) to conduct their field experiments. Existing facilities require extensive renovation and repair to meet safety and health codes and to provide modernized research facilities. To date $7,285,000 has been appropriated for new

facilities. The Committee provides an additional $8,400,000 toward the design and construction requirements of the replacement facilities at Maricopa.

USDA Facility Consolidation and Modernization.—The Department has developed a master plan to construct new animal facilities to replace and modernize the National Animal Disease Center (NADC), the National Veterinary Service Laboratories (NVSL), and the Center for Veterinary Biologics (CVB), which are all located in Ames, Iowa.

Together, these three operations occupy a 480 acre site and are housed in 103 buildings with 750,000 square feet of space. There are 548 total staff members, with an annual budget of $45 million. Because of space constraints, needs have been partially met by renting laboratory space at strip malls and office parks elsewhere in Ames for the past 29 years. Existing facilities are grossly debilitated and inadequate for animal health programs of high national priority.

Consumers rely on USDA to be prepared to deal with known and emerging diseases that are a rapidly growing threat because of increased travel, trade, concentration, and pathogen resistance. This threat is not theoretical, but very real, as underscored this year with foot and mouth disease and bovine spongiform encephalopathy (mad cow disease). This threat affects producers, consumers, and the economic well-being of us all. USDA's research and diagnostic capability is crucial to preparedness and rapid response in the face of this threat.

The Committee recommends $40,000,000 to meet the urgent need to begin to consolidate and modernize existing animal research and diagnostic facilities. It is the Committee's view that this project is crucial to fulfilling USDA's mission to ensure a safe food supply and to expand global markets for agricultural products and services. This multi-year construction effort is a cost-effective approach including utility infrastructure replacement, new facility construction, renovation of existing facilities, elimination of the need for rental space, and demolition of totally obsolete facilities.

As part of its recommendation, the Committee directs the Secretary of Agriculture to report within 60 days of enactment of this Act, and quarterly thereafter until completion, on the execution status of this project, on the scope and schedule of remaining construction increments, and on cost reduction initiatives taken to assure that this project will remain within program requirements.

Plum Island Animal Disease Center.—The Committee recommends $3,762,000, as requested, for repair and maintenance of buildings and supporting infrastructure at the Plum Island Animal Disease Center at Greenport, NY. The Committee notes that no funds are requested for planning or executing an upgrade of the Center to Biosafety Level 4, and no funds are provided for this purpose. Funds are provided for the following projects:

Coastal erosion control measures	$1,500,000
Clean-up of construction debris site	500,000
Potable water system/miscellaneous small projects/ contingencies	1,762,000
Total	3,762,000

Raleigh, North Carolina.—The Committee requests the Agricultural Research Service to provide a report on the requirements, feasibility, and scope for construction of a facility to consolidate personnel in Raleigh, North Carolina. The report should provide information on building size, cost, and a list of primary associated facilities including, but not limited to, laboratory space, greenhouse facilities, and quarantine areas.

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE

The Cooperative State Research, Education, and Extension Service (CSREES) was established by the Secretary of Agriculture on October 1, 1994, under the authority of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6912). The Service was created by the merger of the Cooperative State Research Service and the Extension Service. The mission of CSREES is to work with university partners to advance research, extension, and higher education in the food and agricultural sciences and related environmental and human sciences to benefit people, communities, and the Nation.

RESEARCH AND EDUCATION ACTIVITIES

2001 appropriation	$505,079,000
2002 budget estimate	407,319,000
Provided in the bill	507,452,000
Comparison:	
2001 appropriation	+2,373,000
2002 budget estimate	+100,133,000

The research and education programs administered by the Cooperative State Research, Education, and Extension Service were established by Secretary's Memorandum No. 1462, dated July 19, 1961 and Supplement 1, dated August 31, 1961, and under Reorganization Plan No. 2 of 1953. The primary function of research and education activities is to administer Acts of Congress that authorize Federal appropriations for agricultural research and higher education carried out by the State Agricultural Experiment Stations of the 50 States, District of Columbia, Puerto Rico, Guam, the Virgin Islands, American Samoa, Micronesia, and Northern Mariana Islands, and by approved schools of forestry, the 1890 land-grant colleges and Tuskegee University, the 1994 Native American land-grant institutions, and other eligible institutions. Administration of payments and grants involves the approval of each research proposal to be financed in whole or in part from Federal grant funds; the continuous review and evaluation of research and higher education programs and expenditures thereunder; and the encouragement of cooperation within and between the states and with the research programs of the Department of Agriculture.

COMMITTEE PROVISIONS

For payments under the Hatch Act, the Committee provides an appropriation of $180,148,000, the same as the amount available for fiscal year 2001 and the same as the budget request.

For cooperative forestry research, the Committee provides an appropriation of $21,884,000, the same as the amount available for fiscal year 2001 and the same as the budget request.

For payments to the 1890 land-grant colleges and Tuskegee University, the Committee provides an appropriation of $32,604,000, the same as the amount available for fiscal year 2001 and the same as the budget request.

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE
RESEARCH AND EDUCATION ACTIVITIES

[In thousands of dollars]

	FY 2001 enacted [1]	FY 2002 estimate	Committee provisions
Research Activities:			
Payments under the Hatch Act	$180,148	$180,148	$180,148
Cooperative Forestry Research (McIntire-Stennis)	21,884	21,884	21,884
Payments to 1890 Colleges and Tuskegee University	32,604	32,604	32,604
Special Research Grants (P.L. 89–106):			
Advanced genetic technologies (KY)	474	0	474
Advanced spatial technologies (MS)	998	0	998
Aegilops cylindricum (jointed goatgrass) (WA)	359	0	459
Aflatoxin (IL)	131	0	0
Agricultural diversification (HI)	131	0	131
Agricultural diversity/Red River Corridor (MN, ND)	374	0	500
Agricultural telecommunications (NY)	424	0	0
Agriculture-based industrial lubricants (IA)	349	0	0
Agriculture water usage (GA)	299	0	0
Agroecology (MD)	284	0	500
Alliance for food protection (GA, NE)	299	0	299
Alternative crops (ND)	624	0	0
Alternative crops for arid lands (TX)	100	0	100
Alternative nutrient management (VT)	190	0	0
Alternative salmon products (AK)	644	0	0
Animal science food safety consortium (AR, IA, KS)	1,631	0	1,631
Apple fire blight (MI, NY)	499	0	499
Aquaculture (AR)	237	0	237
Aquaculture (FL)	445	0	500
Aquaculture (LA)	329	0	329
Aquaculture (MS)	591	0	591
Aquaculture (NC)	299	0	299
Aquaculture (VA)	100	0	100
Aquaculture (WA)	284	0	284
Aquaculture product and marketing development (WV)	748	0	0
Asparagus technology and production (WA)	225	0	225
Babcock Institute (WI)	599	0	600
Beef technology transfer (MO)	284	0	0
Biobased technology (MI)	284	0	0
Bioinformatics (VA)	474	0	0
Biomass-based energy research (OK, MS)	900	0	900
Biotechnology (NC)	284	0	284
Blocking anhydrous methamphetamine production (IA)	247	0	247
Bovine tuberculosis (MI)	324	0	0
Brucellosis vaccine (MT)	495	0	495
Center for animal health and productivity (PA)	113	0	0
Center for rural studies (VT)	200	0	0
Chesapeake Bay agroecology (MD)	175	0	300
Chesapeake Bay aquaculture	391	0	0
Citrus canker (FL)	4,740	0	500
Citrus tristeza	740	0	740
Competitiveness of agriculture products (WA)	679	0	679
Cool season legume research (ID, WA)	328	0	328
Cotton fiber quality (GA)	0	0	500
Cranberry/blueberry (MA)	175	0	175
Cranberry/blueberry disease and breeding (NJ)	220	0	220

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE
RESEARCH AND EDUCATION ACTIVITIES—Continued

[In thousands of dollars]

	FY 2001 enacted [1]	FY 2002 estimate	Committee provisions
Dairy and meat goat research (TX)	63	0	63
Dairy farm profitability (PA)	284	0	284
Delta rural revitalization (MS)	205	0	205
Designing foods for health (TX)	562	0	562
Diaprepes/root weevil (FL)	394	0	500
Drought mitigation (NE)	200	0	200
Ecosystems (AL)	499	0	0
Efficient irrigation (NM, TX)	1,185	0	1,200
Environmental biotechnology (RI)	190	0	190
Environmental horticulture (FL)	284	0	500
Environmental research (NY)	399	0	399
Environmental risk factors/cancer (NY)	227	0	227
Environmentally-safe products (VT)	245	0	0
Exotic pest diseases (CA)	1,247	0	2,000
Expanded wheat pasture (OK)	292	0	292
Farm injuries and illnesses (NC)	284	0	284
Feed barley for rangeland cattle (MT)	692	0	692
Fish and shellfish technologies (VA)	474	0	474
Floriculture (HI)	249	0	249
Food and Agriculture Policy Research Institute (IA, MO)	948	0	1,000
Food irradiation (IA)	225	0	250
Food Marketing Policy Center (CT)	494	0	494
Food processing center (NE)	42	0	42
Food quality (AK)	349	0	0
Food safety (AL)	520	0	0
Food safety research consortium (NY)	284	0	1,000
Food security (WA)	0	0	500
Food Systems Research Group (WI)	499	0	500
Forages for advancing livestock production (KY)	374	0	0
Forestry (AR)	522	0	522
Fruit and vegetable market analysis (AZ, MO)	347	0	0
Generic commodity promotions, research and evaluation (NY)	198	0	198
Global change/ultraviolet radiation	1,431	1,431	1,431
Grain sorghum (KS)	106	0	106
Grass seed cropping for sustainable agriculture (ID, OR, WA)	422	0	422
Human nutrition (IA)	472	0	472
Human nutrition (LA)	750	0	750
Human nutrition (NY)	621	0	621
Hydroponic tomato production (OH)	100	0	100
Illinois-Missouri Alliance for Biotechnology	1,239	0	1,239
Improved dairy management practices (PA)	397	0	397
Improved early detection of crop diseases (NC)	198	0	198
Improved fruit practices (MI)	444	0	0
Infectious disease research (CO)	299	0	299
Institute for Food Science & Engineering (AR)	1,247	0	1,247
Integrated production systems (OK)	180	0	0
Intelligent quality sensor for food safety (ND)	142	0	142
International arid lands consortium	494	0	494
Iowa Biotechnology Consortium	1,561	0	1,561
Livestock and Dairy Policy (NY, TX)	569	0	569
Livestock genome sequencing (IL)	0	0	500
Lowbush blueberry research (ME)	259	0	259
Maple research (VT)	119	0	0
Meadowfoam (OR)	299	0	299
Michigan biotechnology consortium	723	0	491
Midwest Advanced Food Manufacturing Alliance	461	0	461
Midwest agricultural products (IA)	645	0	645
Midwest poultry consortium (IA)	0	0	500
Milk safety (PA)	374	0	750
Minor use animal drugs	549	549	549
Molluscan shellfish (OR)	399	0	399

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE
RESEARCH AND EDUCATION ACTIVITIES—Continued

[In thousands of dollars]

	FY 2001 enacted [1]	FY 2002 estimate	Committee provisions
Multi-commodity research (OR)	363	0	363
Multi-cropping strategies for aquaculture (HI)	127	0	127
National beef cattle genetic evaluation consortium (NY)	284	0	350
National biological impact assessment	253	253	0
Nematode resistance genetic engineering (NM)	127	0	127
Nevada arid rangelands initiative (NV)	299	0	299
New crop opportunities (AK)	495	0	0
New crop opportunities (KY)	723	0	0
Non-food uses of agricultural products (NE)	64	0	64
Nursery, greenhouse, turf specialties (AL)	284	0	400
Oil resources from desert plants (NM)	175	0	175
Organic waste utilization (NM)	100	0	100
Oyster post harvest treatment (FL)	0	0	500
Pasture and forage research (UT)	249	0	249
Peach tree short life (SC)	179	0	179
Peanut allergy reduction (AL)	499	0	0
Pest control alternatives (SC)	117	0	117
Phytophthora root rot (NM)	138	0	138
Pierce's disease (CA)	1,896	0	2,000
Plant, drought, and disease resistance gene cataloging (NM)	249	0	249
Potato research	1,447	0	1,447
Precision agriculture (KY)	748	0	0
Preharvest food safety (KS)	212	0	212
Preservation and processing research (OK)	226	0	226
Produce pricing (AZ)	76	0	0
Protein utilization (IA)	190	0	0
Rangeland ecosystems (NM)	299	0	299
Red snapper research (AL)	723	0	1,200
Regional barley gene mapping project	587	0	587
Regionalized implications of farm programs (MO, TX)	293	0	293
Rice modeling (AR)	295	0	0
Rural Development Centers (PA, IA, ND, MS, OR, LA)	522	522	700
Rural Policies Research Institute (NE, IA, MO)	820	0	1,300
Russian wheat aphid (CO)	249	0	249
Safe vegetable production (GA)	284	0	0
Satsuma orange research (AL)	474	0	1,000
Sclerotina disease research (MN)	237	0	0
Seafood and aquaculture harvesting, processing and marketing (MS)	304	0	304
Seafood harvesting, processing, and marketing (AK)	1,165	0	0
Seafood safety (MA)	277	0	500
Small fruit research (OR, WA, ID)	324	0	400
Southwest consortium for plant genetics and water resources	368	0	400
Soybean cyst nematode (MO)	599	0	700
STEEP—water quality in the Pacific Northwest	499	0	600
Sustainable agriculture (CA)	392	0	500
Sustainable agriculture (MI)	444	0	0
Sustainable agriculture and natural resources (PA)	100	0	125
Sustainable agriculture systems (NE)	59	0	59
Sustainable beef supply (MT)	742	0	742
Sustainable engineered materials from renewable resources (VA)	0	0	500
Sustainable pest management for dryland wheat (MT)	461	0	461
Swine and other animal waste management (NC)	499	0	499
Technological development of renewable resources (MO)	284	0	300
Tillage, silviculture, waste management (LA)	212	0	212
Tomato wilt virus (GA)	249	0	249
Tropical aquaculture (FL)	198	0	198
Tropical and subtropical research/T STAR	3,854	0	10,000
Turkey carna virus (IN)	200	0	0
Value-added product development from agricultural resources (MT)	331	0	331
Value-added products (IL)	95	0	150
Vidalia onions (GA)	249	0	0

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE
RESEARCH AND EDUCATION ACTIVITIES—Continued

[In thousands of dollars]

	FY 2001 enacted [1]	FY 2002 estimate	Committee provisions
Viticulture consortium (NY, CA, PA)	1,497	0	2,000
Water conservation (KS)	79	0	79
Water use efficiency and water quality enhancements (GA)	0	0	600
Weed control (ND)	435	0	435
Wetland plants (LA)	599	0	599
Wheat genetic research (KS)	260	0	260
Wheat sawfly research (MT)	331	0	331
Wood utilization (AK, ID, ME, MI, MN, MS, NC, OR, TN)	5,773	0	5,773
Wool research (TX, MT, WY)	299	0	300
Adjustment for rounding	3	0	0
Subtotal, Special Research Grants	85,481	2,755	82,409
Improved pest control:			
Emerging pests/critical issues	200	200	200
Expert IPM decision support system	177	177	177
Integrated pest management	2,725	2,725	2,725
IR-4 minor crop pest management	8,970	8,970	11,000
Pest management alternatives	1,619	1,619	1,619
Subtotal, Improved pest control	13,691	13,691	15,721
National Research Initiative (NRI) competitive grants	105,767	105,767	105,767
Animal health and disease (sec. 1433)	5,098	5,098	5,098
Alternative crops:			
Canola	599	0	600
Hesperaloe and other natural products from desert plants	199	0	350
Critical Agricultural Materials Act	639	0	639
1994 Institutions research program	998	998	998
Institution challenge grants	4,340	4,340	4,340
Graduate fellowships grants	2,993	2,993	2,993
Multicultural scholars program	998	998	998
Hispanic education partnership grants	3,492	3,492	3,492
Capacity building grants (1890 institutions)	9,479	9,479	9,479
Payments to the 1994 Institutions	1,549	1,549	1,549
Alaska Native-serving and Native Hawaiian-serving Institutions education grants	2,993	2,993	2,993
Secondary agriculture education	798	798	1,000
Sustainable agriculture research and education/SARE	9,230	9,230	12,000
Aquaculture centers (sec. 1475)	3,991	3,991	3,991
Federal Administration:			
Agriculture-based industrial lubricants (IA)	0	0	450
Agriculture development in the American Pacific	563	0	563
Agriculture waste utilization (WV)	495	0	0
Agriculture water policy (GA)	365	0	750
Alternative fuels characterization laboratory (ND)	258	0	300
Animal waste management (OK)	274	0	0
Aquaculture (OH)	0	0	500
Biotechnology (MS)	590	0	0
Center for Agricultural and Rural Development (IA)	427	0	750
Center for Innovative Food Technology (OH)	759	0	781
Center for North American Studies (TX)	87	0	250
Climate change research (FL)	170	0	0
Cotton research (TX)	499	0	1,000
Data Information System	2,120	2,120	2,120
Fruit and vegetable market analysis (AZ, MO)	0	0	347
Geographic information system	1,023	0	1,025
Germplasm development in forage grasses (OH)	100	0	100
Livestock marketing information center (CO)	185	0	0
Mariculture (NC)	324	0	324
Mississippi Valley State University	646	0	0

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE
RESEARCH AND EDUCATION ACTIVITIES—Continued

[In thousands of dollars]

	FY 2001 enacted [1]	FY 2002 estimate	Committee provisions
National Center for Peanut Competitiveness (GA)	399	0	0
Office of Extramural Programs	448	448	448
Pay costs and FERS	1,098	1,594	1,732
Peer Panels	349	349	349
PM–10 air quality study (WA)	435	0	435
Precision agriculture/geospatial training and application center (AL)	586	0	0
Precision agriculture/Tennessee valley research and extension center (AL)	147	0	600
Produce pricing (AZ)	0	0	76
Shrimp aquaculture (AZ, HI, LA, MA, MS, SC, TX)	4,168	0	4,168
Sustainable agriculture development (OH)	474	0	500
Urban silviculture (NY)	237	0	237
Water quality (IL)	348	0	0
Water quality (ND)	394	0	394
Wetland plants (WV)	142	0	200
Adjustment for rounding	−2	0	0
Subtotal, Federal Administration	18,108	4,511	18,399
Total, Research and Education Activities	505,079	407,319	507,452

[1] Includes impact of 0.22 percent reduction pursuant to P.L. 106–554.

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

2001 appropriation	$7,100,000
2002 budget estimate	7,100,000
Provided in the bill	7,100,000
Comparison:	
2001 appropriation	.....
2002 budget estimate	.....

The Native American Institutions Endowment Fund authorized by Public Law 103–382 provides authority to establish an endowment for the 1994 land-grant institutions (31 tribal controlled colleges). This program will enhance educational opportunities for Native Americans by building educational capacity at these institutions in the areas of student recruitment and retention, curricula development, faculty preparation, instruction delivery systems, and scientific instrumentation for teaching. Beginning in 2001, funds also are available for facility renovation, repair, construction, and maintenance. On the termination of each fiscal year, the Secretary shall withdraw the income from the endowment fund for the fiscal year, and after making adjustments for the cost of administering the endowment fund, distribute the adjusted income as follows: sixty percent of the adjusted income from these funds shall be distributed among the 1994 land-grant institutions on a pro-rata basis, the proportionate share being based on the Indian student count; and forty percent of the adjusted income shall be distributed in equal shares to the 1994 land-grant institutions.

COMMITTEE PROVISIONS

For the Native American Institutions Endowment Fund, the Committee provides $7,100,000, the same as the amount available in fiscal year 2001 and the same as the budget request.

EXTENSION ACTIVITIES

2001 appropriation	$432,475,000
2002 budget estimate	413,404,000
Provided in the bill	436,029,000
Comparison:	
2001 appropriation	+3,554,000
2002 budget estimate	+22,625,000

Cooperative agricultural extension work was established by the Smith-Lever Act of May 8, 1914, as amended. The legislation authorizes the Department of Agriculture to give, through the land-grant institutions, instruction and practical demonstrations in agricultural and home economics and related subjects, and to encourage the application of such information by means of demonstrations, publications, and otherwise to persons not attending or a resident in the colleges. In addition, the Service provides nutrition training to low-income families, 4–H Club work, and educational assistance such as community resource development.

COMMITTEE PROVISIONS

For Extension Activities, the Committee provides an appropriation of $436,029,000, an increase of $3,554,000 above the amount available for fiscal year 2001 and an increase of $22,625,000 above the budget request.

The following table reflects the amount provided by the Committee:

EXTENSION ACTIVITIES

[In thousands of dollars]

	FY 2001 enacted [1]	FY 2002 estimate	Committee provisions
Smith-Lever sections 3(b) and 3(c)	$275,940	$275,940	$275,940
Smith-Lever section 3(d):			
Farm safety	3,991	0	5,800
Food and nutrition education	58,566	58,566	58,566
Indian reservation agents	1,996	1,996	1,996
Pest management	10,759	10,759	10,759
Rural development centers	906	906	906
Sustainable agriculture	3,792	3,792	5,000
Youth at risk	8,481	8,481	8,481
Youth farm safety education and certification	499	499	499
Renewable Resources Extension Act	3,185	3,185	3,185
1890 Colleges and Tuskegee University	28,181	28,181	28,181
1890 facilities grants	12,173	12,173	12,173
Rural health and safety education	2,622	0	2,622
Extension services at the 1994 institutions	3,273	3,273	3,273
Adjustment for rounding	−1	0	0
Subtotal	414,363	407,751	417,381
Federal Administration:			
After-school program (CA)	398	0	0
Ag in the classroom	451	451	750
Agricultural telecommunications (NY)	0	0	424
Beef producers improvement (AR)	197	0	197
Botanical garden initiative (IL)	237	0	0
Conservation technology transfer (WI)	474	0	500
Dairy education (IA)	237	0	0
Delta Teachers Academy	3,492	0	3,492
Diabetes detection, prevention (WA)	924	0	924

EXTENSION ACTIVITIES—Continued

[In thousands of dollars]

	FY 2001 enacted [1]	FY 2002 estimate	Committee provisions
Efficient irrigation (NM/TX)	1,896	0	2,000
Extension specialist (MS)	100	0	100
Family farm beef industry network (OH)	1,317	0	1,400
Food animal residue avoidance database/FARAD	284	0	1,000
Food Electronically and Effectively Distributed (FEED) demonstration project (OR)	167	0	0
Income enhancement demonstration (OH)	245	0	246
Integrated cow/calf management (IA)	284	0	300
National Center for Agriculture Safety (IA)	195	0	200
Pilot technology transfer (WI)	163	0	163
Pilot technology transfer (OK, MS)	325	0	325
Potato pest management (WI)	190	0	200
Range improvement (NM)	197	0	197
Rural development (AK)	617	0	0
Rural development (NM)	279	0	454
Rural rehabilitation (GA)	245	0	245
Vocational agriculture (OK)	275	0	0
Wood biomass as an alternative farm product (NY)	197	0	197
General administration and pay	4,726	5,202	5,334
Total, Federal Administration	18,112	5,653	18,648
Total, Extension Activities	432,475	413,404	436,029

[1] Includes impact of 0.22 percent reduction pursuant to P.L. 106–554.

Farm Safety: AgrAbility.—Within the funds provided for Smith-Lever 3(d) for Farm Safety, the Committee recommends $4,600,000 for the AgrAbility program, which helps people with disabilities to be able to farm safely, efficiently, and profitably through on-the-farm education and assistance.

Income enhancement demonstration (OH).—The Committee expects that the Agricultural Business Enhancement Center will intensify its efforts in identifying and pursuing improved business practices and alternative market opportunities, including those related to sales at or through Farmers' Markets.

Prairie State Wilderness Walk.—The Committee encourages the Department to support the enhancement of the Prairie State Wilderness Walk in Chicago.

INTEGRATED ACTIVITIES

2001 appropriation	$41,849,000
2002 budget estimates	41,849,000
Provided in the bill	43,355,000
Comparison:	
2001 appropriation	+1,506,000
2002 budget estimate	+1,506,000

Section 406 of the Agricultural Research, Extension, and Education Reform Act of 1998 authorizes an integrated research, education, and extension competitive grants program. Programs included support multifunctional projects that integrate research, education and extension components.

INTEGRATED ACTIVITIES

[In thousands of dollars]

	FY 2001 enacted [1]	FY 2002 estimate	Committee provisions
Integrated Research, Education and Extension Competitive Grants Program:			
Water Quality	$12,971	$12,971	$12,971
Food Safety	14,967	14,967	14,967
Pesticide Impact Assessment	4,531	4,531	4,531
Crops at Risk from FQPA Implementation	1,497	1,497	1,497
FQPA Risk Mitigation Program for Major Food Crop Systems	4,889	4,889	4,889
Methyl Bromide Transition Program	2,495	2,495	2,500
Organic Transition Program	499	499	2,000
Total, Integrated Activities	41,849	41,849	43,355

[1] Includes impact of 0.22 percent reduction pursuant to P.L. 106–554.

COMMITTEE PROVISIONS

For Integrated Activities, the Committee provides an appropriation of $43,355,000, an increase of $1,506,000 above the amount available for fiscal year 2001 and an increase of $1,506,000 above the budget request.

*Water Quality: Farm*A*Syst.*—Within funds provided for Water Quality under the Integrated Activities account, the Department is encouraged to give consideration to $2,000,000 for the Farm*A*Syst program, to expand this voluntary pollution prevention program which has been utilized in Skaneateles Lake and Cortland County, NY, to help farmers and residential owners identify pollution risks on their property.

OFFICE OF THE UNDER SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

2001 appropriation	$634,000
2002 budget estimate	654,000
Provided in the bill	660,000
Comparison:	
2001 appropriation	+26,000
2002 budget estimate	+6,000

The Office of the Under Secretary for Marketing and Regulatory Programs provides direction and coordination in carrying out laws enacted by the Congress with respect to the Department's marketing, grading, and standardization activities related to grain; competitive marketing practices of livestock, marketing orders and various programs; veterinary services; and plant protection and quarantine. The Office has oversight and management responsibilities for the Animal and Plant Health Inspection Service; Agricultural Marketing Service; and Grain Inspection, Packers and Stockyards Administration.

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Marketing and Regulatory Programs, the Committee provides an appropriation of $660,000, an increase of $26,000 above the amount available for fiscal year 2001 and an increase of $6,000 above the budget request.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

	Appropriations	*User Fees* [1]	*Total, APHIS Appropriations*
2001 appropriation [1]	$444,584,000	$84,813,000	$529,397,000
2002 budget estimate	618,112,000	84,813,000	702,925,000
Provided in the bill	502,573,000	84,813,000	587,386,000
Comparison:			
2001 appropriation	+57,989,000	.....	+57,989,000
2002 budget estimate ..	−115,539,000	.....	−115,539,000

[1] Excludes additional resources from the Federal Agriculture Improvement and Reform (FAIR) Act of 1996 direct appropriations.

The Animal and Plant Health Inspection Service (APHIS) was established by the Secretary of Agriculture on April 2, 1972 under the authority of Reorganization Plan No. 2 of 1953 and other authorities. The major objectives of APHIS are to protect the animal and plant resources of the nation from diseases and pests. These objectives are carried out under the major areas of activity, as follows:

Pest and Disease Exclusion.—The agency conducts inspection and quarantine activities at U.S. ports-of-entry to prevent the introduction of exotic animal and plant diseases and pests. The agency also participates in inspection, survey, and control activities in foreign countries to reinforce its domestic activities.

Plant and Animal Health Monitoring.—The agency conducts programs to assess animal and plant health and to detect endemic and exotic diseases and pests.

Pest and Disease Management Programs.—The agency carries out programs to control and eradicate pest infestations and animal diseases that threaten the United States; reduce agricultural losses caused by predatory animals, birds, and rodents; provide technical assistance to cooperators such as states, counties, farmer or rancher groups, and foundations; and ensure compliance with interstate movement and other disease control regulations within the jurisdiction of the agency.

Animal Care.—The agency conducts regulatory activities which ensure the humane care and treatment of animals as required by the Animal Welfare and Horse Protection Acts. These activities include inspection of certain establishments that handle animals intended for research, exhibition, and as pets, and monitoring of certain horse shows.

Scientific and Technical Services.—The agency performs other regulatory activities, including the development of standards for the licensing and testing of veterinary biologicals to ensure their safety and effectiveness; diagnostic activities in support of the control and eradication programs in other functional components; applied research aimed at reducing economic damage from vertebrate animals; development of new pest and animal damage control methods and tools; and regulatory oversight of genetically engineered products.

Agricultural Quarantine Inspection.—User fees are collected to cover the cost of inspection and quarantine activities at U.S. ports of entry to prevent the introduction of exotic animal and plant diseases and pests.

COMMITTEE PROVISIONS

The following table reflects the amounts provided by the Committee:

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

[In thousands of dollars]

	FY 2001 enacted	FY 2002 request	Committee provisions
1. Pest and Disease Exclusion:			
Agricultural quarantine inspection	$38,884	$47,254	47,254
User fees [1]	84,813	84,813	84,813
Subtotal, AQI	123,697	132,067	132,067
Cattle ticks	5,264	5,732	6,232
Foot-and-mouth disease	3,795	3,839	3,839
Import/export	7,010	8,132	8,132
Trade issues resolution management	8,187	11,367	11,367
Fruit fly exclusion and detection	32,538	56,018	34,818
Screwworm	30,308	30,557	30,557
Tropical bont tick	406	415	415
Total, Pest and Disease Exclusion	211,205	248,127	227,427
2. Plant and Animal Health Monitoring:			
Animal health monitoring and surveillance	68,502	71,531	73,306
Animal and plant health regulatory enforcement	6,249	6,601	7,601
Emergency management system	2,990	3,044	5,044
Pest detection	6,714	6,844	6,844
Total, Plant and Animal Health Monitoring	84,455	88,020	92,795
3. Pest and Disease Management Programs:			
Aquaculture	918	940	940
Biocontrol	8,300	8,759	8,759
Boll weevil	78,983	33,931	33,931
Brucellosis eradication	9,921	8,450	8,450
Emerging plant pests	3,525	99,492	48,515
Golden nematode	579	610	1,010
Gypsy moth	4,407	4,559	4,559
Imported fire ant	2,095	2,118	2,118
Noxious weeds	1,122	1,130	1,130
Pink bollworm	1,545	1,616	1,616
Pseudorabies	4,030	34,570	4,151
Scrapie eradication	3,017	21,019	3,119
Tuberculosis	5,462	18,552	5,649
Wildlife services operations	36,700	54,456	56,956
Witchweed	1,503	1,520	1,520
Total, Pest and Disease Management	162,107	291,722	182,423
4. Animal Care:			
Animal welfare	12,140	12,767	15,167
Horse protection	397	415	415
Total, Animal Care	12,537	13,182	15,582
5. Scientific and Technical Services:			
Biotechnology/environmental protection	9,999	10,516	10,516
Integrated systems acquisition project	998	998	2,500
Plant methods development laboratories	4,796	5,118	5,118
Veterinary biologics	10,727	11,413	11,413
Veterinary diagnostics	17,476	18,278	18,278

ANIMAL AND PLANT HEALTH INSPECTION SERVICE—Continued

[In thousands of dollars]

	FY 2001 enacted	FY 2002 request	Committee provisions
WS methods development	11,001	11,455	12,955
Total, Scientific and Technical Services	54,997	57,778	60,780
6. Contingency fund	4,096	4,096	4,096
7. Pay parity	.....	.....	4,283
Total, Salaries and Expenses	529,397	702,925	587,386
Recap (Salaries and Expenses):			
Appropriated	444,584	618,112	502,573
AQI user fees	84,813	84,813	84,813
Total, Salaries and Expenses	529,397	702,925	587,386

[1] Does not include additional AQI resources provided in the Federal Agricultural Improvement and Reform (FAIR) Act of 1996 direct appropriation.

Agricultural quarantine inspection.—The Committee encourages APHIS to explore the use of computer tomography technology to more effectively execute its contraband interception mission.

Cattle ticks.—The Committee has provided $6,232,000 for the cattle tick eradication program. The Committee notes that there are at least two vacant inspector positions (Mission and Brownsville, TX), that have gone unfilled for lack of funds, the program's vehicle fleet of 60 vehicles all have over 80,000 miles each, and existing radio equipment needs replacing. The Committee has included an additional $500,000 over the President's request for this program. The Committee expects the Agency to fill at least two inspector vacancies, replace at least 5 vehicles, and ensure that the radio equipment is up-to-date.

Fruit fly.—The Committee has provided $34,818,000 for the fruit fly program. The Committee has included an additional $2,000,000 to address the inequity in the distribution of funds for fruit fly trapping in Florida and California. The Committee directs the Agency to increase the California fruit fly trapping program by $2,000,000 to close the gap in the distribution of funds.

Animal Health Monitoring and Surveillance (AHM&S).—The Committee provides an additional $750,000 for the National Poultry Improvement Plan. The Committee expects APHIS to use the additional funds to increase the number of *Salmonella* isolates to be serotyped, and to increase the number of antigen/antiserum test kits for avian influenza.

Within the amount provided for AHM&S, $4,000,000 is available for pseudorabies monitoring and surveillance.

The Committee provides continued funding at the fiscal year 2001 level for the National Farm Identification Records Project for Dairy Cattle to be coordinated with the Holstein Association.

The Committee has included an increase of $1,000,000 for a cooperative agreement with the Wisconsin Animal Health Consortium for a pilot project to aid in creating a universal identification and database retrieval system for tracking the movement of animal and animal-based food products. The Committee urges APHIS and the Wisconsin Animal Health Consortium to work in concert with the

National Farm Animal Identification Project to ensure that duplication of program does not occur.

Animal and Plant health regulatory enforcement.—The Committee has provided $7,601,000 for animal and plant health regulatory enforcement. The Committee has included an increase of $1,000,000 for investigative enforcement, and expects the Agency to hire additional investigators to begin addressing the backlog of animal care investigations.

Emergency Management System.—The Committee has provided $5,044,000 for the Emergency Management System, an increase of $2,000,000 above the President's request. The Committee expects APHIS to place emergency managers in the Federal Emergency Management Agency regions across the country. The Committee encourages APHIS to use the funds to make grants to States to establish animal health emergency standards and programs.

The Committee directs APHIS to determine if existing quantitative tools are available to assess the effectiveness of local government planned responses to potential outbreaks of bovine diseases, and to report to the Committee on Appropriations what existing quantitive tools are available by December 1, 2001.

Greater Yellowstone Interagency Brucellosis Committee (GYIBC).—The Committee provides $600,000 for the GYIBC and encourages the coordination of Federal, State, and private actions aimed at eliminating brucellosis from wildlife in the Greater Yellowstone area.

Emerging Plant Pests.—The Committee has provided $48,515,000 for the emerging plant pests program including: $3,618,000 for the base program; $10,000,000 for glassy-winged sharpshooter; and $34,897,000 to augment CCC transfers to combat emergency outbreaks of citrus canker, Asian longhorned beetle, and plum pox virus.

The Committee expects the Secretary of Agriculture to continue to use the authority provided in this bill to transfer funds from the Commodity Credit Corporation for the arrest and eradication of animal and plant pests and diseases that threaten American agriculture. By providing funds in this account, the Committee is enhancing the work that has begun to combat emergency outbreaks.

The Committee notes that funds appropriated in this bill are subject to obligation within the fiscal year for which they are appropriated while funds transferred from the CCC are available until expended. For example, according to USDA's fiscal year 2002 budget justifications, there is about $65,000,000 in CCC funds that was transferred in fiscal year 2000 that was still available for obligation as of April 9, 2001. If those funds had been appropriated, they would not have been available in fiscal year 2001. The use of the Secretary's emergency authority places the Department in a better position to respond to emergencies, more so than the annual budget and appropriations cycle that takes about 18 months to complete.

The Committee is aware of the emerging problem that the olive fly is having on the olive industry and directs APHIS to provide adequate resources to combat this pest.

Golden nemotode.— The Committee has included an increase of $400,000 for golden nematode control efforts in New York. The

Committee directs APHIS to coordinate the use of added funds with the New York State Department of Agriculture and Markets and Cornell University.

Wildlife Services.—The Committee directs the continuation of the following programs that were included in fiscal year 2001: $250,000 for wildlife services to contain crop and aquaculture losses in southeastern Missouri; $625,000 for a cooperative agreement with Georgia Wildlife Services and the University of Georgia to conduct research on and control of game bird predation in Georgia; $100,000 for trapping in Virginia to combat increased predation by coyotes; $100,000 for wildlife biologist to serve North Florida, southeast Louisiana, and southwest Georgia; $150,000 for blackbird control efforts for reduction in blackbird damage to rice; $240,000 for rodent control in Hawaii; and $1,000,000 for predator control programs for livestock operators in Montana, Idaho, and Wyoming.

The Committee has included additional funding for the following items in its fiscal year 2002 appropriation for Wildlife Services: an additional $1,000,000 for aerial operations safety; an additional $1,000,000 for Wildlife Services in the State of Texas to bring the Federal cost-share into line with the national average; and an additional $500,000 for predator control in Montana, Wyoming, and Idaho.

The Committee has provided $16,500,000 for rabies control efforts.

Animal welfare.—The Committee has provided $15,167,000 for animal welfare, an increase of $2,400,000 above the President's request. The Committee directs APHIS to hire an additional 14 inspectors and support staff so that the overall number of inspections can increase, and those facilities that are in non-compliance may be reinspected more frequently.

Integrated Systems Acquisition Project.—The Committee has provided $2,500,000, an increase of $1,502,000 above the President's request, for maintenance and replacement cost of network servers.

Wildlife Service Methods Development.—The Committee has provided $12,955,000, an increase of $1,500,000 above the President's request, for Wildlife Services Methods Development to addresss infrastructure deficiencies at the National Wildlife Research Center. The Committee expects a report from APHIS on the extent of the deficiencies at the NWRC and the associated costs to correct them.

The Committee directs APHIS to continue a $500,000 project to develop a reproductive inhibitor for Canadian geese at the National Wildlife Research Center.

Imported Fire Ant.—The Committee supports a program for the control, management, and eradication of the imported fire ant and provides $2,118,000 for this program, of which $45,000 is for New Mexico.

Berryman Institute.—The Committee directs the Department to continue the current funding level for the Jack Berryman Institute in Utah.

Avocados.—The Committee urges APHIS to continue working closely with U.S. avocado growers in implementing procedures for the importation of Mexican avocados. The Committee directs APHIS to report on the status of Mexican avocado imports, includ-

ing any problems in pest surveys, and oversight by APHIS personnel, including the diversion of Mexican avocados to other than approved destinations. The Committee also directs APHIS to report to Congress prior to publishing any rules expanding the approved areas or lengthening time periods for importation of Mexican avocados. In addition, the Committee is concerned that USDA's rulemaking, which did not include an advanced notice of public rulemaking, has not been adequately open for comment by domestic and international growers, and that USDA should allow additional comment on the science supporting such expansion of states or extension of shipping season for avocados imported from Mexico.

Export Certification User Fees.—The Committee is aware of user fees associated with the certification of exports of livestock and livestock semen and embryos. The Committee is concerned about user fees that are established at such a level that they maintain full cost recovery and do not prohibit the export of livestock, livestock semen and embryos and make these products non-competitive in the international marketplace. This Committee instructs USDA to review the current user fee structure and to report back to this Committee on this structure and how this structure was established. This review should include a summary of the fees that are charged to exporters for the various services and delineate how USDA arrived at such fee. It is the intent of the Committee that user fees should recover the full cost of these services provided by USDA. USDA should consider the impact of the user fee upon exporting entities and ensure that user fees recover the cost incurred, but do not limit the international marketing opportunities for livestock, livestock semen and embryos.

Control of brucellosis in wildlife in the Greater Yellowstone Area.—The Committee urges APHIS and ARS to work cooperatively and expeditiously with the National Park Service, the U.S. Geological Survey and the U.S. Forest Service to begin implementation of a vaccination program for bison in FY 2002 and to report back to Congress annually on the dollar amounts expended, the nature of the work funded, and the progress and results of these efforts.

Import Inspection Activities.—The Committee is concerned that resources of the Department of Agriculture are being used to finance the expenses of activities not of primary benefit to American agriculture. For example, APHIS expends valuable resources inspecting wood packing materials that are used for imported manufactured goods so as to guard against invasive species. While these inspection activities are vital, their cost should be borne by the importer of the goods. The Committee directs the Department to provide a report prior to the fiscal year 2003 hearings detailing the nature and volume of inspected imported materials, to what extent those items are imported primarily for agricultural or non-agricultural use, what the costs are for inspecting and treating items related to non-agricultural use, and what level of fees could properly be assessed in order to have the importer pay the cost of any inspection or treatment.

Bird hazards/public safety.—The Committee is aware that the Federal Aviation Administration (FAA) and USDA have previously entered into a Memorandum of Understanding to develop a cooper-

ative approach to resolving bird hazards to civilian aviation in the furtherance of public safety. In addition, FAA statistics show that Florida now experiences more bird strikes to aircraft than any other state. The Committee is concerned about this situation and strongly encourages the agency to examine the feasibility of providing two additional wildlife biologists and associated resources in Florida, as well as initiating new methods and development activities in Florida to strengthen the response to this increasing wildlife hazard.

BUILDINGS AND FACILITIES

2001 appropriation	$9,848,000
2002 budget estimate	5,189,000
Provided in the bill	7,189,000
Comparison:	
2001 appropriation	−2,659,000
2002 budget estimate	+2,000,000

The APHIS Buildings and Facilities account funds major nonrecurring construction projects in support of specific program activities and recurring construction, alterations, preventive maintenance, and repairs of existing APHIS facilities.

COMMITTEE PROVISIONS

For Animal and Plant Health Inspection Service, Buildings and Facilities, the Committee provides an appropriation of $7,189,000, a decrease of $2,659,000 below the amount available for fiscal year 2001 and an increase of $2,000,000 above the budget request.

The following table summarizes the committee's provisions:

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

[In thousands of dollars]

	FY 2001 enacted	FY 2002 request	Committee provisions
Buildings and Facilities:			
Plum Island, NY	$3,193	$3,193	$3,193
Quarantine and seed facilities, AK	$4,659	0	0
Miami Animal Import Center, FL	.....	.....	2,000
Basic buildings and facilities repair, alterations, and preventative maintenance	1,996	1,996	1,996
Total, Buildings & Facilities	9,848	5,189	7,189

Miami International Airport Facility.—The Committee has included an additional $2,000,000 for buildings and facilities to cover costs associated with the new "one-stop" facility to be built at Miami International Airport that will house the Plant Protection and Quarantine Air Cargo Operations, the Plant Inspection Station, the Canine Operations Kennel Units, and a 100 stall animal import/export center.

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

2001 appropriation	$65,191,000
2002 budget estimate	71,430,000
Provided in the bill	71,774,000
Comparison:	
2001 appropriation	+6,583,000
2002 budget estimate	+344,000

The Agricultural Marketing Service (AMS) was established by the Secretary of Agriculture on April 2, 1972, under the authority of Reorganization Plan No. 2 of 1953, and other authorities. Through its marketing, consumer, and regulatory programs, AMS aids in advancing orderly and efficient marketing and effective distribution and transportation of products from the Nation's farms.

Programs administered by this agency include market news activities, payments to states for marketing activities, the Plant Variety Protection Act, the Federal administration of marketing agreements and orders, standardization, grading, classing, and shell egg surveillance services, transportation services, and market protection and promotion.

COMMITTEE PROVISIONS

For Marketing Services of the Agricultural Marketing Service, the Committee provides an appropriation of $71,774,000, an increase of $6,583,000 above the amount available for fiscal year 2001 and an increase of $344,000 above the budget request.

The Committee has provided $14,259,000 for the Pesticide Data Program, and $5,900,000 for the Mandatory Price Reporting Program, the same as the budget request.

The Committee is aware of the strong concerns that have been raised about the Agricultural Marketing Service's Microbiological Data Program. In particular, questions have been raised regarding barriers that could disrupt or impede its useful and effective implementation. The Committee further understands that concerns have been raised about the effort by the Department to utilize a stakeholder process, which can review the program in terms of its goals, objectives, and implementation plan. The Committee therefore recommends that the Department hold a public meeting as soon as possible. The meeting should include consumer and industry groups to ensure that public concerns surrounding the program can be considered by USDA.

The Committee is concerned about the problems that USDA has experienced with the implementation of Mandatory Price Reporting and the disruptions that these problems have caused participants in the marketplace. The law requires the Secretary of Agriculture to establish programs to provide price information for cattle and hogs that is timely, accurate, and reliable, so as to facilitate more informed marketing decisions and promote competition in the slaughtering industry. The price reporting system that the Secretary initiated to meet these requirements has been less timely and, although now corrected, reported grossly inaccurate information on the boxed beef cutout value. The Committee directs the Secretary to work with interested parties to develop recommendations

for obtaining more timely, consistent, meaningful and accurate data without compromising confidentiality and to provide such recommendations to the Committee within 90 days of enactment of this Act.

LIMITATION ON ADMINISTRATIVE EXPENSES

2001 limitation	($60,596,000)
2002 budget limitation	(60,596,000)
Provided in the bill	(60,596,000)
Comparison:	
2001 limitation	.....
2002 budget limitation	.....

The Agricultural Marketing Service provides inspection, grading, and classing services to the cotton and tobacco industries on a user funded basis. The legislative authorities to carry out these programs are: the U.S. Cotton Standards Act; the Cotton Statistics and Estimates Act of 1927, as amended; the Tobacco Inspection Act; the Omnibus Budget Reconciliation Act of 1981; the Dairy and Tobacco Adjustment Act of 1985; and the Uniform Cotton Classing Fees Act of 1987. These programs facilitate the interstate and foreign commerce of these products. This is accomplished by inspecting, identifying, and certifying the quality of these products in accordance with official standards. Grades serve as a basis for prices and reflect the value of the products to the producer as well as the buyer. These programs facilitate the movement of commodities through marketing channels in a quick, efficient, and equitable manner.

COMMITTEE PROVISIONS

For a Limitation on Administrative Expenses of the Agricultural Marketing Service, the Committee provides $60,596,000, the same as the amount available for fiscal year 2001 and the same as the budget request.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY

(SECTION 32)

MARKETING AGREEMENT AND ORDERS

2001 appropriation	($13,438,000)
2002 budget estimate	(13,874,000)
Provided in the bill	(13,995,000)
Comparison:	
2001 appropriation	(+557,000)
2002 budget estimate	(+121,000)

The Act of August 24, 1935, appropriates 30 percent of all customs receipts for: (a) encouraging exports of agricultural commodities; (b) encouraging domestic consumption of agricultural commodities by diversion to alternative outlets or by increasing their utilization; and (c) reestablishing the farmers' purchasing power.

The primary purpose of section 32 is to strengthen markets by purchasing surplus perishable agricultural commodities to encourage continued adequate production.

The following table reflects the status of this fund for fiscal years 2000 through 2002:

ESTIMATED TOTAL FUNDS AVAILABLE AND BALANCE CARRIED FORWARD, FISCAL YEARS 2000–2002

	FY 2000 actual	FY 2001 current estimate	FY 2002 budget estimate
Appropriation (30 percent of Customs Receipts)	$5,735,557,955	$5,738,448,921	$6,139,942,369
Agricultural Risk Protection Act (P.L. 106–224)		200,000,000	
Less Rescission	−15,000		
Less Transfers:			
Food and Nutrition Service	−4,935,199,000	−5,127,579,000	−5,340,708,000
Commerce Department	−69,920,523	−72,827,819	−79,125,978
Total, Transfers	−5,005,119,523	−5,200,406,819	−5,419,833,978
Budget Authority	730,423,432	738,042,102	720,108,391
Unobligated Balance Available, Start of Year	112,630,114	241,269,707	218,630,609
Recoveries of Prior Year Obligations	50,355,227		
Available for Obligation	893,408,773	979,311,809	938,739,000
Less Obligations:			
Commodity Procurement:			
Child Nutrition Purchases	399,999,997	400,000,000	400,000,000
Removal of Defective Commodities	500,000	1,000,000	
Lamb Grading and Certification Support		1,000,000	
Emergency Surplus Removal	200,214,947	68,589,200	
Diversion Payments	30,777,658	10,250,000	
Disaster Relief			
Specialty Crop Purchases		200,000,000	
Estimated Future Purchases		56,800,000	215,000,000
Total, Commodity Procurement	631,492,602	737,639,200	615,000,000
Administrative Funds:			
Commodity Purchase Service	8,405,567	9,604,000	9,865,000
Marketing Agreements & Orders	12,240,897	13,438,000	13,874,000
Total, Administrative Funds	20,646,464	23,042,000	23,739,000
Total, Obligations	652,139,066	760,681,200	638,739,000
Carryout	241,269,707	218,630,609	300,000,000
Unobligated Balance Available, End Of Year	241,269,707	218,630,609	300,000,000

COMMITTEE PROVISIONS

For the Marketing Agreements and Orders Program, the Committee provides a transfer from section 32 funds of $13,995,000, an increase of $557,000 above the amount available for fiscal year 2001 and an increase of $121,000 above the budget request.

Purchase of Irradiated Foods.—Should the USDA purchase foods that have been treated with ionizing radiation for any of its nutritional programs, the packaging shall be clearly labeled and state that foods have been irradiated in compliance with current FDA regulations on labeling for irradiated foods.

PAYMENTS TO STATES AND POSSESSIONS

2001 appropriation	$1,347,000
2002 budget estimate	1,347,000
Provided in the bill	1,347,000
Comparison:	
2001 appropriation	
2002 budget estimate	

The Federal-State Marketing Improvement Program is authorized by section 204(b) of the Agricultural Marketing Act of 1946 and is also funded from appropriations. Payments are made to state marketing agencies to: identify and test market alternative farm commodities; determine methods of providing more reliable market information; and develop better commodity grading standards. This program has made possible many types of projects, such as electronic marketing and agricultural product diversification. Current projects are focused on the improvement of marketing efficiency and effectiveness, and seeking new outlets for existing farm produced commodities. The legislation grants the U.S. Department of Agriculture authority to establish cooperative agreements with State Departments of Agriculture or similar state agencies to improve the efficiency of the agricultural marketing chain. The states perform the work or contract it to others, and must contribute at least one-half of the cost of the projects.

COMMITTEE PROVISIONS

For Payments to States and Possessions, the Committee provides an appropriation of $1,347,000, the same amount available for fiscal year 2001, and the same as the budget request.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

2001 appropriation [1]	$31,350,000
2002 budget estimate	32,907,000
Provided in the bill	33,117,000
Comparison:	
2001 appropriation	+1,767,000
2002 budget estimate	+210,000

[1] Excludes $200 thousand less 0.22% rescission in emergency funding provided by P.L. 106–554 (Consolidated Appropriations Act).

The Grain Inspection, Packers and Stockyards Administration (GIPSA) was established pursuant to the Secretary's 1994 reorganization. Grain inspection and weighing programs are carried out under the U.S. Grain Standards Act and other programs under the authority of the Agricultural Marketing Act of 1946, including the inspection and grading of rice and grain-related products; conducting official weighing and grain inspection activities; and grading dry beans and peas, and processed grain products. Under the Packers and Stockyards Act, assurance of the financial integrity of the livestock, meat, and poultry markets is provided. The Administration monitors competition in order to protect producers, consumers, and industry from deceptive and fraudulent practices which affect meat and poultry prices.

COMMITTEE PROVISIONS

For Grain Inspection, Packers and Stockyards Administration, the Committee provides $33,117,000, an increase of $1,767,000 above the amount available for fiscal year 2001, and an increase of $210,000 above the budget request.

LIMITATION ON INSPECTION AND WEIGHING SERVICES EXPENSES

2001 limitation	($42,463,000)
2002 budget limitation	(42,463,000)
Provided in the bill	(42,463,000)
Comparison:	
2001 limitation	.....
2002 budget limitation	.....

The U.S. Grain Standards Act requires, with minor exceptions, that all grain exported by grade must be officially inspected and weighed. The agency's employees or delegated state agencies perform original inspection and weighing services at export port locations in the United States and Canada. Grain which is not being exported may be inspected at interior locations, upon request, by licensed employees of designated state and private agencies. The agency's employees, upon request, perform domestic original inspection and weighing services on grain, oilseeds, pulses, rice, and related grain commodities. The agency's employees supervise and provide oversight for inspectors performing official services.

COMMITTEE PROVISIONS

The Committee includes a limitation on inspection and weighing services expenses of $42,463,000, the same as the amount available for fiscal year 2001 and the same as the budget request. The bill includes authority to exceed by 10 percent the limitation on inspection and weighing services with notification to the Appropriations Committees. This allows for flexibility if export activities require additional supervision and oversight or other uncontrollable factors occur.

OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

2001 appropriation	$459,000
2002 budget estimate	476,000
Provided in the bill	481,000
Comparison:	
2001 appropriation	+22,000
2002 budget estimate	+5,000

The Office of the Under Secretary for Food Safety provides direction and coordination in carrying out the laws enacted by the Congress with respect to the Department's inspection of meat, poultry, and egg products. The Office has oversight and management responsibilities for the Food Safety and Inspection Service.

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Food Safety, the Committee provides an appropriation of $481,000, an increase of $22,000 above the amount provided for fiscal year 2001 and an increase of $5,000 above the budget request.

FOOD SAFETY AND INSPECTION SERVICE

2001 appropriation	$695,171,000
2002 budget estimate	715,542,000
Provided in the bill	720,652,000
Comparison:	
2001 appropriation	+25,481,000
2002 budget estimate	+5,110,000

The Food Safety and Inspection Service was established on June 17, 1981, by Secretary's Memorandum No. 1000–1, issued pursuant to Reorganization Plan No. 2 of 1953.

The major objectives of the Service are to assure that meat and poultry products are wholesome, unadulterated, and properly labeled and packaged, as required by the Federal Meat Inspection Act and the Poultry Products Inspection Act; provide continuous in-plant inspection to egg processing plants under the Egg Products Inspection Act; and administer the pathogen reduction program.

The inspection program of the Food Safety and Inspection Service provides continuous in-plant inspection of all domestic plants preparing meat, poultry, or egg products for sale or distribution; reviews foreign inspection systems and establishments that prepare meat or poultry products for export to the United States; and provides technical and financial assistance to states which maintain meat and poultry inspection programs.

COMMITTEE PROVISIONS

For the Food Safety and Inspection Service, the Committee provides an appropriation of $720,652,000, an increase of $25,481,000 above the amount available for fiscal year 2001 and an increase of $5,110,000 above the budget request.

The Committee provides the full amount requested for inspection costs and for activities related to the Codex Alimentarius.

Pathogen-reduction Through Irradiation.—It is the Committee's understanding that Food and Drug Administration approval of irradiation processes for meat and poultry also serves as Food Safety Inspection Service approval, as of the December 23, 1999 Federal Register notice. The Committee encourages FSIS to work closely with firms wishing to include such processes in their production, and to provide any required review in a timely manner.

Laboratory Testing.—The Committee strongly encourages the agency to consider outsourcing microbiological testing to private laboratories approved by the American Association for Laboratory Accreditation (International Standards Organization) as a method of increasing budgetary efficiencies, expediting test turn-around time, and increasing food safety.

FARM ASSISTANCE PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES

2001 appropriation	$588,000
2002 budget estimate	606,000
Provided in the bill	611,000
Comparison:	
2001 appropriation	+23,000
2002 budget estimate	+5,000

The Office of the Under Secretary for Farm and Foreign Agricultural Services provides direction and coordination in carrying out the laws enacted by the Congress with respect to the Department's international affairs (except for foreign economic development) and commodity programs. The Office has oversight and management responsibilities for the Farm Service Agency (which includes the

Commodity Credit Corporation), the Risk Management Agency, and the Foreign Agricultural Service.

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Farm and Foreign Agricultural Services, the Committee provides an appropriation of $611,000, an increase of $23,000 above the amount available for fiscal year 2001 and an increase of $5,000 above the budget request.

FARM SERVICE AGENCY

The Farm Service Agency (FSA) was established by the Department of Agriculture Reorganization Act of 1994, P.L. 103–354, enacted October 13, 1994. Originally called the Consolidated Farm Service Agency, the name was changed to the Farm Service Agency on November 8, 1995. The FSA administers the agricultural commodity programs financed by the Commodity Credit Corporation (CCC); the warehouse examination function; the conservation reserve program (CRP); several other conservation cost-share programs; the Noninsured Crop Disaster Assistance Program (NAP); and farm ownership, operating, emergency disaster, and other loan programs.

Agricultural market transition program.—The Federal Agriculture Improvement and Reform Act of 1996, P.L. 104–127 (1996 Act), enacted April 4, 1996, mandates that the Secretary offer individuals with eligible cropland acreage the opportunity for a one-time signup in a 7-year, production flexibility contract. Depending on each contract, a participant's prior contract-crop acreage history and payment yield, as well as total program participation, each contract participant shares a portion of a statutorily-specified annual dollar amount. In return, participants must comply with certain requirements regarding land conservation, wetland protection, planting flexibility, and agricultural use. Contract crops, for the purposes of determining eligible cropland and payments, include wheat, corn, grain sorghum, barley, oats, upland cotton, and rice. This program does not include any production adjustment requirements or related provisions except for restrictions on the planting of fruits and vegetables.

Marketing assistance loan program, price support programs, and other loan and related programs.—The 1996 Act provides for marketing assistance loans to producers of contract commodities, extra long staple (ELS) cotton, and oilseeds for the 1996 through 2002 crops. With the exception of ELS cotton, these nonrecourse loans are characterized by loan repayment rates that may be determined to be less than the principal plus accrued interest per unit of the commodity. Producers have the option of taking a loan deficiency payment, if available, in lieu of the marketing assistance loan.

The 1996 Act also provides for a loan program for sugar for the 1996 through 2002 crops of sugar beets and sugarcane, where the loans may be either recourse or nonrecourse in nature depending on the level of the tariff rate quota for imports of sugar. The 1996 Act provides for a milk price support program, whereby the price of milk is supported through December 31, 1999, via purchases of

butter, cheese, and nonfat dry milk. The rate of support is fixed each calendar year, starting at $10.35 per hundredweight in 1996 and declining each year to $9.90 per hundredweight in 1999. The FY 2000 Appropriations Act, P.L. 106–78, extends the milk price support program to January 1, 2001. The 1996 Act and the 1938 Act provide for a peanut loan and poundage quota program for the 1996 through 2002 crops of peanuts. Finally, the Agricultural Act of 1949, as amended (1949 Act), and the 1938 Act provide for a price support, quota, and allotment program for tobacco.

The interest rate on commodity loans secured on or after October 1, 1996, will be one percentage point higher than the formula which was used to calculate commodity loans secured prior to fiscal year 1997. The CCC monthly commodity loan interest rate will, in effect, be one percentage point higher than CCC's cost-of-money for that month.

The 1996 Act amended the payment limitation provisions in the Food Security Act of 1985, as amended (1985 Act), by changing the annual $50,000 payment limit per person for deficiency and diversion payments to an annual $40,000 payment limit per person for contract payments. The annual $75,000 payment limit per person applicable to combined marketing loan gains and loan deficiency payments for all commodities that was in effect for the 1991 through 1995 crop years continues through the 2002 crop year. Similarly, the 3-entity rule is continued.

Commodity Credit Corporation program activities.—Various price support and related programs have been authorized in numerous legislative enactments since the early 1930's. Operations under these programs are financed through the Commodity Credit Corporation. Personnel and facilities of the Farm Service Agency (FSA) are utilized in the administration of the Commodity Credit Corporation, and the Administrator of the FSA is also Executive Vice President of the Corporation.

The 1996 Act created new conservation programs to address high priority environmental protection goals and authorized CCC funding for many of the existing and new conservation programs. The Natural Resources Conservation Service administers many of the programs financed through the CCC.

Foreign assistance programs and other special activities.—Various surplus disposal programs and other special activities are conducted pursuant to the specific statutory authorizations and directives. These laws authorize the use of CCC funds and facilities to implement the programs. Appropriations for these programs are transferred or paid to the Corporation for its costs incurred in connection with these activities, such as Public Law 480.

Farm credit programs.—The Department's reorganization has placed the farm credit programs under FSA to facilitate improved coordination between the credit programs and FSA's risk management, conservation, and commodity support programs. FSA reviews applications, makes and collects loans, and provides technical assistance and guidance to borrowers. Under credit reform, administrative costs associated with Agricultural Credit Insurance Fund (ACIF) loans are appropriated to the ACIF Program Account and transferred to FSA salaries and expenses.

Risk management.—Includes the Noninsured Crop Disaster Assistance Program (NAP) which provides crop loss protection for growers of many crops for which crop insurance is not available.

SALARIES AND EXPENSES

	Appropriation	*Transfer from program accts.*	*Total, FSA, S&E*
2001 appropriation [1]	$826,563,000	($266,132,000)	($1,092,695,000)
2002 budget estimate	939,030,000	(274,357,000)	(1,213,387,000)
Provided in the bill	945,993,000	(276,546,000)	(1,222,539,000)
Comparison:			
2001 appropriation ..	+119,430,000	(+10,414,000)	(+129,844,000)
2002 budget estimate	+6,963,000	(+2,189,000)	(+9,152,000)

[1] Excludes $50 million in supplemental funds provided by P.L. 106–387

COMMITTEE PROVISIONS

For Salaries and Expenses of the Farm Service Agency (FSA), the Committee provides an appropriation of $945,993,000 and transfers from other accounts of $276,546,000, for a total program level of $1,222,539,000. This is an increase of $129,844,000 above the amount available for fiscal year 2001 (excluding supplementals) and an increase of $9,152,000 above the budget request.

County Offices.—The Committee is concerned about any Departmental plans to close FSA county offices at a time when the FSA office network is essential to helping farmers address critical economic and environmental issues. The Committee reiterates its strong view that no county office closure or consolidation should occur except in those locations for which closures and relocations are supported by rigorous analysis to ensure actions are cost effective, and that services available to the public will not be reduced.

Location of Commodity Sales to the Commodity Credit Corporation (CCC).—The Committee continues last year's directive to the Department to increase its outreach to producers and grain traders so as to increase the pool of CCC-eligible vendors for any commodity sale. In particular, the Committee expects the Department to make special efforts in Ohio and other Great Lakes States to increase sales and shipments from these areas.

STATE MEDIATION GRANTS

2001 appropriation	$2,993,000
2002 budget estimate	2,993,000
Provided in the bill	2,993,000
Comparison:	
2001 appropriation	.....
2002 budget estimate	.....

This program is authorized under title V of the Agricultural Credit Act of 1987. Originally designed to address agricultural credit disputes, the program was expanded by the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 to include other agricultural issues such as wetland determinations, conservation compliance, rural water loan programs, grazing on national forest system lands, and pesticides. Grants are made to states whose mediation programs have been certified by

FSA. Grants will be solely for operation and administration of the state's agricultural mediation program.

COMMITTEE PROVISIONS

For State Mediation Grants, the Committee provides an appropriation of $2,993,000, the same as the amount available in fiscal year 2001 and the same as the budget request.

DAIRY INDEMNITY PROGRAM

2001 appropriation	$450,000
2002 budget estimate	100,000
Provided in the bill	100,000
Comparison:	
2001 appropriation	−350,000
2002 budget estimate	

Under the program, the Department makes indemnification payments to dairy farmers and manufacturers of dairy products who, through no fault of their own, suffer losses because they are directed to remove their milk from commercial markets due to contamination of their products by registered pesticides. The program also authorizes indemnity payments to dairy farmers for losses resulting from the removal of cows or dairy products from the market due to nuclear radiation or fallout.

COMMITTEE PROVISIONS

For the Dairy Indemnity Program, the Committee provides an appropriation of $100,000, a decrease of $350,000 below the amount available for fiscal year 2001 and the same as the budget request.

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

Farm Ownership Loans.—Makes loans to farmers and ranchers for acquiring, enlarging, or improving farms, including farm buildings, land development, use, and conservation, refinancing indebtedness, and for loan closing costs.

Operating Loans.—Makes loans to farmers and ranchers for costs incident to reorganizing a farming system for more profitable operations, for a variety of essential farm operating expenses such as purchase of livestock, farm equipment, feed, seed, fertilizer, and farm supplies; for refinancing land and water development, use, and conservation; for refinancing indebtedness; for other farm and home needs; and for loan closing costs.

Emergency Loans.—Makes loans in designated areas where a natural disaster has caused a general need for agricultural credit which cannot be met for limited periods of time by private cooperatives or other responsible sources.

Indian Tribe Land Acquisition Loans.—Makes loans to any Indian tribe recognized by the Secretary of the Interior or tribal corporation established pursuant to the Indian Reorganization Act, which does not have adequate uncommitted funds, to acquire lands or interest in lands within the tribe's reservation or Alaskan Indian community, as determined by the Secretary of the Interior, for use of the tribe or the corporation or the members thereof.

Credit Sales of Acquired Property.—Makes loans in conjunction with the sale of security properties previously acquired during the servicing of its loan portfolio.

Boll Weevil Eradication Loans.—Makes loans to assist foundations in financing the operation of boll weevil eradication programs provided to farmers.

ESTIMATED LOAN LEVELS

2001 loan level	$3,090,216,000
2002 budget estimate	3,855,000,000
Provided in the bill	3,855,000,000
Comparison:	
2001 loan level	+764,784,000
2002 budget estimate	.....

This fund makes the following loans to individuals: farm ownership, farm operating, and emergency. In addition, the fund makes loans to associations for Indian tribe land acquisition, and boll weevil eradication.

COMMITTEE PROVISIONS

Approximate loan levels provided by the Committee for fiscal year 2002 for the agricultural credit insurance fund programs are: $1,128,000,000 for farm ownership loans, of which $128,000,000 is for direct loans and $1,000,000,000 for guaranteed loans; $2,600,000,000 for farm operating loans, of which $600,000,000 is for direct loans, $500,000,000 is for guaranteed subsidized loans, and $1,500,000,000 is for guaranteed unsubsidized loans; $2,000,000 for Indian tribe land acquisition loans; $25,000,000 for emergency disaster loans; and $100,000,000 for boll weevil eradication loans.

AGRICULTURE CREDIT PROGRAMS

[In thousands of dollars]

	FY 2001 level	FY 2002 estimate	Committee provisions
Farm loan programs:			
Farm ownership:			
Direct	$127,722	$128,000	$128,000
Guaranteed	868,086	1,000,000	1,000,000
Farm operating:			
Direct	522,891	600,000	600,000
Unsubsidized guaranteed	1,075,468	1,500,000	1,500,000
Subsidized guaranteed	369,100	500,000	500,000
Emergency disaster	24,947	25,000	25,000
Indian tribe land acquisition	2,002	2,000	2,000
Boll Weevil Eradication	100,000	100,000	100,000
Total, farm loans	3,090,216	3,855,000	3,855,000

ESTIMATED LOAN SUBSIDY AND ADMINISTRATIVE EXPENSES LEVELS

	Direct loan subsidy	*Guaranteed loan subsidy*	*Administrative expenses*
2001 appropriation	$67,449,000	$49,284,000	$268,861,000
2002 budget estimate	60,427,000	124,950,000	280,595,000
Provided in the bill	60,427,000	124,950,000	282,769,000
Comparison:			
2001 appropriation	−7,022,000	+75,666,000	+13,908,000
2002 budget estimate			+2,174,000

The Federal Credit Reform Act of 1990 established the Program Account. Appropriations to this account will be used to cover the lifetime subsidy costs associated with the direct loans obligated and loan guarantees committed in 2002, as well as for administrative expenses.

COMMITTEE PROVISIONS

The following table reflects the costs of loan programs under credit reform:

	FY 2001 estimate	FY 2002 estimate	Committee provisions
Loan subsidies:			
Farm ownership:			
Direct	$13,756,000	$3,366,000	$3,366,000
Guaranteed	4,427,000	4,500,000	4,500,000
Subtotal	18,183,000	7,866,000	7,866,000
Farm operating:			
Direct	47,251,000	53,580,000	53,580,000
Guaranteed unsubsidized	14,738,000	52,650,000	52,650,000
Guaranteed subsidized	30,119,000	67,800,000	67,800,000
Subtotal	92,108,000	174,030,000	174,030,000
Indian tribe land acquisition	322,000	118,000	118,000
Emergency disaster	6,120,000	3,363,000	3,363,000
Total, Loan subsidies	116,733,000	185,377,000	185,377,000
ACIF expenses:			
Salaries and expenses	264,731,000	272,595,000	274,769,000
Administrative expenses	4,130,000	8,000,000	8,000,000
Total, ACIF expenses	268,861,000	280,595,000	282,769,000

RISK MANAGEMENT AGENCY

2001 appropriation	$65,453,000
2002 budget estimate	74,752,000
Provided in the bill	75,142,000
Comparison:	
2001 appropriation	+9,689,000
2002 budget estimate	+390,000

Under the Federal Agriculture Improvement and Reform (FAIR) Act of 1996, Risk Management became an agency of the Department of Agriculture, known as the Risk Management Agency (RMA), reporting to the Under Secretary for Farm and Foreign Agricultural Services.

RMA manages program activities in support of the Federal crop insurance program as authorized by the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 and the FAIR Act of 1996. Functional areas of RMA are research and development, insurance services, and compliance whose functions include policy formulation and procedures and regulations development. Reviews and evaluations are conducted for overall performance to ensure the actuarial soundness of the insurance program.

COMMITTEE PROVISIONS

For the Risk Management Agency, the Committee provides an appropriation of $75,142,000, an increase of $9,689,000 above the amount available for fiscal year 2001 and an increase of $390,000 above the budget request.

CORPORATIONS

FEDERAL CROP INSURANCE CORPORATION FUND

2001 appropriation	[1] $2,804,660,000
2002 budget estimate	[1] 3,037,000,000
Provided in the bill	[1] 3,037,000,000
Comparison:	
2001 appropriation	+232,340,000
2002 budget estimate	

[1] Current indefinite appropriation.

The Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 was designed to replace the combination of crop insurance and ad hoc disaster payment programs with a strengthened crop insurance program.

Producers of insurable crops are eligible to receive a basic level of protection against catastrophic losses, which cover 50 percent of the normal yield at 55 percent of the expected price. The only cost to the producer is an administrative fee of $60 per crop per policy, or $200 for all crops grown by the producer in a county, with a cap of $600 regardless of the number of crops and counties involved. At least catastrophic (CAT) coverage was required for producers who participate in the commodity support, farm credit, and certain other farm programs. This coverage was available either through FSA local offices or private insurance companies. Under the Federal Agriculture Improvement and Reform (FAIR) Act of 1996, producers have the option of waiving their eligibility for emergency crop loss assistance instead of obtaining CAT coverage required to meet program requirements. Emergency loss assistance does not include emergency loans or payment under the noninsured assistance program (NAP), which is administered by FSA. Beginning with the 1997 crop, the Secretary began phasing out delivery of CAT coverage through the FSA offices, except in those areas where there are insufficient private insurance providers. The private companies serve as the sole source for CAT coverage.

The Reform Act of 1994 also provided increased subsidies for additional "buy-up" coverage levels which producers may obtain from private insurance companies. The amount of subsidy is equivalent to the amount of premium established for catastrophic risk protec-

tion coverage and an amount for operating and administrative expenses for coverage up to 65 percent at 100 percent price. For coverage equal to or greater than 65 percent at 100 percent of the price, the amount is equivalent to an amount equal to the premium established for 50 percent loss in yield indemnified at 75 percent of the expected market price and an amount of operating and administrative expenses.

The reform legislation included the NAP program for producers of crops for which there is currently no insurance available. NAP was established to ensure that most producers of crops not yet insurable will have protection against crop catastrophes comparable to protection previously provided by ad hoc disaster assistance programs. While the NAP program was established as part of the Risk Management Agency, under the FAIR Act of 1996, the NAP program was shifted to FSA and has been incorporated into the Commodity Credit Corporation program activities.

The Agricultural Risk Protection Act of 2000 (ARPA) amended the Federal Crop Insurance Act to strengthen the safety net for agricultural producers by providing greater access to more affordable risk management tools and improved protection from production and income loss, and to improve the efficiency and integrity of the Federal crop insurance program. ARPA allows for the improvement of basic crop insurance products by implementing higher premium subsidies to make buy-up coverage more affordable for producers; make adjustments in actual production history guarantees; and revise the administrative fees for catastrophic (CAT) coverage. More crops and commodities will become insurable through pilot programs effective with the 2001 crop year. ARPA provides for an investment of over $8.2 billion in five years to further improve Federal crop insurance.

COMMITTEE PROVISIONS

For the Federal Crop Insurance Corporation Fund, the Committee provides an appropriation of such sums as may be necessary (estimated to be $3,037,000,000 in the President's fiscal year 2002 Budget Request), an increase of $232,340,000 above the amount provided in fiscal year 2001 and the same as the budget request.

COMMODITY CREDIT CORPORATION FUND

The Corporation was organized on October 17, 1933, under the laws of the State of Delaware, as an agency of the United States, and was managed and operated in close affiliation with the Reconstruction Finance Corporation. On July 1, 1939, it was transferred to the Department of Agriculture by the President's Reorganization Plan No. 1. On July 1, 1948, it was established as an agency and instrumentality of the United States under a permanent Federal charter by Public Law 80–806, as amended. Its operations are conducted pursuant to this charter and other specific legislation.

The Commodity Credit Corporation engages in buying, selling, lending, and other activities with respect to agricultural commodities, their products, food, feed, and fibers. Its purposes include stabilizing, supporting, and protecting farm income and prices; maintaining the balance and adequate supplies of selected commodities;

and facilitating the orderly distribution of such commodities. In addition, the Corporation also makes available materials and facilities required in connection with the storage and distribution of such commodities. The Corporation also disburses funds for sharing of costs with producers for the establishment of approved conservation practices on environmentally sensitive land and subsequent rental payments for such land for the duration of conservation reserve program contracts.

Activities of the Corporation are primarily governed by the following statutes: the Commodity Credit Corporation Charter Act, as amended; the Federal Agriculture Improvement and Reform Act of 1996, P.L. 104–127 (1996 Act), enacted April 4, 1996; the Agricultural Act of 1949, as amended (1949 Act); the Agricultural Adjustment Act of 1938, as amended (1938 Act); and the Food Security Act of 1985, as amended (1985 Act).

The 1996 Act requires that the following programs be offered for the 1996 through 2002 crops: seven-year production flexibility contracts for contract commodities (wheat, feed grains, upland cotton, and rice); nonrecourse marketing assistance loans for contract commodities, extra long staple (ELS) cotton, and oilseeds; a nonrecourse loan program for peanuts; and a nonrecourse/recourse loan program for sugar. The 1996 Act also requires a milk price support program that begins after enactment of the Act and continues through December 31, 1999, followed by a recourse loan program for dairy product processors. The FY 2000 Appropriations Act, P.L. 106–78 extends the milk price support program through January, 2001.

The 1996 Act establishes the environmental conservation acreage reserve program (ECARP), which encompasses the conservation reserve program (CRP), the wetlands reserve program (WRP), and the environmental quality incentives program (EQIP). Each of these programs is funded through the Corporation.

The 1996 Act also authorizes other new Corporation funded conservation programs, including the conservation farm option; flood risk reduction contracts; wildlife habitat incentives, and farmland protection programs.

The Corporation is managed by a board of directors appointed by the President and confirmed by the Senate, subject to the general supervision and direction of the Secretary of Agriculture, who is ex officio, a director, and chairman of the board. The board consists of six members, in addition to the Secretary, who are designated according to their positions in the Department of Agriculture.

Personnel and facilities of the Farm Service Agency, FSA state and county committees, and other USDA agencies are used to carry out Corporation activities.

The Corporation has an authorized capital stock of $100 million held by the United States and authority to borrow up to $30 billion. Funds are borrowed from the Federal Treasury and may also be borrowed from private lending agencies.

The specific powers (15 U.S.C. 714c) of the Commodity Credit Corporation are as follows:

In the fulfillment of its purposes and in carrying out its annual budget programs submitted to and approved by the Congress pur-

suant to chapter 91 of title 31, the Corporation is authorized to use its general powers only to—

(a) Support the prices of agricultural commodities through loans, purchases, payments, and other operations.

(b) Make available materials and facilities required in connection with the production and marketing of agricultural commodities.

(c) Procure agricultural commodities for sale to other government agencies, foreign governments, and domestic, foreign or international relief or rehabilitation agencies, and to meet domestic requirements.

(d) Remove and dispose of or aid in the removal or disposition of surplus agricultural commodities.

(e) Increase the domestic consumption of agricultural commodities by expanding or aiding in the expansion of domestic markets or by developing or aiding in the development of new and additional markets, marketing facilities, and uses for such commodities.

(f) Export or cause to be exported, or aid in the development of foreign markets for agricultural commodities.

(g) Carry out conservation or environmental programs authorized by law.

(h) Carry out such other operations as the Congress may specifically authorize or provide.

REIMBURSEMENT FOR NET REALIZED LOSSES

2001 appropriation	[1] $25,264,441,000
2002 budget estimate	[1] 23,116,000,000
Provided in the bill	[1] 23,116,000,000
Comparison:	
2001 appropriation	−2,148,441,000
2002 budget estimate	

[1] Current indefinite appropriation.

If necessary to perform the functions, duties, obligations, or commitments of the Commodity Credit Corporation, administrative personnel and others serving the Corporation shall be paid from funds on hand or from those funds received from the redemption or sale of commodities. Such funds shall also be available to meet program payments, commodity loans, or other obligations of the Corporation.

COMMITTEE PROVISIONS

For Reimbursement for Net Realized Losses to the Commodity Credit Corporation, the Committee provides such sums as may be necessary to reimburse for net realized losses sustained, but not previously reimbursed (estimated to be $23,116,000,000 in the President's fiscal year 2002 Budget Request), a decrease of $2,148,441,000 below the amount provided in fiscal year 2001 and the same as the budget request.

The Committee does not recommend language as requested that would give the Corporation the flexibility to receive reimbursement of actual realized losses incurred to date during the current fiscal year, in addition to the most recent actual fiscal year.

OPERATIONS AND MAINTENANCE FOR HAZARDOUS WASTE MANAGEMENT

2001 limitation	$5,000,000
2002 budget estimate	5,000,000
Provided in the bill	5,000,000
Comparison:	
2001 limitation	
2002 budget estimate	

The Commodity Credit Corporation's (CCC) hazardous waste management program is intended to ensure compliance with the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, and the Resource Conservation and Recovery Act, as amended.

Investigative and cleanup costs associated with the management of CCC hazardous waste are paid from USDA's hazardous waste management appropriation. CCC funds operations and maintenance costs only.

COMMITTEE PROVISIONS

For CCC Operations and Maintenance for Hazardous Waste Management, the Committee provides a limitation of $5,000,000, the same as the amount available for fiscal year 2001 and the same as the budget request.

TITLE II—CONSERVATION PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

2001 appropriation	$709,000
2002 budget estimate	730,000
Provided in the bill	736,000
Comparison:	
2001 appropriation	+27,000
2002 budget estimate	+6,000

The Office of the Under Secretary for Natural Resources and Environment provides direction and coordination in carrying out the laws enacted by the Congress with respect to natural resources and the environment. The Office has oversight and management responsibilities for the Natural Resources Conservation Service and the Forest Service.

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Natural Resources and Environment, the Committee provides an appropriation of $736,000, an increase of $27,000 above the amount available for fiscal year 2001 and an increase of $6,000 above the budget request.

NATURAL RESOURCES CONSERVATION SERVICE

NRCS, formerly the Soil Conservation Service (SCS), is the lead Federal conservation agency for private land. SCS was established in 1935 to carry out a continuing program of soil and water conservation on the Nation's private and non-Federal land. NRCS was established by the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6962). The agency combines the authorities of the former SCS and directs financial or technical assistance programs for natural resource conservation.

NRCS provides America's private land conservation through local conservation districts to individuals, communities, watershed groups, tribal governments, Federal, state, and local agencies, and others. The NRCS staff at the local level work with state and local conservation staff and volunteers in a partnership to assist individuals and communities to care for natural resources. NRCS also develops technical guidance for conservation planning and assistance. This technical guidance is tailored to local conditions and is widely used by NRCS staff and governmental and nongovernmental organizations to ensure that conservation is based on sound science.

The benefits of these activities are multifaceted, including sustained and improved agricultural productivity; cleaner, safer, and more dependable water supplies; reduced damages caused by floods and other natural disasters; and an enhanced natural resource

base to support continued economic development, recreation, and the environment.

CONSERVATION OPERATIONS

2001 appropriation	$712,545,000
2002 budget estimate	773,454,000
Provided in the bill	782,762,000
Comparison:	
2001 appropriation	+70,217,000
2002 budget estimate	+9,308,000

The purpose of conservation operations is to sustain agricultural productivity and protect and enhance the natural resource base. This is done through providing America's private land conservation to land users, communities, units of state and local government, and other Federal agencies in planning and implementing natural resources solutions to reduce erosion, improve soil and water quantity and quality, improve and conserve wetlands, enhance fish and wildlife habitat, improve air quality, improve pasture and range conditions, reduce upstream flooding, and improve woodlands. Assistance is also provided to implement highly erodible land (HEL), wetlands (swampbuster), wetlands reserve program (WRP), and conservation reserve program (CRP) provisions of the 1985 Food Security Act, as amended by the Food, Agriculture, Conservation, and Trade Act of 1990, the 1993 Omnibus Reconciliation Act, and the Federal Agriculture Improvement and Reform Act of 1996.

COMMITTEE PROVISIONS

For Conservation Operations, the Committee provides an appropriation of $782,762,000, an increase of $70,217,000 above the amount available for fiscal year 2001 and an increase of $9,308,000 above the budget request.

Pay cost.—The Committee has included $24,417,000 for fiscal year 2002 pay costs.

State funding allocations.—The Committee is concerned that funding allocations to the States are being reduced in proportion to Congressional earmarks funded in the Conservation Operations account. The Committee directs the Chief of the NRCS, in making the fiscal year 2002 Conservation Operations funding allocations to the States, to treat Congressional earmarks as additions to the States' funding allocation. The Committee directs the NRCS to provide a report to the Committee on Appropriations, not later than 45 days after the enactment of this Act, including the following: fiscal year 2001 Conservation Operations allocation by State, fiscal year 2002 Conservation Operations allocation by State, the fiscal year 2002 Congressional earmarks by State, and the total conservation operations allocation by State.

Grazing Lands Conservation Initiative.—The Committee includes legislative language that provides $20,000,000 for the Grazing Lands Conservation Initiative, an increase of $2,000,000 above the current funding level.

Assistance to livestock producers.—The Committee urges NRCS to target assistance to assist livestock producers comply with the National Pollutant Discharge Elimination System Permit Regulation and Effluent Limitations Guidelines and Standards for Con-

centrated Feeding Operations issued by the Environmental Protection Agency. Small and mid-sized producers are facing extreme financial hardships that will possibly result in the closure of operations throughout the country.

National Water Management Center.—The Committee encourages the NRCS to provide adequate funding to the National Water Management Center in Lonoke, AR.

Project continuations.—The Committee has provided funding for the following as project continuations: $290,000 for cooperative efforts with Delaware State University; $725,000 for the Great Lakes Basin Program; $500,000 to promote pastureland management and rotational grazing in Central New York; $100,000 for the Trees Forever Program in Illinois; $1,500,000 for a program to improve telecommunications capabilities in remote areas of New Mexico serving mostly minority or disadvantaged populations; $250,000 to design and implement natural stream restoration initiatives in the Mid-Atlantic Highlands of which $125,000 shall be for the Canaan Valley Institute and $125,000 for the NRCS office in Morgantown, West Virginia; $200,000 for the soil survey geographic database to conduct digitized soil surveys in the Mid-Atlantic Highlands in conjunction with the Canaan Valley Institute; $125,000 for a pilot AFO/CAFO project in Utah in cooperation with the Utah Farm Bureau, the Utah Cattlemen Association, and the Utah Dairymen Association; $250,000 to establish best management practices to individual farmers to reduce the impact of agriculture-related non-point sources of pollution in the Skaneateles and Owasco, New York watersheds; $250,000 to address agriculture non-point source pollution in the Onondaga Lake Watershed; $100,000 for the Trees Forever Program in Iowa; and $5,000,000 for the continued implementation and acceleration of pilot projects for innovative technology systems resulting in a 75 percent reduction in nutrients of wastewater discharged by animal feeding operations and associated animal processing facilities implemented by the not-for-profit Agriculture Facilities Administration & Management Corporation ("AFAM"), and entities such as the North Carolina Agricultural Finance Authority contracted by AFAM to assist in selecting, funding, implementing and evaluating innovative technology systems through pilot projects.

New projects and/or continuations/increases.—The Committee has included funding for the following continued projects with increases or new projects: $600,000 for innovative, collaborative approaches to protecting the resources of the Monterey Bay Sanctuary, an increase of $100,000; $150,000 for a cooperative agreement with the Wisconsin Department of Agriculture to expand the Wisconsin grazing lands initiative to augment the funding that this initiative is receiving through the environmental quality incentives program; $150,000 for the digitization and certification of all published soil surveys for Puerto Rico to be made available through the Internet; $500,000 to the State of Alabama Soil and Water Conservation Committee for the Sand Mountain Water Quality Conservation Project; an additional $575,000 for a cooperative agreement with the Georgia Soil and Water Conservation Commission for a total of $1,000,000; $350,000 for technical assistance to the Westchester Soil and Conservation District to address land use and

water quality issues affecting the Long Island Sound, an increase of $50,000; $650,000 for technical assistance to implement the second phase of a multi-year agreement between NRCS and the Watershed Agricultural Council (WAC) in Walton, NY, of which $80,000 should be designated for perpetual stewardship funding for easements purchased by the WAC's Whole Farm Easement Program; $300,000 for technical assistance to the Lake Tahoe Basin Soil Conservation Project, an increase of $50,000; $125,000 for an agriculture enhancement/open space plan in CA; $1,000,000 for a cooperative agreement with the Manatee (FL) Agriculture Water Reuse System project; $300,000 for the Beaver Swamp Brook project in New York; $600,000 for the refinement, integration, and implementation of computer tools to improve nutrient management planning on dairy farms in New York; $50,000 for the evaluation of dairy cattle manure as a biofuel in North Carolina; $1,000,000 for the Maumee Watershed Hydrological Study and Flood Mitigation Plan in northwest Ohio; $500,000 to facilitate water conservation and efficient irrigation activities in the Bexar, Medina, Uvalde Counties (TX) area of the Edwards Aquifer; $1,500,000 for a field office telecommunications pilot program in West Texas; $2,000,000 for a cooperative agreement with the Global Environment Management Education Center land use program at Stevens Point, WI; and $600,000 for a watershed management demonstration program.

Embrass River/Shad Lake.—The Committee encourages the NRCS to provide technical assistance for the Embrass River Watershed and Shad Lake in Illinois.

Illinois River Basin.—The Committee directs the NRCS to use up to $600,000 in EQIP funds for conservation measures in the Illinois River Basin.

Urban encroachment.—The Committee recognizes the major difficulties created by the encroachment of urban areas on rural areas. The Committee believes that there is a need to develop a more comprehensive and integrated view of transportation, land use by commercial, residential, agricultural, and public entities. The Committee directs the Service to develop a proposal for such a comprehensive view, including consultation with entities such as the American Farmland Trust and the Nature Conservancy. In the development of this proposal, the Committee expects the Service to identify pilot projects for this activity, including highway development in northwest Ohio.

Conservation Reserve Program.—The Committee has included $39,000,000 for technical assistance for the conservation reserve program, of which $8,500,000 shall be derived from CCC section 11 reimbursements.

Watershed Management and Demonstration.—The Committee has provided funding for a cooperative agreement with the Texas Institute of Applied Environmental Research (TIAER) for watershed management and demonstration projects coordinated jointly by the National Pork Producers Council, Iowa Soybean Association and TIAER. The projects will utilize water quality research, demonstrating a voluntary and incentive driven certification program that will help row crop and livestock agricultural producers comply with national environmental water quality regulations. The Com-

mittee encourages NRCS to work with these groups to identify additional federal resources available for the demonstration program and provide necessary technical assistance.

Water quality/Upper White River Basin, MO.—The Committee directs the NRCS to study the establishment of a water quality office serving the Upper White River Basin in Missouri. The Committee directs the Service to report on the five-year cost, and the level of financial and human resources that would be required to establish such an office. The Committee directs the Service to provide a report to the Committee on Appropriations by March 1, 2002 on this issue.

Source Water Protection Initiative.—NRCS is strongly encouraged to provide support and assistance to the local watershed associations in Ohio, Indiana and Missouri working on the Source Water Protection Initiative.

Weed It Now.—The Committee directs the NRCS to fund the Nature Conservancy's Weed It Now (WIN) initiative in the Southern Taconic Mountains of Massachusetts, New York, and Connecticut.

Forest Health.—In light of severe damage to forest health from the pine beetle infestation in Tennessee, the Committee recognizes the need for reforestation activities as a result of this devastating outbreak and strongly encourages the Secretary of Agriculture to work with Tennessee's state forester to mitigate this emergency.

WATERSHED SURVEYS AND PLANNING

2001 appropriation	$10,844,000
2002 budget estimate	10,960,000
Provided in the bill	11,030,000
Comparison:	
2001 appropriation	+186,000
2002 budget estimate	+70,000

The Watershed Protection and Flood Prevention Act, Public Law 83–566, August 4, 1954, provided for the establishment of the Small Watershed Program (16 U.S.C. 1001–1008), and section 6 of the Act provided for the establishment of the River Basin Surveys and Investigations Program (16 U.S.C. 1006–1009). A separate appropriation funded the two programs until fiscal year 1996 when they were combined into a single appropriation, Watershed Surveys and Planning.

River Basin activities provide for cooperation with other Federal, state, and local agencies in making investigations and surveys of the watersheds of rivers and other waterways as a basis for the development of coordinated programs. Reports of the investigations and surveys are prepared to serve as a guide for the development of agricultural, rural, and upstream watershed aspects of water and related land resources, and as a basis of coordination of this development with downstream and other phases of water development.

Watershed planning activities provide for cooperation between the Federal government and the states and their political subdivisions in a program of watershed planning. Watershed plans form the basis for installing works of improvement of floodwater retardation, erosion control, and reduction of sedimentation in the watershed of rivers and streams and to further the conservation, devel-

opment, utilization, and disposal of water. Watershed planning consists of assisting local organizations to develop their watershed work plan by making investigations and surveys in response to requests made by sponsoring local organizations. These plans describe the soil erosion, water management, and sedimentation problems in a watershed and works of improvement proposed to alleviate these problems. Plans also include estimated benefits and costs, cost sharing and operating and maintenance arrangements, and other appropriate information necessary to justify Federal assistance for carrying out the plan.

COMMITTEE PROVISIONS

For Watershed Surveys and Planning, the Committee provides an appropriation of $11,030,000, an increase of $186,000 above the amount available for fiscal year 2001 and an increase of $70,000 above the budget request.

WATERSHED AND FLOOD PREVENTION OPERATIONS

2001 appropriation [1]	$99,224,000
2002 budget estimate	100,413,000
Provided in the bill	105,743,000
Comparison:	
2001 appropriation	+6,519,000
2002 budget estimate	+5,330,000

[1] Excludes $110 million less 0.22% rescission in emergency funding provided in P.L. 106–387

The Watershed Protection and Flood Prevention Act (Public Law 566, 83d Cong.), as amended (16 U.S.C. 1001–1005, 1007–1009), provides for cooperation among the Federal government, the states, and local political subdivisions in a program to prevent erosion, floodwater, and sediment damages in the watersheds or rivers and streams, and to further the conservation, development, utilization, and disposal of water.

The work of the Department under this item includes financial assistance for the installation of works of improvement specified in approved watershed work plans including structural measures, land treatment measures, and program evaluation studies in selected watershed projects to determine the effectiveness of structural and land treatment measures installed. In addition, NRCS makes loans to local organizations to finance the local share of the costs of installing planned works of improvement.

COMMITTEE PROVISIONS

For Watershed and Flood Prevention Operations, the Committee provides an appropriation of $105,743,000, an increase of $6,519,000 above the amount available for fiscal year 2001 and an increase of $5,330,000 above the budget request. Language is included which limits the amount spent on technical assistance to not more than $45,514,000.

The Committee is aware of and expects progress to continue on the following projects: the four pilot projects in North Florida related to dairy and poultry cleanup efforts; Glen Shoals Lake in Illinois; Little Red River and the Big Slough Watersheds in Arkansas;

Soap Creek Watershed in Iowa; and the Chino Dairy Preserve, San Bernardino, California.

The Committee encourages the NRCS to provide technical and financial assistance to the following projects: Wet Walnut Creek Watershed in Kansas; Truth or Consequences/Williamsburg Arroyos Watershed in New Mexico; Caney Creek project in Grayson County, KY; the Swan Porter (NC) Project; Bayou Bourbeux Watershed Project in Opelousas, LA; to address flooding problems in Lavaca, AR; and Town Creek in Carthage, MS.

Bexar-Medina-Atascosa Watershed.—The Committee directs the NRCS to fund the Bexar-Medina-Atascosa Watershed project in Texas at the future obligation request level proposed by the Texas-NRCS.

DuPage County, IL.—The Committee includes funds for DuPage County, Illinois for financial and technical assistance at the same level provided in fiscal year 2001.

Beardsley Wash Watershed.—The Committee urges the NRCS to complete the Beardsley Wash Watershed Project in Ventura County, CA.

Snake River Project.—The Committee urges the NRCS to complete the Snake River Project in Warren, MN.

Oven Run Project.—The Committee urges the NRCS to complete the sixth and final site on the Oven Run (PA) project.

Devils Lake.—The Committee is aware of continued flooding in the Devils Lake basin in North Dakota, and notes that the lake has risen 25 feet over the last several years. The Committee encourages, the NRCS in cooperation with the FSA to assist in the locally coordinated flood response and water management activities being developed with the Federal Emergency Management Agency. NRCS and FSA utilize conservation programs in providing water holding and storage areas on private land as necessary intermediate measures in watershed management.

RESOURCE CONSERVATION AND DEVELOPMENT

2001 appropriation	$41,923,000
2002 budget estimate	43,048,000
Provided in the bill	48,361,000
Comparison:	
2001 appropriation	+6,438,000
2002 budget estimate	+5,313,000

The Natural Resources Conservation Service has general responsibility under provisions of section 102, title I of the Food and Agriculture Act of 1962, for developing overall work plans for resource conservation and development projects in cooperation with local sponsors; to help develop local programs of land conservation and utilization; to assist local groups and individuals in carrying out such plans and programs; to conduct surveys and investigations relating to the conditions and factors affecting such work on private lands; and to make loans to project sponsors for conservation and development purposes and to individual operators for establishing soil and water conservation practices.

COMMITTEE PROVISIONS

For Resource Conservation and Development, the Committee provides an appropriation of $48,361,000, an increase of $6,438,000 above the amount available for fiscal year 2001 and an increase of $5,313,000 above the budget request.

The Committee notes that in addition to the 25 new RC&D councils that were funded in fiscal year 2001, an additional 8 councils were funded from the Fund for Rural America. The annual cost for these eight councils is approximately $1,000,000. The Committee has included funds to maintain funding for these eight councils. In addition, the Committee has included $1,438,000 to cover the fiscal year 2002 pay cost. The Committee directs that $3,000,000 be used to fund the backlog of 27 pending applications for new councils, and $1,000,000 be used to increase the per council allocation closer to the $161,000 level recommended by the USDA.

FORESTRY INCENTIVES PROGRAM

2001 appropriation	$6,311,000
2002 budget estimate	.....
Provided in the bill	.....
Comparison:	
2001 appropriation	−6,311,000
2002 budget estimate	.....

The Forestry Incentives Program is authorized by the Cooperative Forestry Assistance Act of 1978 (Public Law 95–313), as amended by section 1214, title XII, of the Food, Agriculture, Conservation, and Trade Act of 1990 and the Federal Agriculture Improvement and Reform Act of 1996. Its purpose is to encourage the development, management, and protection of nonindustrial private forest lands. The program will be carried out by providing technical assistance and long-term cost sharing agreements with private landowners.

COMMITTEE PROVISIONS

The Committee concurs with the President's budget and does not provide funding for the Forestry Incentives Program. This program promotes timber production on private lands, and in support of the budget these efforts will be continued through the State and Private Forestry program in the Forest Service.

AGRICULTURAL CONSERVATION PROGRAM

(RESCISSION OF FUNDS)

The Committee has included a rescission of Agricultural Conservation Program funds that were made available under Public Law 104–37. This program was terminated at the beginning of 1997 in accordance with the 1996 Farm Bill. The USDA has indicated that there are no plans to obligate any of these funds.

TITLE III—RURAL DEVELOPMENT PROGRAMS

The Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (Public Law 103–354) abolished the Farmers Home Administration, Rural Development Administration, and Rural Electrification Administration and replaced those agencies with the Rural Housing Service, Rural Business-Cooperative Service, and Rural Utilities Service and placed them under the oversight of the Under Secretary for Rural Development. These agencies deliver a variety of programs through a network of state, district, and county offices.

In the 1930's and 1940's these agencies were primarily involved in making small loans to farmers; however, today these agencies have a multi-billion dollar loan program throughout all America providing loan and grant assistance for single family, multi-family, housing, and special housing needs, as well as a variety of community facilities, infrastructure, and business development programs.

OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

2001 appropriation	$604,000
2002 budget estimate	623,000
Provided in the bill	628,000
Comparison:	
2001 appropriation	+24,000
2002 budget estimate	+5,000

The Office of the Under Secretary for Rural Development provides direction and coordination in carrying out the laws enacted by the Congress with respect to the Department's rural economic and community development activities. The Office has oversight and management responsibilities for the Rural Housing Service, Rural Business-Cooperative Service, and Rural Utilities Service.

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Rural Development, the Committee provides an appropriation of $628,000, an increase of $24,000 above the amount available for fiscal year 2001 and an increase of $5,000 above the budget request.

The Committee expects the Department to give consideration to the following organizations or projects requesting assistance under the Rural Community Advancement Program and other rural development programs only when such applications are judged to be meritorious when subject to established review procedures: funds to Taylor County, FL to expand water service into unincorporated areas and for a wastewater treatment plant; funds for a water treatment facility for the City of Toloun, IL; assistance for a new water well for the Village of Granville, IL; funds for a wastewater system for the City of Armington, IL; VAW water service for Bankhead Forest, Lawrence County, AL; grant to Marion County,

AL for Agri-Civic Center; grant for community development for the City of Port Allen, LA; water/wastewater improvements for Livingston Parish, LA; Ascension Parish (LA) for water/wastewater improvements; community development and infrastructure for Iberville Parish, LA; community development for Clinton, LA; historic building repair for St. Helena Parish, LA; assistance to Craig, Floyd, and Grayson Counties, VA for Industrial Shell Buildings; assistance to develop business incubators in Buchanan County and for the Virginia Highlands incubator; assistance for the Southwest Regional Enterprise Center, VA; assistance to the Dickinson County, VA kitchen incubator; Oklahoma Center for Rural Development at Northeastern State University; grant to Buck Spring 4–H Center in Warren County, NC; Cross Plains, TN for a new sewer system; assistance for a Rural Development Center at Louisiana Tech University; assistance for a public safety communication system in Curry County, OR; grant to the City of Washington, PA Recreation and Community Economic Development Center; assistance to the Lawrence County, PA Fair board for a 4–H barn; grant to the City of Falfurrais, TX for street storm drain and sewer repair; assistance for water/sewer/roads at Dunn Richman Research Park, IL; a grant to the City of Jasper, FL to expand water and sewer systems; new water system for Brookport, IL; rescheduling or forgiveness for rural development loans issued to the Green County, KY Sanitation District #1; assistance to expand the Western Kentucky Growers Cooperative; funds for the Southern Plains Conference Center in Woodward, OK; assistance to the City of Chatahoochee (FL) to upgrade wastewater treatment plant; funds for a community facility for the City of Greensburg, PA; the Vandalia (WV) Heritage Foundations Program for Revitalization through community development; funds to construct livestock barns, a vocational agriculture complex, and exhibit hall at the Antalope Valley (CA) Fairgrounds; funds to construct an equestrian center at the Erie County Fairgrounds in Hamburg, New York; rural development through the internet in MS; assistance to construct a wastewater treatment facility to serve Oxnard, CA and the Port Hueneme (CA) Water Agency; funds for a wastewater treatment facility for the City of Negaunee, MI; grant to Lamar County, AL for safe water; funds for a rural event center business development project, Rio Arriba County, (NM); funds to construct the second phase of the Paseo del Canon Drainage Channel in Taos, NM; assistance to improve the Alcalde (NM) water system; grant to the Town of Spinger, NM to improve wastewater treatment; funds for a water pipeline in San Jon, NM; assistance to the City of Greenville (FL) for water system improvements; funds for a wastewater treatment plant in Questa, NM; funds to assist with the development of the Purdue Regional Technology Center (IN); grant to Klamath and Lake Counties (OR) for the development of a geothermal—agricultural industrial park; assistance to Rural Enterprises Inc. for development, marketing, implementation of a rural infrastructure tax-exempt loan pool through a bond issue in Durant, OK; assistance to Wakulla County (FL) to expand water/wastewater; a rural business enterprise grant for a value-added export center at Arkansas State University; a rural business opportunity grant for a cheese processing facility in Washington County, VA; a rural business opportunity grant to the

West Central (OH) Port Authority; grant for improvements to St. James Parish and St. John (LA) Parish water/wastewater systems; assistance to the Kiski Basin Initiative Economic Action Program (PA); assistance for the development and construction of the Agribusiness Center in Statesboro, GA; assistance to Gadsden County (FL) Agriculture Center expansion; grant to the City of Lee (FL) for wastewater treatment improvements; funds for water/wastewater improvement in Madison County, FL; a grant to the Suwannee River (FL) Water Management District to build new sewer lines into the system; funds to assist in the development of "The Chavez Center" in Keene, CA; funds for wastewater treatment systems in Goldsboro, Henderson, Marydel, Templeville, Carpenter's Point, Willards, and Cecilton (MD); assistance for slaughterhouse/processing modernization in Vermont; a grant to establish a molded strawboard manufacturing plant in northwest Ohio; assistance to help fund a Mobile Asthma Care Program at Valley Children's Hospital (CA); funds to establish a Pediatric Nursing Internship Program at Valley Children's Hospital (CA); financial assistance for design work on the Commonwealth Agri-Energy Ethanol Production Plant (KY); assistance to Jefferson County (MS) for water and sewer facilities; Phase III of the Regional Waste water collection system Homosassa (FL); funds for neighborhood revitalization program for Alachua County, FL; financial assistance to the Indian Waters Central Sewer Project, Citrus County, FL; consideration for funds to St. Tammany Parish, Washington Parish and Tangipahoa Parish (LA) to expand water service into unincorporated areas, and provide wastewater improvements to existing facilities; funds for Village of Deposit (NY) for municipal water system upgrades; South Lake Tahoe Public Utility District and the Tahoe Regional Planning Agency for surface and ground water improvements in the Lake Tahoe Basin; grant to upgrade and repair the municipal sewer system in the Village of Saugerties, New York; and water system improvements in Aberdeen, ID.

The Committee has included $200,000 to fund the completion of a study underway by the National Ground Water Association.

RURAL DEVELOPMENT SALARIES AND EXPENSES

	FY 2001 estimate	*FY 2002 estimate*	*Committee provisions*
Appropriations	$130,084,000	$133,722,000	$134,733,000
Transfer from:			
Rural Housing Insurance Fund Loan Program Account	408,333,000	419,741,000	422,910,000
Rural Electrification and Telecommunications Loans Program Account	34,640,000	35,604,000	36,322,000
Rural Telephone Bank Program Account	2,993,000	0	3,107,000
Rural Telephone Bank Liquidating Account	0	3,082,000	0
Rural Development Loan Fund Program Account	3,632,000	3,733,000	3,761,000
Total, RD Salaries and Expenses	579,682,000	595,882,000	600,833,000

These funds are used to administer the loan and grant programs of the Rural Utilities Service, the Rural Housing Service and the Rural Business-Cooperative Service, including reviewing applications, making and collecting loans and providing technical assistance and guidance to borrowers; and to assist in extending other Federal programs to people in rural areas.

Under credit reform, administrative costs associated with loan programs are appropriated to the program accounts. Appropriations to the salaries and expenses account will be for costs associated with grant programs.

COMMITTEE PROVISIONS

For Salaries and Expenses of the Rural Development mission areas, the Committee provides an appropriation of $134,733,000, an increase of $4,649,000 above the amount available for fiscal year 2001 and an increase of $1,011,000 above the budget request.

RURAL COMMUNITY ADVANCEMENT PROGRAM

2001 appropriation	[1]$760,864,000
2002 budget estimate	692,125,000
Provided in the bill	767,465,000
Comparison:	
2001 appropriation	+6,601,000
2002 budget estimate	+75,340,000

[1] Excludes $210 million less 0.22% rescission in emergency funding provided by P.L. 106–387.

The Rural Community Advancement Program [RCAP], authorized by the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104–127), consolidates funding for the following programs: direct and guaranteed water and waste disposal loans, water and waste disposal grants, emergency community water assistance grants, solid waste management grants, direct and guaranteed community facility loans, community facility grants, direct and guaranteed business and industry loans, rural business enterprise grants, and rural business opportunity grants. This proposal is in accordance with the provisions set forth in the Federal Agriculture Improvement and Reform Act of 1996, Public Law 104–127. Consolidating funding for these 12 rural development loan and grant programs under RCAP will provide greater flexibility to tailor financial assistance to applicant needs.

With the exception of the 10 percent in the "National office reserve" account, funding will be allocated to rural development State directors for their priority setting on a State-by-State basis. State directors are authorized to transfer not more than 25 percent of the amount in the account that is allocated for the State for the fiscal year to any other account in which amounts are allocated for the State for the fiscal year, with up to 10 percent of funds allowed to be reallocated nationwide.

Community facility loans were created by the Rural Development Act of 1972 and finance a variety of rural community facilities. Loans are made to organizations, including certain Indian tribes and corporations not operated for profit and public and quasipublic agencies, to construct, enlarge, extend, or otherwise improve community facilities providing essential services to rural residents. Such facilities include those providing or supporting overall com-

munity development such as fire and rescue services, health care, transportation, traffic control, and community, social, cultural, and recreational benefits. Loans are made for facilities which primarily serve rural residents of open country and rural towns and villages of not more than 20,000 people. Health care and fire and rescue facilities are the priorities of the program and receive the majority of available funds.

The Community Facility Grant program authorized in the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104–127), would be used in conjunction with the existing direct and guaranteed loan programs for the development of community facilities, such as hospitals, fire stations, and community centers. Grants will be targeted to the lowest income communities. Communities that have lower population and income levels would receive a higher cost-share contribution through these grants, to a maximum contribution of 75 percent of the cost of developing the facility.

The Rural Business and Industry Loans program was created by the Rural Development Act of 1972, and finances a variety of rural industrial development loans. Loans are made for rural industrialization and rural community facilities under Rural Development Act amendments to the Consolidated Farm and Rural Development Act authorities. Business and industrial loans are made to public, private, or cooperative organizations organized for profit, to certain Indian tribes, or to individuals for the purpose of improving, developing or financing business, industry, and employment or improving the economic and environmental climate in rural areas. Such purposes include financing business and industrial acquisition, construction, enlargement, repair or modernization, financing the purchase and development of land, easements, rights-of-way, buildings, payment of startup costs, and supplying working capital. Industrial development loans may be made in any area that is not within the outer boundary of any city having a population of 50,000 or more and its immediately adjacent urbanized and urbanizing areas with a population density of more than 100 persons per square mile. Special consideration for such loans is given to rural areas and cities having a population of less than 25,000.

Rural business enterprise grants were authorized by the Rural Development Act of 1972. Grants are made to public bodies and nonprofit organizations to facilitate development of small and emerging business enterprises in rural areas, including the acquisition and development of land; the construction of buildings, plants, equipment, access streets and roads, parking areas, and utility extensions; refinancing fees; technical assistance; and startup operating costs and working capital.

Rural business opportunity grants are authorized under section 306(a)(11) of the Consolidated Farm and Rural Development Act, as amended. Grants may be made not to exceed $1,500,000 annually to public bodies and private nonprofit community development corporations or entities. Grants are made to identify and analyze business opportunities that will use local rural economic and human resources; to identify, train, and provide technical assistance to rural entrepreneurs and managers; to establish business support centers; to conduct economic development planning and co-

ordination, and leadership development; and to establish centers for training, technology, and trade that will provide training to rural businesses in the utilization of interactive communications technologies.

The water and waste disposal program is authorized by several actions, including sections 306, 306A, 306C, 306D, 309A, and 310B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq., as amended). This program makes loans for water and waste development costs. Development loans are made to associations, including corporations operating on a nonprofit basis, municipalities and similar organizations, generally designated as public or quasipublic agencies that propose projects for the development, storage, treatment, purification, and distribution of domestic water or the collection, treatment, or disposal of waste in rural areas. Such grants may not exceed 75 percent of the development cost of the projects and can supplement other funds borrowed or furnished by applicants to pay development costs.

The solid waste grant program is authorized under section 310B(b) of the Consolidated Farm and Rural Development Act, as amended. Grants are made to public bodies and private nonprofit organizations to provide technical assistance to local and regional governments for the purpose of reducing or eliminating pollution of water resources and for improving the planning and management of solid waste disposal facilities.

COMMITTEE PROVISIONS

The following table provides the Committee's recommendations as compared to the budget request:

RURAL COMMUNITY ADVANCEMENT PROGRAM

[Budget authority in thousands of dollars]

	FY 2001 level	FY 2002 estimate	Committee provisions
Housing:			
Community facility loans:			
Guaranteed	0	0	0
Direct	$29,161	$13,545	$13,545
Community facility grants	23,947	18,958	20,958
Subtotal, housing	53,108	32,503	34,503
Business:			
Business and industry loans:			
Guaranteed	$13,354	$27,400	$27,400
Direct	2,904	0	0
Rural business enterprise grants	45,564	40,568	42,568
Rural business opportunity grants	2,993	3,000	4,000
Subtotal, business	64,815	70,968	73,968
Utilities:			
Water and waste disposal loans:			
Guaranteed	0	0	0
Direct	$109,953	$55,664	$55,664
Water and waste disposal grants	529,498	529,490	599,830
Solid waste management grants	3,492	3,500	3,500

RURAL COMMUNITY ADVANCEMENT PROGRAM—Continued

[Budget authority in thousands of dollars]

	FY 2001 level	FY 2002 estimate	Committee provisions
Subtotal, utilities	642,942	588,654	658,994
Total, loans and grants	[1]760,864	692,125	767,465

[1] Excludes $210 million less 0.22% rescission in emergency funding provided by P.L. 106–387.

The following earmarks are included in bill language for the Rural Community Advancement Program: $24,000,000 for Federally recognized Native American Tribes, of which $4,000,000 is for community facilities grants to tribal colleges, and of which $250,000 is for transportation technical assistance; $6,000,000 for the Rural Community Development Initiative; $500,000 for rural transportation technical assistance; $2,000,000 for grants to Mississippi Delta Region counties; $20,000,000 for water and waste disposal systems in the Colonias; $20,000,000 for water and waste disposal systems in Alaska; $16,215,000 for technical assistance for rural water and waste systems; $11,000,000 for a circuit rider program; and $37,624,000 for empowerment zones and enterprise communities (EZ/EC) and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones, of which $1,163,000 is for community facilities, of which $27,431,000 shall be for rural utilities programs, and of which $9,030,000 shall be for the rural business and cooperative development programs.

Circuit rider program.—The Committee has provided $11,000,000 for a circuit rider program. The Committee expects that this will provide sufficient funds for a third circuit rider in each of the states.

Rural Community Development Initiative.—The Committee has provided $6,000,000 for the RCDI. The Committee notes that no fiscal year 2001 funds have been obligated to date for this program. The Committee directs the USDA to provide a report to the Committee on Appropriations by February 1, 2002, on the demand for this program.

Rural Community Assistance Programs.—The Committee directs that, of the funds provided for rural waste systems, $7,300,000 is designated for the Rural Community Assistance Programs.

Rural Economic Area Partnership Zones.—The Committee is concerned that the Department is not properly awarding the full complement of discretionary points to applications for rural development programs submitted by the Sullivan-Wawarsing Rural Economic Area Partnership Zone. The Committee directs the Department to comply with the Memoranda of Agreement signed by the Secretary on May 10, 1999 establishing the Zone regarding the award of discretionary points.

RURAL HOUSING SERVICE

The Rural Housing Service (RHS) was established under Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994, dated October 13, 1994.

The mission of the Service is to improve the quality of life in rural America by assisting rural residents and communities in ob-

taining adequate and affordable housing and access to needed community facilities. The goals and objectives of the Service are: (1) facilitate the economic revitalization of rural areas by providing direct and indirect economic benefits to individual borrowers, families, and rural communities; (2) assure that benefits are communicated to all program eligible customers with special outreach efforts to target resources to underserved, impoverished, or economically declining rural areas; (3) lower the cost of programs while retaining the benefits by redesigning more effective programs that work in partnership with state and local governments and the private sector; and (4) leverage the economic benefits through the use of low-cost credit programs, especially guaranteed loans.

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

ESTIMATED LOAN AND GRANT LEVELS

2001 loan and grant levels	$4,476,160,000
2002 budget estimate	4,470,648,000
Provided in the bill	4,470,648,000
Comparison:	
2001 loan level	−5,512,000
2002 budget estimate	

This fund was established in 1965 (Public Law 89–117) pursuant to Section 517 of Title V of the Housing Act of 1949, as amended. This fund may be used to insure or guarantee rural housing loans for single family homes, rental and cooperative housing, and rural housing sites. Rural housing loans are made to construct, improve, alter, repair or replace dwellings and essential farm service buildings that are modest in size, design, and cost. Rental housing insured loans are made to individuals, corporations, associations, trusts, or partnerships to provide moderate-cost rental housing and related facilities for elderly persons in rural areas. These loans, are repayable in not to exceed 30 years. Farm labor housing insured loans are made either to a farm owner or to a public or private nonprofit organization to provide modest living quarters and related facilities for domestic farm labor. Loan programs are limited to rural areas which include towns, villages, and other places of not more than 10,000 population, which are not part of an urban area. Loans may also be made in areas with a population in excess of 10,000, but less than 20,000, if the area is not included in a standard metropolitan statistical area and has a serious lack of mortgage credit for low- and moderate-income borrowers.

COMMITTEE PROVISIONS

The following table reflects the loan levels for the Rural Housing Insurance Fund program account:

[In thousands of dollars]

	FY 2001 level	FY 2002 estimate	Committee provisions
Rural Housing Insurance Fund Loans and Grant:			
Single family housing (sec. 502):			
Direct	$1,064,651	$1,064,650	$1,064,650
Unsubsidized guaranteed	3,136,429	3,137,968	3,137,968
Rental housing (sec. 515)	114,070	114,068	114,068
Multi-family guaranteed (sec. 538)	99,780	99,770	99,770
Housing repair (sec. 504)	32,324	32,324	32,324

[In thousands of dollars]

	FY 2001 level	FY 2002 estimate	Committee provisions
Credit sales of acquired property	11,779	11,778	11,778
Housing site development (sec. 524)	5,152	5,090	5,090
Self-help housing land development fund	4,998	5,000	5,000
Modular Housing Demonstration:			
Loans	1,988	0	0
Grants	4,989	0	0
Total, Loan authorization	4,476,160	4,470,648	4,470,648

ESTIMATED LOAN SUBSIDY, GRANTS, AND ADMINISTRATIVE EXPENSES LEVELS

	Direct loan subsidy	*Guaranteed loan subsidy*	*Grants*	*Administrative expenses*
2001 appropriation	$240,190,000	$8,901,000	$4,989,000	$408,333,000
2002 budget estimate	199,800,000	44,087,000	0	419,741,000
Provided in the bill	199,800,000	44,087,000	0	422,910,000
Comparison:				
2001 appropriation	−40,390,000	+35,186,000	−4,989,000	+14,577,000
2002 budget estimate				+3,169,000

The Federal Credit Reform Act of 1990 established the Program Account. Appropriations to this account will be used to cover the lifetime subsidy costs associated with the direct loans obligated and loan guarantees committed in 2002, as well as for administrative expenses.

The following table reflects the costs of the loan programs under credit reform. In many cases, changes from the fiscal year 2001 amounts reflect changes in the loan subsidy rates as set by the Office of Management and Budget.

[In thousands of dollars]

	FY 2001 level	FY 2002 estimate	Committee provisions
Rural Housing Insurance Fund Program Account (loan subsidies):			
Single family housing (sec. 502):			
Direct	$170,983	$140,108	$140,108
Unsubsidized guaranteed	7,384	40,166	40,166
Rental housing (sec. 515)	56,202	48,274	48,274
Multi-family guaranteed (sec. 538)	1,517	3,921	3,921
Housing repair (sec. 504)	11,456	10,386	10,386
Credit sales of acquired property	872	750	750
Housing site development (sec. 524)	0	28	28
Self-help housing land development fund	278	254	254
Modular Housing Demonstration:			
Loans	399	0	0
Grants	4,989	0	0
Total, Loan subsidies	254,080	243,887	243,887
RHIF expenses:			
Administrative expenses	408,333	419,741	422,910

RENTAL ASSISTANCE PROGRAM

2001 appropriation	$678,504,000
2002 budget estimate	693,504,000
Provided in the bill	693,504,000
Comparison:	
2001 appropriation	+15,000,000
2002 budget estimate	.....

The Housing and Community Development Act of 1974 established a rural rental assistance program to be administered through the rural housing loans programs.

The objective of the program is to reduce rents paid by low-income families living in Rural Housing Service financed rental projects and farm labor housing projects. Under this program, low-income tenants will contribute the higher of: (1) 30 percent of monthly adjusted income; (2) 10 percent of monthly income; or (3) designated housing payments from a welfare agency.

Payments from the fund are made to the project owner for the difference between the tenant's payment and the approved rental rate established for the unit.

The program is administered in tandem with Rural Housing Service Section 515 rural rental and cooperative housing programs and the farm labor loan and grant programs. Priority is given to existing projects for units occupied by low-income families to extend expiring contracts or provide full amounts authority to existing contracts; any remaining authority will be used for projects receiving new construction commitments under Sections 514, 515, or 516 for very low-income families with certain limitations.

COMMITTEE PROVISIONS

For the Rental Assistance Program, the Committee provides a program level of $693,504,000, an increase of $15,000,000 above the amount available in fiscal year 2001 and the same as the budget request.

MUTUAL AND SELF-HELP HOUSING GRANTS

2001 appropriation	$33,925,000
2002 budget estimate	33,925,000
Provided in the bill	33,925,000
Comparison:	
2001 appropriation	.....
2002 budget estimate	.....

This grant program is authorized by title V of the Housing Act of 1949, as amended. Grants are made to local organizations to promote the development of mutual or self-help programs under which groups of usually six to ten families build their own homes by mutually exchanging labor. Funds may be used to pay the cost of construction supervisors who will work with families in the construction of their homes and for administrative expenses of the organizations providing the self-help assistance.

COMMITTEE PROVISIONS

For Mutual and Self-Help Housing Grants, the Committee provides an appropriation of $33,925,000, the same as the amount available in fiscal year 2001 and the same as the budget request.

FARM LABOR PROGRAM ACCOUNT

	Loan level	Subsidy level	Grants
2001 appropriation	$28,460,000	$14,967,000	$14,967,000
2002 budget estimate	28,459,000	13,464,000	14,967,000
Provided in the bill	28,459,000	13,464,000	17,967,000
Comparison:			
2001 appropriation	−1,000	−1,503,000	+3,000,000
2002 budget estimate			+3,000,000

The direct farm labor housing loan program is authorized under section 514, and the rural housing for domestic farm labor housing grant program is authorized under section 516 of the Housing Act of 1949, as amended. The loans, grants, and contracts are made to public and private nonprofit organizations for low-rent housing and related facilities for domestic farm labor. Grant assistance may not exceed 90 percent of the cost of a project. Loans and grants may be used for construction of new structures, site acquisition and development, rehabilitation of existing structures, and purchase of furnishings and equipment for dwellings, dining halls, community rooms and infirmaries.

COMMITTEE PROVISIONS

For the Farm Labor program account, the Committee provides a loan subsidy of $13,464,000 which supports a loan level of $28,459,000, a decrease of $1,503,000 in loan subsidy and a decrease of $1,000 in loan level below the amount available in fiscal year 2001 and the same as the budget request. The Committee also provides an additional $17,967,000 in grants, an increase of $3,000,000 above the amount available in fiscal year 2001 and an increase of $3,000,000 above the budget request. Of the $17,967,000 in grants, $15,000,000 is for farm labor housing grants and $2,967,000 is for grants for migrant and seasonal farmworkers.

The Committee notes that the Administration has provided from the Fund for Rural America an additional $1,500,000 in loan subsidy which supports a loan level of $2,852,000 for farmworker housing for fiscal year 2001. These additional funding levels are not indicated in the previous table.

RURAL HOUSING ASSISTANCE GRANTS

2001 appropriation	$43,903,000
2002 budget estimate	38,914,000
Provided in the bill	38,914,000
Comparison:	
2001 appropriation	−4,989,000
2002 budget estimate	

The following programs are consolidated under the Rural Housing Assistance Grants: very low-income housing repair grants, rural housing preservation grants, compensation for construction defects, and supervisory and technical assistance grants.

The Very Low-Income Housing Repair Grants program is authorized under Section 504 of Title V of the Housing Act of 1949, as amended. The program makes grants to very low-income families to make necessary repairs to their homes in order to make such dwellings, safe and sanitary, and remove hazards to the health of

the occupants, their families, or the community. A grant can be made in combination with a Section 504 very low-income housing repair loan.

Rural Housing Preservation Grants are used for home repair for low- and very low-income people. The purpose of the preservation program is to improve the delivery of rehabilitation assistance by employing the expertise of housing organizations at the local level. Eligible applicants will compete on a state-by-state basis for grants funds. These funds may be administered as loans, loan write-downs, or grants to finance home repair. The program is administered by local grantees.

Compensation for Construction Defects provides funds for grants to eligible section 502 borrowers to correct structural defects, or to pay claims of owners arising from such defects on a newly constructed dwelling purchased with RHS financial assistance.

The supervisory and technical assistance grant program is carried out under the provisions of section 509(f) and 525 of the Housing Act of 1949, as amended. Under section 509, grants are made to public and private nonprofit organizations for packaging loan applications for housing under sections 502, 504, 514/516, 515, and 533 of the Housing Act of 1949, as amended. The assistance is directed to underserved areas where at least 20 percent or more of the population is at or below the poverty level, and at least 10 percent or more of the population resides in substandard housing. Under section 525, grants are made to public and private nonprofit organizations and other associations for the developing, conducting, administering or coordinating of technical and supervisory assistance programs to demonstrate the benefits of Federal, State, and local housing programs for low-income families in rural areas.

COMMITTEE PROVISIONS

For the Rural Housing Assistance Grants program, the Committee provides an appropriation of $38,914,000, a decrease of $4,989,000 below the amount provided for fiscal year 2001 and the same as the budget request.

RURAL BUSINESS-COOPERATIVE SERVICE

The Rural Business-Cooperative Service (RBS) was established by Public Law 103–354, Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994, dated October 13, 1994. Its programs were previously administered by the Rural Development Administration, the Rural Electrification Administration, and the Agricultural Cooperative Service.

The mission of the Rural Business-Cooperative Service is to enhance the quality of life for all rural residents by assisting new and existing cooperatives and other businesses through partnership with rural communities. The goals and objectives are to: (1) promote a stable business environment in rural America through financial assistance, sound business planning, technical assistance, appropriate research, education, and information; (2) support environmentally-sensitive economic growth that meets the needs of the entire community; and (3) assure that the Service benefits are

available to all segments of the rural community, with emphasis on those most in need.

COMMITTEE PROVISIONS

Current economic conditions, together with the rapid changes taking place throughout the global economy, underscore the need for policies and programs to strengthen the ability of farmers to join together in cooperative self-help efforts to improve their income, manage their risk, move more into value-added production and processing, and capture a larger share of the consumer dollar. Programs carried out by Cooperative Services within the Rural Business and Cooperative Service as authorized under the Cooperative Marketing Act of 1926 (7 U.S.C. 453 (a) and (b)), including those related to research, education and technical assistance, play an important role in helping promote such cooperative self-help efforts for the benefit of farmers. Accordingly, the Committee believes such programs should be given a high priority to ensure the levels of funding and staffing necessary to meet their objectives.

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

ESTIMATED LOAN LEVEL

2001 loan level	$38,172,000
2002 budget estimate	38,171,000
Provided in the bill	38,171,000
Comparison:	
2001 loan level	−1,000
2002 budget estimate	.....

The rural development (intermediary relending) loan program was originally authorized by the Economic Opportunity Act of 1964 (Public Law 88–452). The making of rural development loans by the Department of Agriculture was reauthorized by Public Law 99–425, the Human Services Reauthorization Act of 1986.

Loans are made to intermediary borrowers (small investment groups) who in turn will reloan the funds to rural businesses, community development corporations private nonprofit organizations, public agencies, et cetera, for the purpose of improving business, industry, community facilities, and employment opportunities and diversification of the economy in rural areas.

The Federal Credit Reform Act of 1990 established the Program Account. Appropriations to this account will be used to cover the lifetime subsidy costs associated with the direct loans obligated in 2002, as well as for administrative expenses.

COMMITTEE PROVISIONS

For the Rural Development Loan Fund program account, the Committee provides for a loan level of $38,171,000, a decrease of $1,000 below the amount provided in fiscal year 2001 and the same as the budget request.

The Committee notes that the Administration has provided from the Fund for Rural America an additional $2,000,000 in loan subsidy which supports a loan level of $7,671,000 for fiscal year 2001. These additional funding levels are not indicated in the previous table.

ESTIMATED LOAN SUBSIDY AND ADMINISTRATIVE EXPENSES LEVELS

	Direct loan subsidy	*Administrative expenses*
2001 appropriation	$19,433,000	$3,632,000
2002 budget estimate	16,494,000	3,733,000
Provided in the bill	16,494,000	3,761,000
Comparison:		
2001 appropriation	−2,939,000	+129,000
2002 budget estimates		+28,000

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

ESTIMATED LOAN LEVEL

2001 loan level	$14,969,000
2002 budget estimate	14,966,000
Provided in the bill	14,966,000
Comparison:	
2001 loan level	−3,000
2002 budget estimate	

The rural economic development loans program was established by the Reconciliation Act of December 1987 (P.L. 100–203), which amended the Rural Electrification Act of 1936, by establishing a new section 313. This section of the Rural Electrification Act (7 U.S.C. 901) established a cushion of credits payment program and created the rural economic development subaccount. The Administrator of RUS is authorized under the Act to utilize funds in this program to provide zero interest loans to electric and telecommunications borrowers for the purpose of promoting rural economic development and job creation projects, including funding for feasibility studies, start-up costs, and other reasonable expenses for the purpose of fostering rural economic development.

COMMITTEE PROVISIONS

For the Rural Economic Development Loans program account, the Committee provides for a loan level of $14,966,000, a decrease of $3,000 below the amount provided for fiscal year 2001 and the same as the budget request.

The Committee notes that the Administration has provided from the Fund for Rural America an additional $3,000,000 in loan subsidy which supports a loan level of $5,892,000 for fiscal year 2001. These additional funding levels are not indicated in the previous table.

ESTIMATED LOAN SUBSIDY

	Direct loan subsidy
2001 appropriation	[1] $3,902,000
2002 budget estimate	[1] 3,616,000
Provided in the bill	[1] 3,616,000
Comparison:	
2001 appropriation	−286,000
2002 budget estimate	

[1] Offset by a rescission from interest on the cushion of credit payments, as authorized by section 313 of the Rural Electrification Act of 1936.

RURAL COOPERATIVE DEVELOPMENT GRANTS

2001 appropriation	[1] $6,486,000
2002 budget estimate	6,486,000
Provided in the bill	7,500,000
Comparison:	
2001 appropriation	+1,014,000
2002 budget estimate	+1,014,000

[1] Excludes $10 million less 0.22% rescission in emergency funding provided by P.L. 106–387.

Rural Cooperative Development Grants are authorized under section 310B(e) of the Consolidated Farm and Rural Development Act, as amended. Grants are made to fund the establishment and operation centers for rural cooperative development with their primary purpose being the improvement of economic conditions in rural areas. Grants may be made to nonprofit institutions or institutions of higher education. Grants may be used to pay up to 75 percent of the cost of the project and associated administrative costs. The applicant must contribute at least 25 percent from non-federal sources. Grants are competitive and are awarded based on specific selection criteria.

The Appropriate Technology Transfer to Rural Areas (ATTRA) program was first authorized by the Food Security Act of 1985. The program provides information and technical assistance to agricultural producers to adopt sustainable agricultural practices that are environmentally friendly and lower production costs.

Cooperative agreements are authorized under 7 U.S.C. 2201 to any qualified State department of agriculture, university, and other State entity to conduct research that will strengthen and enhance the operations of agricultural marketing cooperatives in rural areas.

Cooperative Research Agreements are authorized by 7 U.S.C. 2204(b). The funds are used for Cooperative Research Agreements, primarily with colleges and universities to address critical operational, organizational and structural issues facing cooperatives.

COMMITTEE PROVISIONS

For Rural Cooperative Development Grants, the Committee provides an appropriation of $7,500,000, an increase of $1,014,000 above the amount available in fiscal year 2001 and an increase of $1,014,000 above the budget request.

Of the funds provided, not to exceed $2,500,000 is provided for a cooperative agreement for the Appropriate Technology Transfer for Rural Areas (ATTRA) program.

RURAL EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES GRANTS

2001 appropriation	(1)
2002 budget estimate	$14,967,000
Provided in the bill	14,967,000
Comparison:	
2001 appropriation	+14,967,000
2002 budget estimate	.....

[1] Funds provided in P.L. 106–377 in fiscal year 2001.

The Taxpayer Relief Act of 1997 authorized five new empowerment zones, and 20 new enterprise communities were authorized by the 1999 Appropriations Act. These 25 designated EZ/ECs make

up Round II. The goal of the Empowerment Zone/Enterprise Community Initiative is to revitalize rural communities in a manner that attracts private sector investment and thereby provides self-sustaining community and economic development. The first three years of the ten years authorized for Round II EZ/ECs has been funded through the 1999, 2000, and 2001 Appropriations Acts.

COMMITTEE PROVISIONS

For Rural Empowerment Zones and Enterprise Communities Grants, the Committee provides an appropriation of $14,967,000, an increase of $14,967,000 above the amount available in fiscal year 2001 and the same as the budget request.

RURAL UTILITIES SERVICE

The Rural Utilities Service (RUS) was established under the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (Public Law 103–354), October 13, 1994. RUS administers the electric and telephone programs of the former Rural Electrification Administration and the water and waste programs of the former Rural Development Administration.

The mission of the RUS is to serve a leading role in improving the quality of life in rural America by administering its electric, telecommunications, and water and waste programs in a service oriented, forward looking, and financially responsible manner. All three programs have the common goal of modernizing and revitalizing rural communities. RUS provides funding and support service for utilities serving rural areas. The public-private partnerships established by RUS and local utilities assist rural communities in modernizing local infrastructure. RUS programs are also characterized by the substantial amount of private investment which is leveraged by the public funds invested into infrastructure and technology, resulting in the creation of new sources of employment.

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT

ESTIMATED LOAN LEVEL

2001 loan level	$3,110,321,000
2002 budget estimate	3,110,292,000
Provided in the bill	4,610,292,000
Comparison:	
2001 loan level	+1,499,971,000
2002 budget estimate	+1,500,000,000

The Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.), as amended provides the statutory authority for the electric and telecommunications programs.

COMMITTEE PROVISIONS

The Committee has included an increase of $500,000 in the Rural Electrification and Telecommunications Loan Program administrative expenses transfer for additional administrative expenses due to the recommended loan levels in the electric municipal rate and FFB accounts, which account for an increase of $1,500,000,000 above the President's request.

The following table reflects the loan levels for the Rural Electrification and Telecommunications Loans Program account:

[Dollars in thousands]

	FY 2001 enacted	FY 2002 estimate	Committee provisions
Loan authorizations:			
Electric:			
Direct, 5%	$121,128	$121,107	$121,107
Direct, Municipal rate	294,358	294,358	794,358
Direct, FFB	1,600,000	1,600,000	2,600,000
Direct, Treasury Rate	500,000	500,000	500,000
Guaranteed electric	100,000	100,000	100,000
Subtotal	2,615,486	2,615,465	4,115,465
Telecommunications:			
Direct, 5%	74,835	74,827	74,827
Direct, Treasury rate	300,000	300,000	300,000
Direct, FFB	120,000	120,000	120,000
Subtotal	494,835	494,827	494,827
Total, Loan authorizations	3,110,321	3,110,292	4,610,292

ESTIMATED LOAN SUBSIDY AND ADMINISTRATIVE EXPENSES LEVELS

	Direct loan subsidy	*Guaranteed loan subsidy*	*Administrative expenses*
2001 appropriation	$40,275,000	$10,000	$34,640,000
2002 budget estimate	5,645,000	80,000	35,604,000
Provided in the bill	5,645,000	80,000	36,322,000
Comparison:			
2001 appropriation	−34,630,000	+70,000	+1,682,000
2002 budget estimate			+718,000

The Federal Credit Reform Act of 1990 established the Program Account. An appropriation to this account will be used to cover the lifetime subsidy costs associated with the direct loans obligated and loan guarantees committed in 2002, as well as for administrative expenses.

The following table reflects the costs of the loan programs under credit reform. In many cases, changes from the fiscal year 2001 amounts reflect changes in the loan subsidy rates as set by the Office of Management and Budget.

ESTIMATED LOAN SUBSIDY AND ADMINISTRATIVE EXPENSES LEVELS

[Dollars in thousands]

	FY 2001 enacted	FY 2002 estimate	Committee provisions
Loan subsidies:			
Electric:			
Direct, 5%	$12,064	$3,609	$3,609
Direct, Municipal rate	20,458	0	0
Direct, Treasury Rate	0	0	0
Direct, FFB	0	0	0
Private Sector Guarantee	10	80	80
Subtotal	32,532	3,689	3,689
Telecommunications:			
Direct, 5%	7,753	1,736	1,736
Direct, Treasury rate	0	300	300

[Dollars in thousands]

	FY 2001 enacted	FY 2002 estimate	Committee provisions
Direct, FFB	0	0	0
Subtotal	7,753	2,036	2,036
Total, Loan subsidies	40,285	5,725	5,725
E & T expenses:			
Administrative expenses	34,640	35,604	36,322

RURAL TELEPHONE BANK PROGRAM ACCOUNT

ESTIMATED LOAN LEVEL

2001 loan level	$174,615,000
2002 budget estimate	0
Provided in the bill	174,615,000
Comparison:	
2001 loan level	
2002 budget estimate	+174,615,000

The Rural Telephone Bank (RTB) was required by law to begin privatization (repurchase of Federally owned stock) in fiscal year 1996. RTB borrowers are able to borrow at private market rates and no longer require Federal assistance.

The Rural Telephone Bank is managed by a 13-member board of directors. The Administrator of RUS serves as Governor of the Bank until conversion to private ownership, control, and operation. This will take place when 51 percent of the Class A stock issued to the United States and outstanding at any time after September 30, 1996, has been fully redeemed and retired. Activities of the Bank are carried out by RUS employees and the Office of the General Counsel of the U.S. Department of Agriculture.

COMMITTEE PROVISIONS

For the Rural Telephone Bank, the Committee provides for a loan level of $174,615,000, the same as the amount available in fiscal year 2001 and an increase of $174,615,000 above the budget request.

The Committee includes the same provision from the fiscal year 2001 bill which limits the retirement of the Class A stock of the Rural Telephone Bank.

The Committee does not concur with proposed bill language using unobligated balances of the Rural Telephone Bank Liquidating Account to pay for administrative expenses of the Rural Telephone Bank.

ESTIMATED LOAN SUBSIDY AND ADMINISTRATIVE EXPENSES LEVELS

	Direct loan subsidy	*Administrative expenses*
2001 appropriation	$2,584,000	$2,993,000
2002 budget estimate	0	3,082,000
Provided in the bill	2,584,000	3,107,000
Comparison:		
2001 appropriation		+114,000
2002 budget estimate	+2,584,000	+25,000

The Federal Credit Reform Act of 1990 established the Program Account. Appropriations to this account will be used to cover the lifetime subsidy costs associated with the direct loans obligated in 2002, as well as for administrative expenses.

DISTANCE LEARNING AND TELEMEDICINE PROGRAM

	Loan level	*Subsidy level*	*Grants*
2001 appropriation	$400,000,000	0	$26,941,000
2002 budget estimate	400,000,000	0	26,941,000
Provided in the bill	400,000,000	0	26,941,000
Comparison:			
2001 appropriation			
2002 budget estimates			

The Distance Learning and Telemedicine Program was authorized by the Food Agriculture, Conservation and Trade Act of 1990, as amended by the Federal Agriculture Improvement and Reform Act of 1996. This program provides incentives to improve the quality of phone services, provide access to advanced telecommunications services and computer networks, and to improve rural opportunities.

This program provides the facilities and equipment to link rural education and medical facilities with more urban centers and other facilities providing rural residents access to better health care through technology and increasing educational opportunities for rural students. These funds are available for loans and grants.

COMMITTEE PROVISIONS

For the Distance Learning and Telemedicine Program, the Committee provides an appropriation of $26,941,000, the same as the amount available for fiscal year 2001 and the same as the budget request.

The Committee notes that contingent upon authorizing legislation, $1,996,000 will be transferred from distance learning and telemedicine grants to broadband telecommunication grants and $100,000,000 will be provided for broadband telecommunication loans.

The Committee expects the Department to give consideration to the following projects or organizations requesting assistance under the Distance Learning and Telemedicine Program: The development of an assessment and implementation plan for expanded telemedicine services in rural Virginia through the George Mason University (VA) School of Nursing; development of an e-Health and Telemedicine program through the Valley Children's Hospital (CA); assistance to the Hampshire Education Collaborative to create a distance learning and professional development program throughout Franklin, Hampshire, and Hampden Counties, MA; assistance to the College of Southern Idaho to expand educational program capabilities to serve rural communities; assistance for distance learning and instructional equipment for the Petit Jean College (AR) Business and Technology Center; funds to develop a Material Science and Engineering Institute at the University of Arkansas at Little Rock; the development and delivery of educational materials for an aquaculture education and training program by the Harbor

Branch Oceanographic Institution and Florida State University; assistance to Darton College (GA) for distance learning; and assistance for the Louisiana Online project to provide communications access to rural areas through Nicholls State University, Louisiana Tech University, and Southeastern Louisiana University.

The Committee expects the Department to consider only those applications judged meritorious when subjected to established review procedures.

TITLE IV—DOMESTIC FOOD PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR FOOD, NUTRITION AND CONSUMER SERVICES

2001 appropriation	$569,000
2002 budget estimate	587,000
Provided in the bill	592,000
Comparison:	
2001 appropriation	+23,000
2002 budget estimate	+5,000

The Office of the Under Secretary for Food, Nutrition and Consumer Services provides direction and coordination in carrying out the laws enacted by the Congress with respect to the Department's food, nutrition and consumer activities. The Office has oversight and management responsibilities for the Food and Nutrition Service.

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Food, Nutrition and Consumer Services the Committee provides $592,000, an increase of $23,000 over the amount provided in fiscal year 2001 and an increase of $5,000 above the budget request.

Electronic Benefit Transfer (EBT).—The Committee is aware of the importance of ensuring that farmers participating in the WIC Farmers Market Nutrition Program (FMNP) and the Food Stamp Program (FSP) are able to participate in Electronic Benefit Transfer (EBT) systems. In addition, the Committee notes that USDA has studied and established the technical feasibility of wireless and other innovative EBT systems for farmers markets, rural route vendors, and other "non-traditional" vendors operating without access to standard telephone and electricity service.

The Committee directs USDA to make available funds from the $6 million designated for the development of EBT systems to support state initiatives to implement wireless and other innovative EBT solutions for farmers markets, farmers, and other retail vendors participating in the WIC FMNP and the FSP to enable them to continue participating in these programs. As EBT systems replace paper coupons in more states, this will assure that participants in the WIC FMNP and FSP can continue to purchase nutritious locally grown agricultural products, especially fresh fruits and vegetables, and promote compliance with the U.S. Dietary Guidelines.

Fresh Produce Purchases.—The Committee urges the Food and Nutrition Service to study the feasibility of an incentive pilot program to increase produce consumption under the Food Stamp Program and the Special Supplemental Program for Women, Infants, and Children. The pilot program should be based on participation rates and nutrition health status, with the goal of providing incen-

tives to increase produce consumption. Increased produce consumption could enhance the control of adverse health conditions such as diabetes, high blood pressure, and osteoporosis.

Meal Costs and Reimbursements.—The Committee is concerned about the effect of rising food and labor costs to school meal programs. The Committee understands that the reimbursement rates for school meals are adjusted annually according to the Consumer Price Index series for food away from home. Changes in the labor market may have caused wages for school food service personnel to increase at a rate faster than the index benchmark, and local or regional cost factors may affect the sufficiency of the reimbursement rates. The Committee understands that an analysis to address similar concerns was last conducted in 1993, and requests a report to the Committee by January 31, 2002, about Department plans to update this data.

Milk Beverages.—The Committee encourages the Department to consider developing a pilot program in which milk beverage machines are placed in schools, and suggests that the state of Iowa be considered a candidate for such a program.

School Lunch Salad Bars.—The Committee is concerned about school lunch nutrition, and in particular about increasing the consumption of fruits and vegetables among children. The Committee directs the Department to analyze data collected in the School Nutrition Dietary Assessment Study, Part II to compare the amount of fruit and vegetables available to children in schools with salad/fruit bars versus those without salad/fruit bars. The Committee requests a report on this analysis by April 1, 2002.

FOOD AND NUTRITION SERVICE

The Food and Nutrition Service (FNS) represents an organizational effort to eliminate hunger and malnutrition in this country. Nutrition assistance programs are intended to provide access to a nutritionally adequate diet for families and persons with low-incomes, and encourage better eating patterns among the Nation's children. These programs include:

Child Nutrition Programs.—Federal assistance is provided to the 50 States, the District of Columbia, Puerto Rico, Virgin Islands, and Guam for use in serving nutritious lunches and breakfasts to children attending schools of high school grades or under, to children of preschool age in child care centers and homes, and to children in other institutions in order to improve the health and well-being of the Nation's children, and broaden the markets for agricultural food commodities. Through the Special Milk Program, assistance is provided to the States for making reimbursement payments to eligible schools and child care institutions which institute or expand milk service in order to increase the consumption of fluid milk by children.

Food Stamp Program.—This program is aimed at making more effective use of the Nation's food supply and at improving nutritional standards of needy persons and families, in most cases, through the issuance of food coupons which may be used in retail stores for the purchase of food. The program also includes Nutrition Assistance for Puerto Rico. The Omnibus Budget Reconciliation Act of 1981 (Public Law 97–35) authorized a block grant for

Nutrition Assistance for Puerto Rico which gives the Commonwealth broad flexibility in establishing a nutrition assistance program that is specifically tailored to the needs of its low-income households.

The program includes the Food Distribution Program on Indian Reservations which provides nutritious agricultural commodities to low-income persons living on or near Indian reservations who choose not to participate in the Food Stamp Program. The program also includes $100,000,000 for commodity purchases under the Emergency Food Assistance Program.

Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).—This program helps to safeguard the health of pregnant, postpartum, and breastfeeding women, and infants, and children up to age five who are at nutritional risk by providing food packages designed to supplement each participant's diet with foods that are typically lacking. Delivery of supplemental foods may be done through health clinics, vouchers redeemable at retail food stores, or other approved methods which a cooperating State health agency may select.

The Farmers' Market Nutrition Program provides WIC or WIC-eligible participants with coupons to purchase fresh, nutritious, unprepared food, such as fruits and vegetables, from farmers' markets. The program is designed to accomplish two major goals: (1) improve the diets of WIC or WIC-eligible participants and (2) increase the awareness and use of farmers' markets by low-income households.

The Commodity Assistance Programs (CAP).—This program combines funding for the Commodity Supplemental Food Program (CSFP) and administrative expenses for The Emergency Food Assistance Program (TEFAP).

CSFP provides supplemental foods to infants and children up to age six, and to pregnant, postpartum, and breastfeeding women with low-incomes who reside in approved project areas. In addition, this program operates commodity distribution projects directed at low-income elderly persons.

TEFAP provides grant funds to State agencies to assist in the cost of storage and distribution of donated commodities for needy individuals.

Food Donations Programs.—Nutritious agricultural commodities are provided to residents of the Federated States of Micronesia and the Marshall Islands. Cash assistance is provided to distributing agencies to assist them in meeting administrative expenses incurred. Funding is provided for use in non-Presidentially declared disasters and for FNS administrative costs in connection with disaster relief for all disasters. Commodities or cash-in-lieu of commodities are provided to assist nutrition programs for the elderly.

Food Program Administration.—This account represents most salaries and Federal operating expenses of the Food and Nutrition Service and the Center for Nutrition Policy and Promotion (CNPP). The Center oversees improvements in and revisions to the nutrition guidance systems. CNPP is the focal point for advancing and coordinating nutrition promotion and education policy to improve the health of all Americans.

Funds for Strengthening Markets, Income, and Supply (Section 32).—This program includes the donation of commodities purchased under the surplus removal activities of the Agricultural Marketing Service. Special programs provide food to needy children and adults who are suffering from general and continued hunger.

CHILD NUTRITION PROGRAMS

	Direct appropriation	*Transfer from section 32*	*Total program level*
2001 appropriation	$4,413,931,000	$5,127,579,000	$9,541,510,000
2002 budget estimate ...	4,731,490,000	5,357,256,000	10,088,746,000
Provided in the bill	4,748,038,000	5,340,708,000	10,088,746,000
Comparison:			
2001 appropriation	+334,107,000	+213,129,000	+547,236,000
2002 budget estimate	+16,548,000	−16,548,000	.....

Working through State agencies, the Food and Nutrition Service (FNS) provides Federal assistance in cash and commodities for use in preparing and serving nutritious meals to children while they are attending school, residing in service institutions, or participating in other organized activities away from home. The purpose of this program is to help maintain the health and proper physical development of America's children. The child nutrition account includes the School Lunch Program; the School Breakfast Program; the Summer Food Service Program; and Child and Adult Care Food Programs. In addition, the Special Milk Program provides funding for milk service in some kindergartens, as well as in schools, nonprofit child care centers, and camps which have no other Federally assisted food programs. Milk is provided to children either free or at a low cost depending on their family income level. FNS provides cash subsidies to State administered programs and directly administers the program in the States which have chosen not to do so. Funds for this program are provided by direct appropriation and transfer from section 32. Grants are also made for nutritional training and surveys and for State administrative expenses. Under current legislation, most of these payments are made on the basis of reimbursement rates established by law and applied to lunches and breakfasts actually served by the States.

The William F. Goodling Child Nutrition Reauthorization Act of 1998, Public Law 105–336, contains a number of child nutrition provisions. These include:

Summer Food Service Program (SFSP).—Reauthorizes the program through 2003 and relaxes the site limitations for private nonprofit sponsors in SFSP.

School Breakfast Program (SBP).—(1) Authorizes a pilot project to study the effects of providing free breakfasts to all students without regard to family income; and (2) requires participating schools to obtain a food safety inspection conducted by a State or local agency.

Child and Adult Care Food Program (CACFP).—Authorizes payments for snacks provided to children through age 18 in afterschool programs. Permanently authorizes and provides funds for demonstration projects to expand services to homeless children and family day care homes in low-income areas. Beginning on July 1,

1999, the Homeless Child Nutrition Program and the Homeless Summer Food Service Program transfer into CACFP.

National School Lunch Program (NSLP).—(1) Significantly expands reimbursement for snacks for children up to age 18 in after-school care programs; (2) provides for free snacks in needy areas; and (3) requires participating schools to obtain a food safety inspection conducted by a State or local agency.

Special Milk Program.—Through the Special Milk Program, funds are provided to State agencies to reimburse eligible participants for all or part of the cost of fluid milk consumed. Under Public Law 97–35, participation in the Special Milk Program is restricted to schools and institutions that do not participate in another meal service program authorized by the Child Nutrition or School Lunch Acts. Effective October 1, 1986, based on authority in Public Law 99–661, children in split session kindergarten programs in nonprofit schools who do not have access to the meal service programs operating in those schools may participate in the program.

COMMITTEE PROVISIONS

For the Child Nutrition Programs, the Committee provides a total of $10,088,746,000, an increase of $547,236,000 above the amount available for fiscal year 2001 and the same amount as included in the budget request. Of the total amount provided, $4,748,038,000 is by direct appropriation and $5,340,708,000 is by transfer from Section 32.

Child Nutrition Programs:	
School lunch program	$5,759,232,000
School breakfast program	1,579,752,000
Child and adult care food program	1,878,179,000
Summer food service program	325,341,000
Special milk program	15,940,000
State administrative expenses	129,929,000
Commodity procurement	372,536,000
School meals initiative	9,991,000
Food safety education	1,998,000
Coordinated review effort	4,507,000
Computer support	9,341,000
School lunch program integrity	2,000,000
Total	$10,088,746,000

"Buy American" Report.—FNS is directed to provide a report to the Committee by December 31, 2001, on how the agency intends to enforce the Buy American provision of the Act that applies to purchases conducted by schools.

Competitive Foods.—The Committee thanks the Department for its report on food sold in competition with the school food service programs. While the Report cites Congressional action that would strengthen the ability of the Department, the States and local schools to develop meaningful competitive foods policies, the Department at this time is not planning to seek such authority. While the Committee directs the Department to fully utilize the authority that it has to deal with the situation, the Committee strongly urges the Department to promptly review these recommendations for additional authority, and to request such authority from the authorizing committees of the House and Senate.

Ohio School Food Service.—The Committee understands that the Department and State of Ohio authorities continue to work to develop effective proposals to develop alternative means for meeting the additional requirements under section 301(c) of the Federal Meat Inspection Act or section 5(c) of the Poultry Products Inspection Act. The Committee urges all parties to continue to work together to resolve this issue as expeditiously as possible to insure that children continue to be served nutritious and safe meals.

Nutrition Education.—The nutritional status of our young people is a matter of public health. The Committee expects the Department to build upon work already done with the food pyramid, and other innovative national and local efforts. Nutrition information should be carefully reviewed so that a consistent and coordinated message is disseminated. Existing opportunities to convey nutrition messages, including newsletters, static displays in cafeterias, in-school and cable television productions should be used to the maximum extent possible. The Committee directs the Department to provide a report regarding the development and implementation of this effort by February 1, 2002.

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

2001 appropriation	$4,043,086,000
2002 budget estimate	4,137,086,000
Provided in the bill	4,137,086,000
Comparison:	
2001 appropriation	+94,000,000
2002 budget estimate	.....

The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) safeguards the health of pregnant, breastfeeding, and postpartum women and infants, and children up to age five who are at nutritional risk because of inadequate nutrition and inadequate income.

The William F. Goodling Child Nutrition Reauthorization Act of 1999, Public Law 105–336, reauthorizes the program through 2003 and added several provisions to the program. The act requires that an individual seeking certification or recertification in the program must provide documentation of family income.

Infant Formula Rebate Contracts.—The act permits State agencies to award infant formula rebate contracts to the bidder offering the lowest net wholesale price, unless the State agency demonstrates to the satisfaction of the Secretary that the weighted average retail price for different brands of formula in that State does not vary by more than 5 percent.

The Farmers' Market Nutrition Program (FMNP) is designed to accomplish two major goals: (1) to improve the diets of WIC participants by providing them with coupons to purchase fresh, nutritious, unprepared food, such as fruits and vegetables, from farmers' markets; and (2) to increase the awareness and use of farmers' markets by low-income households.

COMMITTEE PROVISIONS

For the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) the Committee provides an appropria-

tion of $4,137,086,000, an increase of $94,000,000 above the amount available in fiscal year 2001 and the same amount as in the budget request.

The President's fiscal year 2002 budget request estimates that WIC participation will average 7.25 million during fiscal 2002 and the level of funds recommended supports that participation level. The WIC program is projected to carry over more than $100,000,000 at the end of fiscal year 2002.

Electronic Benefit Transfer.—The Committee recommendation includes language to allow funds to be used for WIC electronic benefit transfer (EBT) systems and sets the authorized level of infrastructure funding at $10,000,000, which includes funding to develop EBT systems.

Farmers' Markets.—The Committee provides new language regarding the Farmers' Market Nutrition Program and activities relating to senior farmers' market nutrition. The Committee recommends that up to $25,000,000 be available for the Farmers' Market Nutrition Program and up to $15,000,000 for senior farmers' market nutrition activities, from any funds not needed to maintain current caseload levels.

Encouraging Healthy Eating Habits.—Because more than half of WIC participants are children aged one through four, the Committee believes that encouraging these children to eat fresh fruits and vegetables through this program is crucial not only to their health, but also to establishing healthful, nutritious eating habits for life. This is consistent with both the goals of the WIC program and the new Dietary Guidelines.

Participation Data.—The Committee is concerned that participation in the WIC program has been higher in recent months than had been anticipated. This higher participation rate raises concerns about the sufficiency of the appropriation request for FY 2002. WIC Program Directors restrict participation to the limits provided by this appropriation, and do not anticipate supplemental appropriations during the course of the fiscal year. The Committee will monitor and review the need for additional WIC funding in advance of conference on the FY 2002 bill.

WIC Food Prescription.—The Committee notes that the WIC food prescription has changed little since 1974. In 1994, and again in 1998, USDA solicited comments in a draft policy on food substitutions to accommodate food preferences and ethnic cultural eating patterns. However, further action to respond to these concerns needs to be taken. The Committee urges the Department to move expeditiously in consultation with WIC public health nutritionists and directors, to develop for public comment a food prescription rule responding to the needs of culturally sensitive populations, and to provide a report to the Committee regarding the status of the matter prior to the FY 2003 hearings.

FOOD STAMP PROGRAM

2001 appropriation	$20,119,228,000
2002 budget estimate	21,991,986,000
Provided in the bill	21,991,986,000
Comparison:	
2001 appropriation	+1,872,758,000
2002 budget estimate	.....

The Food Stamp Program, authorized by the Food Stamp Act of 1964, attempts to alleviate hunger and malnutrition among low-income persons by increasing their food purchasing power. Eligible households receive food stamps with which they can purchase food through regular retail stores. They are thus enabled to obtain a more nutritious diet than would be possible without food stamp assistance.

Participating households receive free food stamps in amounts determined by household size and income. Since March 1975, food stamp projects have been established throughout the country. State social service agencies assume responsibility for certifying eligible households and issuing the stamps through suitable outlets. The Food and Nutrition Service establishes a range of household food stamp allotments which are updated annually.

Authorized grocery stores accept the stamps as payment for food purchases and forward them to commercial banks for cash or credit. The stamps flow through the banking system to a Federal Reserve Bank for redemption out of a special account maintained by the U.S. Treasury Department. A major alternative to the paper food stamp system is Electronic Benefit Transfer (EBT). By the end of fiscal year 2000, thirty-six systems (Alabama, Alaska, Arizona, Arkansas, Colorado, Connecticut, Florida, Georgia, Hawaii, Idaho, Illinois, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Minnesota, Missouri, New Hampshire, New Jersey, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Washington, Wyoming) and the District of Columbia were Statewide and five systems (California, Iowa, Michigan, New York, and Wisconsin) were operating EBT in parts of the State. All other States are in some stage of planning or implementing their EBT systems.

The program also includes the Food Distribution Program on Indian Reservations which provides nutritious agricultural commodities to low-income persons living on or near Indian reservations who choose not to participate in the Food Stamp Program.

ADMINISTRATIVE COSTS

All direct and indirect administrative costs incurred for certification of households, issuance of food coupons, quality control, outreach, and fair hearing efforts are shared by the Federal Government and the States on a 50–50 basis.

In addition, State agencies which reduce quality control error rates below 6 percent receive up to a maximum match of 60 percent of their administrative expenses. Also, State agencies are paid up to 100 percent of the costs of administering the program on Indian reservations. The Food Stamp Program is in operation in all 50 States, the Virgin Islands, Guam, and the District of Columbia.

The Food Stamp Act Amendments of 1982 provided for the establishment of a system for levying fiscal sanctions on States which fail to reduce high error rates below a prescribed target.

Nutrition Assistance for Puerto Rico.—The Omnibus Budget Reconciliation Act of 1981, Public Law 97–35, authorized a block grant for nutrition assistance to Puerto Rico which gives the Commonwealth broad flexibility in establishing a nutrition assistance pro-

gram which is specifically tailored to the needs of its low-income households. Beginning in fiscal year 1987, funding for this block grant program was included under the food stamp appropriation account.

COMMITTEE PROVISIONS

For the Food Stamp Program, the Committee provides $21,991,986,000, an increase of $1,872,758,000 above the amount available in fiscal year 2001 and the same amount as the budget request. The total amount includes $1,000,000,000 for a contingency reserve in fiscal year 2002; $1,335,550,000 for nutrition assistance for Puerto Rico; and $100,000,000 for the emergency food assistance program.

The Committee recommendation includes up to $7,000,000 for the purchase of a sufficient amount of food stamp coupons to supply the remaining needs of recipients until electronic benefit transfer transition is complete, if the Secretary certifies that such purchases are necessary.

COMMODITY ASSISTANCE PROGRAM

2001 appropriation	$139,991,000
2002 budget estimate	139,991,000
Provided in the bill	152,813,000
Comparison:	
2001 appropriation	+12,822,000
2002 budget estimate	+12,822,000

The Commodity Assistance Program provides funding for the Commodity Supplemental Food Program (CSFP) and administrative expenses for The Emergency Food Assistance Program (TEFAP).

Commodity Supplemental Food Program.—The CSFP provides supplemental food to infants and children up to age six, and to pregnant, postpartum, and breast-feeding women who have low-incomes, and reside in approved project areas. In addition, this program operates commodity distribution projects directed at low-income elderly persons 60 years of age or older.

The 1996 FAIR Act (P.L. 104–127) reauthorized CSFP through fiscal year 2002. In addition, this law requires CCC to donate 4 million pounds of nonfat dry milk and 9 million pounds of cheese to the program annually, subject to availability.

The Emergency Food Assistance Program.—TEFAP provides grant funds to State agencies to assist in the cost of storage and distribution of donated commodities for needy individuals.

COMMITTEE PROVISIONS

The Committee provides an appropriation of $152,813,000 for the commodity assistance program, an increase of $12,822,000 above the amount available for fiscal year 2001 and $12,822,000 above the budget request. The Committee recommendation does not include the rescission of $5,300,000 proposed for CSFP in the budget request.

The Committee has included $50,000,000 for administration of the emergency food assistance program, an increase of $5,000,000 over the amount available in fiscal year 2001 and $5,000,000 over

the budget request. These funds may be used for administration purposes or for food costs at the discretion of the states.

The Committee has included language providing $21,820,000 for administrative expenses for the Commodity Supplemental Food Program.

The Committee provides new language regarding activities relating to senior farmers' market nutrition. The Committee recommends that up to $15,000,000 be available for senior farmers' market nutrition activities, from any funds not needed to maintain current caseload levels.

Addition of States to CSFP.—The Committee has provided funds to support the addition of five additional states to the CSFP.

Food Distribution and Preservation.—The Committee believes that there is an abundant and affordable supply of surplus foods, but the lack of distribution and transportation capacity can limit the program's effectiveness. The Committee urges the Department to support programs that can expand food distribution, particularly for those organizations that serve large regions. In addition, the Committee is aware that perishable produce may be stabilized through flash freezing. The Department is encouraged to work with and support community service organizations to explore this option.

FOOD DONATIONS PROGRAMS

2001 appropriation	$150,751,000
2002 budget estimate	150,749,000
Provided in the bill	150,749,000
Comparison:	
2001 appropriation	−2,000
2002 budget estimate	

Nutrition Program for the Elderly.—The Nutrition Program for the Elderly (NPE) provides cash and commodities to States for distribution to local organizations that prepare meals served to elderly persons in congregate settings or delivered to their homes. The program promotes good health through nutrition assistance by reducing the isolation experienced by the elderly. This program is a supplement to the Department of Health and Human Services' (DHHS) funding for programs for the elderly with cash commodities on a per meal basis for each meal served to an elderly person.

Pacific Island Assistance.—This program provides for a directly funded food distribution program for low-income individuals in the nuclear-affected islands. This program attempts to alleviate hunger and malnutrition in low-income households by providing nutritious agricultural commodities to eligible persons. It also provides funding for use in non-presidentially declared disasters and for FNS' administrative costs in connection with disaster relief.

COMMITTEE PROVISIONS

For the Food Donations Programs the Committee provides an appropriation of $150,749,000, a decrease of $2,000 from the amount available for fiscal year 2001, and the same amount as the budget request. Included in this amount is $149,668,000 for the nutrition program for the elderly.

FOOD PROGRAM ADMINISTRATION

2001 appropriation	[1] $116,550,000
2002 budget estimate	[2] 125,546,000
Provided in the bill	126,656,000
Comparison:	
2001 appropriation	+10,106,000
2002 budget estimate	+1,110,000

[1] Does not reflect a transfer from the Economic Research Service of $1,000,000 (P.L. 106–387) for studies and evaluations.
[2] Does not reflect $1,996,000 transferred to the Congressional Hunger Center Foundation provided by P.L. 106–387.

The Food Program Administration appropriation provides for most of the Federal operating expenses of the Food and Nutrition Service, which includes the Child Nutrition Programs; Special Supplemental Nutrition Program for Women, Infants, and Children (WIC); the Commodity Assistance Program, including the Commodity Supplemental Food Program, administrative expenses of The Emergency Food Assistance Program and the Farmers' Market Nutrition Program; the Food Donations Programs, including the Nutrition Program for the Elderly, Pacific Island Assistance and Disaster Feeding; the Food Stamp Program and the Center for Nutrition Policy and Promotion.

The major objective of food program administration is to efficiently and effectively carry out the nutrition assistance programs mandated by law. This is to be accomplished by the following: (1) giving clear and consistent guidance and supervision to State agencies and other cooperators; (2) assisting the States and other cooperators by providing program, managerial, financial, and other advice and expertise; (3) measuring, reviewing, and analyzing progress toward program objectives; and (4) carrying out regular staff support functions.

COMMITTEE PROVISIONS

For Food Program Administration, the Committee has provided $126,656,000, an increase of $10,106,000 above the amount available for fiscal year 2001, and an increase of $1,110,000 above the budget request.

The recommended funding level includes $3,000,000 for research, evaluation, and assessment activities and $1,800,000 to improve FNS information technology.

Dietary Guidelines.—The Committee encourages the Center for Nutrition Policy and Promotion to conduct ongoing research on modifications to the Dietary Guidelines for Americans, 2000 to revise the food guide pyramid and related educational materials as needed.

TITLE V—FOREIGN ASSISTANCE AND RELATED PROGRAMS

FOREIGN AGRICULTURAL SERVICE

	Appropriation	*Transfer from loan accounts*	*Total, FAS*
2001 appropriation	$115,170,000	($4,257,000)	($119,427,000)
2002 budget estimate	121,563,000	(4,257,000)	(125,820,000)
Provided in the bill	122,631,000	(4,257,000)	(126,888,000)
Comparison:			
2001 appropriation	+7,461,000		(+7,461,000)
2002 budget estimate	+1,068,000		(+1,068,000)

The Foreign Agricultural Service (FAS) was established March 10, 1953, by Secretary's Memorandum No. 1320, Supplement 1. Public Law 83–690, approved August 28, 1954, transferred the agricultural attaches from the Department of State to the Foreign Agricultural Service.

The primary function of this organization is to help American agriculture in maintaining and expanding foreign markets for agriculture products vital to the economic well-being of the nation. It maintains a worldwide agricultural intelligence and reporting service to assist the U.S. agricultural industry in its export operations through a continuous program of analyzing and reporting foreign agricultural production, markets, and policies. It attempts to develop foreign markets for U.S. farm products through administration of special export programs and through helping to secure international trade conditions that are favorable toward American products. FAS is also responsible for coordinating, planning, and directing the Department's programs in international development and technical cooperation in food and agriculture formerly carried out by the Office of International Cooperation and Development.

COMMITTEE PROVISIONS

For the Foreign Agricultural Service, the Committee provides an appropriation of $122,631,000 and transfers of $4,257,000, for a total program level of $126,888,000, an increase of $7,461,000 above the amount available for fiscal year 2001 and an increase of $1,068,000 above the budget request.

The Committee has included an additional $250,000 to continue efforts begun in fiscal year 2001 to increase FAS presence in Ukraine.

Azores.—The Committee urges the Department to devote necessary resources to establish the Azores Collaborative Research and Education Group to assist the U.S. Government in meeting its treaty obligations to the government of Portugal.

Currency fluctuations.—The Committee provides bill language permitting the Department to maintain up to $2,000,000 solely for the purpose of offsetting international currency fluctuations.

U.S. commodities.—The Committee continues to believe that commodity assistance, including monetization, is a vital tool to help alleviate the needs of recipients, and a prudent way to help move commodities that are in surplus and urgently needed. In any review of international commodity assistance, including section 416, the Committee expects that its prior directives on the matter be given full consideration. Further, while any change in Executive Administration will routinely delay decisions ordinarily made in the normal course of business, the Committee remains concerned that decisions with respect to commodity assistance are being made too late in the year to be of maximum value. The Committee directs the Department to develop a system for making these decisions no later than February 15 of each year, and to report to the Committee on the steps taken to implement this system.

Rice.—The Committee includes language that the Secretary of Agriculture shall use currently available authorities to ensure that all forms of rice (rough, brown and milled) are fairly represented in all Department of Agriculture food aid, export market development, export promotion and other export related programs.

Quality samples program.—The Committee expects that the Quality Samples Program (QSP) administered by the Foreign Agricultural Service will be continued to help develop new markets and expand existing markets for United States agricultural products. Funds made available through CCC to carry out activities under the QSP shall be no less than $2,500,000, the same level as in fiscal year 2001.

The Committee recommends bill language which states that none of the funds appropriated in this account may be used to pay the salaries and expenses of personnel to disburse funds to any rice trade association under the market access program or the foreign market development program at any time when the applicable international activity agreement for such program is not in effect.

PUBLIC LAW 480

PROGRAM AND GRANT ACCOUNTS

PUBLIC LAW 480 TITLE I PROGRAM ACCOUNT

The Federal Credit Reform Act of 1990 established the Program Account. Appropriations to this account are used to cover the lifetime subsidy cost associated with direct loans obligated in 2001 and beyond, as well as for administrative expenses.

Financing sales of agricultural commodities to developing countries and private entities for dollars on credit terms, or for local currencies (including for local currencies on credit terms) for use under section 104; and for furnishing commodities to carry out the Food for Progress Act of 1985, as amended (title I).—Title I of the legislation authorizes financing of sales to developing countries for local currencies and for dollars on credit terms. Sales for dollars or local currency may be made to foreign governments. The legislation provides for repayment terms either in local currencies or U.S. dollars on credit terms of up to 30 years, with a grace period of up to 5 years.

Local currencies under title I sales agreements may be used in carrying out activities under section 104 of the Agricultural Trade Development and Assistance Act of 1954, as amended. Activities in the recipient country for which these local currencies may be used include developing new markets for U.S. agricultural commodities, paying U.S. obligations, and supporting agricultural development and research.

Title I appropriated funds may also be used under the Food for Progress Act of 1985, as amended, to furnish commodities on credit terms or on a grant basis to assist developing countries and countries that are emerging democracies that have a commitment to introduce and expand free enterprise elements in their agricultural economies.

Ocean freight differential costs in connection with commodities sales financed for local currencies or U.S. dollars (title I).—The Commodity Credit Corporation pays ocean freight differential costs on shipments under this title. These costs are the difference between foreign flag and U.S. flag shipping costs.

Commodities supplied in connection with dispositions abroad (title II) (7 U.S.C. 1721–1726).—Commodities are supplied without cost through foreign governments to combat malnutrition and to meet famine and other emergency requirements. Commodities are also supplied for nonemergencies through public and private agencies, including intergovernmental organizations. The Commodity Credit Corporation pays ocean freight on shipments under this title, and may also pay overland transportation costs to a landlocked country, as well as internal distribution costs in emergency situations. The funds appropriated for title II are made available to private voluntary organizations and cooperatives to assist these organizations in meeting administrative and related costs.

Commodities supplied in connection with dispositions abroad (title III).—Commodities are supplied without cost to least developed countries through foreign governments for direct feeding, development of emergency food reserves, or may be sold with the proceeds of such sale used by the recipient country for specific economic development purposes. The Commodity Credit Corporation may pay ocean freight on shipments under this title, and may also pay overland transportation costs to a landlocked country, as well as internal distribution costs.

COMMITTEE PROVISIONS

The following table reflects the loan levels, subsidy levels, and administrative costs for all Public Law 480 programs:

	FY 2001 enacted	FY 2002 estimate	Committee provisions
Public Law 480 Program Account:			
Title I—Credit sales:			
Direct loans	($159,327,000)	($139,399,000)	($150,000,000)
Ocean freight differential	20,277,000	20,277,000	20,277,000
Loan subsidies	113,935,000	113,935,000	122,600,000
Title II—Commodities for disposition abroad:			
Program level	(835,159,000)	(835,159,000)	(835,159,000)
Appropriation	835,159,000	835,159,000	835,159,000
Title III—Commodity grants:			
Program level	(0)	(0)	(0)

	FY 2001 enacted	FY 2002 estimate	Committee provisions
Appropriation	0	0	0
Salaries and expenses:			
General Sales Manager	1,033,000	1,033,000	1,033,000
FSA	813,000	972,000	980,000
Subtotal	1,846,000	2,005,000	2,013,000
Total, Public Law 480:			
Program level	(835,159,000)	(835,159,000)	(835,159,000)
Appropriation	971,217,000	971,376,000	980,049,000

Rural electrification.—The Committee recognizes the importance of rural electrification as part of U.S. foreign assistance efforts. A direct linkage can be made between rural electrification and improved agriculture production, lower birth rates, microenterprise development, and better medical care. The committee is pleased with the track record and success of rural electrification programs based on the electric cooperative model and encourages the Department to consider proposals submitted by the National Rural Electric Cooperative Association and other organizations through the Food for Progress and related programs to advance rural electrification projects in developing nations.

Funds interchange.—The Committee has included bill language providing that funds made available for the cost of title I agreements and for title I ocean freight differential may be used interchangeably.

CCC EXPORT LOANS PROGRAM ACCOUNT

ADMINISTRATIVE EXPENSES

2001 appropriation	$3,812,000
2002 budget estimate	4,014,000
Provided in the bill	4,021,000
Comparison:	
2001 appropriation	+209,000
2002 budget estimate	+7,000

Under the export credit programs, guarantees are provided by CCC for the repayment of commercial credit extended to finance U.S. agricultural export sales. The GSM–102 program covers export credit with repayment terms of up to three years. The GSM–103 program provides intermediate-term credit with repayment terms of three to ten years. The Agricultural Trade Act of 1978, as amended, requires that not less than $5.5 billion be made available annually from 1996 through 2002 for GSM–102 and GSM–103. The FAIR Act provides $200,000,000 for the Emerging Markets Export Credit Program.

The Federal Credit Reform Act of 1990 established the Program Account. Appropriations to this account will be used to cover the lifetime subsidy costs associated with the loan guarantees committed in 2001 and beyond, as well as for administrative expenses.

Funding for the loan subsidy costs of CCC export credit is provided through a permanent, indefinite appropriation and not by annual appropriation.

COMMITTEE PROVISIONS

For administrative expenses of the Commodity Credit Corporation Export Loans Program Account, the Committee provides an appropriation of $4,021,000, an increase of $209,000 above the amount available for fiscal year 2001 and an increase of $7,000 above the budget request.

TITLE VI—RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

	Appropriation	*Prescription drug user fee*	*Total, FDA, S&E*
2001 appropriation	[1] [2] $1,066,173,000	$149,273,000	$1,215,446,000
2002 budget estimate	[3] 1,173,673,000	161,716,000	1,335,389,000
Provided in the bill	[3] 1,180,623,000	161,716,000	1,342,339,000
Comparison:			
2001 appropriation	+114,450,000	+12,443,000	+126,893,000
2002 budget estimate	+6,950,000		+6,950,000

[1] Reflects $2,470,000 rescission.
[2] This amount does not include $22,950,000 in contingent appropriations for drug reimportation activities.
[3] This amount does not include $2,950,000 in contingent appropriations for drug reimportation activities.

The Food and Drug Administration (FDA) is the principal consumer protection agency of the Federal Government. The agency's mission and sole objective is to protect and promote the public health through its science-based core activities of premarket review and postmarket assurance. FDA has jurisdiction over a wide variety of products that affect every person, every day: foods and cosmetics; human and animal drugs; biologics including blood and vaccines; medical devices; and radiological products. FDA activities assure that these products are safe and effective, as well as properly labeled.

FDA works extensively with stakeholders—industry, consumers, and other interested parties—to: (1) set food and product standards; (2) evaluate the safety and efficacy of new drugs and medical devices before they are marketed; (3) conduct and sponsor research studies to detect health hazards and violations of laws or regulations, and improve the agency's base of scientific knowledge to allow for better regulatory decision-making; (4) inform business firms and consumers about FDA-related topics; (5) work with state and local agencies to develop programs that will supplement or complement those of FDA; (6) maintain surveillance over foods, drugs, medical devices and electronic products to ensure that they are safe, effective, and honestly labeled; and (7) take legal action when necessary to remove violative products from the marketplace and to prosecute firms or individuals that violate the law.

FDA must respond to fulfill several challenges in order to meet statutory requirements and its mission: research and development-fueled pressures on regulatory responsibilities; greater product complexity driven by breakthroughs in technology; growth in the recognized adverse effects associated with product use; unpredictable new health and safety threats; continued cooperative activities

needed in the international arena; and the increased volume and diversity of imports.

COMMITTEE PROVISIONS

For the Food and Drug Administration, the Committee provides a total direct appropriation of $1,180,623,000 for salaries and expenses and makes available an additional $161,716,000 in fees collected under the Prescription Drug User Fee Act, for a total of $1,342,339,000. This is an increase of $126,893,000 above the total amount available in fiscal year 2001 and an increase of $6,950,000 above the budget request.

In addition, the Committee recommends $2,950,000 be available to the agency solely for activities relating to the Medicine Equity and Drug Safety Act of 2000 (Section 745 of P.L. 106–387), subject to the requirements of that Act.

Bioengineered Foods.—On January 18, 2001, FDA issued a draft guidance on the voluntary labeling of foods indicating whether they have or have not been developed using bioengineering. The Committee directs that no final guidance may be issued without 15-day advance notice to the Committee.

Breast Implants.—The Committee is concerned about a recent FDA study revealing alarmingly high rupture rates in silicone breast implants and the agency's decision to approve saline breast implants in spite of high complication and failure rates—particularly among mastectomy patients. The Committee advises the agency to carefully monitor breast implant manufacturers' patient brochures, informed consent documents, and package inserts to ensure they reflect accurate information about such implants, and to work with manufacturers to ensure women receive full and accurate information before enrolling in any study or undergoing surgery.

Dietary Supplement Adverse Event Reports.—The July 1999 General Accounting Office report (GGD–99–90) on dietary supplements found that the Adverse Event Report system used by the FDA needs to be improved. Furthermore, the GAO made specific recommendations to the FDA on what action should be taken to address this situation. More recently, in April 2001, the Office of the Inspector General (OIG) of the Department of Health and Human Services made further recommendations for enhancing the quality and capability of the FDA's AER system for dietary supplements. The Committee is concerned that the FDA has not taken proper steps to address the concerns outlined in the GAO and OIG reports. Therefore, the Committee directs the FDA to follow the recommendations made by these reports as a part of the agency's overall plan to consolidate and improve the AER system.

Food Allergens.—Seven million Americans suffer from food allergies, and about 150 Americans die each year due to the ingestion of allergenic foods. Most children who have food allergies have their first exposure to allergens in their homes. A 2000 survey conducted jointly by the Food and Drug Administration, Minnesota, and Wisconsin found that one-quarter of the bakery products, candy, and ice cream sampled were contaminated with peanut or egg ingredients that were not declared on the product labels. The Committee is aware that FDA has recently issued guidance on the

most common food allergies. However, the Committee is also aware of a petition filed in May 2000 by the Attorneys General of nine states requesting that the FDA amend its regulations to require the disclosure of allergens on food packages. The Committee encourages FDA to promulgate regulations to prevent cross-contamination of foods by undeclared allergens and requests a report from the agency by December 31, 2001 on its plans to do so.

Food Safety.—To enhance food safety, the Committee supports the expedited review of food additive petitions that are designed to decrease the risk of foodborne illness. FDA has implemented an expedited review process for such petitions. The Committee notes that despite this effort, unacceptable delays persist regarding actions that would permit the expanded use of pathogen-reducing technologies. The Committee directs FDA to explore additional activities that would permit the expanded use of pathogen-reducing technologies, particularly including more timely review, food additive petition process enhancements such as premarket consultations for petitions for new uses of irradiation, and developing irradiation labeling that is better understood by the general public.

Generic Drug Application Review.—It is the view of the Committee that ensuring timely access to affordable generic medicines is an important part of efforts to address the rising cost of prescription drugs. Review times for applications of generic drugs continue to exceed statutory limits, thus depriving patients and health care providers of significant savings. The Committee provides an increase above the budget request of $1,500,000 for the Office of Generic Drugs to hire reviewers and otherwise assist in accelerating generic drug reviews.

Generic Drug Education.—It is the view of the Committee that ensuring timely access to affordable generic medicines is an important part of efforts to address the rising cost of prescription drugs. The Committee provides an increase of $250,000 for the Office of Generic Drugs to further work begun this year to develop and implement an education program on the use and therapeutic equivalency of generic pharmaceuticals.

Import Inspections.—The Committee remains concerned that the FDA physically inspects less than one percent of products imported into our country. The Committee is also concerned about the increasing and tremendous strain on inspection resources brought about by the flood of new imports coming into this country as a result of free trade agreements. The Committee encourages the FDA to consider the import program a priority in the agency's risk-based inspection system.

Labeling of Irradiated Foods.—FDA is in the process of developing a proposed rule related to the current labeling requirements for foods that are treated with ionizing radiation. The Committee understands that FDA regulations currently permit labeling that explains why the food is being irradiated, as long as the labeling is truthful and not misleading. The Committee believes that any required disclosure should not be perceived as a warning or give rise to inappropriate consumer anxiety. The Committee believes the FDA should consider as part of its rulemaking process a proposal to include only those labeling alternatives that are easily understood by the general public.

Medical Device Application Review.—The Committee is concerned about the impact that delays in device application review have on Americans' health. The Committee has provided the full level of requested funding for device application review and expects that significant gains in performance will result. The Committee directs that FDA provide updates of its medical device review performance, as compared to statutory requirements for application decisions, with reports to the Committee in January and July 2002.

National Antimicrobial Resistance Monitoring System.—The Committee is interested in the function and administration of the National Antibiotic Resistance Monitoring System (NARMS), a collaborative effort among the FDA, the Department of Agriculture, and the Centers for Disease Control and Prevention, and directs the Secretary of the Department of Health and Human Services to describe the administration of the program in a report to the Committee by March 1, 2002. The report to the Committee should contain a detailed breakout of all FDA funds allocated to NARMS in fiscal year 2001, including a list of FDA activities, and grants and funded interagency agreements to other agencies and academic institutions. In addition, include in the report any overhead cost factors used, and note any services or data provided by FDA to other federal agencies, states, or countries without charge to them.

National Center for Food Safety and Technology.—Within the amounts provided for food safety, the Committee recommends $3,000,000 for the National Center for Food Safety and Technology in Summit-Argo, Illinois, to continue collaborative research in food safety among government, academia, and private industry.

Office of Women's Health.—The Committee is concerned that insufficient attention has been paid to gender-based research by the FDA. Since the Office of Women's Health was established in 1994, its budget and its functions have been stagnant in spite of greatly increased needs. Last year, GAO reported a serious disproportionate impact on women of drugs withdrawn from the market for safety reasons. To address this issue, the Committee directs that FDA develop an agency-wide database focused on women's health activities, and that FDA commence a capability assessment for each Center and the Office of the Commissioner to review currently available critical clinical trail databases, coordinate data collection and identify areas in which data gaps exist. The Committee directs FDA to provide an additional $700,000 to the Office of Women's Health for this effort, from within sums provided for all programs, and to provide the Committee with the capability assessment report and detailed plans for the database by January 31, 2002.

Restrictions on Commercial Speech.—FDA is to report to the Committee by July 1, 2002, regarding actions it has taken or plans to take to address any significant and recent questions raised about whether an FDA rule or policy violates the First Amendment.

Secondary Wholesale Pharmaceutical Industry.—The Committee supports the recent FDA action to delay the effective date for implementing certain requirements of the Prescription Drug Marketing Act until April 1, 2002. The Committee is concerned about the potential impact of the proposed revisions on the secondary wholesale pharmaceutical industry. Specifically, the Committee is concerned that the rule in its current form may disproportionately

favor a few large distributors at the expense of consumers and genuine competition in the marketplace. The Committee urges the FDA to revise the rule to address the Committee's concerns.

Shellfish Safety.—The Committee expects that FDA will continue its work with the Interstate Shellfish Sanitation Commission (ISSC) to promote educational and research activities related to shellfish safety in general, and *Vibrio vulnificus* in particular. The Committee directs the use of $250,000 for this effort from within sums provided for food safety. In addition, the Committee understands that FDA's Office of Seafood has a memorandum of understanding with ISSC to work on assuring the safety and quality of shellfish, including regulation development when needed. The Committee directs that FDA continue this work with the ISSC, and that FDA continue to devote not less than $200,000 to these efforts.

Shellfish Safety Goals.—While the Committee supports the efforts by the Food and Drug Administration in reducing the rate of illness due to *Vibrio vulnificus*, it is concerned about the achievability of the illness rate reduction goals and the severity of consequences for failure in reaching those goals being proposed by the Interstate Shellfish Sanitation Conference (ISSC). The Committee encourages FDA and the ISSC to work with the state regulatory authorities and industry to ensure that the impact to the affected states is understood and mitigated as these reduction goals are developed, consistent with latest scientific information available. Furthermore, the Committee supports the continued emphasis on education of at-risk individuals and their medical caretakers.

White Oak, Maryland, Relocation.—The Committee recommends language, as requested, that extends the availability of $6,000,000 until September 30, 2003, for costs related to occupancy of new facilities at White Oak, Maryland.

Recommendations by activity.—The Committee recommends that of the total amount provided: (1) $307,552,000 shall be for the Center for Food Safety and Applied Nutrition and related field activities in the Office of Regulatory Affairs; (2) $349,397,000 shall be for the Center for Drug Evaluation and Research and related field activities in the Office of Regulatory Affairs; (3) $155,375,000 shall be for the Center for Biologics Evaluation and Research and for related field activities in the Office of Regulatory Affairs; (4) $81,467,000 shall be for the Center for Veterinary Medicine and for related field activities in the Office of Regulatory Affairs; (5) $179,521,000 shall be for the Center for Devices and Radiological Health and for related field activities in the Office of Regulatory Affairs; (6) $37,082,000 shall be for the National Center for Toxicological Research (NCTR); (7) $31,798,000 shall be for Rent and Related activities, other than the amounts paid to the General Services Administration; (8) $105,116,000 shall be for payments to the General Services Administration for rent and related costs; and (9) $95,031,000 shall be for other activities, including the Office of the Commissioner, the Office of Senior Associate Commissioner, the Office of International and Constituent Relations, the Office of Policy, Planning, and Legislation, the Office of Management and Systems, and central services for these offices. Funds may be transferred from one specified activity to another with the prior approval of the Committee.

BUILDINGS AND FACILITIES

2001 appropriation	$31,281,000
2002 budget estimate	34,281,000
Provided in the bill	34,281,000
Comparison:	
2001 appropriation	+3,000,000
2002 budget estimate	.....

The Buildings and Facilities account was established for repair and improvement of existing facilities, as well as for construction of new facilities when needed.

COMMITTEE PROVISIONS

For Buildings and Facilities of the Food and Drug Administration, the Committee provides an appropriation of $34,281,000, an increase of $3,000,000 above the amount available for fiscal year 2001 and the same amount as the budget request.

The Committee recommends $8,281,000 for repairs and improvements to existing facilities, and $3,000,000 for continuing construction of phase III at the Arkansas Regional Laboratory. The Committee supports replacement of the Los Angeles laboratory, and provides an appropriation of $23,000,000 for the second and final phase of laboratory construction.

INDEPENDENT AGENCIES

COMMODITY FUTURES TRADING COMMISSION

2001 appropriation	$67,850,000
2002 budget estimate	70,400,000
Provided in the bill	70,700,000
Comparison:	
2001 appropriation	+2,850,000
2002 budget estimate	+300,000

The Commodity Futures Trading Commission (CFTC) administers the Commodity Exchange Act of 1936, as amended. The purpose of the Commission is to further the economic utility of futures and option markets by encouraging their efficiency, assuring their integrity, and protecting participants and the public against manipulation, fraud, and abusive trade practices. The objective is to enable the markets to better serve their designated function in providing a price discovery mechanism and as a means of offsetting price risk. In properly serving these functions, the futures markets contribute toward better planning, more efficient distribution and consumption, and more economical marketing.

COMMITTEE PROVISIONS

For the Commodity Futures Trading Commission, the Committee provides an appropriation of $70,700,000, an increase of $2,850,000 above the amount available for fiscal year 2001 and an increase of $300,000 above the budget request.

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

2001 limitation	($36,719,000)
2002 budget estimate	(36,700,000)
Provided in the bill	(36,700,000)
Comparison:	
2001 limitation	(−19,000)
2002 budget estimate	

The Farm Credit Administration (FCA) originally created by Executive Order No. 6084 on May 27, 1933, was transferred to the Department of Agriculture on July 1, 1939, by Reorganization Plan No. 1. From December 4, 1953 to January 23, 1986, the Administration was an independent agency under the direction of a Federal Farm Credit Board (12 U.S.C. 636). The Farm Credit Amendments Act of 1985 (P.L. 99–205) clarified the FCA's role as an arm's-length financial regulator, granting it the same intermediate enforcement powers as other Federal financial regulatory agencies. The Act also replaced the Federal Farm Credit Board of 13 Presidentially appointed part-time Board members with the FCA Board, comprised of a Chairman and two other Board members, all serving in a full-time capacity. Not more than two members of the Board shall be members of the same political party.

The FCA is responsible for regulating, supervising, and examining the institutions of the Farm Credit System (System). The FCA and the System institutions operate under the authority of the Farm Credit Act of 1971 (12 U.S.C. 2002 et seq.). The institutions of the System are the Farm Credit banks, production credit associations, Federal land credit associations, agricultural credit associations, and one Agricultural Credit Bank. The combined lending activities in the System institutions provided short- and long-term credit to the nation's farmers, ranchers, and producers and harvesters of aquatic products, and their cooperatives. System institutions are owned by their member borrowers. The operation of the System is funded through the sale of systemwide consolidated bonds and discount notes in the public money markets, and the institutions are fully liable for the payment of these securities. The operating expenses of the FCA are paid by the System institutions and by the Federal Agricultural Mortgage Corporation through assessments, which are deposited in a special fund in the Treasury which is available for the use of the FCA.

COMMITTEE PROVISIONS

For a limitation on the expenses of the Farm Credit Administration, the Committee provides $36,700,000, a decrease of $19,000 below the amount available for fiscal year 2001 and the same amount as the budget request.

TITLE VII—GENERAL PROVISIONS

The General Provisions contained in the accompanying bill for fiscal year 2002 are fundamentally the same as those included in last year's appropriations bill.

Section 722: Language is included to prohibit funds from being used to carry out programs under the Fund for Rural America.

Section 723: Language is included to prohibit funds from being used to carry out the Initiative for Future Agriculture and Food Systems.

Section 724: Language is included that prohibits funds from being used to carry out the Conservation Farm Option program.

Section 725: Language is included that prohibits funds from being used to prepare a budget submission to Congress that assumes reductions from the previous year's budget due to user fee proposals unless the submission also identifies spending reductions which should occur if the user fees are not enacted.

Section 726: Language is included that provides that no funds shall be used to propose or issue rules, regulations, decrees, or orders for the purpose of implementation, or in preparation for implementation, of the Kyoto Protocol which was adopted on December 11, 1997, in Kyoto, Japan.

Section 727: Language is included that provides that no funds may be used to close or relocate a state Rural Development office unless or until cost effectiveness and enhancement of program delivery have been determined.

Section 728: Language is included that provides $4,000,000 for a hunger fellowship program.

Section 729: Language is included that provides that, hereafter, refunds or rebates received on an on-going basis from a credit card services provider under the Department of Agriculture's charge card programs may be deposited to and retained without fiscal year limitation in the Departmental Working Capital fund, and may be used to fund management initiatives of general benefit to the Department as determined by the Secretary.

Section 730: Language is included that provides that any balances available to carry out Title III of the Agricultural Trade Development and Assistance Act of 1954, and any recoveries and reimbursements that become available, may be used to carry out Title II of such Act. Funds were last appropriated for Title III programming in FY 1999. However, there are Title III balances remaining of less than $500,000. This provision allows remaining Title III account balances to be used for Title II programming since no new Title III programming is anticipated. This provision will allow the use of remaining Title III balances for Title II even though Section 412 of P.L. 480 provides that only 50 percent of the funds available for Title III may be used to carry out Title II.

Section 731: Language is included that amends Section 375(e)(6)(B) of the Consolidated Farm and Rural Development Act regarding the National Sheep Industry Improvement Center revolving fund.

Section 732: Language is included that prohibits the use of funds to issue a notice of proposed rulemaking, to promulgate a proposed rule, or to otherwise change or modify the definition of "animal" in existing regulations pursuant to the Animal Welfare Act.

Section 733: Language is included that provides that the City of Cabot, Arkansas, and the City of Coachella, California, shall be eligible for loans and grants provided through the Rural Community Advancement Program.

Section 734: Language is included that provides that the City of Casa Grande, Arizona, shall be considered as meeting the requirements of a rural area in section 520 of the Housing Act of 1949.

Section 735: Language is included that makes the City of St. Joseph, Missouri, eligible for grants and loans administered by the rural development mission areas of the Department of Agriculture.

Section 736: Language is included that makes the City of Hollister, California, eligible for housing programs in the rural development mission areas of the Department of Agriculture.

Section 737: Language is included stating that none of the funds appropriated or otherwise made available by this Act may be used to maintain, modify, or implement any assessment against agricultural producers as part of a commodity promotion, research, and consumer information order, known as a check-off program, that has not been approved by the affected producers in accordance with the statutory requirements applicable to the order.

Section 738: Language is included that prohibits funds to close or relocate certain Food and Drug Administration offices in St. Louis, Missouri

Section 739: Language is included that prohibits the use of funds to reduce staff levels at certain Food and Drug Administration offices in Detroit, Michigan.

Section 740: Language is included that provides emergency funds for market loss payments for apple producers.

TRANSFER OF UNEXPENDED BALANCES

Pursuant to clause 3(f)(2) of rule XIII of the Rules of the House of Representatives, the following statement is submitted describing the transfer of unexpended balances provided in the accompanying bill. Transfers of unexpended balances are assigned to the jurisdiction of the Committee on Appropriations by clause 1(b)(3) of rule X.

1. Agriculture Buildings and Facilities and Rental Payments.—The bill allows transfers to or from the rental payments account based on changing space requirements.

2. Hazardous Materials Management.—The bill allows the funds appropriated to the Department for hazardous materials management to be transferred to agencies of the Department as required.

3. Departmental Administration.—The bill requires reimbursement for expenses related to certain hearings.

4. Office of the Assistant Secretary for Congressional Relations.—The bill allows a portion of the funds appropriated to the Office of the Assistant Secretary to be transferred to agencies.

5. Animal and Plant Health Inspection Service.—Authority is included to enable the Secretary of Agriculture to transfer from other appropriations or funds of the Department such sums as may be necessary to combat emergency outbreaks of certain diseases of animals, plants, and poultry.

6. Agricultural Marketing Service.—The bill limits the transfer of section 32 funds to purposes specified in the bill.

7. Farm Service Agency.—The bill provides that funds provided to other accounts in the agency may be merged with the salaries and expenses account of the Farm Service Agency.

8. Dairy Indemnity Program.—The bill authorizes the transfer of funds to the Commodity Credit Corporation, by reference.

9. Agricultural Credit Insurance Fund.—The bill provides that funds from the account shall be transferred to the Farm Service Agency salaries and expenses account, and that funds may be transferred among lending programs.

10. Rural Development Salaries and Expenses.—The bill provides that prior year balances from certain accounts shall be transferred to and merged with this account.

11. Rural Housing Insurance Fund program account; Rural Development Loan Fund program account; Rural Electrification and Telecommunications Loans program account; and Rural Telephone Bank program account.—The bill provides that administrative funds shall be transferred to the Rural Development Salaries and Expenses Account.

12. Child Nutrition Programs.—The bill includes authority to transfer section 32 funds to these programs.

13. Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).—The bill permits the use of funds for other programs under certain conditions.

14. Commodity Assistance Program.—The bill permits the use of funds for another activity under certain conditions.

15. Foreign Agricultural Service.—The bill allows for the transfer of funds from the Commodity Credit Corporation Export Loan Program Account and Public Law 480 Program Account.

16. Public Law 480.—The bill provides that funds made available for the cost of title I agreements and for title I ocean freight differential may be used interchangeably.

17. Commodity Credit Corporation Export Loans Program.—The bill provides for transfer of funds to the Foreign Agricultural Service and to the Farm Service Agency for overhead expenses associated with credit reform.

CHANGES IN THE APPLICATION OF EXISTING LAW

Pursuant to clause 3(f)(1)(A) of rule XIII of the Rules of the House of Representatives, the following statements are submitted describing the effect of provisions in the accompanying bill which directly or indirectly change the application of existing law. In most instances, these provisions have been included in prior appropriations bills, often at the request of or with the knowledge and consent of the responsible legislative committees.

Language is included in various parts of the bill to continue ongoing activities of those Federal agencies which require annual authorization or additional legislation which to date has not been enacted.

Language is included in the bill in several accounts that earmarks funds for empowerment zones and enterprise communities as authorized by title XIII of the Omnibus Budget Reconciliation Act of 1994.

The bill includes a number of provisions which place limitations on the use of funds in the bill or change existing limitations and which might, under some circumstances, be construed as changing the application of existing law:

1. *Office of the Secretary*.—Language is included to limit the amount of funds for official reception and representation expenses, as determined by the Secretary.

2. *Agriculture Buildings and Facilities and Rental Payments*.—Language is included that allows for the reconfiguration and release of space back into the General Services Administration inventory in order to reduce space rental cost for space not needed for USDA programs. Language is included which allows the transfer of limited amounts to and from this account to cover new or increased costs until those costs can be included in subsequent budget requests to the Congress.

3. *Departmental Administration.*—Language is included to reimburse the agency for travel expenses incident to the holding of hearings.

4. *Agricultural Research Service*.—The bill includes language that prohibits funds from being used to carry out research related to the production, processing or marketing of tobacco or tobacco products. Language is included that allows the Agricultural Re-

search Service to grant easements at the Beltsville, MD agricultural research center, and language is included that authorizes the Agricultural Research Service to charge fees for any permit, easement, lease or other special use authorization for the occupancy or use of land and facilities issued by the agency and such fees shall be credited to the Agricultural Research Service and remain available until expended.

5. *Cooperative State Research, Education, and Extension Service*.—The bill includes language that prohibits funds from being used to carry out research related to the production, processing or marketing of tobacco or tobacco products.

6. *Animal and Plant Health Inspection Service*.—A provision carried in the bill since fiscal year 1973 regarding state matching funds has been continued to assure more effective operation of the brucellosis control program through state cost sharing, with resulting savings to the Federal budget.

Language is included to allow APHIS to recoup expenses incurred from providing technical assistance goods, or services to non-APHIS personnel.

7. *Grain Inspection, Packers and Stockyards Administration, Inspection and Weighing Services*.—The bill includes authority to exceed the limitation on inspection and weighing services by 10 percent with notification to the Appropriations Committees. This allows for flexibility if export activities require additional supervision and oversight, or other uncontrollable factors occur.

8. *Agricultural Marketing Service*.—The bill includes language that allows the Secretary to charge user fees for AMS activity related to preparation of standards.

9. *Agricultural Marketing Service, Limitation on Administrative Expenses*.—The bill includes language to allow AMS to exceed the limitation on administrative expenses by 10 percent with notification to the Appropriations Committees. This allows flexibility in case crop size is understated and/or other uncontrollable events occur.

10. *Dairy Indemnity Program*.—Language is included by reference that allows the Secretary to utilize the services of the Commodity Credit Corporation for the purpose of making dairy indemnity payments.

11. *Commodity Credit Corporation Fund, Reimbursement for Net Realized Losses*.—Language is included to provide for the reimbursement appropriation. Language is also included which limits the amount of funds that can be spent on operation and maintenance costs of CCC hazardous waste sites.

12. *Risk Management Agency*.—Language is included to limit the amount of funds for official reception and representation expenses.

13. *Natural Resources Conservation Service—Conservation Operations*.—This language, which has been included in the bill since 1938, prohibits construction of buildings on land not owned by the government, although construction on land owned by states and counties is authorized by basic law.

14. *Watershed and Flood Prevention Operations*.—Language, which was also included in the Emergency Jobs Bill of 1983 (P.L. 98–8) and all bills since 1984, provides that funds may be used for rehabilitation of existing works.

15. *Rural Housing Service—Rental Assistance Program*.—Language is included which provides that agreements entered into during the current fiscal year be funded for a five-year period.

16. *Rural Electrification and Telecommunications Loan program account.*—Language is included to allow borrowers' interest rates for loans to exceed seven percent.

17. *Child Nutrition Programs.*—Language is included to prohibit funds from being used for studies and evaluations, except for $2,000,000 to be used in a study of integrity methods and practices in the National School Lunch Program.

18. *Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)*.—Language is included to prohibit funds from being used for studies and evaluations, and to allow the use of funds for the farmers' market nutrition program, and for senior farmers' market activities.

19. *Food Stamp Program.*—Language is included to prohibit funds from being used for studies and evaluations, and to permit printing of food coupons under certain conditions.

20. *Commodity Assistance Program.*—Language is included that allows a specific funding level for Commodity Supplemental Food Program administrative expenses and to allow the use of funds for senior farmers' market activities.

21. *Foreign Agricultural Service*.—Language carried since 1979 enables this organizational unit to utilize funds received by an advance or by reimbursement to carry out its activities involving international development and technical cooperation. Language is included that prohibits disbursement of funds to any rice trade association under the market access program or the foreign market development program at any time when the applicable international activity agreement for such program is not in effect. Language is included that prohibits funds from being used to promote the sale or export of tobacco or tobacco products. Language is included to limit the amount of funds for official reception and representation expenses.

22. *Food and Drug Administration.*—Language is included that extends the availability of $6,000,000 for costs related to occupancy of new facilities at White Oak, Maryland, until September 30, 2003. Language is included that provides that $2,950,000 is available solely for carrying out the Medicine Equity and Drug Safety Act of 2000, subject to the requirements of that Act.

23. *Commodity Futures Trading Commission*.—Language is included to limit the amount of fund for official reception and representation expenses.

24. *General Provisions*.—

Section 704: This provision permits the Secretary to transfer funds made available by this Act, as well as other available unobligated balances of the Department of Agriculture, to the Working Capital fund for the acquisition of plant and capital equipment, and provides that no funds appropriated to an agency shall be transferred to the Working Capital Fund without the approval of the agency administrator.

Section 705: This provision, carried since 1976, is again included which provides that certain appropriations in this Act shall remain available until expended where the programs or

projects involved are continuing in nature under the provisions of authorizing legislation, but for which such legislation does not specifically provide for extended availability. This authority tends to result in savings by preventing the wasteful practice often found in government of rushing to commit funds at the end of the fiscal year without due regard to the value of the purpose for which the funds are used. Such extended availability is also essential in view of the long lead time frequently required to negotiate agreements or contracts which normally extend over a period of more than one year. Under these conditions such authority is commonly provided in Appropriations Acts where omitted from basic law. These provisions have been carried through the years in this Act to facilitate efficient and effective program execution and to assure maximum savings. They involve the following items: Animal and Plant Health Inspection Service, the contingency fund to meet emergency conditions, fruit fly program, the integrated systems acquisition project, the boll weevil program, up to 25 percent of the screwworm program, and up to $2,000,000 for costs associated with colocating regional offices; Food Safety and Inspection Service, field automation and information management project; Cooperative State Research, Education, and Extension Service, funds for competitive research grants, funds for the Research, Education, and Economics Information System (REEIS), and funds for the Native American Institutions Endowment Fund; Farm Service Agency, salaries and expenses to county committees; Foreign Agricultural Service, middle-income country training program and up to $2,000,000 for foreign currency fluctuations.

Section 708: This provision, included since fiscal year 1981, limits the overhead that can be charged on cooperative agreements to a maximum of 10 percent. This provision is necessary because many universities attempted to apply the same overhead rates to cooperative agreements as was being applied to grants and contracts, without giving consideration to the cooperator's contributions as an offset to the overhead charges.

Section 709: This provision, added in 1987, provides that none of the funds in this Act may be used to restrict the authority of CCC to lease space. This provision allows CCC to continue to lease space at a lower cost than space leased by GSA.

Section 710: This provision provides that none of the funds in this Act may be made available to pay indirect costs charged against agricultural research, education, or extension grants awarded by the Cooperative State Research, Education, and Extension Service in excess of 19 percent of total direct costs, except for grants available under the Small Business Innovation and Development Act.

Section 711: This provision clarifies that loan levels provided in the Act are to be considered estimates and not limitations. The Federal Credit Reform Act of 1990 provides that the appropriated subsidy is the controlling factor for the amount of loans made and that as lifetime costs and interest rates change, the amount of loan authority will fluctuate.

Section 712: This provision allows funds made available in the current fiscal year for the Rural Development Loan Fund program account; Rural Telephone Bank program account; the Rural Electrification and Telecommunications Loans program account; the Rural Housing Insurance Fund program account; and the Rural Economic Development Loans program account to remain available until expended. The Credit Reform Act requires that the lifetime costs of loans be appropriated. Current law requires that funds unobligated after five years expire. The life of some loans extends well beyond the five-year period and this provision allows funds appropriated to remain available until the loans are closed out.

Section 713: This provision provides that marketing services of the Agricultural Marketing Service; the Grain Inspection, Packers and Stockyards Administration; the Animal and Plant Health Inspection Service; and the food safety activities of the Food Safety and Inspection Service may use cooperative agreements.

Section 714: This provision provides that the Natural Resources Conservation Service may use cooperative agreements.

Section 715: Provides that not more than 5 percent of the Class A stock of the Rural Telephone Bank may be retired in fiscal year 2002. The provision also prohibits the maintenance of any account or subaccount which has not been specifically authorized by law. The provision also prohibits a transfer of any unobligated funds of the Rural Telephone Bank telephone liquidating account to the Treasury or the Federal Financing Bank that are in excess of current requirements.

Section 716: Provides that of the funds made available, not more than $1,800,000 shall be used to cover expenses of activities related to all advisory committees, panels, commissions, and task forces of the Department of Agriculture except for panels used to comply with negotiated rule makings and panels used to evaluate competitively awarded grants.

Section 717: Provides that none of the funds may be used to carry out certain provisions of meat and poultry inspection acts.

Section 718: This provision prohibits any employee of the Department of Agriculture from being detailed or assigned to any other agency or office of the Department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.

Section 719: This provision prohibits the Department of Agriculture from transmitting or making available to any non-Department of Agriculture employee questions or responses to questions that are a result of information requested for the appropriations hearing process.

Section 720: Language is included that requires approval of the Chief Information Officer and the concurrence of the Executive Information Technology Investment Review Board for acquisition of new information technology systems or significant upgrades, and that prohibits the transfer of funds to the Office

of the Chief Information Officer without the prior approval of the Committees on Appropriations of both Houses of Congress.

Section 721: Language is included that requires certain reprogramming procedures of funds provided in Appropriations Acts.

Section 722: Language is included to prohibit funds from being used to carry out programs under the Fund for Rural America.

Section 723: Language is included to prohibit funds from being used to carry out the Initiative for Future Agriculture and Food Systems.

Section 724: Language is included that prohibits funds from being used to carry out the Conservation Farm Option program.

Section 725: Language is included that prohibits funds from being used to prepare a budget submission to Congress that assumes reductions from the previous year's budget due to user fee proposals unless the submission also identifies spending reductions which should occur if the user fees are not enacted.

Section 726: Language is included that provides that no funds shall be used to propose or issue rules, regulations, decrees, or orders for the purpose of implementation, or in preparation for implementation, of the Kyoto Protocol which was adopted on December 11, 1997, in Kyoto, Japan.

Section 727: Language is included that provides that no funds may be used to close or relocate a state Rural Development office unless or until cost effectiveness and enhancement of program delivery have been determined.

Section 728: Language is included that provides $4,000,000 for a hunger fellowship program.

Section 729: Language is included that provides that, hereafter, refunds or rebates received on an on-going basis from a credit card services provider under the Department of Agriculture's charge card programs may be deposited to and retained without fiscal year limitation in the Departmental Working Capital fund, and may be used to fund management initiatives of general benefit to the Department as determined by the Secretary.

Section 730: Language is included that provides that any balances available to carry out Title III of the Agricultural Trade Development and Assistance Act of 1954, and any recoveries and reimbursements that become available, may be used to carry out Title II of such Act. Funds were last appropriated for Title III programming in FY 1999. However, there are Title III balances remaining of less than $500,000. This provision allows remaining Title III account balances to be used for Title II programming since no new Title III programming is anticipated. This provision will allow the use of remaining Title III balances for Title II even though Section 412 of P.L. 480 provides that only 50 percent of the funds available for Title III may be used to carry out Title II.

Section 731: Language is included that amends Section 375(e)(6)(B) of the Consolidated Farm and Rural Development

Act regarding the National Sheep Industry Improvement Center revolving fund.

Section 732: Language is included that prohibits the use of funds to issue a notice of proposed rulemaking, to promulgate a proposed rule, or to otherwise change or modify the definition of "animal" in existing regulations pursuant to the Animal Welfare Act.

Section 733: Language is included that provides that the City of Cabot, Arkansas, and the City of Coachella, California, shall be eligible for loans and grants provided through the Rural Community Advancement Program.

Section 734: Language is included that provides that the City of Casa Grande, Arizona, shall be considered as meeting the requirements of a rural area in section 520 of the Housing Act of 1949.

Section 735: Language is included that makes the City of St. Joseph, Missouri, eligible for grants and loans administered by the rural development mission areas of the Department of Agriculture.

Section 736: Language is included that makes the City of Hollister, California, eligible for housing programs in the rural development mission areas of the Department of Agriculture.

Section 737: Language is included stating that none of the funds appropriated or otherwise made available by this Act may be used to maintain, modify, or implement any assessment against agricultural producers as part of a commodity promotion, research, and consumer information order, known as a check-off program, that has not been approved by the affected producers in accordance with the statutory requirements applicable to the order.

Section 738: Language is included that prohibits funds to close or relocate certain Food and Drug Administration offices in St. Louis, Missouri.

Section 739: Language is included that prohibits the use of funds to reduce staff levels at certain Food and Drug Administration offices in Detroit, Michigan.

Section 740: Language is included that provides emergency funds for market loss payments for apple producers.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the following is a statement of general performance goals and objectives for which this measure authorizes funding:

The Committee on Appropriations considers program performance, including a program's success in developing and attaining outcome-related goals and objectives, in developing funding recommendations.

COMPLIANCE WITH CLAUSE 3 OF RULE XIII (RAMSEYER RULE)

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omit-

ted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

SECTION 375 OF THE CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT

SEC. 375. NATIONAL SHEEP INDUSTRY IMPROVEMENT CENTER.

(a) * * *

* * * * * * *

(e) REVOLVING FUND.—

(1) * * *

* * * * * * *

(6) FUNDING.—

(A) * * *

(B) MANDATORY FUNDS.—Out of any moneys in the Treasury not otherwise appropriated, the Secretary of the Treasury shall provide to the Center not to exceed ⟦$25,000,000⟧ *$26,000,000* to carry out this section.

* * * * * * *

APPROPRIATIONS NOT AUTHORIZED BY LAW

Pursuant to clause 3(f)(1) of rule XIII of the Rules of the House of Representatives, the following table lists the appropriations in the accompanying bill which are not authorized by law:

[In thousands of dollars]

Program and last year of authorization	Authorization level	Appropriations in last year of authorization	Appropriations in this bill
The following programs are not currently authorized by law:			
USDA:			
Dairy Indemnity Program:			
FY 1995	Such sums as necessary	0	$100
Bill Emerson and Mickey Leland Hunger Fellowships:			
[1]	[1]	[1]	4,000
The following programs are funded in this bill at levels that exceed those currently authorized by law:			
USDA:			
Farm Service Agency:			
Direct Farm Loans:			
Ownership	$85,000	NA	128,000
Operating	500,000	NA	600,000
Guaranteed Farm Loans:			
Ownership	750,000	NA	1,000,000
Cooperative State Research, Education, and Extension Service:			
Native American Institutions Endowment Fund	4,600	NA	7,100

[1] This program has never been authorized. It was initially funded in FY 2000 at $2 million.

RESCISSIONS

Pursuant to clause 3(f)(2) of rule XIII of the Rules of the House of Representatives, the following information is submitted describing the rescissions recommended in the accompanying bill:

The bill proposes rescission of $45,000,000 to eliminate the remaining unobligated balance in the Agricultural Conservation Program. This program was terminated at the beginning of 1997 in accordance with the Federal Agriculture Improvement and Reform Act of 1996.

The bill proposes rescission of $3,616,000 of funds derived from interest on the cushion of credit payments in fiscal year 2002 under the Rural Economic Development Loans Program Account, which is an annual technical adjustment contained in the budget estimates.

COMPARISON WITH BUDGET RESOLUTION

Clause 3(c)(2) of Rule XIII of the Rules of the House of Representatives requires an explanation of compliance with section 308(a)(1)(A) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344), as amended, which requires that the report accompanying a bill providing new budget authority contain a statement detailing how that authority compares with the reports submitted under section 302 of the Act for the most recently agreed to concurrent resolution on the budget for the fiscal year from the Committee's section 302(a) allocation. This information follows:

[In millions of dollars]

Full committee data	302(b) allocation		This bill	
	Budget authority	Outlays	Budget authority	Outlays
Comparison with Budget Resolution:				
Discretionary	$15,519	$15,831	$15,669	$15,974
Mandatory	43,112	33,847	43,112	33,847
Total	58,631	49,678	58,781	49,821

NOTE.—The amounts in this bill are technically in excess of the subcommittee section 302(b) suballocation. However, pursuant to section 314 of the Congressional Budget Act of 1974, as amended, increases to the Committee's section 302(a) allocation are authorized for funding in the reported bill for spending designated as emergency. After the bill is reported to the House, the Chairman of the Committee on the Budget will provide an increased section 302(a) allocation consistent with the funding provided in the bill. That new allocation will eliminate the technical difference prior to floor consideration.

FIVE-YEAR OUTLAY PROJECTIONS

In compliance with section 308(a)(1)(B) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344), as amended, the following table contains five-year projections associated with the budget authority provided in the accompanying bill:

[Five year projections, in millions of dollars]

Budget Authority	$58,781
Outlays:	
2002	41,471
2003	6,556
2004	736
2005	362
2006 and beyond	539

The bill provides no new revenues or tax expenditures, and will have no effect on budget authority, budget outlays, spending authority, revenues, tax expenditures, direct loan obligations, or primary loan guarantee commitments available under existing law for fiscal year 2002 and beyond.

ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

In accordance with section 308(a)(1)(C) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344), as amended, the financial assistance to state and local governments is as follows:

[In millions of dollars]

New budget authority	$19,560
Fiscal year 2002 outlays resulting therefrom	16,134

PROGRAM, PROJECT, AND ACTIVITY

During fiscal year 2002, for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99–177), the following information provides the definition of the term "program, project, and activity" for departments and agencies under the jurisdiction of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Subcommittee. The term "program, project, and activity" shall include the most specific level of budget items identified in the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act of 2002, the House and Senate Committee reports, and the conference report and accompanying joint explanatory statement of the managers of the committee of conference.

If a Sequestration Order is necessary, in implementing the required Presidential Order, departments and agencies shall apply any percentage reduction for fiscal year 2002 pursuant to the provisions of Public Law 99–177 to all items specified in the explanatory notes submitted to the Committees on Appropriations of the House and Senate in support of the fiscal year 2002 budget estimates, as amended, for such departments and agencies, as modified by congressional action, and in addition:

For the Agricultural Research Service the definition shall include specific research locations as identified in the explanatory notes and lines of research specifically identified in the reports of the House and Senate Appropriations Committees.

For the Natural Resources Conservation Service the definition shall include individual flood prevention projects as identified in the explanatory notes and individual operational watershed projects as summarized in the notes.

For the Farm Service Agency the definition shall include individual state, district, and county offices.

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLLCALL NO. 1

Date: June 13, 2001.

Measure: Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Bill, FY 2002.

Motion by: Mr. Cunningham.

Description of motion: To strike bill language providing for a $500,000 study on the effects of irradiated food, to strike report language asking the FDA to consider only labeling that is easily understood by the public, and to insert report language that any irradiated food labeling requirement should not be perceived as a warning.

Results: Adopted 31 yeas to 25 nays.

Members Voting Yea	*Members Voting Nay*
Mr. Aderholt	Mr. Boyd
Mr. Bonilla	Mr. Clyburn
Mr. Cramer	Ms. DeLauro
Mr. Cunningham	Mr. Dicks
Mr. Doolittle	Mr. Edwards
Mrs. Emerson	Mr. Farr
Mr. Frelinghuysen	Mr. Goode
Ms. Granger	Mr. Hinchey
Mr. Hobson	Mr. Hoyer
Mr. Istook	Ms. Kaptur
Mr. Kingston	Mr. Kennedy
Mr. Knollenberg	Ms. Kilpatrick
Mr. LaHood	Mrs. Meek
Mr. Latham	Mr. Mollohan
Mr. Lewis	Mr. Obey
Mr. Murtha	Mr. Olver
Mr. Nethercutt	Mr. Pastor
Mrs. Northup	Mr. Price
Mr. Peterson	Mr. Rothman
Mr. Regula	Ms. Roybal-Allard
Mr. Rogers	Mr. Sabo
Mr. Skeen	Mr. Serrano
Mr. Sununu	Mr. Sherwood
Mr. Taylor	Mr. Sweeney
Mr. Tiahrt	Mr. Visclosky
Mr. Vitter	
Mr. Walsh	
Mr. Wamp	
Mr. Wicker	
Mr. Wolf	
Mr. Young	

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLLCALL NO. 2

Date: June 13, 2001.

Measure: Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Bill, FY 2002.

Motion by: Ms. Kaptur.

Description of motion: To provide $500,000,000 in contingent emergency appropriations for the establishment of a biofuels program.

Results: Rejected 18 yeas to 31 nays.

Members Voting Yea	*Members Voting Nay*
Mr. Boyd	Mr. Aderholt
Mr. Cramer	Mr. Bonilla
Ms. DeLauro	Mr. Callahan
Mr. Edwards	Mr. Cunningham
Mr. Farr	Mr. DeLay
Mr. Hinchey	Mr. Doolittle
Ms. Kaptur	Mrs. Emerson
Ms. Kilpatrick	Mr. Frelinghuysen
Mrs. Meek	Mr. Goode
Mr. Mollohan	Ms. Granger
Mr. Obey	Mr. Hobson
Mr. Olver	Mr. Istook
Mr. Pastor	Mr. Kingston
Ms. Pelosi	Mr. Knollenberg
Mr. Price	Mr. LaHood
Mr. Rothman	Mr. Latham
Mr. Sabo	Mr. Lewis
Mr. Serrano	Mr. Miller
	Mr. Nethercutt
	Mrs. Northup
	Mr. Peterson
	Mr. Regula
	Mr. Rogers
	Mr. Sherwood
	Mr. Skeen
	Mr. Sununu
	Mr. Vitter
	Mr. Walsh
	Mr. Wamp
	Mr. Wicker
	Mr. Young

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLLCALL NO. 3

Date: June 13, 2001.

Measure: Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Bill, FY 2002.

Motion by: Ms. DeLauro.

Description of motion: To provide $50,000,000 in contingent emergency appropriations for the Food Safety and Inspection Service and $163,000,000 in contingent emergency appropriations for the Food and Drug Administration for food safety activities.

Results: Rejected 23 yeas to 29 nays.

Members Voting Yea	*Members Voting Nay*
Mr. Boyd	Mr. Aderholt
Mr. Clyburn	Mr. Bonilla
Mr. Cramer	Mr. Callahan
Mr. Cunningham	Mr. Doolittle
Ms. DeLauro	Mrs. Emerson
Mr. Dicks	Mr. Goode
Mr. Farr	Ms. Granger
Mr. Fattah	Mr. Istook
Mr. Frelinghuysen	Mr. Kingston
Mr. Hinchey	Mr. Knollenberg
Ms. Kaptur	Mr. LaHood
Mr. Kennedy	Mr. Latham
Ms. Kilpatrick	Mr. Lewis
Mrs. Meek	Mr. Miller
Mr. Mollohan	Mr. Nethercutt
Mr. Obey	Mrs. Northup
Mr. Olver	Mr. Peterson
Mr. Pastor	Mr. Regula
Mr. Price	Mr. Rogers
Mr. Rothman	Mr. Sherwood
Ms. Roybal-Allard	Mr. Skeen
Mr. Serrano	Mr. Sununu
Mr. Visclosky	Mr. Taylor
	Mr. Vitter
	Mr. Walsh
	Mr. Wamp
	Mr. Wicker
	Mr. Wolf
	Mr. Young

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLLCALL NO. 4

Date: June 13, 2001.

Measure: Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Bill, FY 2002.

Motion by: Ms. Kaptur.

Description of motion: To require continuation of the Global Food for Education Initiative at the fiscal year 2001 level, with directed scorekeeping.

Results: Rejected 26 yeas to 32 nays.

Members Voting Yea	*Members Voting Nay*
Mr. Boyd	Mr. Aderholt
Mr. Clyburn	Mr. Bonilla
Mr. Cramer	Mr. Callahan
Ms. DeLauro	Mr. Cunningham
Mr. Dicks	Mr. DeLay
Mr. Edwards	Mr. DooLittle
Mrs. Emerson	Mr. Frelinghuysen
Mr. Farr	Mr. Goode
Mr. Fattah	Mr. Granger
Mr. Hinchey	Mr. Hobson
Mr. Jackson	Mr. Istook
Ms. Kaptur	Mr. Kingston
Mr. Kennedy	Mr. Knollenberg
Ms. Kilpatrick	Mr. LaHood
Mrs. Meek	Mr. Latham
Mr. Mollohan	Mr. Lewis
Mr. Obey	Mr. Miller
Mr. Pastor	Mr. Nethercutt
Mr. Price	Mrs. Northup
Mr. Rothman	Mr. Peterson
Ms. Roybal-Allard	Mr. Regula
Mr. Sabo	Mr. Rogers
Mr. Serrano	Mr. Sherwood
Mr. Tiahrt	Mr. Skeen
Mr. Visclosky	Mr. Sununu
Mr. Wicker	Mr. Sweeney
	Mr. Taylor
	Mr. Vitter
	Mr. Walsh
	Mr. Wamp
	Mr. Wolf
	Mr. Young

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLLCALL NO. 5

Date: June 13, 2001.

Measure: Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Bill, FY 2002.

Motion by: Mr. Hinchey.

Description of motion: To provide contingent emergency appropriations of $150,000,000 in Commodity Credit Corporation funds for market loss assistance for apple producers.

Results: Adopted 34 yeas to 24 nays.

Members Voting Yea	*Members Voting Nay*
Mr. Boyd	Mr. Aderholt
Mr. Clyburn	Mr. Bonilla
Mr. Cramer	Mr. Callahan
Ms. DeLauro	Mr. Cunningham
Mr. Dicks	Mr. DeLay
Mr. Edwards	Mr. Doolittle
Mrs. Emerson	Mr. Hobson
Mr. Farr	Mr. Istook
Mr. Frelinghuysen	Mr. Kingston
Mr. Goode	Mr. LaHood
Ms. Granger	Mr. Latham
Mr. Hinchey	Mr. Lewis
Mr. Hoyer	Mr. Miller
Mr. Jackson	Mrs. Northup
Ms. Kaptur	Mr. Regula
Mr. Kennedy	Mr. Rogers
Ms. Kilpatrick	Mr. Skeen
Mr. Knollenberg	Mr. Sununu
Mrs. Meek	Mr. Taylor
Mr. Mollohan	Mr. Tiahrt
Mr. Nethercutt	Mr. Vitter
Mr. Obey	Mr. Wamp
Ms. Pelosi	Mr. Wicker
Mr. Peterson	Mr. Young
Mr. Price	
Mr. Rothman	
Ms. Roybal-Allard	
Mr. Sabo	
Mr. Serrano	
Mr. Sherwood	
Mr. Sweeney	
Mr. Visclosky	
Mr. Walsh	
Mr. Wolf	

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2001 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2002

(Amounts in thousands)

	FY 2001 Enacted	FY 2002 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE I - AGRICULTURAL PROGRAMS					
Production, Processing, and Marketing					
Office of the Secretary	2,908	2,992	3,015	+107	+23
Executive Operations:					
Chief Economist	7,446	7,648	7,704	+258	+56
National Appeals Division	12,394	12,766	12,869	+475	+103
Office of Budget and Program Analysis	6,750	6,978	7,041	+291	+63
Office of the Chief Information Officer	10,029	10,261	10,325	+296	+64
Common computing environment	39,912	59,369	59,369	+19,457	.....
Office of the Chief Financial Officer	5,160	5,335	5,384	+224	+49
Total, Executive Operations	81,691	102,357	102,692	+21,001	+335
Office of the Assistant Secretary for Administration	628	647	652	+24	+5
Agriculture buildings and facilities and rental payments	182,345	187,581	187,647	+5,302	+66
Payments to GSA	(125,266)	(130,266)	(130,266)	(+5,000)	.....
Building operations and maintenance	(31,136)	(31,372)	(31,438)	(+302)	(+66)
Repairs, renovations, and construction	(25,943)	(25,943)	(25,943)	.....	.....
Hazardous materials management	15,665	15,665	15,665	.....	.....
Departmental administration	35,931	37,079	37,398	+1,467	+319
Outreach for socially disadvantaged farmers	2,993	2,993	2,993	.....	.....
Office of the Assistant Secretary for Congressional Relations	3,560	3,684	3,718	+158	+34
Office of Communications	8,604	8,894	8,975	+371	+81
Office of the Inspector General	68,715	70,839	71,429	+2,714	+590

Office of the General Counsel	31,012	32,627	32,937	+1,925	+310
Office of the Under Secretary for Research, Education and Economics.	555	573	578	+23	+5
Economic Research Service	66,891	67,200	67,620	+729	+420
National Agricultural Statistics Service	100,550	113,786	114,546	+13,996	+760
Census of Agriculture	(14,967)	(25,350)	(25,456)	(+10,489)	(+106)
Agricultural Research Service	896,835	915,591	971,365	+74,530	+55,774
Buildings and facilities	74,037	30,462	78,862	+4,825	+48,400
Total, Agricultural Research Service	970,872	946,053	1,050,227	+79,355	+104,174
Cooperative State Research, Education, and Extension Service:					
Research and education activities	505,079	407,319	507,452	+2,373	+100,133
Native American Institutions Endowment Fund	(7,100)	(7,100)	(7,100)	.....	.....
Extension activities	432,475	413,404	436,029	+3,554	+22,625
Integrated activities	41,849	41,849	43,355	+1,506	+1,506
Total, Cooperative State Research, Education, and Extension Service	979,403	862,572	986,836	+7,433	+124,264
Office of the Under Secretary for Marketing and Regulatory Programs	634	654	660	+26	+6
Animal and Plant Health Inspection Service:					
Salaries and expenses	529,397	702,925	587,386	+57,989	-115,539
AQI user fees	(84,813)	(84,813)	(84,813)	.....	.....
Buildings and facilities	9,848	5,189	7,189	-2,659	+2,000
Total, Animal and Plant Health Inspection Service	539,245	708,114	594,575	+55,330	-113,539
Agricultural Marketing Service:					
Marketing Services	65,191	71,430	71,774	+6,583	+344
Standardization user fees	(4,000)	(5,000)	(5,000)	(+1,000)	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2001 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2002—Continued

(Amounts in thousands)

	FY 2001 Enacted	FY 2002 Request	Bill	Bill vs. Enacted	Bill vs. Request
(Limitation on administrative expenses, from fees collected)	(60,596)	(60,596)	(60,596)	.....	.....
Funds for strengthening markets, income, and supply (transfer from section 32)	13,438	13,874	13,995	+557	+121
Payments to states and possessions	1,347	1,347	1,347	.....	.....
Total, Agricultural Marketing Service	79,976	86,651	87,116	+7,140	+465
Grain Inspection, Packers and Stockyards Administration:					
Salaries and expenses	31,350	32,907	33,117	+1,767	+210
Inspection and weighing services	(42,463)	(42,463)	(42,463)	.....	.....
Office of the Under Secretary for Food Safety	459	476	481	+22	+5
Food Safety and Inspection Service	695,171	715,542	720,652	+25,481	+5,110
Lab accreditation fees 1/	(998)	(1,000)	(1,000)	(+2)	.....
Total, Food Safety and Inspection Service	695,171	715,542	720,652	+25,481	+5,110
Total, Production, Processing, and Marketing	3,899,158	3,999,886	4,123,529	+224,371	+123,643
Farm Assistance Programs					
Office of the Under Secretary for Farm and Foreign Agricultural Services	588	606	611	+23	+5

Farm Service Agency:					
Salaries and expenses	826,563	939,030	945,993	+119,430	+6,963
(Transfer from export loans)	(588)	(790)	(797)	(+209)	(+7)
(Transfer from P.L. 480)	(813)	(972)	(980)	(+167)	(+8)
(Transfer from ACIF)	(264,731)	(272,595)	(274,769)	(+10,038)	(+2,174)
Subtotal, Transfers from program accounts	(266,132)	(274,357)	(276,546)	(+10,414)	(+2,189)
Total, salaries and expenses	(1,092,695)	(1,213,387)	(1,222,539)	(+129,844)	(+9,152)
State mediation grants	2,993	2,993	2,993	.....	.....
Dairy indemnity program	450	100	100	-350	.....
Subtotal, Farm Service Agency	830,006	942,123	949,086	+119,080	+6,963
Agricultural Credit Insurance Fund Program Account:					
Loan authorizations:					
Farm ownership loans:					
Direct	(127,722)	(128,000)	(128,000)	(+278)	.....
Guaranteed	(868,086)	(1,000,000)	(1,000,000)	(+131,914)	.....
Subtotal	(995,808)	(1,128,000)	(1,128,000)	(+132,192)	.....
Farm operating loans:					
Direct	(522,891)	(600,000)	(600,000)	(+77,109)	.....
Unsubsidized guaranteed	(1,075,468)	(1,500,000)	(1,500,000)	(+424,532)	.....
Subsidized guaranteed	(369,100)	(500,000)	(500,000)	(+130,900)	.....
Subtotal	(1,967,459)	(2,600,000)	(2,600,000)	(+632,541)	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2001 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2002—Continued

(Amounts in thousands)

	FY 2001 Enacted	FY 2002 Request	Bill	Bill vs. Enacted	Bill vs. Request
Indian tribe land acquisition loans	(2,002)	(2,000)	(2,000)	(-2)	.....
Emergency disaster loans	(24,947)	(25,000)	(25,000)	(+53)	.....
Boll weevil eradication loans	(100,000)	(100,000)	(100,000)	.....	.....
Total, Loan authorizations	(3,090,216)	(3,855,000)	(3,855,000)	(+764,784)	.....
Loan subsidies:					
Farm ownership loans:					
Direct	13,756	3,366	3,366	-10,390	.....
Guaranteed	4,427	4,500	4,500	+73	.....
Subtotal	18,183	7,866	7,866	-10,317	.....
Farm operating loans:					
Direct	47,251	53,580	53,580	+6,329	.....
Unsubsidized guaranteed	14,738	52,650	52,650	+37,912	.....
Subsidized guaranteed	30,119	67,800	67,800	+37,681	.....
Subtotal	92,108	174,030	174,030	+81,922	.....
Indian tribe land acquisition	322	118	118	-204	.....
Emergency disaster loans	6,120	3,363	3,363	-2,757	.....
Total, Loan subsidies	116,733	185,377	185,377	+68,644	.....

ACIF expenses:					
Salaries and expense (transfer to FSA)	264,731	272,595	274,769	+10,038	+2,174
Administrative expenses	4,130	8,000	8,000	+3,870	.....
Total, ACIF expenses	268,861	280,595	282,769	+13,908	+2,174
Total, Agricultural Credit Insurance Fund	385,594	465,972	468,146	+82,552	+2,174
(Loan authorization)	(3,090,216)	(3,855,000)	(3,855,000)	(+764,784)	.....
Total, Farm Service Agency	1,215,600	1,408,095	1,417,232	+201,632	+9,137
Risk Management Agency	65,453	74,752	75,142	+9,689	+390
Total, Farm Assistance Programs	1,281,641	1,483,453	1,492,985	+211,344	+9,532
Corporations					
Federal Crop Insurance Corporation:					
Federal crop insurance corporation fund	2,804,660	3,037,000	3,037,000	+232,340	.....
Commodity Credit Corporation Fund:					
Reimbursement for net realized losses	25,264,441	23,116,000	23,116,000	-2,148,441	.....
Operations and maintenance for hazardous waste management (limitation on administrative expenses)	(5,000)	(5,000)	(5,000)	.....	.....
Total, Corporations	28,069,101	26,153,000	26,153,000	-1,916,101	.....
Total, title I, Agricultural Programs	33,249,900	31,636,339	31,769,514	-1,480,386	+133,175
(By transfer)	(266,132)	(274,357)	(276,546)	(+10,414)	(+2,189)
(Loan authorization)	(3,090,216)	(3,855,000)	(3,855,000)	(+764,784)	.....
(Limitation on administrative expenses)	(108,059)	(108,059)	(108,059)	.....	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2001 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2002—Continued

(Amounts in thousands)

	FY 2001 Enacted	FY 2002 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE II - CONSERVATION PROGRAMS					
Office of the Under Secretary for Natural Resources and Environment.	709	730	736	+27	+6
Natural Resources Conservation Service:					
Conservation operations	712,545	773,454	782,762	+70,217	+9,308
Watershed surveys and planning	10,844	10,960	11,030	+186	+70
Watershed and flood prevention operations	99,224	100,413	105,743	+6,519	+5,330
Resource conservation and development	41,923	43,048	48,361	+6,438	+5,313
Forestry incentives program	6,311	.....	.....	-6,311	.....
Agricultural Conservation Program (rescission)	.....	.....	-45,000	-45,000	-45,000
Total, Natural Resources Conservation Service	870,847	927,875	902,896	+32,049	-24,979
Total, title II, Conservation Programs	871,556	928,605	903,632	+32,076	-24,973
TITLE III - RURAL DEVELOPMENT PROGRAMS					
Office of the Under Secretary for Rural Development	604	623	628	+24	+5
Rural Development:					
Rural community advancement program	760,864	692,125	767,465	+6,601	+75,340
RD expenses:					
Salaries and expenses	130,084	133,722	134,733	+4,649	+1,011
(Transfer from RHIF)	(408,333)	(419,741)	(422,910)	(+14,577)	(+3,169)
(Transfer from RDLFP)	(3,632)	(3,733)	(3,761)	(+129)	(+28)
(Transfer from RETLP)	(34,640)	(35,604)	(36,322)	(+1,682)	(+718)

(Transfer from RTB)	(2,993)	(3,082)	(3,107)	(+114)	(+25)
Total, RD expenses	(579,682)	(595,882)	(600,833)	(+21,151)	(+4,951)
Total, Rural Development	890,948	825,847	902,198	+11,250	+76,351
Rural Housing Service:					
Rural Housing Insurance Fund Program Account:					
Loan authorizations:					
Single family (sec. 502)	(1,071,628)	(1,064,650)	(1,064,650)	(-6,978)	.....
Unsubsidized guaranteed	(3,136,429)	(3,137,968)	(3,137,968)	(+1,539)	.....
Subtotal, Single family	(4,208,057)	(4,202,618)	(4,202,618)	(-5,439)	.....
Housing repair (sec. 504)	(32,324)	(32,324)	(32,324)	.....	.....
Rental housing (sec. 515)	(114,070)	(114,068)	(114,068)	(-2)	.....
Site loans (sec. 524)	(5,152)	(5,090)	(5,090)	(-62)	.....
Multifamily housing guarantees (sec. 538)	(99,780)	(99,770)	(99,770)	(-10)	.....
Multifamily housing credit sales	(1,779)	(1,778)	(1,778)	(-1)	.....
Single family housing credit sales	(10,000)	(10,000)	(10,000)	.....	.....
Self-help housing land development fund	(4,998)	(5,000)	(5,000)	(+2)	.....
Total, Loan authorizations	(4,476,160)	(4,470,648)	(4,470,648)	(-5,512)	.....
Loan subsidies:					
Single family (sec. 502)	176,371	140,108	140,108	-36,263	.....
Unsubsidized guaranteed	7,384	40,166	40,166	+32,782	.....
Subtotal, Single family	183,755	180,274	180,274	-3,481	.....
Housing repair (sec. 504)	11,456	10,386	10,386	-1,070	.....
Rental housing (sec. 515)	56,202	48,274	48,274	-7,928	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2001 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2002—Continued

(Amounts in thousands)

	FY 2001 Enacted	FY 2002 Request	Bill	Bill vs. Enacted	Bill vs. Request
Site loans (sec. 524)	.....	28	28	+28	.....
Multifamily housing guarantees (sec. 538)	1,517	3,921	3,921	+2,404	.....
Multifamily housing credit sales	872	750	750	-122	.....
Self-help housing land development fund	278	254	254	-24	.....
Total, Loan subsidies	254,080	243,887	243,887	-10,193	.....
RHIF administrative expenses (transfer to RD)	408,333	419,741	422,910	+14,577	+3,169
Rental assistance program:					
(Sec. 521)	672,604	687,604	687,604	+15,000	.....
(Sec. 502(c)(5)(D))	5,900	5,900	5,900	.....	.....
Total, Rental assistance program	678,504	693,504	693,504	+15,000	.....
Total, Rural Housing Insurance Fund	1,340,917	1,357,132	1,360,301	+19,384	+3,169
(Loan authorization)	(4,476,160)	(4,470,648)	(4,470,648)	(-5,512)	.....
Mutual and self-help housing grants	33,925	33,925	33,925	.....	.....
Rural housing assistance grants	43,903	38,914	38,914	-4,989	.....
Farm labor program account	29,934	28,431	31,431	+1,497	+3,000
Subtotal, grants and payments	107,762	101,270	104,270	-3,492	+3,000
Total, Rural Housing Service	1,448,679	1,458,402	1,464,571	+15,892	+6,169
(Loan authorization)	(4,476,160)	(4,470,648)	(4,470,648)	(-5,512)	.....

Rural Business-Cooperative Service:					
Rural Development Loan Fund Program Account:					
(Loan authorization)	(38,172)	(38,171)	(38,171)	(-1)	.....
Loan subsidy	19,433	16,494	16,494	-2,939	.....
Administrative expenses (transfer to RD)	3,632	3,733	3,761	+129	+28
Total, Rural Development Loan Fund	23,065	20,227	20,255	-2,810	+28
Rural Economic Development Loans Program Account:					
(Loan authorization)	(14,969)	(14,966)	(14,966)	(-3)	.....
Direct subsidy	3,902	3,616	3,616	-286	.....
Rural cooperative development grants	6,486	6,486	7,500	+1,014	+1,014
Rural empowerment zones and enterprise community grants	.....	14,967	14,967	+14,967	.....
Total, Rural Business-Cooperative Service	33,453	45,296	46,338	+12,885	+1,042
(Loan authorization)	(53,141)	(53,137)	(53,137)	(-4)	.....
Rural Utilities Service:					
Rural Electrification and Telecommunications Loans Program Account:					
Loan authorizations:					
Electric:					
Direct, 5%	(121,128)	(121,107)	(121,107)	(-21)	.....
Direct, Municipal rate	(294,358)	(294,358)	(794,358)	(+500,000)	(+500,000)
Direct, FFB	(1,600,000)	(1,600,000)	(2,600,000)	(+1,000,000)	(+1,000,000)
Direct, Treasury rate	(500,000)	(500,000)	(500,000)	.....	.....
Guaranteed electric	(100,000)	(100,000)	(100,000)	.....	.....
Subtotal, Electric	(2,615,486)	(2,615,465)	(4,115,465)	(+1,499,979)	(+1,500,000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2001 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2002—Continued

(Amounts in thousands)

	FY 2001 Enacted	FY 2002 Request	Bill	Bill vs. Enacted	Bill vs. Request
Telecommunications:					
Direct, 5%	(74,835)	(74,827)	(74,827)	(-8)	.....
Direct, Treasury rate	(300,000)	(300,000)	(300,000)	.....	.....
Direct, FFB	(120,000)	(120,000)	(120,000)	.....	.....
Subtotal, Telecommunications	(494,835)	(494,827)	(494,827)	(-8)	.....
Total, Loan authorizations	(3,110,321)	(3,110,292)	(4,610,292)	(+1,499,971)	(+1,500,000)
Loan subsidies:					
Electric:					
Direct, 5%	12,064	3,609	3,609	-8,455	.....
Guaranteed electric	10	80	80	+70	.....
Direct, Municipal rate	20,458	.....	.....	-20,458	.....
Subtotal, Electric	32,532	3,689	3,689	-28,843	.....
Telecommunications:					
Direct, 5%	7,753	1,736	1,736	-6,017	.....
Direct, Treasury rate	.....	300	300	+300	.....
Subtotal, Telecommunications	7,753	2,036	2,036	-5,717	.....
Total, Loan subsidies	40,285	5,725	5,725	-34,560	.....

RETLP administrative expenses (transfer to RD)	34,640	35,604	36,322	+1,682	+718
Total, Rural Electrification and Telecommunications Loans Program Account	74,925	41,329	42,047	-32,878	+718
(Loan authorization)	(3,110,321)	(3,110,292)	(4,610,292)	(+1,499,971)	(+1,500,000)
Rural Telephone Bank Program Account:					
(Loan authorization)	(174,615)	.....	(174,615)	.....	(+174,615)
Direct loan subsidy	2,584	.....	2,584	.....	+2,584
RTB administrative expenses (transfer to RD)	2,993	3,082	3,107	+114	+25
Total, Rural Telephone Bank Program Account	5,577	3,082	5,691	+114	+2,609
High energy costs grants (by transfer)	.....	(24,000)	(24,000)	(+24,000)	.....
Distance learning and telemedicine program:					
(Loan authorization)	(400,000)	(300,000)	(300,000)	(-100,000)	.....
(Loan authorization) (proposal)	.....	(100,000)	(100,000)	(+100,000)	.....
Grants	26,941	26,941	26,941	.....	.....
Total, Rural Utilities Service	107,443	71,352	74,679	-32,764	+3,327
(Loan authorization)	(3,684,936)	(3,510,292)	(5,184,907)	(+1,499,971)	(+1,674,615)
Total, title III, Rural Economic and Community Development Programs	2,481,127	2,401,520	2,488,414	+7,287	+86,894
(By transfer)	(449,598)	(486,160)	(490,100)	(+40,502)	(+3,940)
(Loan authorization)	(8,214,237)	(8,034,077)	(9,708,692)	(+1,494,455)	(+1,674,615)
TITLE IV - DOMESTIC FOOD PROGRAMS					
Office of the Under Secretary for Food, Nutrition and Consumer Services	569	587	592	+23	+5

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2001 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2002—Continued

(Amounts in thousands)

	FY 2001 Enacted	FY 2002 Request	Bill	Bill vs. Enacted	Bill vs. Request
Food and Nutrition Service:					
Child nutrition programs	4,407,445	4,729,490	4,746,038	+338,593	+16,548
Transfer from section 32	5,127,579	5,357,256	5,340,708	+213,129	-16,548
Discretionary spending	6,486	2,000	2,000	-4,486	.....
Total, Child nutrition programs	9,541,510	10,088,746	10,088,746	+547,236	.....
Special supplemental nutrition program for women, infants, and children (WIC)	4,043,086	4,137,086	4,137,086	+94,000	.....
Food stamp program:					
Expenses	18,618,228	19,556,436	19,556,436	+938,208	.....
Reserve	100,000	1,000,000	1,000,000	+900,000	.....
Nutrition assistance for Puerto Rico	1,301,000	1,335,550	1,335,550	+34,550	.....
The emergency food assistance program	100,000	100,000	100,000	.....	.....
Total, Food stamp program	20,119,228	21,991,986	21,991,986	+1,872,758	.....
Commodity assistance program	139,991	139,991	152,813	+12,822	+12,822
Rescission	.....	-5,300	.....	.....	+5,300
Food donations programs:					
Needy family program	1,081	1,081	1,081	.....	.....
Elderly feeding program	149,670	149,668	149,668	-2	.....
Total, Food donations programs	150,751	150,749	150,749	-2	.....

Food program administration	116,550	125,546	126,656	+10,106	+1,110
Total, Food and Nutrition Service	34,111,116	36,628,804	36,648,036	+2,536,920	+19,232
Total, title IV, Domestic Food Programs	34,111,685	36,629,391	36,648,628	+2,536,943	+19,237
TITLE V - FOREIGN ASSISTANCE AND RELATED PROGRAMS					
Foreign Agricultural Service:					
Salaries and expenses, direct appropriation	115,170	121,563	122,631	+7,461	+1,068
(Transfer from export loans)	(3,224)	(3,224)	(3,224)	.....	.....
(Transfer from P.L. 480)	(1,033)	(1,033)	(1,033)	.....	.....
Total, Program level	(119,427)	(125,820)	(126,888)	(+7,461)	(+1,068)
Public Law 480 Program and Grant Accounts:					
Program account:					
Loan authorization, direct	(159,327)	(139,399)	(150,000)	(-9,327)	(+10,601)
Loan subsidy	113,935	113,935	122,600	+8,665	+8,665
Ocean freight differential	20,277	20,277	20,277	.....	.....
Title II - Commodities for disposition abroad:					
Program level	(835,159)	(835,159)	(835,159)	.....	.....
Appropriation	835,159	835,159	835,159	.....	.....
Salaries and expenses:					
Foreign Agricultural Service (transfer to FAS)	1,033	1,033	1,033	.....	.....
Farm Service Agency (transfer to FSA)	813	972	980	+167	+8
Subtotal	1,846	2,005	2,013	+167	+8

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2001 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2002—Continued

(Amounts in thousands)

	FY 2001 Enacted	FY 2002 Request	Bill	Bill vs. Enacted	Bill vs. Request
Total, Public Law 480:					
Program level	(835,159)	(835,159)	(835,159)	.....	.....
Appropriation	971,217	971,376	980,049	+8,832	+8,673
CCC Export Loans Program Account (administrative expenses):					
Salaries and expenses (Export Loans):					
General Sales Manager (transfer to FAS)	3,224	3,224	3,224	.....	.....
Farm Service Agency (transfer to FSA)	588	790	797	+209	+7
Total, CCC Export Loans Program Account	3,812	4,014	4,021	+209	+7
Total, title V, Foreign Assistance and Related Programs	1,090,199	1,096,953	1,106,701	+16,502	+9,748
(By transfer)	(4,257)	(4,257)	(4,257)	.....	.....
TITLE VI - FOOD AND DRUG ADMINISTRATION AND RELATED AGENCIES					
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Food and Drug Administration					
Salaries and expenses, direct appropriation	1,066,173	1,173,673	1,180,623	+114,450	+6,950
Prescription drug user fee act	(149,273)	(161,716)	(161,716)	(+12,443)	.....
Subtotal	(1,215,446)	(1,335,389)	(1,342,339)	(+126,893)	(+6,950)

Export and certification	(5,992)	(6,181)	(6,181)	(+189)	.....
Payments to GSA	(104,736)	(105,116)	(105,116)	(+380)	.....
Drug reimportation	.....	2,950	2,950	+2,950	.....
Buildings and facilities	31,281	34,281	34,281	+3,000	.....
Total, Food and Drug Administration	1,097,454	1,210,904	1,217,854	+120,400	+6,950
INDEPENDENT AGENCIES					
Commodity Futures Trading Commission	67,850	70,400	70,700	+2,850	+300
Farm Credit Administration (limitation on administrative expenses)	(36,719)	(36,700)	(36,700)	(-19)	.....
Total, title VI, Related Agencies and Food and Drug Administration	1,165,304	1,281,304	1,288,554	+123,250	+7,250
TITLE VII - GENERAL PROVISIONS					
Hunger fellowships	1,996	1,996	4,000	+2,004	+2,004
National Sheep Industry Improvement Center revolving fund	5,000	.....	1,000	-4,000	+1,000
FDA drug reimportation	22,949	.....	.....	-22,949	.....
CCC Apple market loss (contingent emergency appropriations)	.....	.....	150,000	+150,000	+150,000
Total, title VII, General provisions	29,945	1,996	155,000	+125,055	+153,004

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2001 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2002—Continued

(Amounts in thousands)

	FY 2001 Enacted	FY 2002 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE VIII - FY 2001					
NATURAL DISASTER ASSISTANCE AND OTHER					
EMERGENCY APPROPRIATIONS					
CHAPTER 1					
DEPARTMENT OF AGRICULTURE					
Office of the Chief Information Officer:					
Common computing environment (contingent emergency appropriations)	19,457	.....	.....	-19,457	.....
Departmental administration (contingent emergency appropriations)	200	.....	.....	-200	.....
Farm Service Agency					
Salaries and expenses (contingent emergency appropriations)	49,890	.....	.....	-49,890	.....
Emergency conservation program (contingent emergency appropriations)	79,824	.....	.....	-79,824	.....
Federal Crop Insurance Corporation					
Federal crop insurance corporation fund (emergency appropriations)	12,971	.....	.....	-12,971	.....
Natural Resources Conservation Service					
Watershed and flood prevention operations (contingent emergency appropriations)	109,758	.....	.....	-109,758	.....

Rural Development					
Rural community advancement program (contingent emergency appropriations)	199,560	.....	.....	-199,560	.....
Total, Department of Agriculture	471,660	.....	.....	-471,660	.....
General Provisions					
Conservation technical assistance (contingent emergency appropriations)	34,923	.....	.....	-34,923	.....
CCC Disease loss compensation (contingent emergency appropriations)	19,000	.....	.....	-19,000	.....
Dairy assistance (contingent emergency appropriations)	473,000	.....	.....	-473,000	.....
CCC Livestock assistance program (contingent emergency appropriations)	488,922	.....	.....	-488,922	.....
WRP Additional acreage enrollments (contingent emergency appropriations)	117,000	.....	.....	-117,000	.....
CCC Sheep loss assistance (contingent emergency appropriations)	2,395	.....	.....	-2,395	.....
CCC Citrus canker compensation (contingent emergency appropriations)	57,872	.....	.....	-57,872	.....
CCC Apple/potatoes market loss and quality (contingent emergency appropriations)	137,696	.....	.....	-137,696	.....
CCC Honey assistance (contingent emergency appropriations)	20,000	.....	.....	-20,000	.....
CCC Livestock indemnity program (contingent emergency appropriations)	9,978	.....	.....	-9,978	.....
CCC Wool/mohair assistance (contingent emergency appropriations)	19,956	.....	.....	-19,956	.....
CCC Crop loss disaster assistance (contingent emergency appropriations)	1,622,000	.....	.....	-1,622,000	.....
CCC Cranberry assistance (contingent emergency appropriations)	19,956	.....	.....	-19,956	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2001 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2002—Continued

(Amounts in thousands)

	FY 2001 Enacted	FY 2002 Request	Bill	Bill vs. Enacted	Bill vs. Request
Shared appreciation loan arrangements (contingent emergency appropriations)	2,000	.....	.....	-2,000	.....
SC grain dealer's guarantee fund (contingent emergency appropriations)	2,495	.....	.....	-2,495	.....
Puerto Rico food stamp block grant	-5,000	.....	.....	+5,000	.....
Hawaii sugar transportation cost assistance (contingent emergency appropriations)	7,184	.....	.....	-7,184	.....
Rural development cooperative grants (contingent emergency appropriations)	9,978	.....	.....	-9,978	.....
Business and industry loans:					
(Loan authorization)	(1,160,232)	.....	.....	(-1,160,232)	.....
Loan subsidy (contingent emergency appropriations)	9,978	.....	.....	-9,978	.....
CCC Tobacco quota compensation (contingent emergency appropriations)	3,000	.....	.....	-3,000	.....
CCC Cooperative assistance (contingent emergency appropriations)	19,956	.....	.....	-19,956	.....
CCC Burley tobacco (contingent emergency appropriations)	50,000	.....	.....	-50,000	.....
CCC LDP delinquent borrower (contingent emergency appropriations)	5,000	.....	.....	-5,000	.....
Food stamp excess shelter allowance (contingent emergency appropriations)	15,000	.....	.....	-15,000	.....
Food stamp vehicle allowance (contingent emergency appropriations)	25,000	.....	.....	-25,000	.....
Total, General Provisions	3,167,289	.....	.....	-3,167,289	.....
Total, title VIII, FY 2001	3,638,949	.....	.....	-3,638,949	.....

TITLE X - ANTI-DUMPING					
Anti-dumping	39,912	.....	.....	-39,912	.....
Grand total:					
New budget (obligational) authority	76,678,577	73,976,108	74,360,443	-2,318,134	+384,335
Appropriations	(73,034,628)	(73,981,408)	(74,210,443)	(+1,175,815)	(+229,035)
Rescission	.....	(-5,300)	.....	.....	(+5,300)
Emergency appropriations	(12,971)	.....	.....	(-12,971)	.....
Contingent emergency appropriations	(3,630,978)	.....	(150,000)	(-3,480,978)	(+150,000)
(By transfer)	(719,987)	(764,774)	(770,903)	(+50,916)	(+6,129)
(Loan authorization)	(11,463,780)	(12,028,476)	(13,713,692)	(+2,249,912)	(+1,685,216)
(Limitation on administrative expenses)	(144,778)	(144,759)	(144,759)	(-19)	.....
RECAPITULATION					
Title I - Agricultural programs	33,249,900	31,636,339	31,769,514	-1,480,386	+133,175
Title II - Conservation programs	871,556	928,605	903,632	+32,076	-24,973
Title III - Rural economic and community development programs	2,481,127	2,401,520	2,488,414	+7,287	+86,894
Title IV - Domestic food programs	34,111,685	36,629,391	36,648,628	+2,536,943	+19,237
Title V - Foreign assistance and related programs	1,090,199	1,096,953	1,106,701	+16,502	+9,748
Title VI - Related agencies and Food and Drug Administration	1,165,304	1,281,304	1,288,554	+123,250	+7,250
Title VII - General provisions	29,945	1,996	155,000	+125,055	+153,004
Title VIII, FY 2001	3,638,949	.....	.....	-3,638,949	.....
Title X, Anti-dumping	39,912	.....	.....	-39,912	.....
Total, new budget (obligational) authority	76,678,577	73,976,108	74,360,443	-2,318,134	+384,335

ADDITIONAL VIEWS

OVERVIEW

We believe that the Committee has produced a reasonable bill, given the resources available to it.

We do have serious concerns about four important issues—food safety, the Global Food for Education Initiative, the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) program and biofuels.

We regret that the Committee bill does not adequately address what we believe are important needs in each of these areas. We will continue to press for the resources needed in these areas as this bill moves forward.

IMPROVING FOOD SAFETY

In the area of food safety, some of the most commonly cited statistics are that 76 million Americans become ill, 325,000 require hospitalization and 5,000 die every year from foodborne illnesses. These statistics come from the Centers for Disease Control and Prevention.

These statistics are disturbing. Clearly, our food safety system is in need of improvement.

The FDA acknowledged that there are shortfalls in our current food inspection process, in testimony before the Subcommittee this year.

The agency said, "The inspectional coverage of food manufacturers, particularly high risk manufacturers, has been inadequate over the past several years."

With respect to imported foods, the agency said:

> Inspections of imported products are also of great concern. FDA physically inspects less than one percent of all imported products brought into the U.S. that are under FDA's jurisdiction. The vast majority of active pharmaceutical ingredients manufactured overseas are imported to the U.S. The importation of food from other countries has been growing rapidly over the past decade, and continues to grow. In FY 2002, we expect to receive 7 million food import entries. FDA must improve foreign inspection and physical port inspection coverage and oversight of foreign producers to be able to maintain the safety of products on that market that we believe Americans expect and demand.

The agency that is charged with ensuring the safety of so much of the food we eat clearly believes more must be done.

During Committee consideration of the bill, Representative Rosa DeLauro offered an amendment that would have begun the process of substantially enhancing food safety inspection in this country.

The amendment would have provided $213 million in fiscal year 2002 to FDA and USDA for food safety. The funding would have put us on a path to achieving what the FDA identified before the Subcommittee this year as an "optimum" domestic food facility inspection schedule. In addition, it would have begun to move us toward a level of 10% inspection by FDA of imported foods. Finally, it included $50 million for the Food Safety and Inspection Service at the Department of Agriculture so that it could fund actions it deemed necessary to improve FSIS's inspection of the meat and poultry products over which it has responsibility.

This important amendment was unfortunately defeated by a vote of 23 to 29.

The defeat of this amendment was regrettable. But we will continue to work this year to give FDA and USDA the resources necessary to make significant improvements in the safety of the foods we eat every day.

GLOBAL FOOD FOR EDUCATION INITIATIVE

In 2000, the United States announced an important new international food aid initiative for children. Called the "Global Food for Education Initiative," the program is currently underway in this fiscal year, 2001.

Two of its leading proponents are Ambassador George McGovern and former Senator Bob Dole.

The program is designed to provide a nutritious meal to children—both to feed them and to encourage them to remain in school. Working through the United Nations World Food Program, private voluntary organizations and foreign governments, the program aims to feed about 9 million children in 38 countries.

But the Secretary of Agriculture has not decided whether to continue this program in fiscal year 2002, leaving program participants and beneficiaries uncertain about its future.

Bipartisan bills have recently been introduced in both the House and Senate to continue the program.

While those bills are under consideration, it is important that the future of the program be assured.

For this reason, Representative Marcy Kaptur offered an amendment during Committee markup to direct the Secretary of Agriculture to continue the GFEI program in fiscal year 2002, at the level it was implemented in fiscal year 2001.

Unfortunately, this amendment was defeated by a vote of 26 to 32.

We urge the Department to make the decision now to continue to operate this program in fiscal year 2002. But in the meantime, we will work to secure agreement in this bill on its continuation.

THE WIC PROGRAM

The WIC program provides a very important safety net for at-risk pregnant, breastfeeding and post-partum women, infants and young children. We are concerned that the funding provided in this bill may not be sufficient.

While the bill fully funds the Administration's request for the WIC program, the request itself may be inadequate to meet the need in fiscal year 2002.

The budget indicates that the Administration's funding request funds the fiscal year 2001 participation rate for fiscal year 2002.

But because the Administration's budget itself projects an increase in the unemployment rate in fiscal year 2002, merely maintaining the fiscal year 2001 level for WIC may not be enough.

In addition, there are concerns that technical assumptions about funds that may be available to the program in fiscal year 2002 may be overly optimistic. These overly optimistic projections also put at risk the Department's ability to continue the Farmers' Market Nutrition Program for mothers and children, as well as the Senior Farmers' Market Nutrition Program.

During markup, the Committee adopted report language offered by Representative Rosa DeLauro that expressed concern about the level of WIC funding and indicated that "the Committee will monitor and review the need for additional WIC funding in advance of conference on the FY 2002 bill."

We are pleased that the Committee adopted this language. We will work to ensure that an adequate level of funding is provided in the final FY 2002 bill for this essential program.

BIOFUELS

There is no doubt that one of the most significant problems facing the United States is energy independence. The Department of Agriculture has conducted various successful research programs over the years that demonstrate that ethanol, biodiesel, and other biomass fuels can be effective alternatives for both consumers of fuels, as well as an additional source of revenue for producers.

More than $3 billion has been invested in 55 ethanol production facilities operating in 20 different states across the country.

The ethanol industry is responsible for more than 40,000 direct and indirect jobs, creating more than $1.3 billion in increased household income annually, and more than $12.6 billion over the next five years.

The ethanol industry directly and indirectly adds more than $6 billion to the American economy each year. The demand for grain created by ethanol production increases net farm income more than $12 billion annually.

Increases in ethanol production offer enormous potential for economic growth in small rural communities. USDA has estimated that a 100 million gallon ethanol plant could create 2,250 local jobs.

Noting that not one of the more than 100 recommendations in the President's National Energy Policy explicitly directs activity by the Secretary of Agriculture, apart from the long history of the Department's involvement in these activities, Congresswoman Marcy Kaptur offered an amendment that would provide $500 million to the Secretary, under existing authorities, for research, development, technical, and financial assistance programs for biofuels, including farmer-held fuel stock reserves. Unfortunately, this amendment was defeated 18–31.

As we look for a comprehensive solution to our energy needs, the role of biofuels cannot be ignored. We urge the Department to aggressively move forward using all authorities at its disposal to maximize its support for biofuels.

DAVID OBEY.
MARCY KAPTUR.

○