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APPROPRIATIONS FOR FY2001: U.S. DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES

Ralph M. Chite, Resources, Science, and Industry Division

Updated November 9, 2000

Abstract. This report is a guide to one of the 13 regular appropriations bills that Congress passes each year. It summarizes the current legislative status of the bill, its scope, major issues, funding levels, and related legislative activity.

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Appropriations for FY2001: U.S. Department of Agriculture and Related Agencies

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Appropriations are one part of a complex federal budget process that includes budget resolutions, appropriations (regular, supplemental, and continuing) bills, rescissions, and budget reconciliation bills. The process begins with the President's budget request and is bounded by the rules of the House and Senate, the Congressional Budget and Impoundment Control Act of 1974 (as amended), the Budget Enforcement Act of 1990, and current program authorizations.

This report is a guide to one of the 13 regular appropriations bills that Congress passes each year. It is designed to supplement the information provided by the House and Senate Appropriations Subcommittees on Agriculture Appropriations. It summarizes the current legislative status of the bill, its scope, major issues, funding levels, and related legislative activity. The report lists the key CRS staff relevant to the issues covered and related CRS products.

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Appropriations for FY2001: U.S. Department of Agriculture and Related Agencies

Summary

On October 28, 2000, the President signed into law the FY2001 appropriations act (P.L. 106-387/H.R. 4461) for the U.S. Department of Agriculture (USDA) and related agencies. The full House and Senate had approved the conference agreement on H.R. 4461 on October 11th and 18th, respectively. The act contains $74.8 billion in regular appropriations for programs funded by the annual appropriations bill and $3.65 billion in FY2001 emergency supplemental spending, primarily to compensate farmers for the financial effects of low farm commodity price and natural disasters.

Of the $74.8 billion in regular appropriations contained in P.L. 106-387, $15.0 billion is for discretionary programs, which is above both the House and Senate-passed levels of $14.5 billion and $14.85 billion, respectively, but below the Administration request for $15.5 billion. Regular FY2001 funding for USDA mandatory programs (such as food stamps and certain farm commodity support programs) is $59.8 billion in the FY2001 act, about $1 billion below the House- and Senate-passed levels, mainly because of a recent re-estimation of food stamp spending. Much of the CBO-estimated $3.65 billion in emergency supplemental assistance provided in P.L. 106-387 is for direct payments to farmers. This includes an estimated $1.6 billion in disaster payments for year 2000 crop losses; $490 million in emergency livestock assistance; and direct payments to dairy farmers in compensation for low farm milk prices, among many other provisions. Actual emergency spending under the act could be higher than $3.65 billion since the crop disaster payments and the market loss payments for dairy farmers authorized by the act are based on a payment formula rather than a fixed appropriation.

Conference committee action on H.R. 4461 was delayed for several weeks because of controversy over three provisions – the exemption of food and medicine exports from current U.S. sanctions against Cuba; the relaxation of restrictions on the reimportation of prescription drugs from Canada and Mexico; and the amount of emergency assistance to be provided to farmers and rural areas. Conferees adopted language to allow food and medical sales to Cuba, but prohibit any private or public financing of such exports by U.S. banks or federal, state or local governments. Conferees also adopted a provision to allow the importation of prescription drugs, but with several restrictions. The Administration had expressed its displeasure with the sanctions and drug reimportation provisions saying that they are both too restrictive, but did not issue a veto threat.

Among the many other provisions in P.L. 106-387 are an increase in the payment limit for recipients of loan deficiency payments; continued prohibitions or limitations on mandatory spending on certain agricultural research, conservation and rural programs; an earmark of duties collected on certain unfair trade practices to assist those industries affected by the trade practice; increased funding for food safety activities; an easing of restrictions on food stamp recipients with respect to housing and automobile allowances; and emergency funding of $200 million for rural economic assistance and improvements to infrastructures in rural areas.

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Most Recent Developments

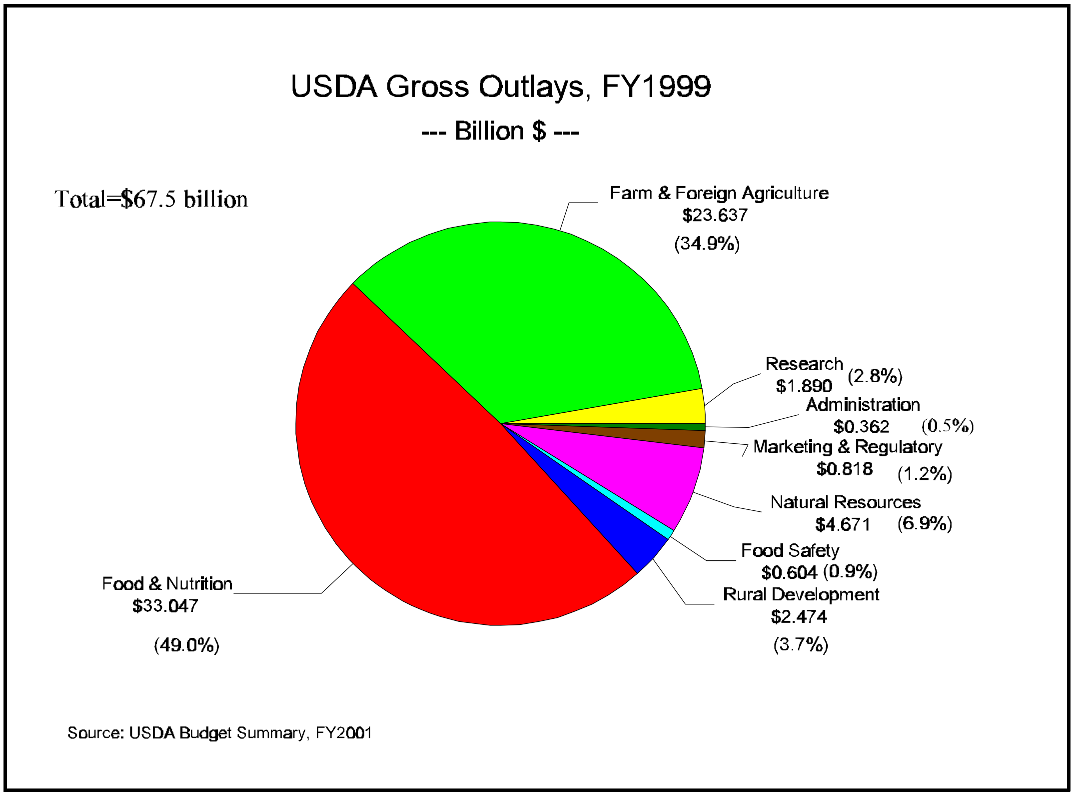
On October 228, 2000, the President signed into law the FY2001 appropriations act (P.L. 106-387/H.R. 4461) for the U.S. Department of Agriculture and related agencies. The House approved the conference report (H. Rept. 106-948) on H.R. 4461 by a 340-75 vote on October 11, 2000; the Senate approved the measure, 86-8, on October 18th. The conference agreement contains $74.8 billion in regular FY2001 appropriations and a CBO-estimated $3.65 billion in emergency supplemental spending, primarily to help farmers and rural areas recover from continued low farm commodity prices and natural disasters. Conference action had been delayed for several weeks because of controversy over proposed reforms of Cuban trade sanctions, the reimportation of prescription drugs from Canada and Mexico, and the level of spending provided for emergency farm assistance.

USDA Spending at a Glance

The U.S. Department of Agriculture (USDA) carries out its widely varied responsibilities through approximately 30 separate internal agencies and offices staffed by some 100,000 employees. USDA is responsible for many activities outside of the agriculture budget function. Hence, spending for USDA is not synonymous with spending for farmers, nor with the agriculture appropriations bill, which includes funds for non-USDA programs, notably the Food and Drug Administration (FDA).

USDA gross outlays for FY1999 (the most recently completed fiscal year for which data are currently available) were $67.5 billion. By far the largest outlay within the Department, $33.0 billion, or just under one-half of total FY1999 outlays, was for its food and nutrition programs -- primarily the food stamp program (the costliest of all USDA programs), various child nutrition programs, and the Women, Infants and Children (WIC) program. FY1999 gross outlays also include $23.6 billion, or just over one-third of total outlays, for farm and foreign agricultural services. Within this mission area of USDA are the programs funded through the Commodity Credit Corporation (e.g., commodity support programs, the conservation reserve program, and certain trade programs), crop insurance, farm loans, and foreign food aid programs.

Another $4.7 billion (7%) was spent in FY1999 on an array of natural resource and environment programs, nearly three-fourths of which funded the Forest Service (which is funded through the Interior appropriations bill, and the only USDA agency not funded through the agriculture appropriations bill), and the balance for a number of conservation programs for farm producers. USDA programs for rural development



($2.5 billion in gross outlays for FY1999); research and education ($1.9 billion); marketing and regulatory activities ($818 million); meat and poultry inspection ($604 million); and departmental administrative offices and other activities ($362 million) account for most of the balance of USDA spending.

Mandatory vs. Discretionary Spending

Approximately three-fourths of total USDA spending is classified as mandatory, which by definition occurs outside the control of annual appropriations. Eligibility for mandatory programs is usually written into authorizing law, and any individual or entity that meets the eligibility requirements is entitled to the benefits authorized by the law. Currently accounting for the vast majority of USDA mandatory spending are the food stamp program (which accounts for nearly one-half of total USDA mandatory spending); child nutrition programs; the farm commodity price and income support programs; the federal crop insurance program; and the conservation reserve program (CRP).

Although they have mandatory status, the food and nutrition programs are funded by an annual appropriation based on projected spending needs. Supplemental appropriations generally are made if and when these estimates fall short of required spending. An annual appropriation is also made to reimburse the Commodity Credit

Corporation for losses it incurs in financing the commodity support programs and the various other programs it finances. Historically, spending levels among these programs has been erratic and unpredictable, making total USDA spending highly variable. Some of this unpredictability was lessened by the enactment of the 1996 farm bill, which fixes the level of spending on direct payments to program crop producers, and no longer ties these payments to market conditions. However, emergency provisions in the FY1999 omnibus appropriations act (P.L. 105-277), the FY2000 agriculture appropriations act (P.L. 106-78) and various supplemental spending acts have made available a total of nearly $16 billion in additional funding to farmers to help them recover from low commodity prices and natural disasters. Most of this emergency funding was provided through the Commodity Credit Corporation's ongoing borrowing authority from the U.S. Treasury.

Table 1. U.S. Department of Agriculture and Related Agencies Appropriations, FY1994 to FY2001
(budget authority in billions of dollars)

	FY94	FY95	FY96	FY97	FY98	FY99	FY00	FY01
Discretionary	$14.59	$13.29	$13.31	$13.05	$13.75	$13.69	$13.95	$15.04
Mandatory	$56.25	$54.61	$49.78	$40.08	$35.80	$42.25	$61.95	$59.77
Total Budget Authority	$70.84	$67.90	$63.09	$53.12	$49.55	$55.94	$75.90	$74.81

Note: Includes regular annual appropriations for all of USDA (except the Forest Service), the Food and Drug Administration, and the Commodity Futures Trading Commission. Excludes all emergency supplemental appropriations.

Source: House Appropriations Committee.

The other 25% of the USDA budget is for discretionary programs, which are determined by funding in annual appropriations acts. Among the major discretionary programs within USDA that are funded by the annual agriculture appropriations act are its rural development programs, research and education programs, agricultural credit, the supplemental nutrition program for women, infants, and children (WIC), the Public Law (P.L.) 480 international food aid program, meat and poultry inspection, and food marketing and regulatory programs. FY2000 funding levels for all USDA discretionary programs (except for the Forest Service) is provided by the FY2000 agriculture appropriations act (P.L. 106-78).

The FY2001 Appropriations Act for USDA and Related Agencies (P.L. 106-387/H.R. 4461)

On October 28, 2000, the President signed into law the FY2001 appropriations act for USDA, FDA, and related agencies (P.L. 106-387, H.R. 4461). The full House and Senate approved the conference agreement (H. Rept. 106-948) on the measure on Oct. 11th and 18th, respectively. P.L. 106-387 contains a total of $78.5 billion in budget authority for FY2001, including $74.8 billion in regular appropriations for all programs normally funded by the annual appropriations bill, and $3.65 billion in emergency supplemental spending for various USDA programs. The $74.5 billion in regular appropriations is approximately $800 million below the $75.3 billion provided in both the House and Senate versions of the bill passed in July by their respective chambers. Much of the difference in regular spending between the final law and the House- and Senate-passed levels is explained by a downward re-estimation of the funding requirements of the food stamp program. The $3.65 billion in emergency funding for FY2001 is higher than the approximately $2 billion provided in the original Senate-passed bill. The original House-passed bill contained no emergency spending provisions for FY2001.

Conference action on the measure had been delayed for several weeks because of controversy over three issues – the exemption of food and medicine from unilateral sanctions against Cuba and other countries; a relaxation of restrictions on the importation of FDA-approved drugs from Canada and Mexico; and the amount of supplemental funding required to respond to natural disasters and low farm commodity prices. (See discussions of these issues below.)

Table 2. Congressional Action on FY2001 Appropriations for the U.S. Department of Agriculture and Related Agencies

Subcommittee Markup Completed		House Report	House Passage	Senate Report	Senate Passage	Conference Report	Conference Report Approval		Public Law
House	Senate						House	Senate	
5/04/00	5/04/00	H.R. 2536 H. Rept. 106-619 5/16/00	Vote of 339-82 7/11/00	S. 2536 S. Rept. 106-288 5/10/00	Vote of 79-13 7/20/00	H. Rept. 106-948 10/6/00	Vote of 340-75 10/11/00	Vote of 86-8 10/18/00	P.L. 106-387 10/28/00

** = Pending

The following sections review the major components of the FY2001 agriculture appropriations act (P.L. 106-387, H.R. 4461) as approved by the House and the Senate, and compares it with the original House-passed and Senate-passed versions of the bill, the Administration request and FY2000 funding levels. Also included is a discussion of the estimated $3.6 billion in supplemental USDA spending adopted in the conference agreement.

Trade Sanctions

P.L. 106-387 includes House Republican leadership language to exempt agricultural and medical products from current and future U.S. unilateral economic sanctions. Its immediate effect would be to allow commercial sales of such products to Cuba, and to codify Administration decisions to allow such sales to four other sanctioned countries (Iran, Libya, North Korea, and Sudan). Sales of exempted products could not be made to these five countries using any U.S. government assistance program (such as foreign aid, credit or guarantees, and export assistance). The President, though, is granted authority to waive this prohibition if he determines it is in the national interest with respect to Iran, Libya, North Korea, and Sudan, or for humanitarian reasons. This waiver authority does not extend to Cuba.

Various provisions affect the terms of the food/medical exemption that would apply to Cuba. In addition to the prohibition on federal financing of sales, financing of agricultural exports to Cuba by U.S. banks or by state and local governments also would be permanently prohibited. Sales to Cuba could only occur on a cash-in-advance basis, or if financed by a third country bank. These payment and financing conditions are nearly similar to those that apply under current Treasury regulations on sales now permitted to Iran, Libya, and Sudan. Also, U.S. exporters of agricultural and medical products would be required to meet specified export licensing requirements. Other language would codify current Cuban embargo regulations by prohibiting (1) merchandise imports from Cuba, and (2) travel-related transactions that Treasury regulations in effect on June 1, 2000 did not expressly allow, such as for tourism (other than travel related to selling agricultural commodities under the new policy).

Other provisions in P.L. 106-387 would require congressional approval before the President imposes future restrictions or prohibitions on sales of these products on a target country for foreign policy or national security reasons. These also would limit the duration of such approved sanctions to not more than 2 years, unless Congress approves a requested extension.

Some members argue that the adopted provisions are too restrictive in prohibiting the financing of U.S. agricultural sales to Cuba, and oppose the codification of current travel rules. Supporters of legislating an opening for prospective food sales to Cuba acknowledge that the final language was the best that could be attained under current circumstances. Though the Administration signaled last summer that it might support legislative initiatives to permit food and medical product sales to Cuba as long as such efforts did not support Castro's government, President Clinton on October 6 criticized the conference-adopted provisions as "a big mistake" that would do little to facilitate sales to Cuba, and called the related tourist travel ban "unwarranted" and unwise. The Cuban government has criticized the final agreement due to the export financing prohibition and travel provisions. Analysts project that an exemption under the stated conditions might result in $25 to $50 million in U.S. food exports to Cuba within a year. For more information, see Economic Sanctions and Agricultural Exports in the CRS electronic briefing book on trade, and CRS Issue Brief IB10061, *Exempting Food and Agriculture Products from U.S. Economic Sanctions: Current Issues and Proposals.*

Emergency Supplemental Assistance

Title VIII of P.L. 106-387 provides an estimated $3.6 billion in FY2001 emergency spending for farmers and rural areas, primarily in response to natural disasters and continued low farm commodity prices. This follows $15 billion in supplemental spending provided to USDA programs in FY2000 and $1.64 billion already provided in FY2001, most in the form of direct payments to qualified farmers.

Title VIII provides "such sums as are necessary" to fund the disaster payment formula used by USDA in recent years to compensate farmers for major crop losses caused by natural disasters. The estimated cost of making quantity and quality loss payments to a grower of a 2000-year crop is $1.6 billion. However, the borrowing authority of USDA's Commodity Credit Corporation can be used to fully fund the disaster payment formula, should more funding be required. P.L. 106-387 also includes $490 million in payments to livestock producers to compensate for forage losses caused by a disaster. The act also provides a third consecutive year of "market loss payments" to compensate dairy farmers for low milk prices. It requires USDA to use a payment formula based on a portion of the difference between 2000 farm milk prices and previous years' prices, which CBO estimates will cost $473 million. (A more recent estimate by USDA shows that dairy payments will be approximately $667 million, based on the payment formula in the law.) Separate assistance is provided to apple growers to help them recover from low commodity prices and to aid both apple and potato growers who experienced poor-quality crops caused by natural disasters.

Title VIII of P.L. 106-387 also includes several provisions that modify farm policy, but are considered to be budget neutral in FY2001. This includes an increase in the annual limit for loan deficiency payments from $75,000 to $150,000 per person. The law also makes modifications to the sugar price support program by requiring USDA to offer nonrecourse loans to sugar processors instead of the current recourse loans. This change, in effect, gives sugar processors a minimum price guarantee for their commodity.

Table 3 summarizes all of the provisions in the emergency title of P.L. 106-387 which have an effect on FY2001 spending. Some of the provisions are expected to affect federal spending in years beyond FY2001, but current estimates for out-year spending are not yet available. For more background on emergency farm spending, see CRS Issue Brief IB10043, *Farm Economic Relief: Issues and Options for Congress*; CRS Report RS20269, *Emergency Funding for Agriculture: A Brief History of Congressional Action*; and CRS Report RS20696, *Emergency Farm Assistance in FY2000: Description and State Distribution*.

Table 3. Emergency Provisions in the FY2001 Agriculture Appropriations Act (P.L. 106-387/H.R. 4461)(a)

USDA Programs	Cost Estimate -- FY2001 -million $-
Farm Disaster Payments: 2000 Crop Quantity and Quality Losses	**$1,627 (b)**
Livestock Assistance Payments: Replace forage lost to or damaged by a natural disaster Direct indemnity payments to replace livestock killed by a natural disaster	 **$490** **$10**
Direct Payments to Dairy Farmers: Low commodity price assistance *Continued next page*	**$473 (b)**

- Continued from previous page - **Rural Community Advancement Program**: Loans and Grants for rural areas with high energy costs, high unemployment and natural disasters	**$200**
Apple and Potato Payments: Direct payments to compensate for low 1998 and 1999 apple prices Direct payments for 1999 and 2000 apple and potato quality losses	 **$100** **$38**
Wetlands Reserve Program: Increase enrollment by 100,000 acres	**$117**
Emergency Watershed Program: Repair flood damage to waterways	**$110**
Emergency Conservation Program: Rehabilitate farmland after a disaster	**$80**
Crop Disease and Insect Assistance: $26 for each tree removed to combat citrus canker Mexican fruit fly, plum pox, Pierce's disease, watermelon wilt, and crickets	 **$58** **$19**
Tobacco Assistance: Burley crop loan forfeitures Market loss payments for quota holders not producing a 2000 year crop	 **$50** **$3**
Farm Service Agency: Salaries & expenses for administering emergencies	**$50**
Food Stamps: Modification of recipient qualifications	**$40**
Conservation Technical Assistance: CRP and WRP	**$35**
Honey Assistance: Nonrecourse loans and loan deficiency payments	**$20**
Wool & Mohair Assistance: $0.40/lb payment for 2000 marketing year	**$20**
Cranberry Producer Assistance: Direct payment for low commodity prices	**$20**
California Fruit Growers: Direct payments for insolvency of a cooperative	**$20**
Business and Industry Guaranteed Loans and Grants	**$20**
Common Computing Environment: USDA field offices	**$19.5**
Crop Insurance: Additional premium subsidies	**$13**
Hawaiian Sugar Transportation Loss Assistance	**$7.2**
Commodity Eligibility Assistance	**$5**
Financial Assistance to South Carolina: SC Grain Dealers Guaranty Fund	**$2.5**
Indemnity Payments for Vermont Sheep Disease Losses	**$2.4**
Shared Appreciation Agreements: Low-interest loans for indebted farmers	**$2**
Small Business Admin. study of effects of disasters on rural areas	**$0.2**
Total USDA Supplemental Funding in P.L. 106-387	**$3,646,800**

(a) Emergency provisions listed in this table include those that have an effect on federal spending in FY2001. Not included are numerous emergency provisions that affect policy but are budget neutral in FY2001.

(b) The agreement provides "such sums as our necessary" to fund the disaster payment formula and the dairy payments. The amounts shown above for these two programs are CBO estimates prior to enactment. A more recent USDA estimate for the amount of dairy payments is for spending of $667 million in FY2001.

Commodity Credit Corporation

Outlays for farm support programs (including ongoing commodity support programs and recent emergency assistance to compensate farmers for low commodity prices and natural disasters) and various farm export and conservation programs are funded through USDA's Commodity Credit Corporation (CCC).

The CCC has a $30 billion line of credit with the U.S. Treasury. Therefore, the CCC does not require an annual appropriation to fund its spending activities. However, because CCC outstanding borrowing cannot exceed $30 billion, the annual agriculture appropriations bill contains funding for a "reimbursement of CCC net realized losses" so the Corporation can repay its debt to the Treasury and not exhaust its borrowing authority. This reimbursement is categorized as an indefinite appropriation, meaning that the CCC is provided "such sums as are necessary." It is a mandatory expenditure that is not included in the discretionary spending allocation given to the appropriations subcommittees.

Historically, the appropriation received by the CCC in any fiscal year would be to reimburse the Corporation for actual losses in the *previous* fiscal year. Over the last couple of years, CCC annual spending has been at or near historically high levels ($19.2 billion in FY1999 and an estimated $28 billion in FY2000), mainly because of the large amounts of CCC-funded financial assistance provided in recent emergency supplemental appropriations acts (but initially funded through CCC's borrowing authority with the Treasury) coupled with rising cost of ongoing farm income assistance programs. Consequently, in FY2000 and FY2001, USDA requested an appropriation to cover the CCC's expected *current* year losses, as well as unreimbursed *past* losses. Without such an appropriation, USDA feared that the CCC would exhaust its $30 billion credit limit with the Treasury.

When the FY2000 agriculture appropriations act (P.L. 106-78) was being debated last year, USDA had estimated that the CCC would require an appropriation of $14.368 billion for its FY2000 and prior years' unreimbursed losses. However, because of the $9 billion in emergency assistance authorized in FY2000 (most of which is funded through the CCC) and increased spending for the ongoing commodity support programs, the estimated FY2000 appropriation has been revised to $30.037 billion, a $15.7 billion increase over the initial estimate. USDA's FY2001 estimate for CCC appropriations is $27.771 billion, which is provided in the FY2001 agriculture appropriations act (P.L. 106-387).

Crop Insurance

The federal crop insurance program is administered by USDA's Risk Management Agency (RMA). It offers basically free catastrophic insurance to producers who grow an insurable crop. Producers who opt for this coverage have the opportunity to purchase additional insurance coverage at a subsidized rate. Most policies are sold and completely serviced through approved private insurance companies that have their program losses reinsured by USDA. The annual agriculture appropriations bill makes two separate appropriations for the federal crop insurance program. It provides discretionary funding for the salaries and expenses of the RMA and also provides "such sums as are necessary" for the Federal Crop Insurance Fund, through which all other expenses of the program are funded including premium subsidies, indemnity payments, and reimbursements to the private insurance companies.

The Administration requested $67.7 million for the FY2001 salaries and expenses of the RMA, up $3.7 million from the FY2000 level. P.L. 106-387 concurs with the Senate-passed level of $65.6 million, a smaller increase than what was requested and in the House-passed bill. The Senate Appropriations Committee report says the amount provided is adequate to meet mandatory pay cost increases. Funding provided to the Federal Crop Insurance Fund is classified as an "indefinite" appropriation that can only be estimated until final participation rates and actual crop losses are known. Therefore, P.L. 106-387 provides "such sums as are necessary" for FY2001, which the Administration estimates will be $1.728 billion.

A separate provision in the emergency title of P.L. 106-387 provides $13 million to the federal crop insurance program to cover a shortfall in the additional premium subsidy given to participating farmers in the 1999 crop year. An earlier supplemental act (P.L. 105-277) provided USDA with $400 million to offer additional premium discounts to attract more farmers to the program. USDA estimated that the funding would allow for a 30% discount on farmer-paid premiums. After sign-up, they estimated a $13 million shortfall in funds necessary to provide the full 30% discount.

Earlier in 2000, separate legislation was enacted making permanent changes to the federal crop insurance program. The recently enacted measure (P.L. 106-224) significantly increases the portion of the premium paid by the government on behalf of the farmer; provides improved coverage for farmers affected by multiple years of natural disasters; authorizes pilot insurance programs for livestock producers, and gives the private sector greater representation in policymaking. New funding provided by this law did not have to be offset, because the final FY2001 budget resolution (H.Con.Res. 290) made room in the budget for $8.17 billion in new spending for the crop insurance program over a 5-year period (FY2001-05). For more information on the crop insurance legislation, see CRS Issue Brief IB10033, *Federal Crop Insurance: Issues In the 106th Congress*.

Farm Service Agency

While the Commodity Credit Corporation serves as the *funding* mechanism for the farm income support and disaster assistance programs, the *administration* of these and other farmer programs is charged to USDA's Farm Service Agency (FSA). In addition to the commodity support programs and most of the emergency assistance provided in recent supplemental spending bills, FSA also administers USDA's direct and guaranteed farm loan programs, certain conservation programs and domestic and international food assistance and international export credit programs.

FSA Salaries and Expenses. This account funds the administrative expenses for program administration and other functions assigned to the FSA. These funds consist of appropriations and transfers from CCC export credit guarantees, from P.L. 480 loans, and from the various direct and guaranteed farm loan programs. All administrative funds used by FSA are consolidated into one account. For FY2001, P.L. 106-387 provides $828.4 million for this account, which is $34 million more than the FY2000 level (excluding supplementals), and equal to the Administration's request. Not included in this total is an emergency supplemental appropriation of $50 million within P.L. 106-387 for FSA salaries and expenses, to fund the agency's implementation of the disaster payments and other emergency farm assistance programs in the bill.

A recent Administration proposal to collocate more than two dozen FSA, Natural Resources and Conservation Service (NRCS), and rural development state offices came under criticism in House report language. Concern is expressed in this report that the process used by USDA to select collocation of statewide headquarters should be supported by rigorous analysis, show no reductions in services available to the public, and demonstrate cost-effectiveness.

FSA Farm Loan Programs. Through FSA farm loan programs, USDA serves as a lender of last resort for family farmers unable to obtain credit from a commercial lender. USDA provides direct farm loans and also guarantees the timely repayment of principal and interest on qualified loans to farmers from commercial lenders. FSA farm loans are used to finance the purchase of farm real estate, help producers meet their operating expenses, and financially recover from natural disasters. Some of the loans are made at a subsidized interest rate. An appropriation is made to FSA each year to cover the federal cost of making direct and guaranteed loans, referred to as a loan subsidy. Loan subsidy is directly related to any interest rate subsidy provided by the government, as well as a projection of anticipated loan losses caused by farmer non-repayment of the loans.

P.L. 106-387 provides a loan subsidy of $117 million to support an FY2001 direct and guaranteed FSA farm loan level of $1.218 billion. The amount provided in P.L. 106-387 is closer to the level in the original Senate-passed version of the bill ($107 million in loan subsidies to support $3.083 billion) than the House-passed version, which concurred with the Administration request for $455 million in subsidy to support $4.558 billion in loan volume. The final FY2001 act provides funding that will support $1 billion less in unsubsidized guaranteed loans and $125 million less in emergency disaster loans than the amount requested by the Administration for these programs. The amount provided supports a total FY2001 loan volume that is close to the loan authority provided in the regular FY2000 appropriations act. However, supplemental funding was enacted in FY2000 to increase the total loan volume by $2.5 billion. Contributing to the need for supplemental funding were widespread natural disasters and the continued weak state of the farm economy which caused more farmers to qualify for federal credit programs.

Several emergency provisions in P.L. 106-387 affect federal farm credit programs. One provision allows farmers who owe money to USDA as part of a shared appreciation agreement to finance their payment through FSA over a 25- year period at a below-market interest rate. Since the late 1980s, many farmers have entered into shared appreciation agreements with USDA, whereby delinquent borrowers are forgiven a portion of their indebtedness as long as they share a portion of any appreciation in their collateral real estate values with USDA ten years after the agreement is signed. Many of these 10-year agreements are now maturing, and at a time when the farm economy is weak and many producers lack the financial resources to make a payment to USDA. Another emergency provision allows disaster-stricken poultry farmers who could not obtain hazard insurance to qualify for FSA emergency disaster loans to rebuild their chicken houses. P.L. 106-387 also gives USDA the authority to transfer funds among the direct and guaranteed farm loan programs as needed, with the advance consent of the House and Senate Appropriations Committees.

Agricultural Trade and Food Aid

Discretionary (Appropriated) Programs. For the international activities of USDA subject to annual appropriations in FY2001, the FY2001 agriculture appropriations act (P.L. 106-387) contains budget authority of $1.092 billion. This level of spending is $37 million above the FY2000 enacted spending level, and virtually identical to the levels requested by the Administration in its budget request and the Senate-passed bill. (The only difference is that the conferees included $2 million for FAS to administer emergency international and other food aid programs.) P.L. 480 food aid, the salaries and expenses of the Foreign Agricultural Service, and administrative expenses of the CCC export credit guarantee programs are the USDA international activities that require an annual appropriation.

P.L. 480 is the main channel for U.S. foreign food aid and the largest appropriated international USDA program. P.L. 106-387 contains budget authority for P.L. 480 of $973.4 million, about $31 million more than enacted in FY2000.[1] For the Foreign Agricultural Service (FAS), which implements USDA's international programs, P.L. 106-387 provides an appropriation of $113.4 million, $4.2 million more than in FY2000. Final FY2001 budget authority for administrative expenses of the CCC export credit guarantee program are identical to the FY2000 appropriated level of $3.8 million.

The only differences between the original House- and Senate-passed versions of the FY2001 appropriations bill were in funding levels for P.L. 480 (Title II) and for the Foreign Agricultural Service. The House provided $109.2 million for FAS and the Senate bill contained $113.4 million. For Title II funding within P.L. 480, the Senate provided $837 million, compared with $770 million in the House bill. In both cases, conferees agreed to the higher levels provided by the Senate.

Mandatory Programs. Many of USDA's international programs do not receive an annual appropriation, since they are funded through the borrowing authority of USDA's Commodity Credit Corporation (CCC). For example, the $3.8 million

[1] In addition to the regular appropriation, FY2000 spending for P.L. 480 of $942.7 million was augmented by a $648 million transfer from the Commodity Credit Corporation for Title I concessional loans to Russia for purchases of food commodities. According to the Administration, additional CCC transfers to P.L. 480 are not anticipated in FY2001.

budget authority for administrative expenses of the CCC export credit guarantee program would support export credit guarantees for an estimated $3.8 billion worth of U.S. agricultural exports. The FY2001 estimated program level for CCC export credit guarantees is unchanged from the FY2000 estimated level. Two other USDA programs funded through the CCC help to develop markets for agricultural exports. For the Market Access Program (MAP) which aims to develop overseas markets for U.S. agricultural commodities, the Administration estimates spending of $90 million, the maximum allowed under the 1996 farm law. MAP has been a frequent but unsuccessful target of budget cutters who label it "corporate welfare," and of some Members in search of funds to offset increased spending for other programs. An amendment reflecting that point of view which would have effectively prohibited spending on MAP was defeated on the House floor. A provision in the committee-reported version of the bill that would have restored MAP funding for mink pelts was struck from the House-passed bill on a point of order. The Foreign Market Development Program (FMDP), or Cooperator Program, another export market development activity, previously funded as a discretionary program but now financed by the CCC, would entail spending of $27.5 million in FY2001.

The Export Enhancement Program (EEP) and the Dairy Export Incentive Program (DEIP), also funded by the CCC, are USDA's current direct export subsidy programs. The budget proposes EEP spending at $478 million, the maximum level authorized in the 1996 farm law and under the 1994 World Trade Organization (WTO) Agreement on Agriculture. EEP subsidies have been little used in recent years (only $1 million in FY1999) because, according to USDA, global supply and demand conditions do not favor its use.

For DEIP, the Administration proposes a program level of $66 million, a reduction from the FY2000 estimate of $119 million. The proposed reduction reflects limits imposed by commitments in the WTO Agricultural Agreement, and an end in June 2000 of "roll-over authority" in the Agricultural Agreement, which had allowed countries to exceed their annual export subsidy limits by drawing on unused subsidy authority from previous years.

Section 416(b) commodity donations and food aid under the Food for Progress program also are funded by CCC. (Food for Progress also can use Title I appropriated funds or commodities in CCC inventories to carry out its programs.) For Section 416(b) commodity donations, which were valued at more than $1.2 billion in FY1999 ($794 million in commodity value and $428 million in ocean transportation and overseas distribution costs), outlays for ocean freight and overseas distribution are estimated to fall to $75 million in FY2000. (No estimate for Section 416(b) has yet been provided for FY2001.) Food for Progress, which provides U.S. farm commodities to developing countries and emerging democracies, would require an estimated $118 million in FY2001 ($88 million for commodities and $30 million for transportation and other costs).

Adding the appropriations for P.L. 480, FAS, and the administrative expenses associated with CCC export credit guarantees to the estimated levels of activity for the CCC funded programs (credit guarantees, EEP, DEIP, MAP, FMDP, Section 416(b) and FFP) results in a program level (the value of goods and services provided) for USDA's international activities of around $5.8 billion.

For more information, see CRS Issue Brief IB98006, *Agricultural Export and Food Aid Programs*; CRS Issue Brief IB10040, *Agricultural Trade Issues in the 106th Congress*; CRS Report RS20520, *Foreign Food Aid Programs: Background and Selected Issues*; CRS Report RS20399, *Agricultural Export Programs: The Export Enhancement Program (EEP)*; CRS Report RS20402, *Agricultural Export Programs: The Dairy Export Incentive Program (DEIP)*; and CRS Report RS20415, *Agricultural Export Programs: The Market Access Program and the Foreign Market Development Cooperator Program*.

Earmark of Countervailing and Anti-Dumping Duties. P.L. 106-387 includes a separate title (Title X) that requires revenues generated from antidumping and countervailing duties be transferred to the domestic industries originally affected by the dumping or subsidy actions. Title X stipulates that the transfer of revenues (estimated by CBO at as much as $40 million in FY2001) is intended to offset the costs incurred by domestic industries to adjust to the unfair trade practices. S.61, H.R. 842, S.528, and H.R. 1201, introduced earlier in the 106th Congress but not acted on, contain a similar provision. (For further information on trade remedy law reform in the 106th Congress, see CRS Report RL30461.)

Conservation and Environment

The FY2001 agriculture appropriations act (P.L. 106-387) provides $872.7 million for discretionary conservation programs, which is more than the House and Senate each provided, and slightly less than what the Administration requested. A majority of conservation funding is mandatory spending which would be affected by some general provisions, discussed below. For the discretionary programs, the House bill provided $812.8 million, an increase of $8.7 million over FY2000, but just over $65 million less than the $877.3 million proposed by the Administration. The Senate bill provided almost $866.9 million, a larger increase of more than $63 million over FY2000. Neither bill provided any funding to implement the conservation elements in the Administration's Safety Net Initiative.

The agreement provides full funding for the Office of the Under Secretary for Natural Resources and the Environment, but includes report language that prohibits this office from supervising, managing, or directing the Forest Service or NRCS until January 20, 2001, and requires that the chiefs of both agencies report directly to the Secretary of Agriculture until that date. The House had eliminated all funding for this office, while the Senate had provided full funding with no limitation.

NRCS Discretionary Programs. All discretionary conservation programs are funded through USDA's Natural Resources Conservation Service (NRCS). For Conservation Operations, the largest appropriated NRCS program that provides basic technical assistance to farm operators through field staff, P.L. 106-387 provides the same amount that the Senate approved, $714.1 million, which is $33.1 million less than the Administration had requested. The House bill provided $676.8 million, $70 million less than the Administration request. P.L. 106-387 provides numerous earmarks, many of which had been included in the House and Senate Appropriations Committees reports. Among the earmarks and directions in the final agreement are $2 million for the Urban Resources Partnership Program, of which $1million will be available only after the rule making process has been completed; and providing the funding for the American Heritage Rivers initiative that the Administration had requested. Among the largest earmarks are $18 million for the Grazing Lands conservation Initiative and an increase of $14.1 million for Animal Feeding Operations/Confined Animal Feeding Operations Programs.

For other conservation programs, P.L. 106-387 agrees with the House bill to provide $10.9 million for Watershed Surveys and Planning, and concurs with the Senate bill to provide $99.4 million for Watershed and Flood Prevention Operations. The House had agreed with the Administration proposal to reduce from $91.6 million in FY2000 to $83.4 million Watershed and Flood Prevention Operations, which is used to build and operate small dam and related projects for purposes that range from flood control to recreation. The conference report earmarks funds for several projects (but fewer projects than either the House or Senate bills) and adopts a provision in the House bill that limits the amount of the appropriation that could be spent on technical assistance. It also earmarks $8 million for pilot rehabilitation projects for aging projects that are approaching the end of their design life in 4 specified states. (Free-standing legislation to address this topic is being considered but has not been enacted.) The conference committee agreed to increase funding for the Resource Conservation and Development Program to $42.0 million, which is higher than the House-approved level of $41.7 million or the Senate-approved level of $36.3 million. The final act also provides $6.3 million for the Forest Legacy Program, which is the same as the Senate level. The House had agreed with the Administration proposal to provide no funding.

Mandatory Conservation Programs. P.L. 106-387 agrees with general provisions in both the House- and Senate-passed bills that affect two mandatory conservation programs. Final provisions limit funding for the Environmental Quality Incentives Program (EQIP), a cost sharing program, to $174 million, the same amount as FY2000 and $26 million less than the authorized level, and prohibit any money from being spent on the Conservation Farm Option (CFO). The Administration requested $325 million for EQIP, and strongly opposed the limitations on EQIP spending. The CFO originally was authorized to spend $46 million, the same level as estimated by the Administration, none of which can be spent because of the prohibition in P.L. 106-387. For a third mandatory program, the Wetland Reserve Program (WRP), P.L. 106-387 provides such funds as may be necessary to enroll a total to 1,075,000 acres in the emergency title (Title VIII), exceeding the authorized ceiling by 100,000 acres. In this title, P.L. 106-387 also provides an additional $35 million to provide technical assistance associated with the CRP and WRP, and allows the Secretary to use funds authorized for conservation under the emergency title of the Agricultural Risk Protection Act of 2000 (P.L. 106-224) to fund the Wildlife Habitat Incentives Program.

Emergency Conservation Spending. P.L. 106-387 provides emergency funding for several conservation programs within Title VIII; many of these provisions were in the Senate-passed version. Funding for the mandatory programs was described above. For discretionary programs, the bill provides $80 million to the Emergency Conservation Program and $110 million to the Watershed and Flood Prevention Operations Program. Of the watershed total, $14 million is earmarked to specified projects.

Additional Conservation Provisions. P.L. 106-387 also includes a new conservation title, Title XI, that contains provisions that were not in either the House or the Senate bill. This title authorizes a pilot program to enroll up to 500,000 acres of farmable wetlands in 6 states in the upper Midwest into CRP in FY2001 and FY2002. Eligible lands are specified, and this program does not raise the overall cap on total CRP enrollment above 36.4 million acres. The Secretary is required to report to Congress on the impact of this pilot program, and provisions that would enable the Secretary to expedite issuing regulations are included. Another provision amends the Food Security Act of 1985 to allow incidental grazing each year between May 1 and August 1 in return for reduced rental payments.

Kyoto Protocol. Also adopted in P.L. 106-387 was a provision that prohibits the use of any funds in the FY2001 appropriations act for the Kyoto Protocol. The provision reflects concerns of those opposing the 1997 Kyoto Protocol to control "greenhouse gas" emissions that have been connected to possible global climate change. The final act does not include a House-passed provision that would have limited the funding prohibition to activities that have not otherwise been authorized in law. Likewise, conferees did not address House report language that directed the Administration to submit the Kyoto Protocol to the United Nations Framework Convention on Climate Change (UNFCCC) to the Senate for advice and consent within 3 years of the date of adoption. (For additional information about the Kyoto Protocol, see CRS Report 98-2, *Global Climate Change Treaty: the Kyoto Protocol*.)

Administration Safety Net Initiative. P.L. 106-387 is silent on the Administration's Safety Net Initiative. The Administration's budget had estimated a total of $3.9 billion for conservation in FY2001 for all mandatory and discretionary programs, an increase of $1.1 billion over FY2000 estimates. The Administration had placed most of these proposals in the conservation component of its Safety Net Initiative. These proposals had included expanded activity in several current mandatory conservation programs and creating one new program. The conservation component would have required new spending of $1.3 billion in FY2001, all of which requires authorizing legislation. Nearly one-half ($600 million) of the $1.3 billion requested would have supported a proposed new Conservation Security Program, modeled after legislation introduced by Senator Harkin (S. 1426). The stated purpose of this new program was to promote sound land management by providing conservation payments to landowners who voluntarily implement specified conservation practices. The balance of the requested $1.3 billion would have provided additional funding to five current USDA conservation programs.

For more information on USDA conservation issues, see CRS Issue Brief IB96030, *Soil and Water Conservation Issues*.

Agricultural Research, Education, and Economics

Four agencies carry out USDA's REE function. The Department's in-house research agency is the Agricultural Research Service (ARS), which provides scientific support to USDA's action and regulatory agencies and conducts long-term, high-risk, basic and applied research on subjects of national and regional importance. The National Agricultural Library merged with ARS in the 1994 USDA reorganization. The Cooperative State Research, Education, and Extension Service (CSREES) is

USDA's liaison with state-level research, education and extension programs at the land grant Colleges of Agriculture. The Economic Research Service (ERS) provides economic analysis of agriculture issues using its databases as well as data collected by the National Agricultural Statistics Service (NASS). ARS, CSREES, ERS, and NASS are under the Under Secretary for Research, Education, and Economics.

The FY2001 agriculture appropriations act (P.L.106-387) contains appropriations of $2.12 billion for USDA's four research, education and economics agencies in FY2001. This represents just under a 1% increase above FY2000 ($2 billion).

Agricultural Research Service. P.L. 106-387 provides $973 million for ARS (+$90 million from FY2000). Of this, $899 million would go to ARS's research programs (+ $68.4 million from FY2000) and $74.2 million would pay for modernizing and building ARS facilities (+$21.7 million from FY2000). The original House-passed version of H.R. 4461 provided level funding for ARS ($883 million in FY2000), while the Senate version contained $928 million. The Administration's budget requested a total of $933.6 million -- $894 million for ARS research and $39 million for facilities. Report language accompanying both the House and Senate measures would restore nearly all of the individual ARS research projects that the Administration had proposed for termination and would redirect savings from a few project terminations to new and ongoing projects.

Cooperative State Research, Education, and Extension Service. P.L. 106-387 provides $981.6 million for CSREES (+$36 million from FY2000), the agency through which USDA funds land grant colleges for state-level research, education, and extension programs. Of that amount, $506.2 million supports research (+$24 million), $433.4 million supports Extension (+$9.3 million), and $42 million (+$2.4 million) funds the integrated research and extension competitive grant program that was authorized in the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7626). The House- and Senate-passed measures would have provided $952.6 million and $964.8 million, respectively, for CSREES. P.L. 106-387 also increases the amount of the Native American Institutions Endowment Fund, which supports the 1994 Native American land grant colleges, from its current level of $4.6 million to $7.1 million.

P.L. 106-387 concurs with the Senate- and House-passed bills and provides level funding for the block payments to the states under the Hatch Act of 1887 (for research at the state agricultural experiment stations) and under the Smith-Lever Act (for state extension programs). This concurs with the Administration's request of $180.5 million and $276.5 million for Hatch and Smith-Lever, respectively. Both bills were in agreement with the Administration's request for level funding for cooperative forestry research ($21.9 million). P.L. 106-387 provides $32.7 million for research and extension programs at the 1890 (historically black) land grant colleges, a $3.4 million increase over FY2000. The House-passed version had provided an additional $6.8 million for the 1890 schools through a decrease in ARS funding; the Senate-passed measure provided level funding.

P.L. 106-387 funds Special Research Grants at $85.7 million (+$25.7 million from the FY2000 level, +$21.5 million from the Senate bill, and +$11.3 million from the House bill). The Administration requested a dramatic reduction in Special Grants – down to $6.4 million – and concurrently requested a $30.7 million increase in the National Research Initiative (NRI) competitive grants program – to $150 million ($119 million in FY2000). The FY2001 appropriations act provides $106 million for the NRI, an amount $9 million above the House bill, $12.7 million below the Senate bill, and $13 million below current year funding. Report language also stipulates that $20.8 million of the NRI appropriation support food safety research, as the Administration requested as part of the Food Safety Initiative.

Economic Research Service. The FY2001 act provides $67 million for ERS (+$1.7 million from FY2000). The act retains Senate report language that: (1) transfers $1 million in funding from ERS to USDA's Food and Nutrition Service, part of which is for studies on food stamp program participation and on infant formula pricing; and (2) designates $12.2 million of the total appropriation to support studies and evaluations of the USDA food assistance programs,

National Agricultural Statistics Service. P.L. 106-387 contains $100.7 million for NASS (+$1.4 million), and includes amended House report language to provide an additional $157,000 to NASS for developing and implementing a more frequent dairy price survey.

Research Programs with Authorized Mandatory Funding. General provisions in both the House- and Senate-passed bills prevent the expenditure of FY2001 mandatory funds of $120 million for the Initiative for Future Agriculture and Food Systems (which Congress authorized in a research reauthorization act in 1998, P.L. 105-185) and $60 million for the Fund for Rural America (authorized in P.L. 104-127, and reauthorized and amended in P.L. 105-185; $20 million of the total is allocated for research and extension grants.) P.L. 105-185 gives the Secretary authority to obligate the annual allocations for these two programs over a 2-year period.

The FY2001 agriculture appropriations act adopts and amends Senate report language concerning the obligation of FY2000 funds in FY2001, and of FY2001 funds in FY2002. The conferees approved language that would: (1) permit the obligation of FY2000 funds in FY2001 for both the Initiative and the Fund; (2) restrict eligibility for the FY2001 Initiative (supported by FY2000 funds) to 1862, 1890 (historically black), 1994 (Native American), and Hispanic-serving institutions; and (3) split the FY2000 allocation for the Fund for Rural America, allowing $30 million to be spent in FY2001 and $30 million in FY2002.

In September 2000, USDA awarded the first grants under the Initiative for Future Agriculture and Food Systems, using FY1999 funds that were still eligible for obligation in FY2000. The Department awarded 86 grants, mostly to 1862 and 1890 land grant institutions, but also to non-land grant institutions, ERS, ARS, and the U.S. Geological Survey.

Food Safety

USDA's Food Safety and Inspection Service (FSIS) is responsible for the mandatory inspection of meat, poultry, and processed egg products to ensure their safety, wholesomeness, and proper labeling. FSIS's FY2000 appropriation was $641 million. In addition, $83 million was available from user fees collected for overtime and holiday inspection, bringing the total program level to $724 million.

The FY2001 agriculture appropriations act (P.L. 106-387) provides $696.7 million in appropriated funds for FSIS, more than either the House- or Senate-passed bill ($673.8 million and $678 million, respectively). Congress expects that about $83 million in user fees collected for overtime and holiday inspection also will be available. P.L. 106-387 includes $6 million to liquidate unpaid obligations from previous years, and the full amount the Administration requested for FSIS Food Safety Initiative activities ($28.8 million). P.L. 106-387 also makes inspection of meat from squab and ratites (ostrich, emu, and rhea) mandatory under the Poultry Products Inspection Act.

The House and Senate committee reports contain identical language directing FSIS: to (1) report by March 1, 2001, on its progress in reviewing all regulations to determine if they should be revised or removed in the wake of the 1996 implementation of the HACCP system; (2) to require senior managers to make annual visits to a variety of meat and poultry operations; and (3) to require senior managers to become HACCP-certified in the same way that inspectors are.

For more information, see CRS Issue Brief IB10037, *Meat and Poultry Inspection Issues.* For a discussion of the FDA component of the Food Safety Initiative, see the "Food and Drug Administration, Food Issues" section below.)

Marketing and Regulatory Programs

USDA's marketing and regulatory programs (MRP) are administered by three agencies: the Agricultural Marketing Service (AMS), the Animal and Plant Health Inspection Service (APHIS), and the Grain Inspection, Packers, and Stockyards Administration (GIPSA). The stated mission of these programs is to "expand domestic and international marketing of U.S. agricultural products and to protect the health and care of animals and plants, by improving market competitiveness and the farm economy for the overall benefit of both consumers and American agriculture." For FY2001, the conference report recommends the fully funding the aggregate Administration's request for MRP of $635 million, or $17 million over the FY2000 appropriation level.

APHIS, the agency responsible for protecting U.S. agriculture from foreign pests and diseases, accounts for most of the proposed spending within MRP missions. For FY2001, the FY2001 agriculture appropriations act (P.L. 106-387) provides $540.4 million, a $97.5 million increase over FY2000 and $22.8 million above the Administration's request. The House-passed bill provided $470 million for APHIS, while the Senate bill provided $458 million. Conferees added a significant increase for boll weevil eradication (a total of $79.2 million, up from $15.1 million in FY2000), which is above what was in either the House or Senate bills. P.L. 106-387 includes $85 million for Agricultural Quarantine Inspection (AQI) fees, down from $87 million approved by both the House and Senate reports. It also includes substantial funding increases for imported fire ant control, and Wildlife Services operations (including a provision to develop pilot projects addressing non-lethal methods to reduce livestock predation) over the Administration's request.

The President's proposed Invasive Species Initiative ($8.8 million request) for APHIS failed to be recommended for funding. Similarly, the Administration's request to fund through appropriations some programs traditionally financed through the Commodity Credit Corporation (CCC) (i.e., emerging plant pests, and fruit fly exclusion & detection) was rejected in the conference report. In addition, P.L. 106-387 increases fruit fly exclusion programs funding by $7 million from FY2000 (to $33 million), but falls short of the $55 million requested by the Administration. Reports from both committees instructed the Secretary to continue using the CCC mechanism to obtain the additional financing needed (approximately $50 million) to supplement the Administration's request level programs dealing with emerging pests such as the Asian longhorn beetle, citrus canker, plum pox and Pierce's disease. Funding for emerging plant pest programs was frozen at FY2000 levels ($3.5 million). In this regard the conferees have directed the Department to notify the Committees on Appropriations when funds are released from the CCC for APHIS programs.

The Agricultural Marketing Service (AMS) is responsible for facilitating the marketing and distribution of agricultural products and ensuring fair-trading practices. For FY2001, P.L. 106-387 recommends an appropriation of $65 million, which is below the Administration request of $67 million. The request reflected a shift in the funding of the livestock price reporting program from the CCC to annual appropriations. The request also included new funding for the operation of a data collection program on food-borne pathogens, as part of the President's Food Safety Initiative, and for the implementation of the Pesticide Data Program (PDP). P.L. 106-387 provides $1.1 million for PDP implementation (compared with the $14.3 million requested), $6.2 million for the microbiological data program, and provides the full Administration request of $5.9 million for implementing the Livestock Mandatory Price Reporting Act of 1999.

USDA's Grain Inspection, Packers, and Stockyards Administration (GIPSA) establishes the official U.S. standards, inspection and grading for grain and other commodities. GIPSA has also been working to improve monitoring of livestock markets, where concentration has raised concerns about decreasing competition. For FY2001, P.L. 106-387 provides $31.4 million for salaries and expenses, which is more than both the House bill ($27.8 million) or the Senate bill ($27.3 million), but below the Administration's FY2001 request for $33.5 million. P.L. 106-387 also provides $600,000 for anti-competitive behavior investigations in livestock, and $400,000 to examine the competitive structure of the poultry industry.

Rural Development

The Department's rural development mission area is charged with addressing the housing, infrastructure, and community and economic development needs of rural areas. The FY2001 agriculture appropriations act (P.L. 106-387) provides an appropriation of $2.486 billion in grants and subsidies in support of $8.808 billion in direct and guaranteed loan authority for rural development activities. The Administration's budget proposal for FY2001 requested an appropriation of $2.588 billion to support $8.084 billion in direct and guaranteed loans and a variety of grant programs. P.L. 106-387 is $102 million below the request and between the $2.407 billion in the House-passed bill and $2.512 billion in the Senate-passed bill. Separately, P.L. 106-387 includes $200 million in emergency rural development assistance under the Rural Community Advancement Program (RCAP), mainly in response to the hurricanes that struck rural areas in late 1999 and to provide relief to rural areas with high unemployment levels. The Senate bill also contained an emergency spending provisions of $180 million for rural development programs.

Rural Community Advancement Program. P.L. 106-387 includes a regular annual appropriation of $762.5 million for the Rural Community Advancement Program (RCAP). An additional $200 million in emergency RCAP funds is provided to assist rural communities, including those experiencing extreme unemployment and economic depression ($50 million), areas with high energy costs ($30 million), communities in the Southeast affected by natural disasters ($50 million), and for rural utilities ($70 million). An earlier House-version of the bill would have provided $775.8 million to RCAP, approximately $14 million more than agreed to by the conference committee or the $762.5 million requested by the Administration. The Senate-approved version of the bill recommended a funding level of $749.3 million, which is $13 million below the final law and the Administration's request. The Senate-version of the bill also included an additional $180 million in emergency RCAP funding.

Fund for Rural America. The Administration's budget assumes full funding ($60 million) for the Fund for Rural America, a mandatory program which Congress has prohibited from receiving funds in recent agriculture appropriations acts. P.L. 106-387 prohibits the spending of FY2001 funds in the current fiscal year but allows the FY2000 funding ($60 million) to be spent one-half in FY2001 and the other half in FY2002. The FY2000 agriculture appropriations act had prohibited the spending of the FY2000 funds in FY2000.

Rural Housing Programs. P.L. 106-387 includes $1.452 billion in loan and grant assistance for programs funded within the Rural Housing Service. This is $69 million more the $1.383 billion than approved by the House. The final act concurs with the House-passed version of the bill by including $254 million in housing subsidies. This funding level supports $5.069 billion in loan authority, and is $31 million less than approved by the Senate. The Senate-passed bill also included $1.481 billion in total Rural Housing Service assistance, which is $55 million less than requested by the Administration, but $29 million more than in the final law and $98 million more than recommended by the House. The conference committee estimates that the $1.452 billion in loan and grant assistance will support $5.069 billion in loan authority. The House had proposed a loan authority level of $5.073 billion, while the Senate set a level of $4.564 billion.

In addition, P.L. 106-387 includes: 1) $1.1 billion in direct loans, or $200 million less than requested by the Administration in support of its National Homeownership Initiative; 2) $100 million less in loan guarantee authority for the multifamily housing program (Sec. 538) loans than requested by the Administration; 3) $674 million for the Section 521, Rental Assistance Program, as requested by the Administration; and 4) $13.8 million for empowerment zones and enterprise communities designated as Rural Economic Area Partnership Zones.

Rural Business and Cooperative Programs. P.L. 106-387 provides $33.5 million for the Rural Business-Cooperative Service for FY2001, which is close to the Senate-passed level of $33.0 million, $23 million below the Administration request, but $3 million higher than FY2000. Most of the difference between the agreement and the Administration's request was in the Rural Development Loan Fund. The final level of $23.1 million is $13 million below the request.

The Administration was also seeking $15 million annually in mandatory funding for Round II empowerment zones and enterprise communities. Five Round II empowerment zones were authorized under the Taxpayer Relief Act of 1997, and 20 enterprise communities by the FY1999 appropriations act. P.L. 106-387 includes $3.2 million to cover the cost of direct loans under the rural development loan fund to rural empowerment zones and enterprise communities designated as Rural Economic Partnership Zones. It also includes: 1) $6.5 million for Rural Cooperative Development Grants; 2) $1.5 million to cooperatives and associations whose primary focus is to provide assistance to small minority producers and farmers; 3) $4 million for counties in the Mississippi Delta region, and 5) $2 million in rural development loan funds for federally recognized Native American tribes. P.L. 106-387 also includes $10 million in emergency business and industry grants.

Rural Utilities Service. For rural utility programs, P.L. 106-387 concurs with the Senate-passed level of $107.7 million, which is close to the FY2000 level and higher than the House-passed level ($89.4 million) and the Administration request ($100.9 million). P.L. 106-387 includes $27 million for Distance Learning and Telemedicine, as recommended by the Senate and requested by the Administration. The Administration also requested $33.6 million in loan subsidies to support $2.045 billion in loan authority for the rural electrification and telecommunications loans. P.L. 106-387 concurs with the Senate bill and provides $40.4 million to support $2.616 billion in loans, while the House bill recommended $33.3 million for $2.04 billion in loans. P.L. 106-387 supports the Administration's $175 million request for the rural telephone banks program account. The Administration's proposed Rural Utility Service initiative included $102 million for a pilot loan and grant program to finance broadband transmission and local dial-up internet service. Conferees adopted the Senate position and provide $2 million for a broadband internet demonstration project.

Food and Nutrition

USDA's Food and Nutrition Service (FNS) administers the nation's domestic food assistance programs. These include the food stamp program, school lunch, breakfast, child and adult care food, summer food and special milk programs, the special supplemental nutrition program for women, infants, and children (WIC) and various commodity donation programs for the elderly, poor, and homeless. The FY2001 agriculture appropriations act (P.L. 106-387) provides a total of $34.1 billion to fund all of these programs. This is $2.1 billion less than the Administration's original FY2001 request and $927.5 million less than FY2000 budget authority for these programs, with most of the difference in spending for the food stamp program. It does not reflect additional funding expected to be needed because of provisions added to the conference agreement that will increase food stamp eligibility.

Food Stamps. For the food stamp and related programs (i.e. nutrition assistance for Puerto Rico and Emergency food assistance program or EFAP), P.L. 106-387 provides a total of $20.1 billion for FY2001– $18.7 billion for food stamps (including a $100 million reserve); $1.3 billion for nutrition assistance for Puerto Rico (+$33 million above FY2000); and $100 million (the same as FY2000) to buy commodities for the EFAP. As in past years, the major difference between the Congress and the Administration was the latter's request for a substantially higher food stamp contingency reserve fund ($1 billion) than that normally provided by the Congress ($100 million).

P.L. 106-387 reflects a downward adjustment in the amounts contained in the House and Senate-passed FY2001 appropriation bills because of a more optimistic projection of program spending needs in the mid-session review by the Office of Management and Budget (OMB).[2] This level is expected to provide sufficient funding to fully cover food stamp eligibility and benefits for FY2001. Not included in the final amount is additional spending that most likely will be needed because of provisions added to the final law that expand food stamp program eligibility (i.e., higher housing allowance and more flexible auto value limits). P.L. 106-387 requires that the Administration submit a request for the entire amount needed to pay for this expansion, and to request this as emergency funding, and thus does not require offsetting reductions. Meanwhile, the Administration did not follow up on its plans, described in its original budget submission, that would have restored food stamp eligibility to some 210,000 legal aliens made ineligible by the 1996 welfare reform law.

Child Nutrition. P.L. 106-387 funds FY2001 child nutrition programs at $9.541 billion, $4.5million less than the amount proposed by the Administration and $2.5 million less than estimated FY2000 spending. The final amount does not include some $400 million in commodities bought for child nutrition programs using agricultural surplus removal funds (and not charged to the child nutrition account). It does include the transfer of some $5.1 billion from Section 32, agricultural surplus removal funds.[3]

The level provided in P.L. 106-387 is expected to be sufficient to maintain full service for the school lunch, school breakfast, child and adult care food, summer food, and special milk programs. Most of the funding under this account (some $5.75 billion) is expected to go for meal subsidies and commodities provided under the school lunch program. The second largest funded program, the child and adult care food program, will receive $1.8 billion under the FY2001 appropriation. Just over $1.5 billion is expected to be used for the school breakfast program, including $6.5

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[2] The mid-session review predicted greater economic growth and lower unemployment than originally predicted, and therefore lower likely participation in the food stamp program and less federal spending needs.

[3] Section 32 of the Act of August 24, 1935 provides that 30 percent of gross customs receipts be placed into an account each year to, among other things, promote domestic food consumption, remove agricultural surpluses, and assist the food needs of the poor. Each year 80-90% of the funds in this account are transferred to the child nutrition account to help pay for the cost of child feeding programs.

million for start up grants, $500,000 of which is targeted for the state of Wisconsin. The summer food service and special milk programs will receive $323.5 million and $16.8 million, respectively. In FY2001, 27.8 million children are expected to participate in the school lunch program on an average day, and 8 million in the school breakfast program.

WIC The special supplemental nutrition program for women, infants and children (WIC) provides monthly food supplements to low-income women, infants and children (under age 5) with nutritionally related health problems. P.L. 106-387 provides $4.052 billion for WIC for FY2001, $10 million of which is to be used for the farmers' market nutrition program (FMNP). The final level is the same as the amount proposed under the House-passed appropriation; $15 million less than the Senate-passed bill, and $20 million more than FY2000 funding for this program. The $4.148 billion originally requested by the Administration was expected to be needed to bring WIC participation up to 7.5 million participants by the end of FY2001, according to Administration estimates. Subsequent reports that the program was serving considerably fewer participants (7.16 million versus 7.33 million) in FY2000 than previously had been reported, indicated that greater than expected carryover funds would be available. This is expected to lessen the amount of funding needed to maintain or increase FY2000 program caseload in FY2001.

An administration proposal to separate FMNP funding from the WIC account and fund this activity separately under the category of Commodity Assistance Programs (CAPs) was rejected by Congress. The FMNP operates in certain areas where WIC recipients have access to farmers markets. It provides funding for the issuance of food instruments to WIC recipients to be used to buy fresh foods at farmers' markets. Congress also did not approve an Administration request for WIC funds to be used for program studies and evaluations, although it does allow WIC funds to be made available to determine whether a child eligible for the program has had a blood lead screening test, which was recommended by the Senate appropriators.[4] Report language was added by the conferees protecting against violations of religious rights and beliefs with respect to lead blood screening tests. The conferees also agreed to report language that directs the USDA to make no changes to the sugar cap on WIC cereals, nor use any funds to study proposals that would exempt natural sugar contained in fruits from being counted toward the sugar cap.

Commodity Assistance Programs Programs included under the CAP category are the commodity supplemental food program (CSFP) for low-income mothers, young children and the elderly, and administrative grants for the costs of storing, handling and distributing commodities under the emergency food assistance program (EFAP). The Administration proposed to add the farmers' market nutrition program (FMNP) to this category, funding it at $20 million. This brought total budget authority for Commodity Assistance Programs (or CAPs) to $158.3 million under the Administration proposal, an increase of $25 million above FY2000 spending. House and Senate legislators rejected the Administration proposal to add the FMNP to the

[4] For several years appropriators have forbidden the FNS from using program funds to do program studies and analysis, instead providing the responsibility for these activities and the funds for this purpose to the Economic Research Service of the USDA

CAP category, and conferees agreed to provide a total of $140.3 million for the CSFP and state EFAP grants. This is $7 million more than FY2000 budget authority for these programs. Traditionally, EFAP state grants are funded at $45 million.

Food Donation Programs. These programs include the elderly nutrition program, the needy family program for Pacific Islanders and disaster aid. The elderly nutrition program, which receives the bulk of the funding under this category ($140 million out of $141.1. million in FY2000) provides commodities or cash-in-lieu of commodities for meal programs for the elderly operated under the Older Americans Act. Commodity assistance also is provided for Pacific Islanders and for disaster aid under this category. P.L. 106-387 provides a total of $151.1 million for these programs for FY2001, the same amount requested by the Administration and $10 million more than FY2000 funding.

Food and Drug Administration

Overview

The Food and Drug Administration (FDA) is the agency of the Department of Health and Human Services responsible for regulating the safety of foods, drugs, cosmetics, and medical devices. It is funded through both congressional appropriations and user fees. The total collections of user fees are established each year in the annual agriculture appropriation's act.

The FY2001 appropriations act for USDA and related agencies (P.L. 106-387) includes a total FY2001 appropriation of $1.249 billion for FDA, $34 million over the FY2000 appropriation of $1.214 billion and $142 million below the President's request of $1.391 billion. The total FY 2001 appropriation includes $1.069 billion for salaries and expenses, $31 million for buildings and facilities (subtotal $2 billion), and $149 million to be collected under the Prescription Drug User Fee Act (PDUFA). In addition, $23 million is made available to carry out the Medicine Equity and Drug Safety Act (establishing prescription drug import regulations) after FDA submits a request and justification to Congress.

Food Issues

P.L. 106-387 concurs with the Administration's request for an FY2001 increase of $30 million for the FDA portion of the President's Food Safety Initiative (FSI). In general, the act supports the Administration's expansion of FDA activities under the FSI. Part of the approved $30 million increase is to be used for specific purposes. For example, the agreement supports food safety research at the National Center for Food Safety and Technology (NCFST) in Illinois. The agreement requires that FDA provide $1.5 million to New Mexico State University to establish an agricultural product testing laboratory that will conduct rapid screening for microbial contamination of fresh fruits and vegetables. Also, the final law directs, within sums provided for the FSI, that FDA provide $100,000 to the Waste Management and Education Research Consortium. FDA is also charged with developing a number of policy actions when developing regulations for on-farm standards for the prevention of *Salmonella Enteritidis* (SE) illnesses due to shell egg consumption. FDA, according to the final act, is to coordinate federal and state programs to implement standards, and consider existing national and state quality assurance programs and cost-effective programs in accordance with the risk posed to U.S. consumers.

With FSI funding, seafood regulation and enforcement are to be encouraged. The conferees note that FDA has a Memorandum of Understanding with the Interstate Shellfish Sanitation Commission, and they want FDA to continue funding this effort with $200,000 for FY 2001 so the Commission can develop shellfish safety regulations. The conference agreement asks that FDA expedite consideration of a health claim for salmon, and report back to Congress on the issue by December 1, 2000. The agreement provides that FDA use $121,000 of FSI funds to contract with the State of Alaska to fund 200 inspections (140 seafood establishments and 60 other food plants) to be carried out by state inspectors.

Separate from FSI funding, P.L. 106-387 addresses issues related to food biotechnology. The conferees expect FDA to work with USDA to provide a unified strategy and sufficient information on the production and consumption of bioengineered foods. They also expect FDA to provide adequate funding to educate overseas foreign regulators on the evaluation of the safety of biotechnology products and food if requested by foreign governments. The conference agreement states that FDA should spend $1 million, of premarket application review funds, to develop safety evaluation criteria for genetically engineered ingredients in animal feeds.

The conference report noted that FDA has not finalized labeling regulations on food irradiation that were required in the report accompanying the FDA Modernization Act of 1997. The conferees expect a status report by November 15, 2000, with regulations finalized by March 1, 2002.

Conferees recommend that FDA establish performance benchmarks to measure the rate of review of direct food and color additive petitions, including those with food safety benefits. FDA is also to seek public comments and report to the Appropriations Committees, by December 31, 2000, on its use of FY2000 funds to reduce the food and color additive petition backlog.

With respect to the regulation of dietary supplements, the conference report requires that the FDA report on how it is complying with a court decision that overturned FDA regulations requiring marketers of dietary supplements to submit health claims to the agency for approval. Within 6 months of enactment, FDA must report on how the agency has implemented the Dietary Supplement Health and Education Act during FY2000 and the cost of implementing the Dietary Supplement Strategy 10-year Plan. The act recommends an increase of $1 million of FDA's food program funds be used for research on dietary supplements by both the National Center for Natural Products Research in Mississippi and FDA's food program.

Drug and Medical Device Issues

Recently, consumers have noticed the sizable differences between the prices charged in the United States and in foreign countries for the same drug. In conference, two new sections were added to the Federal Food Drug and Cosmetic

Act to address this issue. The first section, called the Medicine Equity and Drug Safety Act of 2000, based on a Jeffords amendment, requires FDA to establish new regulations governing the importation of FDA-approved prescription drugs by pharmacists and wholesalers. Among other things, these new regulations would require that the imported drugs be manufactured in an FDA-approved facility, have a documented chain of custody, be tested by qualified laboratories, and have a brand name attached that is identical to the drugs produced in the United States. This section also includes a five-year sunset provision, and restrictions on the countries from which the drugs can be imported. It also restricts reimporting certain classes of drugs, including controlled substances. The conferees made available $23 million to implement this first section. A second new section, called the Prescription Drug Import Fairness Act of 2000, will allow individuals to import prescription drugs for their own use without FDA sending a warning letter to the drug recipient, unless FDA can specify what is wrong with the imported drug. (See CRS Report RL30678, *Prescription Drug Imports: Issues Raised by Amendments to the FY2001 Agriculture Appropriations Bill*.)

The conference committee report expressed concern about improving the timeliness of product reviews. The agreement gives FDA more than $23 million for premarket application review activities, and specifies how some of this funding is to be used. For example, $1 million of the increase is to be added to orphan drug grants, making the total $12.5 million for the grant program for FY2001. (Orphan drugs are a class of drugs used to treat rare diseases but are not considered commercially viable.) It also recommends that, with this increase, $2.2 million be used to improve the quality and safety of the blood supply, and that FDA dedicate $2.8 million to ensure the safety and efficacy of reprocessed medical devices.

P.L. 106-387 recommends a $1.2 million increase over FY2000 for the Office of Generic Drugs to improve the science base of reviewers, and recommends $1.5 million to upgrade its information technology systems to allow for the electronic submission of generic drug applications, and to accelerate the review of generic drug applications. It provides $500,000 for clinical pharmacology grants, an increase of $40,000 over FY 2000. The conferees support FDA's decision to delay until October 1, 2001, the implementation of its December 1999 final rule governing the Prescription Drug Marketing Act of 1987 which expands record keeping requirements for wholesale drug distributors, and allows blood centers that meet the definition of a "health care center" to distribute whole blood but not blood derivatives. Report language requests a report from FDA by January 15, 2001, on how the agency plans to address the issues. The conferees want FDA to conduct additional inspections and provided a $9 million increase for inspections of human drugs and medical devices. The conferees also provided a $5 million increase for enforcement of rules on internet drug sales, and $5 million for counter-bioterrorism activities. They also want FDA to clarify its existing enforcement authority and position on the compounding of radiopharmaceuticals, and the conferees urge the agency to issue guidance promptly on this topic. The agreement provides $3 million to the Center for Veterinary Medicine (CVM) for work on antibiotic resistance.

The conferees believe that FDA should establish a gene therapy patient tracking system to measure short and long-term effects of gene therapy treatment. The conferees note that although FDA has developed a pilot system, they request, within

3 months of enactment, a report from FDA that includes a plan and budget for implementing a patient tracking system and how the agency will integrate the new system within the next 12 months with the current adverse events tracking system.

The conference agreement report contains language concerning the international harmonization of regulations for pharmaceuticals, medical devices, and food. The conference agreement requires FDA to report by January 1, 2001, on how the agency will promote mutual recognition and international harmonization of approval systems and product surveillance. The conference report recommends FDA use $1.8 million of the FSI funding to support activities of the *Codex Alimentarius*, an international organization designed to protect the health of consumers globally, and to facilitate international trade in foods.

Because common allergenic contact dermatitis costs the U.S. economy more than $1 billion annually, and because FDA has approved only 24 patch test kits for allergenic chemicals, the conference report recommends FDA expedite the approval of over 400 allergen tests used already in Europe and Canada. The conference report also directs FDA to return to the Center for Devices and Radiological Health (CDRH) the regulatory authority to approve patch test kits for allergens and to reinstate approved treatments for allergens that were available to physicians prior to 1986.

With the March 21, 2000, Supreme Court affirmation of a lower court's decision, FDA no longer has the authority to regulate in states the sales of tobacco products to youth. Consequently, the agreement states that the sums remaining from FY 2000 appropriation for the agency's youth tobacco prevention activities are to be used to fund other FDA activities subject to approval by both Appropriations Committees. One use of these funds ($21.8 million) should be for one-time contracts and equipment purchases.

Buildings and Facilities

P.L. 106-387 provides $31.350 million for FDA buildings and facilities. This funding is to be used to complete construction of FDA's Arkansas Regional Laboratory, and to replace the regional laboratory facility in Los Angeles, among other things. Report language requires that FDA may not close or relocate its Division of Pharmaceutical Analysis except within the city limits of St Louis, Missouri. The conference report notes that Congress provided $5 million in FY2000, for FDA to occupy and equip a new facility in College Park, MD.

For more information on FDA issues, see CRS Report 95-422, *Food and Drug Administration: Selected Funding and Policy Issues for FY2000,* CRS Issue Brief IB98009, *Food Safety Issues in the 106th Congress,* and CRS Report RS20507, *Labeling of Genetically Modified Foods.*

Table 4. U.S. Department of Agriculture and Related Agencies Appropriations, FY2000 vs. FY2001
($ in millions)

Agency or Major Program	FY2000 Enacted (1)	FY2001 Adminis tration Request	FY2001 House-Passed Bill	FY2001 Senate-Passed Bill	FY2001 Enacted
Title I — Agricultural Programs-					
Agric. Research Service (ARS)	882.9	933.6	882.9	927.9	973.0
Coop. State Research Education and Extension Service (CSREES)	945.6	965.3	952.6	964.8	981.6
Economic Research Service (ERS)	65.4	55.4	66.4	67.0	67.0
National Agricultural Statistics Service (NASS)	99.3	100.6	100.9	100.6	100.8
Animal Plant Health and Inspection Service (APHIS)	443.0	517.2	475.2	468.0	540.4
Agric. Marketing Service (AMS)	65.1	81.5	71.3	79.3	80.1
Grain Inspection , Packers and Stockyards Admin. (GIPSA)	26.4	33.5	27.8	27.3	31.4
Food Safety and Insp. Serv (FSIS)	649.1	688.2	673.8	678.0	696.7
Farm Service Agency (FSA)	794.4	828.4	828.4	828.4	828.4
FSA Farm Loans - Subsidy Level	82.0	185.6	185.6	107.0	117.0
**Farm Loan Authorization*	*3,083.3*	*4,557.9*	*4,557.9*	*3,083.2*	*3,097.7*
FSA Farm Loans- Salaries and Administrative Expenses	214.2	269.5	269.5	269.5	269.5
Risk Management Agency (RMA) Salaries and Expenses	64.0	67.7	67.7	65.6	65.6
Federal Crop Insur. Corp. Fund (2)	710.9	1,727.7	1,727.7	1,727.7	1,727.7
Commodity Credit Corp. (CCC) (2)	30,037.0	27,771.0	27,771.0	27,771.0	27,771.0
Other	357.0	515.1	383.0	424.8	440.7
Total, Agricultural Programs	**35,436.3**	**34,740.3**	**34,484.0**	**34,506.9**	**34,690.9**
Title II -Conservation Programs					
Conservation Operations	660.8	747.2	676.8	714.1	714.1
Total, Conservation Programs	**803.5**	**877.3**	**812.8**	**866.9**	**873.5**
Title III - Rural Development					
Rural Community Advancement Program (RCAP)	693.6	762.5	775.8	759.3	762.5
Rural Housing Service (RHS)	1,332.0	1,536.3	1,383.4	1,481.3	1,451.9
** RHS Loan Authority*	*4,589.4*	*5,385.0*	*5,073.5*	*4,564.4*	*5,068.6*
Rural Business Cooperative Serv.	54.0	56.9	38.2	33.0	33.5
** RBCS Loan Authority*	*53.3*	*79.5*	*53.3*	*53.3*	*53.3*

Agency or Major Program	FY2000 Enacted (1)	FY2001 Administration Request	FY2001 House-Passed Bill	FY2001 Senate-Passed Bill	FY2001 Enacted
Rural Utilities Service (RUS)	107.3	100.9	89.4	107.7	107.7
* *RUS Loan Authority*	*2,986.5*	*2,620.0*	*2,615.0*	*3,686.5*	*3,686.5*
Total, Rural Development (1)	**2,187.5**	**2,587.6**	**2,407.7**	**2,512.2**	**2,486.6**
* *Rural Development, Total Loan Authority*	*7,629.1*	*8,084.5*	*7,741.8*	*8,304.1*	*8,808.4*
Title IV - Domestic Food Programs					
Child Nutrition Programs	9,554.0	9,546.1	9,535.0	9,541.5	9,541.5
WIC Program	4,032.0	4,089.1	4,067.0	4,052.0	4,052.0
Food Stamp Program	21,071.8	22,132.0	21,232.0	21,221.3	20,114.3
Commodity Donation Programs	274.4	309.4	299.4	281.4	291.4
Other	112.0	129.1	117.0	117.4	117.4
Total, Food Programs	**35,044.1**	**36,205.7**	**35,250.4**	**35,213.6**	**34,116.6**
Title V - Foreign Assistance					
Foreign Agric. Service (FAS)	109.2	113.6	109.2	113.4	115.4
Public Law (P.L.) 480	942.7	973.4	906.4	973.4	973.4
CCC Export Loan Salaries	3.8	3.8	3.8	3.8	3.8
Total, Foreign Assistance	**1,055.7**	**1,090.8**	**1,019.4**	**1,090.6**	**1,092.6**
Title VI - FDA & Related Agencies					
Food and Drug Administration (3)	1,049.0	1,211.3	1,102.3	1,098.9	1,099.9
Commodity Futures Trading Commission (CFTC)	63.0	72.0	69.0	67.1	68.0
Total, FDA & Related Agencies	**1,112.0**	**1,283.3**	**1,171.3**	**1,166.0**	**1,167.9**
Other Provisions	**2.3**	**--**	**119**	**--**	**70**
Emergency USDA Spending	**8,6705.**	**--**	**--**	**3,050.0**	**3,646.8**
Bill Totals Including Emergency Spending	**84,312.5**	**76,785.6**	**75,264.5**	**78,406.8**	**78,144.8**
Subtotal - Before CBO Scorekeeping Adjustments, Excluding Emergency Spend. (4)	**75,642.0**	**76,762.6**	**75,176.5**	**75,356.8**	**74,498.0**
CBO Scorekeeping Adjustments (4)	256.7	425.1	157.1	346.1	316.1
Grand Total, After Scorekeeping Adjustments, Excludes Supplem.	**75,898.7**	**77,269.7**	**75,421.6**	**75,702.9**	**74,814.1**

Note: An item with an asterisk (*) represents the total amount of direct and guaranteed loans that can be made given the requested or appropriated loan subsidy level. Only the subsidy level is included in the totals.

(1) P.L. 106-113 required a government-wide 0.38% cut from total discretionary and emergency budget authority. USDA was required to cut $87.1 million from programs funded by the FY2000 agriculture appropriations act which is reflected in this table.

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(2) Under current law, the Commodity Credit Corporation and the Federal Crop Insurance Fund each receive every year an indefinite appropriation ("such sums, as may be necessary"). The amounts shown for both FY2000 and FY2001are USDA estimates of the necessary appropriations.

(3) The Administration's request for FDA does not include a requested FY2002 advance appropriation of $23 million for FDA's buildings and facilities.

(4) Scorekeeping adjustments reflect the savings or costs of provisions that affect mandatory programs, plus the permanent annual appropriation made to USDA's Section 32 program.

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Source: Based on spreadsheets provided by the House Appropriations Committee