AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

Calendar No. 91

107TH CONGRESS, *1st Session* | SENATE | REPORT 107–41

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

JULY 18, 2001.—Ordered to be printed

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

REPORT

[To accompany S. 1191]

The Committee on Appropriations reports the bill (S. 1191) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2002, and for other purposes, reports favorably thereon and recommends that the bill do pass.

Total obligational authority, fiscal year 2002

Amount of bill as reported to the Senate	$73,897,995,000
Amount of 2001 appropriations acts to date	[1] 76,673,187,000
Amount of estimates, 2002	73,976,108,000
The bill as recommended to the Senate:	
Under the appropriations provided in 2001	2,775,192,000
Under the estimates for 2002	78,113,000

[1] Includes $3,643,949,000 in emergency appropriations.

73–922 PS

CONTENTS

SUMMARY OF THE BILL

	Page
Overview and summary of the bill	5
Government Performance and Results Act	5

TITLE I—AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING, AND MARKETING

Office of the Secretary	7
Executive operations	9
Office of the Chief Information Officer	10
Common computing environment	11
Office of the Chief Financial Officer	12
Office of the Assistant Secretary for Administration	12
Agriculture buildings and facilities and rental payments	12
Hazardous waste management	14
Departmental administration	14
Office of the Assistant Secretary for Congressional Relations	15
Office of Communications	16
Office of Inspector General	16
Office of the General Counsel	17
Office of the Under Secretary for Research, Education, and Economics	17
Economic Research Service	18
National Agricultural Statistics Service	18
Agricultural Research Service	19
Cooperative State Research, Education, and Extension Service	41
Office of the Under Secretary for Marketing and Regulatory Programs	53
Animal and Plant Health Inspection Service	54
Agricultural Marketing Service	63
Grain Inspection, Packers and Stockyards Administration	67
Office of the Under Secretary for Food Safety	68
Food Safety and Inspection Service	68
Office of the Under Secretary for Farm and Foreign Agricultural Services	69
Farm Service Agency	71
Risk Management Agency	77

CORPORATIONS

Federal Crop Insurance Corporation fund	78
Commodity Credit Corporation fund	79

TITLE II—CONSERVATION PROGRAMS

Office of the Under Secretary for Natural Resources and Environment	84
Natural Resources Conservation Service	84

TITLE III—RURAL ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAMS

Office of the Under Secretary for Rural Economic and Community Development	96
Rural Community Advancement Program	97
Rural Housing Service	102
Rural Business-Cooperative Service	108

Page

Rural Utilities Service 111

TITLE IV—DOMESTIC FOOD PROGRAMS

Office of the Under Secretary for Food, Nutrition, and Consumer Services 115
Food and Nutrition Service 116

TITLE V—FOREIGN ASSISTANCE AND RELATED PROGRAMS

Foreign Agricultural Service 130

TITLE VI—RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION

Food and Drug Administration 138

INDEPENDENT AGENCIES

Commodity Futures Trading Commission 147
Farm Credit Administration 147

TITLE VII—GENERAL PROVISIONS

General provisions 149
Program, project, and activity 150
Compliance with paragraph 7, rule XVI of the standing rules of the Senate 150
Compliance with paragraph 7(c), rule XXVI of the standing rules of the Senate 151
Compliance with paragraph 12, rule XXVI of the standing rules of the Senate 151
Budgetary impact of bill 153

BREAKDOWN BY TITLE

The amounts of obligational authority for each of the six titles are shown in the following table. A detailed tabulation, showing comparisons, appears at the end of this report. Recommendations for individual appropriation items, projects and activities are carried in this report under the appropriate item headings.

	2001 [1]	2002 Committee recommendation
Title I: Agricultural programs	$33,249,900,000	$31,855,922,000
Title II: Conservation programs	871,556,000	980,416,000
Title III: Rural economic and community development programs	2,475,739,000	2,793,742,000
Title IV: Domestic food programs	34,111,683,000	35,839,891,000
Title V: Foreign assistance and related programs	1,090,199,000	1,128,077,000
Title VI: Related agencies	1,165,304,000	1,287,351,000
Title VII: General provisions	29,945,000	12,596,000
Title VIII:	−5,000	
Title X: Anti-dumping	39,912	
Total, new budget (obligational) authority	73,029,238,000	73,899,995,000

[1] Includes rescissions pursuant to Public Law 106–554 and excludes emergency appropriations.

OVERVIEW AND SUMMARY OF THE BILL

The Agriculture, Rural Development, Food and Drug Administration, and Related Agencies appropriations bill provides funding for a wide array of Federal programs, mostly in the U.S. Department of Agriculture [USDA]. These programs include agricultural research, education, and extension activities; natural resources conservation programs; farm income and support programs; marketing and inspection activities; domestic food assistance programs; rural economic and community development activities, and telecommunications and electrification assistance; and various export and international activities of the USDA.

The bill also provides funding for the Food and Drug Administration [FDA] and the Commodity Futures Trading Commission [CFTC], and allows the use of collected fees for administrative expenses of the Farm Credit Administration [FCA].

Given the budgetary constraints that the Committee faces, the bill as reported provides the proper amount of emphasis on agricultural and rural development programs and on other programs and activities funded by the bill. It is within the subcommittee's 302(b) allocation.

All accounts in the bill have been closely examined to ensure that an appropriate level of funding is provided to carry out the programs of USDA, FDA, CFTC, and FCA. Details on each of the accounts, the funding level, and the Committee's justifications behind the funding levels are included in the report.

All discretionary appropriations for fiscal year 2001 shown in this report reflect the 0.22 percent rescission pursuant to Public Law 106–554 and have been rounded to the nearest thousands of dollars.

The Committee has encouraged the consideration of grant and loan applications from various entities. The Committee expects the Department only to approve those applications judged meritorious when subjected to the established review process.

GOVERNMENT PERFORMANCE AND RESULTS ACT

Public Law 103–62, the Government Performance and Results Act [GPRA] of 1993, requires Federal agencies to develop succinct and precise strategic plans and annual performance plans that focus on results of funding decisions made by the Congress. Rather than simply providing details of activity levels, agencies will set outcome goals based on program activities and establish performance measures for use in management and budgeting. In an era of restricted and declining resources, it is paramount that agencies focus on the difference they make in citizens' lives.

The Committee supports the concepts of this law and intends to use the agencies' plans for funding purposes. The Committee considers GPRA to be a viable way to reduce Federal spending while

achieving a more efficient and effective Government and will closely monitor compliance with this law. The Committee is fully committed to the success and outcome of GPRA requirements as envisioned by the Congress, the administration, and this Committee.

TITLE I—AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING, AND MARKETING

OFFICE OF THE SECRETARY

Appropriations, 2001	$2,908,000
Budget estimate, 2002	2,992,000
Committee recommendation	2,992,000

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

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

COMMITTEE RECOMMENDATIONS

For the Office of the Secretary, the Committee recommends an appropriation of $2,992,000. This amount is $84,000 more than the 2001 appropriation and the same as the budget request.

Environmentally preferable products.—The Secretary shall work with the General Services Administration, the Department of Defense, the Environmental Protection Agency, and other appropriate agencies to maximize the purchases of environmentally preferable products, as defined by Executive Order 13101 on Federal Acquisition, Recycling and Waste Prevention. Such products are not only useful in improving the environment, but they can, when the product contains a substantial amount of agri-based content, also open considerable markets for farmers.

The Department should actively participate in joint task forces and other multiagency entities in this area. It should actively work to properly define standards for agri-based content of products and work towards the development of such environmentally preferable products.

Use of the Commodity Credit Corporation.—During fiscal year 2001, funds were made available through the Commodity Credit Corporation (CCC) for a number of programs initiated by either the current or previous administration. These programs ranged from control of certain exotic pests to an international school lunch pilot program. The Committee understands the need for the Department

to utilize CCC funds to meet unanticipated needs, if authorized, and generally supports the actions taken in this regard over the past year. Elsewhere in this report, the Committee makes specific recommendations for initiatives the Secretary should continue and, in certain cases, work with the appropriate authorization committees to establish the programs by law. In regard to programs which may be initiated during fiscal year 2002 the Committee reminds the Secretary of the requirements of section 720 of this Act on the establishment of new programs under the Commodity Credit Charter Act or other authorities.

Human capital management.—On January 17, 2001, the General Accounting Office issued a report on human capital challenges and their effect on an agency's ability best to perform its mission in an effective, efficient, and economic manner. That report included references to activities within the Department of Agriculture. Therefore, the Committee encourages the Secretary to continue comprehensive workforce planning and to assist agency implementation of incentive and training activities that are best suited to the end result of improved effectiveness within Government and enhanced services to the public.

Drought mitigation.—The Committee is concerned by the lack of a coherent national policy to combat drought. When drought strikes, it is a very serious disaster bringing economic and personal hardships to large sections of the nation. Current conditions in the Pacific Northwest, as one example, have resulted in water supplies for agriculture falling to within only 20 to 30 percent of normal supply. The report of the National Drought Commission, "Preparing for Drought in the 21st Century", recommends that Congress pass a National Drought Preparedness Act. Such an act would establish a Federal/non-Federal partnership through a National Drought Council responsible for implementing a national drought policy. The Committee expects the Secretary to carry out the recommendations of the National Drought Commission and coordinate USDA mission areas to provide a response to drought-stricken areas in as prompt and meaningful a way as possible.

Food security.—The Committee remains concerned by reports of increased demand for hunger relief programs at the community level and the ability of the Department to meet the nutrition needs of all Americans. The Committee encourages the Secretary to coordinate the work of the Research, Education, and Economics mission area with that of the Domestic Food and Nutrition Programs to better understand and provide adequate response to this growing need. The Committee suggests that guidelines for USDA grant programs that focus on nutrition should reflect the need to address systemic failures and critical gaps in the food delivery system. The Committee also urges the Secretary, as part of this effort, to strengthen community food security and increase support for local sales by agricultural producers to consumers and school food service authorities.

National Animal Disease Center.—The Committee provides funding elsewhere in this bill for the National Animal Disease Laboratory in Ames, Iowa, for activities consistent with the most efficient plan as identified by the Secretary. The Committee agrees with the Secretary in a statement communicated to the Committee on May

25, 2001, that there is an urgent need to renovate and modernize the existing facilities and, further, that these grossly debilitated and inadequate facilities, as part of a high national priority for animal health programs, must be modernized. The Committee is concerned by reports of unsafe conditions which currently pose threats to USDA personnel and others and therefore directs the Secretary to take corrective actions regarding immediate facility needs, as determined by the Secretary.

Nutrition studies and evaluations.—In developing plans for using funds appropriated for studies and evaluations of nutrition assistance programs, the Committee encourages the Food and Nutrition Service to inform the Economic Research Service of its priorities for projects to support program objectives. The Committee also expects the Secretary to review the allocation for all studies and evaluations resources to avoid duplication and assure that high priority needs are met.

Administrative convergence.—The Secretary is expected to seek the Committee's approval before implementing a merger or reduction of any administrative or information technology functions relating to the Farm Service Agency, Natural Resources Conservation Service, USDA Rural Development, or any other agency of the Department.

Tahoe site restoration.—The Committee is aware of the Secretary's authority under the Public Law 106–506 to provide assistance to South Tahoe Public Utility District and the Tahoe Regional Planning Agency to develop and publish a plan for the cleanup of hydrocarbon contamination (including MTBE). The Secretary is urged to make such authorized assistance available within existing funds to these agencies.

EXECUTIVE OPERATIONS

Executive operations were established as a result of the reorganization of the Department to provide a support team for USDA policy officials and selected Departmentwide services. Activities under the executive operations include the Office of the Chief Economist, the National Appeals Division, and the Office of Budget and Program Analysis.

CHIEF ECONOMIST

Appropriations, 2001	$7,446,000
Budget estimate, 2002	7,648,000
Committee recommendation	7,648,000

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

COMMITTEE RECOMMENDATIONS

For the Office of the Chief Economist, the Committee recommends $7,648,000. This amount is $202,000 more than the 2001 appropriation and the same as the budget request.

The Committee encourages the Department to conduct a study to determine the economic feasibility of a small-scale dry mill ethanol production facility in New Jersey.

NATIONAL APPEALS DIVISION

Appropriations, 2001	$12,394,000
Budget estimate, 2002	12,766,000
Committee recommendation	12,766,000

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

COMMITTEE RECOMMENDATIONS

For the National Appeals Division, the Committee recommends $12,766,000. This amount is $372,000 more than the 2001 appropriation and the same as the budget request.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

Appropriations, 2001	$6,750,000
Budget estimate, 2002	6,978,000
Committee recommendation	6,978,000

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

COMMITTEE RECOMMENDATIONS

For the Office of Budget and Program Analysis, the Committee recommends $6,978,000. This amount is $228,000 more than the 2001 appropriation and the same as the budget request.

OFFICE OF THE CHIEF INFORMATION OFFICER

Appropriations, 2001	$10,029,000
Budget estimate, 2002	10,261,000
Committee recommendation	10,261,000

The Office of the Chief Information Officer was established in August 1996, pursuant to the Clinger-Cohen Act of 1996, which required the establishment of a Chief Information Officer for major

Federal agencies. This office provides policy guidance, leadership, coordination, and direction to the Department's information management and information technology investment activities in support of USDA program delivery. The Office provides long-range planning guidance, implements measures to ensure that technology investments are economical and effective, coordinates interagency information resources management projects, and implements standards to promote information exchange and technical interoperability. In addition, the Office of the Chief Information Officer is responsible for certain activities financed under the Department's working capital fund (7 U.S.C. 2235). The Office also provides telecommunication and automated data processing [ADP] services to USDA agencies through the National Information Technology Center with locations in Fort Collins, CO, and Kansas City, MO. Direct ADP operational services are also provided to the Office of the General Counsel, Office of Communications, the Office of the Chief Financial Officer, and executive operations.

COMMITTEE RECOMMENDATIONS

The Committee recommends $10,261,000 for the Office of the Chief Information Officer. This amount is $232,000 more than the 2001 appropriation and the same as the budget request.

COMMON COMPUTING ENVIRONMENT

Appropriations, 2001 [1]	$39,912,000
Budget estimate, 2002	59,369,000
Committee recommendation	59,369,000

[1] Excludes $19,457,000 in emergency funding provided by Public Law 106–387.

The Department of Agriculture Reorganization Act of 1994 requires the Secretary of Agriculture to procure and use computer systems in a manner that enhances efficiency, productivity, and client services, and that promotes computer information sharing among agencies of the Department. The Clinger-Cohen Act of 1996 requires USDA to maximize the value of information technology acquisitions to improve the efficiency and effectiveness of USDA programs. Since its beginning in 1996, the USDA Service Center Modernization initiative has been working to restructure county field offices, modernize and integrate business approaches and replace the current, aging information systems with a modern Common Computing Environment that optimizes information sharing, customer service, and staff efficiencies.

COMMITTEE RECOMMENDATIONS

The Committee recommends $59,369,000 for the Common Computing Environment. This is $19,457,000 more than the 2001 appropriation and the same as the budget request.

Within this amount, $4,500,000 is provided for data storage infrastructure hardware and software with heterogeneous connectivity to all existing USDA information systems and applications, and which enables remote mirroring for disaster recovery, and for coordination with the Combined Administrative Management System (CAMS).

OFFICE OF THE CHIEF FINANCIAL OFFICER

Appropriations, 2001	$5,160,000
Budget estimate, 2002	5,335,000
Committee recommendation	5,335,000

Under the Chief Financial Officers Act of 1990, the Chief Financial Officer is responsible for the continued direction and oversight of the Department's financial management operations and systems. The Office is also responsible for the management and operation of the National Finance Center. In addition, the Office provides budget, accounting, and fiscal services to the Office of the Secretary, departmental staff offices, Office of the Chief Information Officer, Office of Communications, and executive operations.

COMMITTEE RECOMMENDATIONS

For the Office of the Chief Financial Officer, the Committee recommends $5,335,000. This amount is $175,000 more than the 2001 appropriation and the same as the budget request.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

Appropriations, 2001	$628,000
Budget estimate, 2002	647,000
Committee recommendation	647,000

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

COMMITTEE RECOMMENDATIONS

For the Office of the Assistant Secretary for Administration, the Committee recommends $647,000. This amount is $19,000 more than the 2001 level and the same as the budget request.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

Appropriations, 2001	$182,345,000
Budget estimate, 2002	187,581,000
Committee recommendation	187,581,000

Rental payments.—Annual appropriations are made to finance the appropriated portion of the payments to the General Services Administration [GSA] for rental of space and for related services to all USDA agencies, except the Forest Service, which is funded by another appropriations bill.

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

Building operations and maintenance.—On October 1, 1984, the General Services Administration [GSA] delegated the operations and maintenance function for the buildings in the D.C. complex to the Department. This activity provides departmental staff and support services to operate, maintain, and repair the buildings in the D.C. complex. GSA expanded the delegation to include two additional buildings on October 1, 1986. One building is the Government-owned warehouse for forms in Lanham, MD, and the other is a leased warehouse for the excess property operation located at 49 L Street SW, Washington, DC. GSA retains responsibility for major nonrecurring repairs. In fiscal year 1998, USDA began operations and maintenance of the Beltsville office facility.

Strategic space plan.—The Department's headquarters staff is presently housed in a four-building Government-owned complex in downtown Washington, DC, and in leased buildings in the Metropolitan Washington, DC, area. In 1995, USDA initiated a plan to improve the delivery of USDA programs to the American people, including streamlining the USDA organization. A high-priority goal in the Secretary's plan is to improve the operation and effectiveness of the USDA headquarters in Washington, DC. To implement this goal, a strategy for efficient reallocation of space to house the restructured headquarters agencies in modern and safe facilities has been proposed. This USDA strategic space plan will correct serious problems USDA has faced in its facility program, including the inefficiencies of operating out of scattered leased facilities and serious safety hazards which exist in the Agriculture South Building.

During fiscal year 1998, the Beltsville Office Facility was completed. This facility was constructed with funds appropriated to the Department and is located on Government-owned land in Beltsville, Maryland. In fiscal year 1999, USDA began operations at the Beltsville Office Facility.

COMMITTEE RECOMMENDATIONS

For U.S. Department of Agriculture buildings and facilities and payments for the rental of space and related services, the Committee recommends $187,581,000. This amount is $5,236,000 more than the 2001 appropriation and the same as the budget request.

The following table reflects the Committee's specific recommendations for this account as compared to the fiscal year 2001 and budget request levels:

[In thousands of dollars]

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

HAZARDOUS MATERIALS MANAGEMENT

Appropriations, 2001	$15,665,000
Budget estimate, 2002	15,665,000
Committee recommendation	15,665,000

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

COMMITTEE RECOMMENDATIONS

The Committee recommends $15,665,000 for hazardous materials management. This amount is the same as the 2001 appropriation and the budget request.

DEPARTMENTAL ADMINISTRATION

Appropriations, 2001 [1]	$35,931,000
Budget estimate, 2002	37,079,000
Committee recommendation	37,079,000

[1] Excludes $199,560 in emergency funding provided by Public Law 106–387.

Departmental administration is comprised of activities that provide staff support to top policy officials and overall direction and coordination of administrative functions of the Department. These activities include departmentwide programs for human resource management, management improvement, occupational safety and health management, real and personal property management, procurement, contracting, motor vehicle and aircraft management, supply management, civil rights and equal opportunity, participation of small and disadvantaged businesses and socially disadvantaged farmers and ranchers in the Department's program activities, emergency preparedness, small and disadvantaged business utilization, and the regulatory hearing and administrative proceedings conducted by the Administrative Law Judges and Judicial Officer. Departmental Administration also provides administrative support to the Board of Contract Appeals. Established as an independent entity within the Department, the Board adjudicates contract claims by and against the Department, and is funded as a reimbursable activity.

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

COMMITTEE RECOMMENDATIONS

For Departmental Administration, the Committee recommends an appropriation of $37,079,000. This amount is $1,148,000 more than the fiscal year 2001 appropriation and the same as the budget request.

OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS

Appropriations, 2001	$2,993,000
Budget estimate, 2002	2,993,000
Committee recommendation	3,493,000

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

COMMITTEE RECOMMENDATIONS

For grants for socially disadvantaged farmers, the Committee recommends an appropriation of $3,493,000. This amount is $500,000 more than the 2001 level and the budget request.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS

Appropriations, 2001	$3,560,000
Budget estimate, 2002	3,684,000
Committee recommendation	3,684,000

The Office of the Assistant Secretary for Congressional Relations maintains a liaison with the Congress and White House on legislative matters. It also provides for overall direction and coordination in the development and implementation of policies and procedures applicable to the Department's intra- and inter-governmental relations.

COMMITTEE RECOMMENDATIONS

For the Office of the Assistant Secretary for Congressional Relations, the Committee recommends an appropriation of $3,684,000. This amount is $124,000 more than the 2001 level and the same as the budget request.

The Committee provides that not less than $2,283,000 may be transferred to agencies funded by this Act to support congressional relations' activities at the agency level. Within 30 days from the enactment of this Act, the Secretary shall notify the House and Senate Committees on Appropriations on the allocation of these funds by USDA agency, along with an explanation for the agency-by-agency distribution of the funds.

OFFICE OF COMMUNICATIONS

Appropriations, 2001	$8,604,000
Budget estimate, 2002	8,894,000
Committee recommendation	8,894,000

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

COMMITTEE RECOMMENDATIONS

For the Office of Communications, the Committee recommends an appropriation of $8,894,000. This amount is $290,000 more than the 2001 appropriation and the same as the budget request.

OFFICE OF THE INSPECTOR GENERAL

Appropriations, 2001	$68,715,000
Budget estimate, 2002	70,839,000
Committee recommendation	70,839,000

The Office of the Inspector General was established October 12, 1978, by the Inspector General Act of 1978. This act expanded and provided specific authorities for the activities of the Office of Inspector General which had previously been carried out under the general authorities of the Secretary of Agriculture.

The Office is administered by an inspector general who reports directly to the Secretary of Agriculture. Functions and responsibilities of this Office include direction and control of audit and investigative activities within the Department, formulation of audit and investigative policies and procedures regarding Department programs and operations, and analysis and coordination of program-related audit and investigation activities performed by other Department agencies.

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

COMMITTEE RECOMMENDATIONS

For the Office of Inspector General, the Committee recommends an appropriation of $70,839,000. This is $2,124,000 more than the 2001 appropriation and the same as the budget request.

OFFICE OF THE GENERAL COUNSEL

Appropriations, 2001 [1]	$31,012,000
Budget estimate, 2002	32,627,000
Committee recommendation	32,627,000

[1] Excludes $498,900 in emergency funding provided by Public Law 106–554.

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

COMMITTEE RECOMMENDATIONS

For the Office of the General Counsel, the Committee recommends an appropriation of $32,627,000. This amount is $1,615,000 more than the 2001 appropriation and the same as the budget request.

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

Appropriations, 2001	$555,000
Budget estimate, 2002	573,000
Committee recommendation	573,000

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

COMMITTEE RECOMMENDATIONS

For the Office of the Under Secretary for Research, Education, and Economics, the Committee recommends an appropriation of $573,000. This amount is $18,000 more than the 2001 level and the same as the budget request.

The Committee directs the Secretary to review existing and ongoing public and private research related to the induced molting of laying hens, and carry out or support such further research as may be appropriate, and report back to the Committee by April 30, 2002. The research should advance understanding of effective dietary alternatives to feed and water withdrawal in connection with induced molting. The research should also provide further knowledge about any increased pathogen shed that may be associated with induced molting and potential risk to human health, on the

basis of actual field research over one or more complete flock life cycles.

Nutrition monitoring activities are vital to shaping policies for food safety, child nutrition, food assistance, and dietary guidance. While the Committee supports the process underway to integrate the National Health and Nutrition Examination Survey (NHANES) conducted by the Department of Health and Human Services and the Continuing Survey of Food Intakes by Individuals (CSFII) conducted by USDA, it is concerned that USDA has failed to continue to conduct the CSFII in 2000 and 2001 as the integration process continues. The Committee directs USDA to conduct the CSFII to ensure that the quality of dietary data collected is not diminished, and survey methods capture statistically valid intakes of various population groups, especially at-risk groups.

ECONOMIC RESEARCH SERVICE

Appropriations, 2001 [1]	$66,891,000
Budget estimate, 2002	67,200,000
Committee recommendation	67,200,000

[1] Includes $998,000 transfer to "Food and Nutrition Service, Food Program Administration" for studies and evaluations pursuant to Public Law 106–387.

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

COMMITTEE RECOMMENDATIONS

For the Economic Research Service, the Committee recommends an appropriation of $67,200,000. This amount is $309,000 more than the 2001 level and the same as the budget request.

The amount recommended also includes $9,168,000 for USDA food assistance program studies and evaluations.

NATIONAL AGRICULTURAL STATISTICS SERVICE

Appropriations, 2001	$100,550,000
Budget estimate, 2002	113,786,000
Committee recommendation	113,786,000

The National Agricultural Statistics Service [NASS] administers the Department's program of collecting and publishing current national, State, and county agricultural statistics. These statistics provide accurate and timely projections of current agricultural production and measures of the economic and environmental welfare of the agricultural sector which are essential for making effective policy, production, and marketing decisions. NASS also furnishes statistical services to other USDA and Federal agencies in support of their missions, and provides consulting, technical assistance, and training to developing countries.

The Service is also responsible for administration of the Census of Agriculture, which was transferred from the Department of Commerce to the Department of Agriculture in fiscal year 1997 to con-

solidate agricultural statistics programs. The census of agriculture is taken every 5 years and provides comprehensive data on the agricultural economy including: data on the number of farms, land use, production expenses, farm product values, value of land and buildings, farm size and characteristics of farm operators, market value of agricultural production sold, acreage of major crops, inventory of livestock and poultry, and farm irrigation practices. The 1997 Census of Agriculture was released on February 1, 1999. The next agricultural census will be conducted beginning in January 2003 for the calendar year 2002.

COMMITTEE RECOMMENDATIONS

For the National Agricultural Statistics Service, the Committee recommends an appropriation of $113,786,000. This amount is $13,236,000 more than the 2001 appropriation and the same as the budget request.

The Committee's recommendation includes the $25,350,000 requested in the budget for the Census of Agriculture, $10,383,000 more than the 2001 appropriation.

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

Appropriations, 2001	$896,835,000
Budget estimate, 2002	915,591,000
Committee recommendation	1,004,738,000

The Agricultural Research Service [ARS] is responsible for conducting basic, applied, and developmental research on: soil, water, and air sciences; plant and animal productivity; commodity conversion and delivery; human nutrition; and the integration of agricultural systems. The research applies to a wide range of goals; commodities; natural resources; fields of science; and geographic, climatic, and environmental conditions.

ARS is also responsible for the National Agricultural Library which provides agricultural information and library services through traditional library functions and modern electronic dissemination to agencies of the USDA, public and private organizations, and individuals.

As the U.S. Department of Agriculture's in-house agricultural research unit, ARS has major responsibilities for conducting and leading the national agricultural research effort. It provides initiative and leadership in five areas: research on broad regional and national problems, research to support Federal action and regulatory agencies, expertise to meet national emergencies, research support for international programs, and scientific resources to the executive branch and Congress.

The mission of ARS research is to develop new knowledge and technology which will ensure an abundance of high-quality agricultural commodities and products at reasonable prices to meet the increasing needs of an expanding economy and to provide for the continued improvement in the standard of living of all Americans. This mission focuses on the development of technical information and technical products which bear directly on the need to: (1) manage and use the Nation's soil, water, air, and climate resources, and im-

prove the Nation's environment; (2) provide an adequate supply of agricultural products by observing practices that will maintain a sustainable and effective agriculture sector; (3) improve the nutrition and well-being of the American people; (4) improve living in rural America; and (5) strengthen the Nation's balance of payments.

COMMITTEE RECOMMENDATIONS

For salaries and expenses of the Agricultural Research Service, the Committee recommends $1,004,738,000. This is $107,903,000 more than the 2001 level and $89,147,000 more than the budget request.

The Committee recommendation includes $180,000 of the savings from project terminations proposed in the budget. These savings are to be redirected to those research areas for which increased funding is provided by the Committee. The Committee does not provide funding for contingencies.

For fiscal year 2002, the Committee recommends funding increases, as specified below, for new and ongoing research activities. The remaining increase in appropriations from the fiscal year 2001 level is to be applied to mandatory pay and related cost increases to prevent the further erosion of the agency's capacity to maintain a viable research program at all research locations.

The Committee expects the agency to give attention to the prompt implementation and allocation of funds provided for the purposes identified by Congress.

In complying with the Committee's directives, ARS is expected not to redirect support for programs from one State to another without prior notification to and approval by the House and Senate Committees on Appropriations in accordance with the reprogramming procedures specified in the Act. Unless otherwise directed, the Agricultural Research Service shall implement appropriations by programs, projects, commodities, and activities as specified by the Appropriations Committees. Unspecified reductions necessary to carry out the provisions of this Act are to be implemented in accordance with the definitions contained in the "Program, project, and activity" section of this report.

The Committee's recommendations with respect to specific areas of research are as follows:

Aerial application research.—The Committee is aware of the significant and necessary role aerial application provides to our nation's farmers and the importance of increasing aerial application environmental safety. Aerial application is a necessary crop protection tool in modern farming. Aerial application permits large areas to be covered rapidly, thus ensuring timely and effective applications of large farming areas. The Committee notes the important research being conducted at the ARS laboratory in College Station, TX, which led to modifications of application systems to meet safety and technology challenges in aerial application. The Committee provides an increase of $600,000 over the fiscal year 2001 funding level for expanded ARS aerial application research at the College Station, TX, research station.

Animal waste treatment research.—The Committee is aware of the priority need for research to develop new treatments for animal

waste. In this regard, the agency's Florence, SC, research laboratory has been making great strides to allow the advancement of alternative technologies to address swine waste which could eventually eliminate waste lagoons. The Committee provides an increase of $600,000 for fiscal year 2002 for these investigations at the Florence, SC, research station.

Animal Welfare Information Center (AWIC).—As a component of the National Agricultural Library (NAL) integrated information services, AWIC provides information about animal welfare to researchers and others responsible for the care and treatment of laboratory animals, as mandated under the 1985 Animal Welfare Act. The Committee provides an increase of $400,000 to support increased activities of AWIC in fiscal year 2002.

Animal Vaccines.—USDA estimates that the annual monetary loss from cattle and swine intestinal diseases is around $500,000,000 in the United States alone. New technologies are critically needed to mitigate the adverse impacts of intestinal diseases on cattle, poultry and swine, and to avoid potential economic disasters, such as the spread of foot and mouth disease in Europe. The Committee provides an increase of $300,000 for fiscal year 2002 for this joint research project between ARS and the Universities of Connecticut and Missouri aimed at developing and refining new methods for applied vaccine delivery, early disease detection, and developing more effective vaccines.

Appalachian Fruit Research Station.—The Committee provides an increase of $220,000 from the fiscal year 2001 level in program funding to support molecular biology and engineering research at the Appalachian Fruit Research Station, Kearneysville, WV.

In addition, the Committee is aware of certain facility needs at the Kearneysville location and the agency is instructed to address the more immediate requirements in fiscal year 2002 and provide a report to the Committee on Appropriations of the House and Senate by January 1, 2002, identifying long-term facility improvement needs.

Appalachian Pasture-Based Beef Systems Project.—The Committee provides $2,000,000 for fiscal year 2002 to continue the research consortium supporting the Appalachian Pasture-Based Beef Systems project. Through a cooperative agreement, consortium members, consisting of West Virginia University, Virginia Tech, and ARS, will be able to provide critical resources to Appalachian cattle farmers to ensure the future economic viability of these producers, to enhance development in Appalachia, and to protect the environment.

Apple research.—The Committee expects ARS to increase funds available for research on alternatives to pesticides and improving postharvest technologies for apples.

Aquaculture research.—The Committee acknowledges the importance of avoiding duplication in research administered by the U.S. Department of Agriculture at various locations throughout the country. In order to ensure that duplication does not occur in the field of warmwater aquaculture research, the Stuttgart research facility should not engage in channel catfish research related to production systems, nutrition, water quality, genetics, disease diag-

nosis, or food processing which is ongoing at the National Warmwater Aquaculture Research Center at Stoneville, MS.

The Committee encourages all facilities to share research results to benefit and enhance the Nation's aquaculture industry.

Arkansas Children's Nutrition Center (ACNC).—The Arkansas Children's Nutrition Center is part of the Arkansas Children's Hospital Research Institute and is one of six USDA–ARS Human Nutrition Centers. The ACNC conducts research on diet and dietary factors that optimize the nutrition and health of children from conception through adolescence, and maximize their health as adults, especially in later life. Controlled human studies assessing metabolic, endocrinologic, and immunologic functions are used to develop dietary strategies. ACNC has achieved some very promising research breakthroughs. Scientists at the Center recently patented research that found whey and soy proteins helped prevent breast cancer, a major cause of death among women. ACNC is working aggressively with the soybean, rice, and wheat industries to enhance research efforts in this program. The Committee provides an increase of $300,000 from the level available in fiscal year 2001 for expanded research on nutrition and health at the Arkansas Children's Nutrition Center, located in Little Rock, AR.

Asian bird influenza.—The Committee remains concerned about the recent outbreak of a lethal strain of avian influenza in Southeast Asia. Under encouragement from the Committee, ARS scientists at Athens, GA, provide technical assistance and collaborate with other leading virologists and ornithologists to develop and assess baseline data on Eurasian birds as an influenza reservoir and their migration habits between Southeast Asia and North America and their breeding grounds in Alaska. The Committee continues the fiscal year 2001 level of funding for ARS to collaborate with the University of Alaska and the University of Georgia to develop further and assess these baseline data, specifically through increasing the number and diversity of wild bird samples obtained and analyzed.

Avian Pneumovirus.—The Committee notes the losses to turkey producers due to the spread of avian pneumovirus and continues funding at the fiscal year 2001 level for research related to this disease.

Barley food health benefits research.—The Committee supports the expansion of research on the health effects of barley food products. Efforts have been initiated to create an FDA-approved label defining foods that contain barley as low-cholesterol. As part of those studies, human nutrition clinical trials must be conducted. The Committee provides an increase of $300,000 from the fiscal year 2001 level for this research.

Barley stripe rust.—The Committee recognizes the important research conducted at the Pullman, WA, ARS unit on barley stripe rust. Barley stripe rust is a major threat to the Pacific Northwest barley production. The Committee provides the fiscal year 2001 funding level for research on barley stripe rust.

Binational Agriculture Research and Development (BARD).—BARD is a binational fund to promote and support agricultural research and development projects of mutual benefit to the United

States and Israel. The Committee provides an increase of $150,000 for fiscal year 2002 for this joint research program.

Bioenergy and biofuels research.—The Committee recognizes that in addition to enhanced energy security, development of biobased products and bioenergy represent an additional source of demand for agricultural products. The Committee provides increased funding of $9,500,000 for fiscal year 2002 for biofuels and bioenergy research to be carried out at Peoria, IL; Wyndmoor, PA; Albany, CA; Lincoln, NE, St. Paul, MN; and Madison, WI. In addition, the Committee provides an increase of $1,500,000 to evaluate and develop plant species and management practices adaptable to buffer strips and CRP lands for sustainable bioenergy and bioproduct crop production systems at El Reno, OK; Tifton, GA; Mandan, ND; University Park, PA; and Corvallis, OR.

Bioinformatics Institute for Model Plant Species.—There is a need to develop a bioinformatics infrastructure that facilitates transfer of genomics information on structural and functional genomics from model plants to crop species. By leveraging genomics information in model plants such as "arabidopsis thaliana", it will be possible to focus and improve the efficiency of genomics research on crop species. The Committee provides an increase of $750,000 for fiscal year 2002 for ARS, in collaboration with New Mexico State University and the National Center for Genome Resources, to establish a Bioinformatics Institute for Model Plant Species. This research will complement but not duplicate the cooperative program currently carried out at the ARS Center for Bioinformatics and the Cornell University Theory Center. The Institute will expand and link existing genomic and genome database research from ARS and the collaborating partners into an inter-institutional platform for deploying genomic data from model plants to discover, characterize, and manipulate agronomically important genes of major crops, including soybeans, alfalfa, maize, and cotton.

Biomass crop production.—The Committee provides an increase of $900,000 over the amount requested for fiscal year 2002 for expanded research on biobased products and bioenergy to initiate a cooperative project with South Dakota State University on biomass co-product research. This project will investigate the applicability of using a method of fiber extrusion from ethanol production into high value feed for cattle and conversion to increased ethanol production.

Biotechnology approaches to risk assessment.—The Committee understands the need to provide science-based data on the long-term ecological impacts of genetically-modified pest-protected plants. Biotech approaches that prevent pollen or seedling viability, establishment of buffer zones, management practices or other new technologies should be employed to mitigate risk. Research is necessary to develop data that will provide a basis for regulation of genetically engineered crops, especially those incorporating pest and herbicide resistance. The Committee provides an increase of $3,000,000 for fiscal year 2002. Funding in the amount of $600,000 is to be implemented at each of the following ARS locations: West Lafayette, IN; Ithaca, NY; Madison, WI; Beltsville, MD; and Albany, CA.

Biomedical materials in plants.—The Committee continues the fiscal year 2001 level of funding for ARS cooperative research with the Biotechnology Foundation, Inc., to carry out studies on tobacco and other plants as a medium to produce vaccines and other biomedical products for the prevention of human and animal diseases.

Biotechnology Research and Development Corporation.—The Committee directs the agency to continue its support of the Biotechnology Research and Development Corporation's research on both plants and animals at an increase of $300,000 from the fiscal year 2001 level.

Bovine genetics research.—As dairy farmers continue to face low farm milk prices, efforts to improve efficiency and maintain low costs of production become increasingly important. One way to achieve this efficiency is to milk cows with superior genetics. The Animal Improvement Program Laboratory (AIPL) conducts research to discover, test, and implement improved genetic evaluation techniques for economically important traits of dairy cattle. Approximately 38,000 dairy farmers throughout the United States participate in the data collection program that AIPL uses to accumulate the data needed for its evaluations. These evaluations are then shared with farmers and breeders who benefit from the information. The Committee provides an increase of $750,000 from fiscal year 2001 levels to enhance bovine genetics research at the Beltsville Agricultural Research Center.

Broiler production in the mid-south.—Reduced broiler production costs are essential for the industry to increase net profit and remain competitive internationally. The Committee provides an increase of $900,000 from the fiscal year 2001 funding level for the ARS Poultry Research Unit in Mississippi to address critical research areas. These include reducing ammonia levels in poultry litter, improving environmental controls, and reducing mortality in broiler flocks.

Catfish health.—Disease-causing bacteria, viruses, and parasites threaten the nation's catfish industry. Research is urgently needed to identify disease vectors, modes of transmission, life cycles and methods for controlling these diseases. The Committee provides an increase of $2,000,000 from the fiscal year 2001 level for a comprehensive catfish health research program to be conducted at the National Warmwater Aquaculture Center. The Center already has a critical mass of scientists and the physical capabilities to rapidly address the disease issue. Ongoing research in genomics and breeding can be expanded to select for fish with disease and parasite resistance. The increased funding will provide the additional scientists required, including parasitologists, virologists, fish pathologists, and disease epidemiologists.

Center for Food Safety and Postharvest Technology.—The Committee is aware of the significance of the research currently underway relating to catfish and other food products at the Mississippi Center for Food Safety and Postharvest Technology and continues funding at the fiscal year 2001 level for research on shellfish safety and methods of decreasing risks to consumers.

Cereal crops research.—The Committee provides an additional $900,000 from the level available in fiscal year 2001 for the ARS Northern Crops Research Laboratory at Fargo, ND for expanded

research on small grains and sunflowers. The Committee continues to be concerned with the economic viability of the small grains and sunflower industries as a result of production and marketing problems faced by producers in recent years. In addition, the Committee provides $250,000 for the cereal crops research unit at Madison, WI.

Club wheat breeding.—The Committee provides continued funding at the fiscal year 2001 level for the ARS Pacific Northwest Club Wheat Breeding Program. This program is essential as growers seek to gain additional overseas markets.

Corn germplasm.—Contamination of corn by aflatoxin limits corn production in the southern United States. Understanding the corn genome and where the genes for resistance are located on the genome will accelerate the plant breeding process leading to resistant lines. The Committee provides an increase of $750,000 from the fiscal year 2001 funding level for ARS in Stoneville, MS, to undertake research on the development of corn plants resistant to aflatoxin.

Cotton genomics, breeding, and variety development.—Accelerating the release of higher yielding cotton varieties with improved fiber quality and pest resistance is imperative for maintaining the economic viability of the U.S. cotton industry. To become more competitive, U.S. cotton mills have turned to ever-faster spinning and weaving machinery, requiring higher quality cotton fibers than are currently being produced. Improved cotton varieties by the private sector have placed primary emphasis on value added traits, but they have not resulted in a net increase in fiber yield nor improved fiber quality. While cotton germplasm is available for improving yield and quality, efforts must be accelerated to incorporate this genetic material into agronomically-acceptable varieties and to transfer into cotton lines resistance to nematodes and other pests. An increase of $1,000,000 is provided from the fiscal year 2001 level to incorporate an independent public cotton breeding program into the cotton genomics and breeding program conducted by ARS at the Stoneville, MS, Federal-State Research and Extension Complex. This research effort will accelerate releases of cotton germplasm and varieties with improved yield, fiber quality, and reniform nematode resistance.

Cotton ginning laboratories.—The Committee continues funding at the fiscal year 2001 levels for ginning research at the Stoneville, MS; Mesilla Park, NM; and Lubbock, TX, laboratories.

Cotton value-added/quality research.—U.S. agriculture's continued economic strength depends on efficient production and value-added technology. The Committee urges ARS to continue to place high priority on cotton textile processing research conducted at New Orleans, LA, to improve quality, reduce defects, and improve easy-care products. The Committee continues funding at the fiscal year 2001 level for this research.

Crop production and food processing.—The Committee supports the existing collaborative effort between Purdue University and the Agricultural Research Service on a genomic project to identify critical steps in the development of resistance to important pests of wheat. The Committee provides an increase of $600,000 for fiscal year 2002 for a cooperative agreement with Purdue University to expand this project into improvements of the functional properties

of soybeans, as well as wheat, in conjunction with the University of Illinois and ARS' National Center for Agricultural Utilization Research, Peoria, IL.

Dairy forage research.—The Committee provides an increase of $1,250,000 for fiscal year 2002 to the U.S. Dairy Forage Research Center, Madison, WI. Of this increase $500,000 is directed for integrated farming systems research, and $250,000 is directed to support Wisconsin Integrated Cropping Trial System activities. Also, within this increase, $500,000 is provided for ARS to conduct seasonal grazing research at the Dairy Forage Research Center.

Disease resistance and alternative crops research.—The Committee acknowledges the need for additional research on disease resistance and alternative crops for coffee and cocoa. The Agricultural Research Service has a productive program in place that has already resulted in the formation of a unique public/private partnership with the American Cocoa Research Institute (ACRI) and individual companies within the U.S. confectionery industry. This new scientific and technical alliance has allowed USDA to share findings from private-sector supported programs, as well as to develop educational and technical farm level projects utilizing industry expertise. The "Disease Resistance/Alternative Crop Research" cocoa research program has equally important implications for realizing foreign policy goals in Central and South America as well as economic benefits for West Africa. As a globally marketable cash crop, cocoa can provide an alternative, environmentally beneficial choice for small farmers and may provide an incentive to farmers to abandon illegal crops for those that can provide stable long-term economic benefits. The cocoa research initiative will focus on identifying genetic markers for disease resistance, improving traditional breeding techniques, disease mitigation, technology transfer, as well as farmer training programs. Various aspects of this research can be applied to domestic crops such as potatoes, soybeans, cotton, and corn. The Committee provides an increase of $1,850,000 for fiscal year 2002 for this important research. Of this increase, $150,000 is for a cooperative program administered in Wisconsin.

Emerging and exotic diseases.—The Committee notes the increasing threat posed by emerging and exotic diseases to livestock and crops throughout the United States. It is extremely important to identify new pathogens, their geographic origin, and to biologically characterize them. The Committee provides an increase of $6,782,000 for fiscal year 2002. The research will be conducted at ARS animal facilities; the plant research will be carried out at Ft. Detrick, MD; Charleston, SC; Fargo, ND; College Station, TX; and Raleigh, NC.

Fish diseases.—The Committee recognizes the need for the development of safe and effective vaccines for the prevention of diseases in catfish to increase productivity, fish efficiency, and reproduction. Vaccinations, successful in other animals, appear to be the best means of preventing diseases. The Committee provides an increase of $500,000 from fiscal year 2001 level for the development of vaccines to prevent fish diseases at the ARS Auburn, AL, research laboratory.

Floriculture and nursery research.—The Committee provides increased funding of $800,000 from the fiscal year 2001 level for the

ARS floriculture (environmental horticulture) and nursery research program. Nursery and greenhouse products rank third in the Nation. As the public demands more plants and trees to help clean the air, prevent water runoff and soil erosion, and improve water quality and conservation, the nursery industry is playing an expanding and significant environmental research role.

Formosan Termite Control.—The Committee provides $6,000,000 to continue the ongoing Formosan termite eradication and research program, "Operation Full Stop," at the Southern Regional Research Center.

Fruit fly.—The Committee provides continued funding at the fiscal year 2001 level for the University of Hawaii College of Tropical Agriculture and Human Resources for collaborative work on developing efficacious and nontoxic methods to control tephritid fruit flies and to continue expansion efforts addressing multiple pests and treatments. For continuing the work on the impact of quarantine and control techniques on non-target organisms and the environment, the Committee recommends the same amount as provided in fiscal year 2001.

In addition, the Committee continues ARS funding at the fiscal year 2001 level to the University of Hawaii College of Tropical Agriculture and Human Resources to monitor and refine control of the papaya ringspot virus and to expand the techniques and knowledge obtained from this program to other papaya diseases and pests and to other crops such as taro, ginger, and herbal plants. The Committee also continues ARS funding to the University of Hawaii College of Tropical Agriculture and Human Resources to coordinate a program to induce nematode resistance, flowering control, and mealy bug wilt disease resistance in commercial pineapple cultivars and to apply the tools and knowledge developed to other tropical plants of economic importance in Hawaii.

Fruit research.—The Committee is aware of the important work carried out on fruit research at Wenatchee and Yakima in the State of Washington. The Committee expects the Department to continue to give increased attention to the work carried out at these two facilities.

Genomics research.—The Committee is aware of the need to develop more rapid and efficient methods to identify and manipulate useful properties of genes and genome. Genomics and biotechnology are critical to maximize crop production while minimizing environmental degradation. The Committee provides an increase of $4,500,000 for fiscal year 2002 for this research to be carried out at Beltsville, MD; Clay Center, NE; Ithaca, NY; and Stoneville, MS.

Grain legume plant pathologist position research.—The Committee acknowledges the importance of a grain legume plant pathologist position at Washington State University in Pullman, WA, and continues funding at the fiscal year 2001 level to support this position. This position is required for research on grain legumes and foliar diseases of dry peas, lentils, and chickpeas.

Grape research.—The Committee acknowledges the importance of a horticulturist position specializing in grape production at the ARS station in Prosser, WA. The Committee recognizes that the research horticulturist is an important link to the research efforts conducted at the Northwest Center for Small Fruits Research at

the ARS Corvallis, OR, station. Recognizing the importance of this position and the effect research has had on grape production in Washington, Oregon, and Idaho, the Committee recommends continued funding at the fiscal year 2001 level.

Harbor Branch aquaculture research.—Competition for access to the limited U.S. coastal land resources requires innovative approaches to develop and expand marine aquaculture into new environments. The objective is to design a cost-effective and energy efficient solar aquaculture system capable of sustained production of warm water species throughout the year in colder climates. The Committee provides an increase of $300,000 for fiscal year 2002 for collaborative research between ARS and the Harbor Branch Oceanographic Institute for research on low-cost energy efficient marine aquaculture systems in new environments.

Harry Dupree National Aquaculture Research Center.—The Committee understands that Arkansas leads the nation in raising hybrid striped bass and grass/Chinese carp. It produces 80 percent of the nation's baitfish and is the second leading producer of catfish. The Aquaculture Center plays a significant role in supporting those efforts. The Committee provides an increase of $250,000 from the fiscal year 2001 level for an additional scientist to strengthen this research program.

Hawaii Agriculture Research Center.—The Committee continues the fiscal year 2001 level of funding for the Hawaii Agriculture Research Center to maintain the competitiveness of U.S. sugarcane producers and to continue to support the expansion of new crops and products, including those from agroforestry, to complement sugarcane production in Hawaii.

Hides and leather research.—The Eastern Regional Research Center in Wyndmoor, PA, is the only USDA facility conducting research on hides and leather. The Committee recognizes the importance of the Center's ongoing research to develop new methods of tanning cattle hides produced in the country. The research provides the hides and leather industry with a cost-effective and environmentally safe tanning process which will enhance U.S. producers' comptitiveness in world markets. The Committee continues funding at the fiscal year 2001 level to support this important research.

Hops.—The Committee recognizes the difficulties in the production of the U.S. hops industry with new and emerging diseases, and encourages continued support and research enhancement by ARS.

Improved forage livestock production.—The Committee recognizes the limited research currently available on the science and utilization of grasslands and its potential for significantly improved forage-livestock production systems. The Committee provides an increase of $1,750,000 for fiscal year 2002 to ARS for a cooperative project with the University of Kentucky on tall fescue breeding and improvement efforts to develop an enhanced national forage base.

IR–4 Minor Crop Pesticide Registration Program.—The Committee recognizes the importance of the IR–4 project, which produces research data for clearances for pest control products on minor food and ornamental crops. The Committee notes that this project is especially critical at this time in order to meet the new requirements of the Food Quality Protection Act, and to fully im-

plement its reduced risk pest management strategy for minor crops.

Irrigated cropping systems in the mid-south.—Irrigation in the mid-south United States is essential for economically sustainable crop production systems. The Committee provides an increase of $400,000 from the fiscal year 2001 level for research on irrigation, to be conducted by ARS, Stoneville, MS, focusing on such issues as feedback to correct water amounts, reducing plant stress, and ameliorating the field environment.

Late blight fungus.—The late blight fungus is quickly developing into the most serious threat to potato production in the United States. New chemical-resistant strains of late blight have been detected in virtually every major potato growing State. Late blight has resulted in millions of dollars in crop losses in Maine and throughout the potato producing States in the Eastern United States. The Committee provides an increase of $300,000 for fiscal year 2002 for expanded ARS research on potato late blight.

Livestock genome mapping initiative.—The U.S. agricultural system now faces formidable challenges, such as water and soil degradation, new pests and pathogens, and inaccessibility of genetic resources resulting in increased genetic vulnerability of livestock. Genomics and biotechnology are critical for improving the efficiency of production, and the quality and safety of food products from animals, improving the accuracy of genetic selections, identifying and moving genes into livestock populations, and identifying genes responsible for disease and parasitic resistance in animals. The Committee supports this initiative to create an ordered map of large insert DNA clones covering the entire DNA in major species of food animals. The Committee provides an increase of $600,000 for fiscal year 2002 for ARS support of the initiative in conjunction with the University of Illinois, Urbana-Champaign.

Malignant Catarrhal Fever (MCF) Virus.—The Committee acknowledges the importance of research for the sheep-associated virus, Malignant Catarrhal Fever (MCF), infecting small ruminants. The Committee continues the fiscal year 2001 level of funding for research on the development of vaccines critical to the systematic eradication of MCF virus in small ruminants at the ARS laboratory at Pullman, WA, in cooperation with the ARS sheep station at Dubois, ID, and Washington State University.

Medicinal Botanical Production and Processing.—The Committee provides an increase of $600,000 from the fiscal year 2001 level for USDA's ARS Appalachian Farming Systems Research Center in Beaver, WV, to research, develop, and implement new and improved techniques for the cultivation and production of herbal crops as medicinal botanicals. This research is to be conducted in collaboration with the College of West Virginia/Mountain State University.

Methyl bromide.—The Committee supports funding to continue research related to a replacement for methyl bromide. The Committee expects the ARS to hold administrative overhead costs to a minimum, to direct a significant portion of these funds to field testing, and to direct technology transfer to land grant institutions involved in research projects under this program.

Microbial genomics.—The Committee recognizes the importance and significance of research to obtain the complete genetic code for *Anaplasma marginale* and other microbial pathogens, and provides an increase of $900,000 from the fiscal year 2001 level for a joint microbial genomics initiative between the ARS Animal Disease Research Unit at Pullman, WA, and the ARS Tick Research Unit at Kerrville, TX. Of the amount provided, $600,000 is to be allocated to the Animal Disease Research Unit at Pullman, WA, of which $100,000 is for a cooperative agreement with Washington State University, and $300,000 is to go to the Tick Research Unit at Kerrville, TX. Emerging and food-borne diseases create significant food safety and trade problems and further genomics research is needed to develop new control methods.

Minor crop pests.—The Committee provides continued funding at the fiscal year 2001 level for the University of Hawaii College of Tropical Agriculture and Human Resources to develop environmentally compatible methods to control pests and diseases in small-scale tropical and subtropical agricultural systems.

National Center for Agriculture Law.—The Agricultural Law Center at Fayetteville, AR, provides nationally important research and information on agricultural issues. The Agricultural Research Service's National Agricultural Library has had a cooperative program with the Center for the past decade. The Committee provides an increase of $125,000 for fiscal year 2002 in support of this program. Of the funding available for this program, $100,000 is available for agricultural law research at Drake University.

National Center for Cool and Cold Water Aquaculture.—The Committee increases funding for the National Center for Cool and Cold Water Aquaculture by $1,200,000 from the fiscal year 2001 level to allow the Center to make reasonable progress toward becoming fully operational and making a beneficial contribution to the success of aquaculture in America.

In addition to this increase, the Committee provides an increase of $725,000 from the fiscal year 2001 level to develop and test improved rainbow trout strains and alternative grain-based fish feeds through the ARS National Center for Cool and Cold Water Aquaculture, Leetown, WV, in cooperation with the University of Idaho Hagerman Fish Culture Experiment Station in Hagerman, ID.

The Committee also provides an increase of $600,000 for fiscal year 2002 to the National Center for Cool and Cold Water Aquaculture for the Improvement in Aquaculture Systems Environmental Compatibility and Economic Efficiency project. The project will enhance the production efficiency and minimize the environmental impact of aquaculture production systems. The research will be conducted through a consortium, consisting of the Center and the Conservation Fund's Freshwater Institute.

National Plant Germplasm System (NPGS).—The USDA oversees the NPGS which assures the acquisition and preservation of plant germplasm. Genetic resources are critical to the nation's agriculture and provide the basis for the development of crop varieties necessary to meet the changing circumstances and needs of the future. The Committee recognizes the importance of this research and provides an increase of $5,000,000 over the fiscal year 2001 level.

National sclerotinia initiative.—The Committee is aware of the significant crop losses incurred by producers because of reduced yields and crop quality caused by sclerotinia. The Committee provides an increase of $1,200,000 for fiscal year 2002 for the sclerotinia initiative for expanded research to control this devastating disease which seriously affects broadleaf plants, including canola, sunflowers, soybeans, edible beans, and lentils. This program will be coordinated from the ARS research station at Fargo, ND.

National Sedimentation Laboratory.—The Committee continues funding at the fiscal year 2001 level for the National Sedimentation Laboratory, including funding for studies on the use of acoustics to characterize soils, determine moisture content, and monitor crop growth. The Laboratory is expected to continue its close relationship with the National Center for Physical Acoustics in carrying out these research efforts.

The Committee also provides an additional $500,000 from the fiscal year 2001 level to the National Sedimentation Laboratory to conduct research on sources and causes of water impairment in the Yazoo River Basin and to seek economically feasible "Best Management Practices" for attaining new water quality goals, commonly referenced as Total Maximum Daily Loads (TMDL's), at field, farm, watershed, and basin levels.

National Soil Dynamics Laboratory.—The drought of 2000 resulted in $329,000,000 in losses to Alabama's row crop producers who typically contribute more than $700,000,000 to the State's economy. In order for row crop producers to remain competitive, ways to reduce drought-related risks must be addressed to increase production and producer's profitability. The Committee provides an increase of $1,500,000 for fiscal year 2002 to the ARS Soil Dynamics Laboratory at Auburn, AL, for increased studies in soil hydrology, weed ecology, and soil physics.

National Soil Erosion Laboratory.—The Committee provides an increase of $300,000 from the fiscal year 2001 level of funding to the ARS National Soil Erosion Laboratory, West Lafayette, IN, for support of the Source Water Protection Initiative, a watershed project affecting three States. The goals of the project are to accelerate the adoption of pest management practices in the watershed, the effects of pesticide loading, and water quality. The ARS station will be responsible for the design of the watershed scale monitoring and evaluation program, determining sampling intervals, and analyzing collected data.

Natural products.—The Committee provides an increase of $750,000 from the fiscal year 2001 level for the ARS to continue its cooperative agreement with the National Center for Natural Products Research in support of research on natural products.

New England Plant, Soil, and Water Laboratory.—ARS' New England Plant, Soil, and Water Laboratory at Orono, ME, conducts research to evaluate the impact of new cropping systems and management practices on plant pathogens, nutrient dynamics, soil properties, yield, and profitability. Research is also conducted to optimize the recycling of manure-derived nutrients while minimizing adverse environmental consequences of manure applications to cropland. The Committee supports this important research and

provides an increase of $300,000 for fiscal year 2002 for a soil physicist position at the ARS New England Plant, Soil, and Water Laboratory.

New uses of agricultural commodities.—The Committee recognizes the need for expanded research efforts to accelerate the development of biobased industries that use trees, crops, agriculture, forest and aquatic resources to make commercial products. Development of biobased products represents an additional source of demand for agricultural products. The Committee provides an increase of $4,000,000 over the fiscal year 2001 level to develop biobased materials from agricultural commodities and byproducts using biotechnology tools and other integrated technologies. These programs will be carried out as follows: Peoria, IL, $1,500,000; Wyndmoor, PA, $1,250,000; and New Orleans, LA, $1,250,000.

Northern Grain Insect Laboratory.—The Committee provides an increase of $300,000 for fiscal year 2002 to the Northern Grain Insect Laboratory at Brookings, SD, for support of a cropping system ecologist. This ARS laboratory conducts research to develop sustainable production systems that enhance environmental quality and provide health, safety, and profitability for agricultural producers in the Great Plains.

Northern Great Plains Research Laboratory.—This ARS research station conducts economically sustainable and environmentally sound integrated crop and livestock management systems for agricultural producers in the Northern Great Plains. In this regard, the station cooperates with the Hettinger Research and Extension Center in developing crop and livestock management systems that will increase the value of crops and animals produced in the region. The Committee provides total funding of $3,221,800 for Northern Great Plains Research Laboratory, Mandan, ND, to support planned research in fiscal year 2002, including support for a professional position at the Hettinger Research and Extension Center.

Oat virus research.—The Committee recognizes the critical need to control barley yellow dwarf virus and cereal yellow dwarf virus, two viruses which are destructive pathogens of oats. The Committee provides an increase of $300,000 for fiscal year 2002 for a cooperative agreement with the University of Illinois to conduct important genetic research on these viruses to help prevent these diseases in major food crops.

Ornamental horticulture research.—Ornamental horticulture in Tennessee and adjacent States faces challenges to its profitability. These challenges include pests, pathogens, and weeds; lack of environmentally-friendly production practices; and the development of improved or new varieties of ornamental crops. The Agricultural Research Service in cooperation with the University of Tennessee can revitalize research in ornamental horticulture, biocontrol, germplasm and plant sciences in general to solve these problems for this region of the country and improve the rural and suburban economies. The Committee supports this initiative and provides an increase of $600,000 for fiscal year 2002 for this research.

Pear thrips.—The Committee recognizes the value of collaboration between ARS and the University of Vermont to develop controls for pear thrips and provides $150,000 for fiscal year 2002 to continue this important research.

Pecan disease research.—The ARS Fruit and Nut Research Station at Byron, GA, has provided significant research findings for the U.S. pecan industry. Additional funding is required to support disease prevention and treatment. The Committee provides an increase of $300,000 from the fiscal year 2001 levels to support these important research programs.

Phytoestrogens.—The Committee has provided the fiscal year 2001 level of funding for the Southern Regional Research Center to continue cooperative studies of phytoestrogens in human health and disease and their impact on human cells. Phytoestrogens are natural constituents of the diet that have been shown or thought to have beneficial health effects, such as breast cancer prevention and cardiovascular fitness. Successful research will result in a significant health value being added to soy products, thus increasing their value as an agricultural product.

Pierce's disease.—Pierce's disease and its vector, the glassy-winged sharpshooter, continues to threaten the nation's grape and wine industries, as well as growers of other commodities. Because of this threat, citrus and nursery stock growers are now faced with costly requirements for inspection and treatment applications to control the spread of Pierce's disease and its vector, the glassy-winged sharpshooter. The Committee provides an increase of $3,500,000 for fiscal year 2002 to the ARS research center in Parlier, CA, to facilitate urgently needed research, including field trials of materials, biological control measures, and other approaches, such as lures and physical barriers, to the movement and spread of the insect.

Plum Pox research.—The Committee recognizes that the discovery of plum pox in North America seriously threatens stone fruit industry. The Committee maintains funding for fiscal year 2002 at the fiscal year 2001 level of $775,000 for plum pox research at the Appalachian Fruit Research Station in Kearneysville, WV, to build upon ongoing research at this research facility which has produced a plum tree that has proven resistant to the plum pox virus in field tests done in Poland, Romania, and Spain during the last three growing seasons.

The Committee also maintains funding at the fiscal year 2001 level for ARS research conducted at Frederick, MD, to develop integrated disease control methods in collaboration with Pennsylvania State University and Clemson University on plum pox virus.

Potato breeding research.—The USDA research laboratory at Aberdeen, ID, conducts an important and progressive potato breeding program. Recent erosion in the laboratory's funding and lack of scientific resources have limited ARS' capacity to address important aspects of variety development research. The Committee provides an additional $150,000 from the fiscal year 2001 levels to address this problem and to enhance the laboratory's molecular biology programs.

Potato research.—The Committee acknowledges the importance of potato research conducted at the Irrigated Agriculture Research and Extension Center in Prosser, WA. The Committee continues the fiscal year 2001 funding level for potato research at the Prosser, WA, station.

Program continuations.—The Committee directs the Agricultural Research Service to continue to fund the following areas of research in fiscal year 2002 at the same funding level provided in fiscal year 2001: Catfish Genome, Auburn, AL; National Soil Dynamics Laboratory, Auburn, AL; Integrated Pest Management (IPM), Fairbanks, AK; Arctic Germplasm, Palmer, AK; Aflatoxin in Cotton, Phoenix, AZ; Endophyte Research, Small Farms, Booneville, AR; Aquaculture Fisheries Center, Pine Bluff, AR; Aquaculture Initiative, Harbor Branch Oceanographic Institute, Rice Research, Stuttgart, AR; Ecology of Tamarix, Albany, CA; Sustainable Vineyard Practices Position, Davis, CA; Citrus & Horticultural Research, Fort Pierce, FL; Biological Controls and Agriculture Research, Mosquito Trapping Research/West Nile Virus, Gainesville, FL; Coffee and Cocoa Research, Miami, FL; Asian Bird Influenza, Avian Pneumovirus, Poult Enterititis-Mortality Syndrome, Athens, GA; Nematology Research, Water Use Management Technology, Tifton, GA; U.S. Pacific Basin Agricultural Research Center, Hilo, HI; Risk Assessment for BT Corn, Soil Tilth Research, Ames, IA; Grain Research, Manhattan, KS; New England Plant, Soil, and Water Research Laboratory, Orono, ME; Barley Food Health Benefits Research, Biomedical Materials in Plants, Poultry Disease, Turfgrass Research, Beltsville, MD; Corn Resistant to Aflatoxin for the Mid South, Waste Management Research, Mississippi State, MS; National Sedimentation Laboratory (Acoustics and Yazoo Basin), Oxford, MS; Natural Products, Oxford, MS; Small Fruits Research, Poplarville, MS; Alternative Crops and Value-Added Products, National Warmwater Aquaculture Center, Red Imported Fire Ants, Stoneville, MS; Soybean Cyst Nematode, Stoneville, MS; Soybean Research in the South, Stoneville, MS; Mid-West/Mid-South Irrigation, Columbia, MO; Soybean Genetics, Columbia, MO; Watershed Research, Columbia, MO; Cotton Ginning Research, Las Cruces, NM; Rangeland Resources Management, Las Cruces, NM; Grape Rootstock, Geneva, NY; Animal Vaccines, Greenport, NY; Northern Crops Research, Fargo, ND; Western Grazinglands, Burns, OR; Viticulture Research, Corvallis, OR; Conservation Research, Pendleton, OR; Pasture Systems & Watershed Management, University Park, PA; U.S. Plant Stress and Water Conservation Laboratory, Lubbock, TX; Bee Research, Weslaco, TX, Logan UT; Potato Research Enhancement, Prosser, WA; Grain Legume Genetics Research, Pullman, WA; Malignant Catarrhal Fever Virus, Pullman, WA; Root Diseases in Wheat and Barley, Pullman, WA; Temperate Fruit Flies, Yakima, WA; Appalachian Pasture-Based Beef Systems Project, Beaver, WV; Aquaculture Initiative for Mid-Atlantic Highlands, Leetown, WV; Aquaculture Systems (Rainbow Trout), Leetown, WV; National Center for Cool and Cold Water Aquaculture, Leetown, WV; Cereal Crops Research, Madison, WI; Integrated Farming Systems, Madison, WI; Floriculture & Nursery Crops, ARS Headquarters, Washington, DC; Greenhouse and Hydroponics Research, ARS Headquarters, Washington, DC; National Wheat & Barley Scab Initiative, ARS Headquarters, Washington, DC.

Range and livestock research.—The Committee recognizes the important animal research conducted at the Ft. Keogh Range and Livestock Research Station, Miles City, MT. The research benefits

ranchers and the cattle industry, and emphasizes ecologically and economically sustainable range animal management systems that meet consumer needs. The Committee provides an increase of $600,000 for fiscal year 2002 to the ARS Ft. Keogh Range and Livestock Research Laboratory for expanded research to address rangeland animal production/environmental problems.

Red imported fire ants.—Infestations of red imported fire ants are increasing in southern California, as well as in a number of States in the Southeast and Southwest. Nationally, damages caused by imported fire ants to agriculture, human health, infrastructure, farm animals and wildlife are estimated at several billion dollars each year. The Committee provides an increase of $1,000,000 from the fiscal year 2001 level to expand research on effective control of imported fire ants infestations conducted at the ARS Jamie Whitten Delta States Research Center. This program is conducted by ARS in cooperation with the National Center for Physical Acoustics and the Mississippi Agricultural and Forestry Experiment Station.

Research to control invasive weeds and arthropods.—Invasive weeds and other pests species such as hydrilla, yellow starthistle, leafy spurge, and arthropods such as silverleaf whitefly, Russian Wheat aphid and many others cost the United States over $100,000,000,000 annually. Like weeds, new arthropod pests appear in this country each year. The Committee provides an increase of $5,000,000 over fiscal year 2001 for this research initiative. These programs will be carried out as follows: Pathogens for biological control—Stoneville, MS; Weslaco, TX; Yakima, WA; research systematics and development of new biological information—Beltsville, MD; Davis, CA; Ft. Pierce, FL; Montpellier, FR, and Ft. Lauderdale, FL; integrated weed management systems—Urbana, IL; Ithaca, NY; and Cheyenne, WY.

Rice research.—The Committee recognizes the important research carried out at the Dale Bumpers National Rice Research Center in support of the American rice industry. Arkansas alone produces 45 percent of America's rice and relies heavily on the research results emanating from the Center. The Committee provides an increase of $130,000 for fiscal year 2002 to adequately support ongoing research at the Center.

Root diseases of wheat and barley.—The Committee provides the fiscal year 2001 funding level for the ARS Root Disease and Biological Control Research Unit located at Washington State University in Pullman, WA.

Seafood waste.—While seafood is attractive now as an alternate food source, the disposal of seafood waste continues to be a national and international problem. Discarded fish waste and its other uses could potentially provide an additional source of revenue for seafood processors. The Committee provides an increase of $900,000 for fiscal year 2002 for ARS to develop a program with the University of Alaska on feedstuffs generated from materials usually wasted during processing of seafoods.

Shellfish genetics research.—The Committee understands that the West Coast has become the largest regional producer of oysters in the United States with an annual production of 92 million pounds valued at $69,000,000. However, domestic production does

not meet national demands. The shellfish industry requires a long-term genetic improvement research program. Currently the industry cultivates "wild" shellfish that commonly result in poor crop yields and high mortalities due to genetically inferior stocks. ARS has established a national aquaculture program with the goal of facilitating the formation of a globally competitive and sustainable aquaculture industry in the United States. However, these programs are mainly focused on freshwater fish. The Committee provides increased funding of $300,000 for fiscal year 2002 for ARS to initiate a West Coast multi-state shellfish research program that focuses on genetics, ecology and food quality. The genetics component of this program is to be located at the Hatfield Marine Science Center, Newport, Oregon.

Silverleaf whitefly.—The silverleaf whitefly, also known as the sweetpotato whitefly, continues to cause millions of dollars in crop damage in several States, including Hawaii. The Committee recommends participation by all affected States in the collaborative effort to control this pest.

Small farms.—The Committee expects the ARS to continue its support for the South Central Family Farm Research Center at Booneville, AR. The Committee expects no less than the 2001 level for continuation of agroforestry research in conjunction with work at the University of Missouri. In addition, the Committee provides $50,000 for a cooperative agreement related to the alternative use of Shiitake mushrooms.

Small fruits research, Corvallis, OR.—The Committee acknowledges the importance of the Northwest Center for Small Fruits Research to the long-term economic vitality of the small fruits industry in the Pacific Northwest. The Committee provides an increase of $500,000 from the fiscal year 2001 funding level for the Center for program upgrades and cooperative agreements.

Small fruits research, Poplarville, MS.—The Committee recognizes the importance of the USDA Small Fruits Research Station in Poplarville, MS, and provides an increase of $300,000 from the fiscal year 2001 level to expand the research efforts of the station on ornamental and vegetable crops.

Soil-plant-nutrient research.—The Committee recognizes the important research carried out in the ARS soil-plant-nutrient research laboratory at Ft. Collins to enhance water and soil quality with precision/conservation farming. This research will lead to advanced farm management and disease control technologies. The Committee provides an increase of $600,000 for fiscal year 2002 for the addition of a plant physiology scientist and additional research support for this laboratory.

Sorghum research.—Over 7.7 million acres of sorghum are grown in the United States with an estimated harvest of 470 million bushels. Resources invested in research and technology development will be a major factor in determining the future growth and competitiveness of the U.S. grain sorghum industry. A strong grain sorghum research program benefits producers and users of sorghum by enhancing production efficiency, quality, and new uses. The Committee provides an increase of $400,000 from the level available in fiscal year 2001 for this important crop, $80,000 of

which should be provided in support of the existing ARS grain sorghum project at Manhattan, KS.

Soybean genetics, MO.—The Committee provides an increase of $600,000 from the fiscal year 2001 level for research conducted by the ARS at Columbia, MO, for two additional soybean geneticists to focus research on genetic improvement of soybeans to increase productivity and value due to protein, oil, and nutrition composition. One new position will be located at Columbia and two positions will continue to be located at and collaborate with the Danforth Plant Science Center.

Subterranean termite.—The Committee provides funding at the fiscal year 2001 level to continue termite research in Hawaii to devise and test control methods that do not endanger public health and environmental preservation goals.

Sugarbeet research.—The Committee acknowledges the need for additional research on sugarbeet irrigation technologies and basic research on the interactions between fertility, genotype, irrigation and crop quality. The Committee provides an increase of $600,000 for fiscal year 2002 for scientific staffing at the USDA research station at Kimberly, ID.

Sugarcane research.—Sugarcane farmers have traditionally burned cane in the field before transport to the mill to achieve efficiency, a practice which is crucial to the survival of the sugarcane industry. However, residue from burning is a nuisance and potential hazard to nearby neighborhoods. The Committee provides an increase of $600,000 to the ARS Research Station in Houma, LA, to develop new sugarcane varieties that can be harvested efficiently without burning, evaluate new breeding lines more adaptable to "green cane" harvesting, and examine aspects of bioenergy, new chemistries, and separator technologies to find alternative products and uses of cane biomass.

Sweet potato research.—Sweet potato is a high value crop but it is attacked by numerous pests, including wireworms, field crickets, and white grub. The Committee provides an increase of $350,000 from the fiscal year 2001 level for ARS Stoneville, MS, to conduct research on sweet potato and vegetable insects in cooperation with Alcorn State University.

Tamarix research.—Tamarix (salt cedar) are woody invasive plants which threaten aquatic systems by consuming large amounts of water, out competing native vegetation like willow and cottonwood trees for water. It is a serious problem in Nevada, California, Texas, and other Western States. The Committee is aware of the ARS' biocontrol field trials on China beetles to eradicate tamarix and provides an increase of $300,000 for fiscal year 2002 to accelerate research on tamarix control using China beetles and to expand research on cheat grass at the ARS research station in Reno, NV.

Temperate fruit flies.—The Committee recognizes the importance and significance of research related to the temperate fruit fly not only for the application to the pest's primary target, cherries, but for the potential application to other tree fruits. In addition, this research will prove invaluable as the horticulture industry combats artificial trade barriers established by foreign entities when exporting Pacific Northwest fruit. The Committee continues fiscal year

2001 funding for research on temperate fruit flies at the ARS station in Yakima, WA.

Tropical aquaculture research.—The Committee continues the fiscal year 2001 level of funding for the Oceanic Institute of Hawaii for continuation of the comprehensive research program focused on feeds, nutrition, and global competitiveness of the domestic aquaculture industry.

Trout genome mapping.—The Committee supports animal genomics, the development of genetic and physical maps, along with research on gene structure and function. Declining natural fishery harvests and rapidly growing populations concerned with healthy eating mean that, worldwide, aquaculture production will need to increase some 300 percent by 2025 to meet projected seafood demand. Investing in trout genome mapping is a crucial investment strategy that will lead to the identification of genes affecting production traits, improve the accuracy of genetic selection for superior strains through market-assisted selection, facilitate the genetic enhancement of animal populations, and be useful for characterizing new, potentially valuable germplasm populations. Genome mapping will allow the American aquaculture industry to remain internationally competitive. The Committee provides an increase of $350,000 from the fiscal year 2001 level to support Trout Genome Mapping at the National Center for Cool and Cold Water Aquaculture in cooperation with West Virginia University.

Turfgrass research.—There is not presently a comprehensive national system for collecting, storing and evaluating turfgrass varieties and experimental selections in the United States and Canada. The Committee provides an increase of $300,000 from the fiscal year 2001 funding level for the ARS Turfgrass Evaluation Program (NTEP) to establish, maintain, and collect data for evaluation trials of turfgrass varieties and experimental selections.

U.S. Pacific Basin Agricultural Research Center.—The Committee provides an increase of $600,000 from the fiscal year 2001 level for the U.S. Pacific Basin Agricultural Research Center. Of the amount provided, $300,000 is for the University of Hawaii at Hilo to increase its capacity to complement the research of the Center.

Varroa mite research.—The varroa mite is a major threat to honey bees as well as to a host of agricultural plants that depend on bees for their pollination. The Committee recognizes the ongoing work carried out at the ARS Honey Bee Laboratory in Baton Rouge, LA, to control the varroa and other parasitic mites and provides an increase for fiscal year 2002 of $500,000 for this research.

Vegetable crops research.—The Committee provides an increase of $250,000 for the ARS Vegetable Crops Research Unit at Madison, WI.

Virus-free potato germplasm.—The Committee recognizes the need for increased research to evaluate potatoes grown in Northern climates, particularly in developing virus-free potato germplasm. Virus-free potatoes will allow potato producers in Alaska and other Northern States to increase export trade with Pacific rim countries. The Committee provides an increase of $750,000 for fiscal year 2002 for an ARS cooperative project with the University of Alaska.

Viticulture research.—With the emerging importance of the grape and wine industry in the Pacific Northwest, the Committee provides $450,000 for fiscal year 2002 for the viticulture research position at the University of Idaho Parma Research and Extension Center, for research at the Center, and for cooperative research agreements with University of Idaho researchers for viticulture research. The Committee also provides an increase of $400,000 from the fiscal year 2001 level to enhance viticulture research at the Northwest Center for Small Fruit Research, of which $200,000 is to support additional research at the Center, and $200,000 is to be awarded competitively for collaborative research between the University of Idaho, Washington State University, and Oregon State University.

Waste management research.—The Agricultural Research Service initiated a cooperative waste management program with Western Kentucky University with emphasis on development of environmentally-friendly management systems for waste management from poultry farms and processing plants. The Committee recognizes the importance of this program and provides an increase of $750,000 from the fiscal year 2001 level for an ARS expanded joint research project with Western Kentucky University to examine the use of chicken litter as a fertilizer source for fescue pasture, as a nutrient source for cattle, and other agricultural applications such as mushroom culturing.

Watershed research, Columbia, MO.—The Committee includes $325,000 in fiscal year 2002 funding for ARS for laboratory analysis of water samples collected during implementation of, and in accordance with, the Missouri Watershed Research, Assessment, and Stewardship Project.

BUILDINGS AND FACILITIES

Appropriations, 2001	$74,037,000
Budget estimate, 2002	30,462,000
Committee recommendation	99,625,000

The ARS "Buildings and Facilities" account was established for the acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of, or used by, the Agricultural Research Service. Routine construction or replacement items continue to be funded under the limitations contained in the regular account.

COMMITTEE RECOMMENDATIONS

For Agricultural Research Service, Buildings and Facilities, the Committee recommends an appropriation of $99,625,000. This is $25,588,000 more than the 2001 appropriation and $69,163,000 more than the budget request. The Committee's specific recommendations are indicated in the following table:

ARS BUILDINGS AND FACILITIES

[In thousands of dollars]

State and facility	Fiscal year—		Committee recommendation
	2001 enacted	2002 budget estimate	
Arizona: Water Conservation and Western Cotton Laboratory, Maricopa	4,989	.....	.....
California:			
Western Human Nutrition Research Center, Davis	.....	5,000	5,000
Western Regional Research Center, Albany	4,889	3,800	2,000
District of Columbia: U.S. National Arboretum	3,323	4,600	.....
Hawaii: U.S. Pacific Basin Agricultural Research Center	4,989	.....	3,000
Idaho: Advanced Genetics Laboratory, Aberdeen	.....	.....	500
Illinois:			
National Center for Agricultural Utilization Research, Peoria	.....	6,500	6,500
USDA greenhouse complex, Urbana	3,592	.....	.....
Iowa: National Animal Disease Center, Ames	8,980	.....	40,000
Kansas: U.S. Grain Marketing Research Laboratory, Manhattan	3,492	.....	3,000
Maine: Northeast Marine Cold Water Aquaculture Research Center, Orono	2,495	.....	3,000
Maryland:			
Beltsville Agricultural Research Center, Beltsville	13,271	.....	3,000
National Agricultural Library, Beltsville	1,766	1,800	.....
Minnesota: Cereal Disease Laboratory, St. Paul	.....	.....	300
Mississippi:			
National Biological Control Laboratory, Stoneville	4,989	.....	8,400
Mid South Horticultural Laboratory, Poplarville	.....	.....	800
Montana: Fort Keogh Laboratory, Miles City	5,288	.....	.....
New York: Plum Island Animal Disease Center, Greenport	6,985	3,762	3,000
New Mexico: Jornada Experimental Range Management Research Laboratory, Las Cruces	.....	.....	475
Oklahoma: Southern Plains Range Research Station, Woodward	.....	.....	1,500
Pennsylvania: Eastern Regional Research Center, Philadelphia	.....	5,000	3,000
South Carolina: U.S. Vegetable Laboratory, Charleston	.....	.....	4,500
South Dakota: Northern Grain Insects Research Laboratory, Brookings	.....	.....	850
Utah: Poisonous Plant Laboratory, Logan	4,989	.....	5,600
West Virginia: National Center for Cool and Cold Water Aquaculture, Leetown	.....	.....	2,200
Wisconsin: Cereal Crops Laboratory, Madison	.....	.....	3,000
Total	74,037	30,462	99,625

The Committee provides funds for design of the Advanced Genetics Laboratory, National Animal Disease Laboratory, Cereal Disease Laboratory, Mid South Horticultural Laboratory, Southern Plains Range Research Laboratory, and the Northern Grain Insects Research Laboratory. Funds are also provided for design and associated land acquisition costs of the Cereal Crops Laboratory and land acquisition costs relating to the National Cold Water Marine Aquaculture Center for branch facilities located at Franklin, Maine. Funds are provided for design and construction of the Southern Plains Range Research Laboratory. Of funds provided for

the Pacific Basin Agricultural Research Center, $900,000 may be used for necessary design costs.

Funds are also provided to complete construction of the Western Human Nutrition Research Center, National Biological Control Laboratory, Agricultural Utilization Research Center, U.S. Vegetable Laboratory, Poisonous Plant Research Laboratory, and the National Center for Cool and Cold Water Aquaculture. The funds provided for the Jornada Experimental Range Management Research Laboratory are to complete the Headquarters Building.

Additional funds are provided toward construction of the Western Regional Research Center, Pacific Basin Agricultural Research Center, Grain Marketing and Production Research Center, National Cold Water Marine Aquaculture Center, Beltsville Agricultural Research Center, Plum Island Animal Disease Center, and Eastern Regional Research Center. Due to budgetary constraints, the Committee is unable to provide the full amount required to complete construction of all projects.

The Committee is aware of opportunities in the area of renewable resources, including forest products, floriculture, and horticulture and directs the Secretary to submit a feasibility study on the establishment of an ARS Center for Renewable Resources at Jackson's Mill, WV, to the Committee on Appropriations of the House and Senate by March 1, 2002.

The Committee is aware of growing threats of vandalism and other acts which might disrupt ongoing research at ARS locations and potentially result in risks to property and employee safety. The ARS should provide a report to the Committee on Appropriations of the House and Senate by March 1, 2002, on facility security measures now in place and possible improvements to ensure program integrity and personal safety.

The Committee is aware of the need for facilities adequate to consolidate ARS scientists in Raleigh, North Carolina, and directs the ARS to carry out a feasibility study to be submitted to the Committee on Appropriations of the House and Senate by March 1, 2002, on the location's modernization needs including building size, costs, and a list of primary facilities including, but not limited to, laboratory space, greenhouses, and quarantine areas.

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE

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

RESEARCH AND EDUCATION ACTIVITIES

Appropriations, 2001	$505,079,000
Budget estimate, 2002	407,319,000
Committee recommendation	542,580,000

The research and education programs administered by the Cooperative State Research, Education, and Extension Service [CSREES] are the U.S. Department of Agriculture's principal entree to the university system of the United States to support higher education in food and agricultural sciences and to conduct agricultural research as authorized by the Hatch Act of 1887 (7 U.S.C. 361a–361i); the Cooperative Forestry Research Act of 1962 (16 U.S.C. 582a–7); Public Law 89–106, section (2) (7 U.S.C. 450i); the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3101 et seq.) and the Agricultural Research, Extension and Education Reform Act of 1998. Through these authorities, the U.S. Department of Agriculture participates with State and other sources of funding to encourage and assist the State institutions to conduct agricultural research through the State agricultural experiment stations of the 50 States, the District of Columbia, and the territories; by approved schools of forestry; by the 1890 land-grant institutions and Tuskegee University; by colleges of veterinary medicine; and by other eligible institutions.

The research and education programs participate in a nationwide system of agricultural research program planning and coordination among the State institutions, U.S. Department of Agriculture, and the agricultural industry of America.

COMMITTEE RECOMMENDATIONS

For research and education activities of the Cooperative State Research, Education, and Extension Service, the Committee recommends $542,580,000. This amount is $37,501,000 more than the 2001 appropriation and $135,261,000 more than the budget request.

The following table summarizes the Committee's recommendations for research and education activities of the Cooperative State Research, Education, and Extension Service, as compared to the fiscal year 2001 and budget request levels:

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE [CSREES]—RESEARCH AND EDUCATION ACTIVITIES

[In thousands of dollars]

	2001 appropriation	2002 budget	Committee recommendation
Payments under Hatch act	180,148	180,148	180,148
Cooperative forestry research (McIntire-Stennis)	21,884	21,884	21,884
Payments to 1890 colleges and Tuskegee University	32,604	32,604	32,604
Special research grants (Public Law 89–106):			
Advanced genetic technologies (KY)	474	.....	750
Advanced spatial technologies (MS)	998	.....	998
Aegilops cylindricum (WA)	359	.....	359
Aflatoxin (IL)	131	.....	.....
Agricultural diversification (HI)	131	.....	131
Agricultural diversity—Red River Trade Corridor (MN, ND)	374	.....	374
Agricultural telecommunications (NY)	424	.....	.....
Agriculture-based industrial lubricants (IA)	349	.....	349
Agriculture water usage (GA)	299	.....	299

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE [CSREES]—RESEARCH AND EDUCATION ACTIVITIES—Continued

[In thousands of dollars]

	2001 appropriation	2002 budget	Committee recommendation
Agroecology (MD)	284		
Air quality (TX)			800
Alliance for food protection (GA, NE)	299		299
Alternative crops (ND)	624		
Alternative crops for arid lands (TX)	100		
Alternative nutrient management (VT)	190		190
Alternative salmon products (AK)	644		644
Alternative uses for tobacco (MD)			450
Animal science food safety consortium (AR, IA, KS)	1,631		1,631
Apple fire blight (MI, NY)	499		499
Aquaculture (AR)	237		
Aquaculture (FL)	445		
Aquaculture (LA)	329		329
Aquaculture (MS)	591		591
Aquaculture (NC)	299		299
Aquaculture (VA)	100		100
Aquaculture (ID, WA)	284		750
Aquaculture product and marketing development (WV)	748		748
Armillaria root rot (MI)			200
Asparagus technology and production (WA)	225		325
Babcock Institute (WI)	599		599
Beef technology transfer (MO)	284		300
Biobased technology (MI)	284		
Bioinformatics (VA)	474		
Biomass-based energy reserach (OK, MS)	900		1,200
Biotechnology (NC)	284		383
Blocking anhydrous methamphetamine production (IA)	247		247
Bovine tuberculosis (MI)	324		324
Brucellosis vaccine (MT)	495		495
Center for animal health and productivity (PA)	113		
Center for Rural Studies (VT)	200		300
Chesapeake Bay agroecology (MD)	175		350
Chesapeake Bay aquaculture	391		
Citrus canker (FL)	4,740		
Citrus tristeza	740		
Competitiveness of agriculture products (WA)	679		679
Cool season legume research (ID, WA)	328		328
Cranberry/blueberry (MA)	175		175
Cranberry/blueberry disease and breeding (NJ)	220		220
Crop genomics (MS)			800
Crop integration and production (SD)			250
Crop diversification (ND, MO)			1,000
Dairy and meat goat research (TX)	63		63
Dairy farm profitability (PA)	284		300
Delta rural revitalization (MS)	205		205
Designing foods for health (TX)	562		862
Diaprepes/root weevil (FL)	394		
Drought mitigation (NE)	200		200
Ecosystems (AL)	499		
Efficient irrigation (NM, TX)	1,185		1,185
Environmental biotechnology (RI)	190		190
Environmental horticulture (FL)	284		
Environmental research (NY)	399		

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE [CSREES]—RESEARCH AND EDUCATION ACTIVITIES—Continued

[In thousands of dollars]

	2001 appropriation	2002 budget	Committee recommendation
Environmental risk factors/cancer (NY)	227		
Environmentally-safe products (VT)	245		245
Exotic pest diseases (CA)	1,247		1,500
Expanded wheat pasture (OK)	292		292
Farm injuries and illnesses (NC)	284		
Feed barley for rangeland cattle (MT)	692		850
Feedstock conversion (SD)			700
Fish and shellfish technologies (VA)	474		
Floriculture (HI)	249		500
Food and Agriculture Policy Research Institute (IA, MO)	948		1,250
Food irradiation (IA)	225		225
Food Marketing Policy Center (CT)	494		494
Food processing center (NE)	42		42
Food quality (AK)	349		349
Food safety (AL)	520		620
Food safety research consortium (NY)	284		
Food safety risk assessment (ND)			1,000
Food Systems Research Group (WI)	499		499
Forages for advancing livestock production (KY)	374		374
Forestry (AR)	522		
Fruit and vegetable market analysis (AZ, MO)	347		
Generic commodity promotions, research and evaluation (NY)	198		
Global change/ultraviolet radiation	1,431	1,431	1,431
Grain sorghum (KS)	106		106
Grass seed cropping systems for sustainable agriculture (ID, OR, WA)	422		422
Hoop barns (IA)			250
Human nutrition (IA)	472		472
Human nutrition (LA)	750		1,000
Human nutrition (NY)	621		
Hydroponic tomato production (OH)	100		
Illinois/Missouri Alliance for Biotechnology	1,239		1,239
Improved dairy management practices (PA)	397		397
Improved early detection of crop disease (NC)	198		198
Improved fruit practices (MI)	444		244
Increasing shelf life of agricultural commodities (ID)			800
Infectious disease research (CO)	299		800
Institute for Food Science and Engineering (AR)	1,247		1,247
Integrated production systems (OK)	180		180
Intelligent quality sensor for food safety (ND)	142		450
International arid lands consortium	494		
Iowa Biotechnology Consortium	1,561		1,561
Livestock and dairy policy (NY, TX)	569		569
Lowbush blueberry research (ME)	259		259
Maple research (VT)	119		150
Meadowfoam (OR)	299		299
Michigan biotechnology consortium	723		
Midwest Advanced Food Manufacturing Alliance	461		461
Midwest agricultural products (IA)	645		645
Milk safety (PA)	374		750
Minor use animal drugs (IR–4)	549	549	735
Molluscan shellfish (OR)	399		399

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE [CSREES]—RESEARCH AND EDUCATION ACTIVITIES—Continued

[In thousands of dollars]

	2001 appropriation	2002 budget	Committee recommendation
Montana Sheep Institute			500
Multi-commodity research (OR)	363		363
Multi-cropping strategies for aquaculture (HI)	127		127
National beef cattle genetic evaluation consortium (NY)	284		
National biological impact assessment program	253	253	253
Nematode resistance genetic engineering (NM)	127		150
Nevada arid rangelands initiative (NV)	299		500
New crop opportunities (AK)	495		495
New crop opportunities (KY)	723		750
Non-food uses of agricultural products (NE)	64		64
Nursery, greenhouse, and turf specialities (AL)	284		
Oil resources from desert plants (NM)	175		200
Organic waste utilization (NM)	100		100
Ozone air quality (CA)			500
Pasture and forage research (UT)	249		249
Peach tree short life (SC)	179		179
Peanut allergy reduction (AL)	499		
Pest control alternatives (SC)	117		350
Phytophthora root rot (NM)	138		138
Phytoremediation plant research (OH)			350
Pierce's disease (CA)	1,896		1,500
Plant, drought, and disease resistance gene cataloging (NM)	249		249
Potato research	1,447		1,600
Precision agriculture (KY)	748		748
Preharvest food safety (KS)	212		212
Preservation and processing research (OK)	226		226
Produce pricing (AZ)	76		
Protein utilization (IA)	190		190
Rangeland ecosystems (NM)	299		400
Red snapper research (AL)	723		
Regional barley gene mapping project	587		950
Regionalized implications of farm programs (MO,TX)	293		293
Rice modeling (AR)	295		
Ruminant nutrition consortium (MT, ND, SD, WY)			500
Rural Development Centers (PA, IA, ND, MS, OR, LA)	522	522	600
Rural Policies Research Institute (NE, IA, MO)	820		820
Russian wheat aphid (CO)	249		400
Safe vegetable production (GA)	284		
Satsuma orange research (AL)	474		500
Sclerotina disease research (MN)	237		
Seafood and aquaculture harvesting, processing, and marketing (MS)	304		304
Seafood harvesting, processing, and marketing (AK)	1,165		1,165
Seafood safety (MA)	277		277
Small fruit research (OR, WA, ID)	324		400
Soil and environmental quality (DE)			150
Southwest consortium for plant genetics & water resources	368		368
Soybean cyst nematode (MO)	599		700
Soybean research (IL)			1,000
STEEP—water quality in Pacific Northwest	499		499
Sustainable agriculture (CA)	392		

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE [CSREES]—RESEARCH AND EDUCATION ACTIVITIES—Continued

[In thousands of dollars]

	2001 appropriation	2002 budget	Committee recommendation
Sustainable agriculture (MI)	444	.....	444
Sustainable agriculture and natural resources (PA)	100	.....	125
Sustainable agriculture systems (NE)	59	.....	59
Sustainable beef supply (MT)	742	.....	1,250
Sustainable engineered materials from renewable resources (VA)	.....	.....	474
Sustainable pest management for dryland wheat (MT)	461	.....	461
Synthetic gene technology (OH)	.....	.....	210
Swine waste management (NC)	499	.....	400
Technological development of renewable resources (MO)	284	.....	.....
Tillage, silviculture, waste management (LA)	212	.....	500
Tomato wilt virus (GA)	249	.....	.....
Tropical aquaculture (FL)	198	.....	.....
Tropical and subtropical research/T STAR	3,854	.....	3,854
Tri-state joint peanut research (AL)	.....	.....	750
Turkey carna virus (IN)	200	.....	.....
Value-added product development from agricultural resources (MT)	331	.....	331
Value-added products (IL)	95	.....	.....
Vidalia onions (GA)	249	.....	.....
Viticulture consortium (NY, CA, PA,)	1,497	.....	2,000
Water conservation (KS)	79	.....	79
Weed control (ND)	435	.....	435
Wetland plants (LA)	599	.....	599
Wheat genetic research (KS)	260	.....	260
Wheat sawfly research (MT)	331	.....	631
Wood utilization (AK, OR, MS, MN, NC, ME, MI, ID, TN)	5,773	.....	5,786
Wool research (TX, MT, WY)	299	.....	299
Total, special research grants	[1] 85,481	2,755	84,040
Improved pest control:			
Emerging pests/critical issues	200	200	200
Expert IPM decision support system	177	177	177
Integrated pest management	2,725	2,725	2,725
IR–4 minor crop pest management	8,970	8,970	9,970
Pest management alternatives	1,619	1,619	1,619
Total, Improved pest control	13,691	13,691	14,691
National Research Initiative (NRI) Competitive Grants	105,767	105,767	137,000
Animal health and disease (sec. 1433)	5,098	5,098	5,098
Alternative crops	798	.....	898
Critical Agricultural Materials Act	639	.....	800
1994 Institutions research program	998	998	998
Institution challenge grants	4,340	4,340	4,340
Graduate fellowships grants	2,993	2,993	2,993
Multicultural scholars program	998	998	998
Hispanic education partnership grants	3,492	3,492	3,492
Capacity building grants (1890 Institutions)	9,479	9,479	9,479
Payments to the 1994 Institutions	1,549	1,549	1,549

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE [CSREES]—RESEARCH AND EDUCATION ACTIVITIES—Continued

[In thousands of dollars]

	2001 appropriation	2002 budget	Committee recommendation
Alaska Native-serving and Native Hawaiian-serving Institutions grants	2,993	2,993	3,000
Secondary agriculture education	798	798	1,000
Sustainable agriculture research and education/SARE	9,230	9,230	13,000
Aquaculture centers (sec. 1475)	3,991	3,991	4,000
Federal administration:			
Agriculture development in the American Pacific	563	.....	563
Agriculture waste utilization (WV)	495	.....	750
Agriculture water policy (GA)	365	.....	365
Alternative fuels characterization laboratory (ND)	258	.....	258
Animal waste management (OK)	274	.....	400
Aquaculture (OH)	.....	.....	500
Biotechnology (MS)	590	.....	850
Botanical research (UT)	.....	.....	800
Center for Agricultural and Rural Development (IA)	427	.....	427
Center for innovative food technology (OH)	759	.....	759
Center for North American Studies (TX)	87	.....	87
Climate change research (FL)	170	.....	.....
Cotton research (TX)	499	.....	1,100
Data Information system	2,120	2,120	2,120
Feed efficiency (WV)	.....	.....	200
Geographic information system	1,023	.....	1,223
Germplasm development in forage grasses (OH)	100	.....	.....
Livestock marketing information center (CO)	185	.....	200
Mariculture (NC)	324	.....	450
Mississippi Valley State University	646	.....	646
National Center for Peanut Competitiveness (GA)	399	.....	399
Office of Extramural Programs	448	448	448
Pay costs and FERS	1,098	1,594	1,594
Peer panels	349	349	349
PM–10 air quality study (WA)	435	.....	.....
Precision agriculture/Geospatial Training and Application Center (AL)	586	.....	.....
Precision agriculture/Tennessee Valley Research and Extension Center (AL)	147	.....	600
Salmon quality standards (AK)	.....	.....	150
Shrimp aquaculture (AZ, HI, MA, MS, SC, TX)	4,168	.....	4,300
Sustainable agriculture development (OH)	474	.....	.....
Urban silviculture (NY)	237	.....	.....
Water quality (IL)	348	.....	348
Water quality (ND)	394	.....	425
Water pollutants (WV)	.....	.....	257
Wetland plants (WV)	142	.....	.....
Total, Federal administration	[1] 18,108	4,511	20,568
Total, CSREES	505,079	407,319	542,580

[1] Totals may not add due to rounding.

Hatch Act.—The Committee acknowledges the beneficial impact Hatch Act funding has on land-grant universities. Hatch Act provides the base funds necessary for higher education and research

involving agriculture. The Committee recommends maintaining Hatch Act funding at the fiscal year 2001 level.

Special research grants under Public Law 89–106.—The Committee recommends a total of $84,040,000. Specifics of individual grant allowances are included in the table above. Special items are discussed below.

The Committee is aware of the need for special research grants in order to conduct research to facilitate or expand promising breakthroughs in areas of food and agricultural sciences that are awarded on a discretionary basis. In addition to these grants, the Committee believes research should be supplemented by additional funding that is obtained on a competitive basis.

The Committee directs the Cooperative State Research, Education, and Extension Service to report to the Committees on Appropriations of the House and Senate on the feasibility of a competitive grants program that would be limited to current special research grant participants.

Aquaculture (Stoneville).—Of the $591,000 provided for this grant, the Committee recommends at least $90,000 for continued studies of the use of acoustics in aquaculture research to be conducted by the National Center for Physical Acoustics in cooperation with the Mississippi Agriculture and Forestry Experiment Station [MAFES] and the Delta Research and Extension Center in Stoneville.

Potato research.—The Committee expects the Department to ensure that funds provided to CSREES for potato research are utilized for varietal development testing. Further, these funds are to be awarded competitively after review by the potato industry working group.

Wood utilization research.—The Committee recommends $5,786,000 for wood utilization research in order to provide fiscal year 2000 level of funding for each of the research centers.

Aquaculture centers.—The Committee recommends $4,000,000, an increase of $9,000 from the fiscal year 2001 level, to support the regional aquaculture centers.

The Committee is aware of and supports yellow perch aquaculture research efforts at the University of Wisconsin-Milwaukee Great Lakes Wisconsin Aquatic Technology and Environmental Research Institute. This research is done in collaboration with the North Central Regional Aquaculture Center.

Competitive research grants.—The Committee supports the National Research Initiative Competitive Grants Program [NRI] and provides funding of $137,000,000 for the program, an increase of $31,233,000 from the fiscal year 2001 level.

The Committee remains determined to see that quality research and enhanced human resources development in the agricultural and related sciences be a nationwide commitment. Therefore, the Committee continues its direction that 10 percent of the competitive research grant funds be used for a USDA experimental program to stimulate competitive research [USDA–EPSCoR].

Alternative crops.—The Committee recommends $898,000 for alternative crop research to continue and strengthen research efforts on canola, an increase of $299,000 from the fiscal year 2001 level.

Sustainable agriculture.—The Committee recommends $13,000,000 for sustainable agriculture, an increase of $3,770,000 from the fiscal year 2001 level.

Increased funds provided for sustainable agriculture research and education should include, but in no way be limited to, projects on organic agriculture. While organic production practices are included under the umbrella of sustainable agriculture, it is critical that funding increases be directed also to research on broader sustainable agriculture production systems and practices. The Committee also directs the Department to allocate a portion of funding increases to on-farm demonstration and producer-research projects.

Higher education.—The Committee recommends $14,823,000 for higher education. The Committee provides $2,993,000 for graduate fellowships; $4,340,000 for challenge grants; $998,000 for multicultural scholarships; $3,492,000 for grants for Hispanic education partnership grants; and $3,000,000 for Alaska native-serving and native Hawaiian-serving institutions.

The Committee notes that the Department's higher education multicultural scholars program enhances the mentoring of scholars from under-represented groups. The Committee directs the Department to ensure that Alaska Natives participate fully in this program.

Alaska Native-serving and Native Hawaiian-serving Institutions education grants.—The Committee provides $3,000,000 for noncompetitive grants to individual eligible institutions or consortia of eligible institutions in Alaska and in Hawaii, with grant funds to be awarded equally between Alaska and Hawaii to carry out the programs authorized in 7 U.S.C. 3242 (Section 759 of Public Law 106–78). The Committee directs the agency to fully comply with the use of grant funds as authorized.

Federal administration.—The Committee provides $20,568,000 for Federal administration. The Committee's specific recommendations are reflected in the table above.

Geographic Information System Program.—The Committee recommends $1,223,000, an increase of $200,000 from the fiscal year 2001 level, for the Geographic Information System Program. The Committee recommends the amount provided shall be made available for program activities of entities in the same areas as in 2001 on a proportional basis. In addition, it is expected that program management costs will be kept at a minimum and any remaining funds will be distributed to the sites.

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

Appropriations, 2001	$7,100,000
Budget estimate, 2002	7,100,000
Committee recommendation	7,100,000

The Native American Institutions Endowment Fund authorized by Public Law 103–382 provides an endowment for the 1994 land-grant institutions (30 tribally controlled colleges). This program will enhance educational opportunity for Native Americans by building educational capacity at these institutions in the areas of student recruitment and retention, curricula development, faculty preparation, instruction delivery systems, and scientific instrumentation for teaching. Beginning with 2001, income funds are also

available for facility renovation, repair, construction, and maintenance. On the termination of each fiscal year, the Secretary shall withdraw the income from the endowment fund for the fiscal year, and after making adjustments for the cost of administering the endowment fund, distribute the adjusted income as follows: 60 percent of the adjusted income from these funds shall be distributed among the 1994 land-grant institutions on a pro rata basis, the proportionate share being based on the Indian student count; and 40 percent of the adjusted income shall be distributed in equal shares to the 1994 land-grant institutions.

COMMITTEE RECOMMENDATIONS

For the Native American Institutions Endowment Fund, the Committee recommends $7,100,000. This is the same as the 2001 level and the budget request.

EXTENSION ACTIVITIES

Appropriations, 2001	$432,475,000
Budget estimate, 2002	413,404,000
Committee recommendation	434,038,000

Cooperative extension work was established by the Smith-Lever Act of May 8, 1914. The Department of Agriculture is authorized to provide, through the land-grant colleges, cooperative extension work that consists of the development of practical applications of research knowledge and the giving of instruction and practical demonstrations of existing or improved practices or technologies in agriculture, uses of solar energy with respect to agriculture, home economics, related subjects, and to encourage the application of such information by demonstrations, publications, through 4–H clubs, and other means to persons not in attendance or resident at the colleges.

To fulfill the requirements of the Smith-Lever Act, State and county extension offices in each State, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Marianas, and Micronesia conduct educational programs to improve American agriculture and strengthen the Nation's families and communities.

COMMITTEE RECOMMENDATIONS

For extension activities of the Cooperative State Research, Education, and Extension Service, the Committee recommends an appropriation of $434,038,000. This amount is $1,563,000 more than the 2001 appropriation and $20,634,000 more than the budget request.

The following table summarizes the Committee's recommendations for extension activities, as compared to the fiscal year 2001 and budget request levels:

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE (CSREES)—EXTENSION ACTIVITIES

[In thousands of dollars]

	Fiscal year 2001 enacted	Fiscal year 2002 budget	Committee recommendation
Smith-Lever sections 3(b) and 3(c)	275,940	275,940	275,940
Smith-Lever section 3(d):			
Farm safety	3,991	.....	4,700
Food and nutrition education	58,566	58,566	58,566
Indian reservation agents	1,996	1,996	1,996
Pest management	10,759	10,759	10,759
Rural development centers	906	906	1,000
Sustainable agriculture	3,792	3,792	4,500
Youth at risk	8,481	8,481	8,481
Youth farm safety education and certification	499	499	499
Renewable Resources Extension Act	3,185	3,185	5,000
1890 colleges and Tuskegee University	28,181	28,181	28,181
1890 facilities grants	12,173	12,173	13,500
Rural health and safety education	2,622	.....	2,622
Extension services at the 1994 institutions	3,273	3,273	3,273
Subtotal	414,363	407,751	419,017
Federal administration and special grants:			
General administration	4,726	5,202	5,202
After-school program (CA)	398	.....	.....
Ag in the Classroom	451	451	451
Avian conservation (PA)	.....	.....	400
Beef producers improvement (AR)	197	.....	197
Botanical garden initiative (IL)	237	.....	237
Conservation technology transfer (WI)	474	.....	500
Dairy education (IA)	237	.....	237
Delta Teachers Academy	3,492	.....	3,492
Diabetes detection, prevention (WA)	924	.....	.....
Extension specialist (MS)	100	.....	100
Efficient irrigation (NM/TX)	1,896	.....	.....
Family farm beef industry network (OH)	1,317	.....	.....
Food Animal Residue Avoidance Database/FARAD	284	.....	.....
Food Electronically and Effectively Distributed (FEED) demonstration project (OR)	167	.....	.....
Food product development (AK)	.....	.....	350
Health education leadership (KY)	.....	.....	1,000
Income enhancement demonstration (OH)	245	.....	.....
Integrated cow/calf management (IA)	284	.....	.....
Iowa vitality center	.....	.....	350
National Center for Agriculture Safety (IA)	195	.....	195
Pilot technology transfer (WI)	163	.....	.....
Pilot technology transfer (OK, MS)	325	.....	325
Potato pest management (WI)	190	.....	200
Range improvement (NM)	197	.....	300
Rural development (AK)	617	.....	650
Rural development (NM)	279	.....	335
Rural rehabilitation (GA)	245	.....	.....
Urban horticulture (WI)	.....	.....	500
Vocational agriculture (OK)	275	.....	.....
Wood biomass as an alternative farm product (NY)	197	.....	.....
Subtotal, Federal administration	18,112	5,653	15,021

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE (CSREES)—EXTENSION ACTIVITIES—Continued

[In thousands of dollars]

	Fiscal year 2001 enacted	Fiscal year 2002 budget	Committee recommendation
Total, extension activities	432,475	413,404	434,038

Farm safety.—Of the funds recommended for farm safety, the Committee recommends a funding level of $3,500,000 for the AgrAbility project being carried out in cooperation with the National Easter Seal Society.

Pest management.—Included in the amount provided by the Committee for pest management Smith-Lever 3(d) funds is continued funding at the fiscal year 2001 level for potato late blight control, including $400,000 for early disease identification, comprehensive composting for cull disposal, and late blight research activities in Maine.

Rural health and safety.—The Committee recommends $2,622,000, the same as the fiscal year 2001 level, for rural health and safety education. Included in this amount is $2,190,000 for the ongoing rural health program in Mississippi to train health care professionals to serve in rural areas, and $432,000 for the ongoing rural health and outreach initiative in Louisiana.

Conservation technology transfer.—The Committee expects conservation technology transfer funds provided for Wisconsin to be used exclusively to support the University of Wisconsin-Extension, and University of Wisconsin-Madison "Nutrient Management Education and Implementation Program" and the "Discovery Farms Program," which is a component of the Wisconsin Agricultural Stewardship Initiative (WASI).

Hoop barns.—The Committee is aware of emerging alternatives for the housing of animals such as hoop barns which may generate more humane treatment in livestock production. The Committee encourages the Cooperative Extension Service to provide information to farmers on these new developments in order to make informed decisions regarding production.

Potato pest management.—Within the funds provided for potato pest management, consideration for funding is to be given to the application for the pesticide use and risk reduction program at the Center for Integrated Agricultural Systems submitted by the University of Wisconsin-Madison to provide information about alternatives to pesticides that are at risk of losing their registration under implementation of the Food Quality Protection Act (FQPA).

INTEGRATED ACTIVITIES

Appropriations, 2001	$41,849,000
Budget estimate, 2002	41,849,000
Committee recommendation	42,350,000

Section 406 of the Agricultural Research, Extension, and Education Reform Act of 1998 authorizes an integrated research, education, and extension competitive grants program. Water Quality, Food Safety, and Pesticide Impact Assessment Special Research Grants and Smith Lever 3(d) programs previously funded under

Research and Education and/or Extension Activities are included under this account, as well as new integrated programs to address issues such as pest management.

COMMITTEE RECOMMENDATIONS

For integrated activities of the Cooperative State Research, Education, and Extension Service, the Committee recommends $42,350,000. This amount is $501,000 more than the 2001 level and the budget request.

The following table summarizes the Committee's recommendations for integrated activities:

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE (CSREES)—INTEGRATED ACTIVITIES

[In thousands of dollars]

	Fiscal year 2001	Fiscal year 2002 budget	Committee recommendation
Water Quality	12,971	12,971	12,971
Food Safety	14,967	14,967	14,967
Pesticide Impact Assessment	4,531	4,531	4,531
Crops at Risk from FQPA Implementation	1,497	1,497	1,497
FQPA Risk Mitigation Program for Major Food Crop Systems	4,889	4,889	4,889
Methyl Bromide Transition Program	2,495	2,495	2,495
Organic Transition Program	499	499	1,000
Total, Integrated Activities	41,849	41,849	42,350

Organic transition program.—The organic transition program shall be administered by the Cooperative State, Research, Education, and Extension Service (CSREES) in order to address all issues that are applicable to the transition process to certified organic production, including soil and crop fertility; marketing; weed, insect, and other pest management; and other issues.

Water quality.—The Committee expects a continuation of funding at current levels for the Agricultural Systems for Environmental Quality Program and the Management Systems Evaluation Area Program. The Committee continues funding for the Farm*A*Syst program at no less than the fiscal year 2001 level.

OFFICE OF THE UNDER SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

Appropriations, 2001	$634,000
Budget estimate, 2002	654,000
Committee recommendation	654,000

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

tural Marketing Service; and Grain Inspection, Packers and Stockyards Administration.

COMMITTEE RECOMMENDATIONS

For the Office of the Under Secretary for Marketing and Regulatory Programs, the Committee recommends an appropriation of $654,000. This is $20,000 more than the 2001 level and the same as the budget request.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

	Appropriations	User fees [1]	Total, APHIS appropriations
Appropriations, 2001	$444,584,000	$84,813,000	$529,397,000
Budget estimate, 2002	618,112,000	84,813,000	702,925,000
Committee recommendation	517,941,000	84,813,000	602,754,000

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

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

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

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

Plant and animal health monitoring.—The Agency conducts programs to assess animal and plant health and to detect endemic and exotic diseases and pests.

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

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

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

COMMITTEE RECOMMENDATIONS

For salaries and expenses of the Animal and Plant Health Inspection Service, the Committee recommends total funding of $602,754,000. This is $73,357,000 more than the 2001 appropriation and $100,171,000 less than the budget request.

The following table reflects the Committee's specific recommendations for the Animal and Plant Health Inspection Service:

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

[In thousands of dollars]

	Fiscal year 2001 enacted	Fiscal year 2002 budget request	Committee recommendation
Pest and disease exclusion:			
Agricultural quarantine inspection	38,884	47,254	47,254
User fees [1]	84,813	84,813	84,813
Subtotal, agricultural quarantine inspection	123,697	132,067	132,067
Cattle ticks	5,264	5,732	5,732
Foot-and-mouth disease	3,795	3,839	3,839
Import/export	7,010	8,132	8,132
Trade issues resolution and management	8,187	11,367	11,367
Fruit fly exclusion and detection	32,538	56,018	36,818
Screwworm	30,308	30,557	30,557
Tropical bunt tick	406	415	415
Total, pest and disease exclusion	211,205	248,127	228,927
Plant and animal health monitoring:			
Animal health monitoring and surveillance	68,502	71,531	69,731
Animal and plant health regulatory enforcement	6,249	6,601	8,101
Emergency Management System	2,990	3,044	3,544
Pest detection	6,714	6,844	6,844
Total, plant and animal health monitoring	84,455	88,020	88,220
Pest and disease management programs:			
Aquaculture	918	940	1,130
Biocontrol	8,300	8,759	8,759
Boll weevil	78,983	33,931	79,157
Brucellosis eradication	9,921	8,450	9,800
Chronic wasting disease	.....	.....	1,000
Emerging plant pests	3,525	99,492	28,577
Golden nematode	579	610	610
Gypsy moth	4,407	4,559	4,559
Imported fire ant	2,095	2,118	3,618

ANIMAL AND PLANT HEALTH INSPECTION SERVICE—Continued

[In thousands of dollars]

	Fiscal year 2001 enacted	Fiscal year 2002 budget request	Committee recommendation
Johne's disease	.....	.....	3,000
Noxious weeds	1,122	1,130	1,380
Pink bollworm	1,545	1,616	2,000
Pseudorabies	4,030	34,570	4,151
Scrapie eradication	3,017	21,019	3,119
Tuberculosis	5,462	18,552	11,925
Wildlife services operations	36,700	54,456	44,246
Witchweed	1,503	1,520	1,520
Total, pest and disease management	162,107	291,722	208,551
Animal care:			
Animal welfare	12,140	12,767	13,767
Horse protection	397	415	415
Total, animal care	12,537	13,182	14,182
Scientific and technical services:			
Biotechnology/environmental protection	9,999	10,516	10,516
Integrated systems acquisition project	998	998	998
Plant methods development laboratories	4,796	5,118	5,118
Veterinary biologics	10,727	11,413	11,913
Veterinary diagnostics	17,476	18,278	18,278
Wildlife services methods development	11,001	11,455	11,955
Total, scientific and technical services	54,997	57,778	58,778
Contingency fund	4,096	4,096	4,096
Total, salaries and expenses	529,397	702,925	602,754
Recap (salaries and expenses):			
Appropriated	444,584	618,112	517,941
Agricultural quarantine inspection user fees	84,813	84,813	84,813
Total, salaries and expenses	529,397	702,925	602,754

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

The Committee is unable to provide the full increases requested in the President's budget under this account. However, the Committee does provide limited increases for a number of specific animal and plant health programs. The Committee directs the Secretary to continue the use of contingency funding from available Commodity Credit Corporation monies, as it has in past fiscal years, to cover all needs as identified in the President's budget, and any additional emergencies as determined by the Secretary.

The Committee is aware of developing problems involving growing pest threats in Washington State relating to abandoned apple orchards, southern pine beetle infestations in Tennessee which may pose sudden and serious fire hazards, and the discovery of the Columbia Rootrot Nematode which may threaten United States po-

tato exports to Mexico and encourages the agency to investigate these problems.

Pest and Disease Exclusion.—The Federal Agriculture Improvement and Reform [FAIR] Act (Public Law 104–127) makes amounts in excess of $100,000,000 in the agricultural quarantine inspection (AQI) user fee account directly available for program operations. Of amounts collected in the user fee account, the first $100,000,000 are subject to appropriation. The Committee recommends an appropriation of $84,813,000 for the AQI user fee account. The Department estimates that an additional $145,000,000 will be collected and available as provided in the FAIR Act (Public Law 104–127).

For fiscal year 2002, the Committee provides an appropriation of $47,254,000 for the AQI appropriated account. The Committee recommendation will support a total of 691 staff years for the AQI appropriated account.

The Committee directs the agency to provide funding at no less than the fiscal year 2001 level for agency inspectors at the U.S./Mexican border at the San Diego ports of entry.

The Committee urges the Department to actively seek procedural and/or treatment methods that allow shipment of untreated fruit grown in Hawaii to cold-weather states during winter months without jeopardizing pest introductions to mainland agriculture.

The Committee provides an increase of $4,280,000 from the fiscal year 2001 level for fruit fly exclusion and detection activities, of which $4,000,000 is directed for fruit fly, including olive fruit fly, trapping and related activities in California. In addition, the agency should continue to use Commodity Credit Corporation funds for the fruit fly exclusion and detection program, as necessary, as it has in past years.

The Committee continues its interest in more efficient and less disruptive inspection of passengers and cargo in Hawaiian airports and directs the agency to provide not less than the fiscal year 2001 level of funding for sufficient staff-year equivalents of agricultural quarantine inspectors, operating funds, and inspection equipment at Hawaii's direct departure and interline airports.

The Committee also encourages the agency to aggressively identify and evaluate flexible hiring staff deployment arrangements to provide services cost effectively when needed by agricultural shippers.

The Committee is further interested in APHIS's activities regarding the acquisition and deployment of commercially available, state-of-the-art inspection technology and equipment at key points of entry, such as Hawaii, for screening passengers' luggage for banned agricultural products and reducing the introduction of dangerous pests and diseases into the United States.

Plant and animal health monitoring.—The Committee provides an increase of $1,852,000 from the fiscal year 2001 level for the animal and plant health regulatory enforcement program.

The Committee provides the fiscal year 2001 level of funding for a cooperative agreement with Murray State University, Breathitt Veterinary Center, Hopkinsville, Kentucky, to determine the impact on animal health from common agricultural chemical usage.

The Committee provides an increase of $554,000 from the fiscal year 2001 level for the emergency management systems program

so the agency can respond to crises that threaten the economic health of the animal industry.

The Committee provides an increase of $130,000 from the fiscal year 2001 level for the pest detection program.

The Committee provides an increase of $1,229,000 from the fiscal year 2001 level for the animal health monitoring and surveillance (AHMS) program. The total amount provided includes a reduction of $2,500,000 for Johne's Disease, which appears as a new program under pest and disease management. Within the amount provided for AHMS, the Committee includes the fiscal year 2001 funding level for National Farm Animal Identification Project for dairy cattle, to be coordinated with the Holstein Association. In addition, the Committee includes an increase of $500,000 for a cooperative agreement with the Wisconsin Animal Health Consortium for a pilot project to aid in creating a universal identification and database retrieval system for tracking the movement of animal and animal-based food products. The Committee urges APHIS and the Wisconsin Animal Health Consortium to work in concert with the National Farm Animal Identification Project to ensure that program duplication does not occur. In addition, the Committee provides $200,000 to develop a bio-security demonstration and outreach program in cooperation with the Vermont Department of Agriculture and the University of Vermont College of Agriculture.

The Committee provides an increase of $1,852,000 from the fiscal year 2001 funding level for animal and plant health regulatory enforcement. The Committee remains concerned about press accounts of inhumane treatment of animals and reports that inadequate enforcement of animal welfare regulations has led to repeat violations and continuing mistreatment of animals. Within the increase provided for regulatory enforcement in fiscal year 2002, $1,500,000 is directed for enforcement of animal welfare regulations and the Committee requests the agency provide a report on animal welfare violations and related enforcement responses by March 1, 2002.

The Committee provides funding at the fiscal year 2001 level for enforcement of the Commercial Transportation of Equine for Slaughter Act.

The Committee continues the fiscal year 2001 level of funding for the national poultry improvement plan [NPIP].

Pest and disease management.—The Committee continues its concern regarding the serious threat to pastures and watersheds resulting from the introduction of alien weed pests into Hawaii. The Committee again directs the agency to work with the Hawaii Department of Agriculture and the Natural Resources and Conservation Service to develop an integrated approach, including environmentally-safe biological controls, for eradicating these pests.

The Committee provides $1,130,000 for the aquaculture program, including an increase of $190,000 more than the fiscal year 2001 funding level to continue the telemetry and population dynamics studies on depredating species of wildlife in the Southeast. This funding is necessary to develop methods to help farmers manage populations of fish-eating birds residing in the Mid-south area that continuously prey on farm-raised catfish.

Boll weevil.—The Committee provides $174,000 above the fiscal year 2001 level of funding to continue the Boll Weevil Eradication

Program. This funding will provide the active eradication zone areas with a 30 percent cost share and for possible exceptions to address special funding requirements arising from extraordinary circumstances in some States.

The Committee urges the agency to continue funding for the geographic information system development at the fiscal year 2001 funding level so that the economic entomological efficiency of the boll weevil eradication program can continue.

Brucellosis eradication.—The Committee provides the fiscal year 2001 funding level of $750,000 for the State of Montana to protect the State's brucellosis-free status and for the operation of the bison quarantine facility and the testing of bison which surround Yellowstone National Park.

The Committee also provides funding at the 2001 fiscal year level of funding for the Greater Yellowstone Interagency Brucellosis Committee [GYIBC] and encourages the coordination of Federal, State, and private actions aimed at eliminating brucellosis from wildlife in the Greater Yellowstone Area. Of this amount, $200,000 is allocated to the State chairing the GYIBC. The remainder shall be equally divided between the other two States.

Chronic wasting disease.—The Committee provides $1,000,000 to implement a program under pest and disease management for chronic wasting disease.

Emerging plant pests.—In addition to funds made available through the Commodity Credit Corporation, the Committee provides an increase of $25,052,000 from the fiscal year 2001 level for emerging plant pests. Within this total are provided funds in the amount of $2,117,000 for plum pox; $7,242,000 for Pierces disease; $6,600,000 for the Asian long-horned beetle program in Illinois and New York, of which no less than $1,500,000 shall be for activities in the area of Chicago, Illinois; $5,000,000 for citrus canker; and $4,000,000 for Mormon crickets and grasshoppers in Utah and other States. The Committee expects that funds from the Commodity Credit Corporation will be made available for other activities relating to these and other plant pests in fiscal year 2002 as may be necessary.

The Committee directs the agency to provide funding through a cooperative agreement with the California Department of Food and Agriculture using either appropriated funds or funds made available through the Commodity Credit Corporation for containment of Pierces Disease.

Imported fire ant.—The Committee provides an increase of $1,523,000 from the fiscal year 2001 level of funding for the shared responsibility with the States to conduct surveys, compliance monitoring, and enforcement responsibilities affiliated with the fire ant quarantine of nursery and greenhouse plants. The agency is also directed to assist in the demonstration of fire ant control methods on field locations in Mississippi, Arkansas, California, Tennessee, and other States.

Noxious weeds.—The Committee continues the demonstration project on kudzu at the fiscal year 2001 funding level.

The Committee also provides $250,000, in association with the Nez Perce Bio-Control Center to increase the availability and dis-

tribution of biological control organisms used in an Integrated Weed Management system.

The Committee encourages the agency to continue working with the State of Texas regarding *orobanche ramosa* at the fiscal year 2001 funding level.

Pink bollworm.—The Committee provides an increase of $455,000 from the fiscal year 2001 level of funding for pink bollworm eradication activities in support of sterile fruit fly release in the San Joaquin Valley and in Texas and New Mexico.

Tuberculosis.—The Committee provides an increase of $6,463,000 from the fiscal year 2001 funding level to maintain current staffing levels and related survey and eradication activities. Within the additional funding provided, the Committee directs the agency to address bovine tuberculosis in Michigan.

The Committee is aware of concerns by producers of domestic reindeer that bovine tuberculosis tests are inaccurately reporting positive results and causing unnecessary losses to producers. The Committee requests the agency to examine the testing protocols used in this context to determine the accuracy and reliability of these tests. The agency is expected to report to the Committee on Appropriations of the House and Senate by March 1, 2002 on this evaluation.

Wildlife services operations.—The Committee provides an increase of $240,000 for continued Wildlife Services cattail management and blackbird control activities in North Dakota, South Dakota, and Louisiana, and for completion of an environmental impact statement necessary for a baiting program scheduled to begin in March of 2002.

The Committee provides an increase of $500,000 above the fiscal year 2001 funding level for wildlife services predator control activities. Of the total provided, no less than $1,000,000 shall be available to the Tri-state predator control program for livestock operators in Montana, Idaho, and Wyoming. Due to the increase in federally listed endangered species, the State's operations account for Wildlife Services has suffered financially.

Pursuant to House Report 106–619, the agency issued a report to the Committee on Appropriations of the House and Senate on problems related to wolf populations in the United States. That report revealed a disproportionate share of APHIS funding in States of the Upper Midwest in relation to the size of wolf populations in that region. The agency is directed to evaluate the distribution of APHIS funds for wolf depredation activities in all States and report to the Committee on Appropriations of the House and Senate by January 1, 2002 of actions taken to allocate funding for these activities in a way that best responds to the needs of all States.

The Committee provides continued funding at the fiscal year 2001 level of funding for a cooperative agreement with the University of Georgia, Auburn University, and the Wildlife Services Operations in the State of Georgia to address the fluctuations in game bird and predator species resulting from recent changes in land use throughout the southeastern United States.

The Committee provides an increase of $100,000 above the fiscal year 2001 level of funding for the operation of the State Wildlife Services office in Hawaii to provide on-site coordination of preven-

tion and control activities in Hawaii and the American Pacific. The Committee also continues funding of $500,000 for the Hawaii Department of Agriculture to coordinate and operate a comprehensive brown tree snake prevention and detection program for Hawaii. The total amount for these activities is the same as that provided for fiscal year 2001.

The Committee provides continued funding at the fiscal year 2001 funding level to maintain the Wildlife Services Office in Vermont.

The Committee provides $300,000 for coyote control program in West Virginia, where predators have been a major obstacle to sheep production in that State.

The Committee provides $4,600,000 for rabies control activities and directs the Secretary to use funds from the CCC, as necessary, for additional control activities. Of the amount provided for rabies control, no less than $1,300,000 shall be for operations in West Virginia. In addition, no less than the level provided for rabies control in fiscal year 2001 shall be available to the States of Vermont and Texas. The agency shall also provide $500,000 to assist rabies control activities in Wyoming.

The Committee provides an increase of $500,000 above the fiscal year 2001 funding level for wildlife service operations with the South Dakota Department of Game, Fish, and Parks to meet the growing demands of controlling predatory, nuisance, and diseased animals.

The Committee continues funding at the fiscal year 2001 level of funding for the management of beavers in Mississippi. The Committee commends the agency's assistance in cooperative relationships with local and Federal partners to reduce the cropland and forest damages caused by the beaver population. The Committee also provides $250,000 for the establishment of a cost sharing beaver control program with interested parish governments in the State of Louisiana.

The Committee includes $100,000 for the improvement of wildlife services facilities near Stuttgart, Arkansas.

The Committee notes that APHIS was instructed in fiscal year 2001 to begin a pilot program within its wildlife services division to demonstrate the effectiveness of non-lethal methods to control predating species. The agency should provide information to the Committee on Appropriations of the House and the Senate as early as possible on the status of that pilot, including a plan by which the objectives of the pilot can be met within the context of ongoing programs.

Animal Care.—The Committee provides an increase of $1,627,000 from the fiscal year 2001 funding level for the Animal Care Unit for enforcement of the Animal Welfare Act.

The Committee is seriously concerned by press reports of inhumane animal treatment in regard to livestock production and slaughter and other activities under the jurisdiction of the Department of Agriculture. The Committee provides increases in this and other accounts to enhance humane treatment of animals. During consideration of the fiscal year 2001 supplemental appropriations bill, an amendment was adopted to increase funding for animal welfare inspections, enforcement, and research for improved treat-

ment of animals. The Secretary is encouraged to use any additional funds made available during fiscal year 2001 for these activities in order to increase program effectiveness as quickly as possible. The Secretary is also reminded of the request for information on this subject which was included in Senate Report 107–33.

The Committee does not assume collections from unauthorized animal welfare inspection user fees, as proposed in the President's budget.

Scientific and technical services.—The Committee provides an increase of $517,000 from the fiscal year 2001 level of funding to meet ongoing demands for biotechnology permits/notifications, petitions for deregulation, and licensing of international activities. An increase of $1,186,000 from the fiscal year 2001 level of funding is provided for the veterinary biologics program, which is an amount $500,000 above the level proposed in the budget.

It is the view of the Committee that America's farmers, ranchers and veterinarians should have available to them the widest possible range of tools to prevent and control animal disease. The Committee is concerned that USDA's Center for Veterinary Biologics is losing valuable personnel necessary to review and approve in a timely manner veterinary biologics, including vaccines, to serve this purpose. To ensure prompt and appropriate review and approval of important veterinary biologics, including vaccines, the Committee provides an increase to the Center for Veterinary Biologics and encourages the Department to fully support the Center's activities in fiscal year 2002. In addition, the Committee also supports efforts between USDA's Center for Veterinary Biologics and the animal health products industry to establish performance goals for the review and approval of veterinary biologics.

The Committee provides an increase of $802,000 from the fiscal year 2001 level of funding for the veterinary diagnostics program so that ongoing testing methods can be replaced by more modern technology.

The Committee provides an increase of $954,000 from the fiscal year 2001 funding level for wildlife services methods development, which is an amount $500,000 above the level proposed in the budget. Of this increase, $50,000 shall be directed for work at the Monell Center in Pennsylvania for laboratory analysis of the chemo-sensory effectiveness of repellents used to reduce harm caused by deer and other animals. The remaining program increase beyond pay costs is directed for development of non-lethal predator control methods at the National Wildlife Research Center.

The Committee provides funding at the fiscal year 2001 level for the cooperative agreement with the Hawaii Agriculture Research Center for rodent control only in active agricultural areas.

Projects identified in Senate Report 106–288 and Conference Report 106–948 that were directed to be funded by the Committee for fiscal year 2001 are not funded for fiscal year 2002 unless specifically mentioned herein.

In complying with the Committee's directives, APHIS is expected not to redirect support for programs and activities without prior notification to and approval by the House and Senate Committees on Appropriations in accordance with the reprogramming procedures specified in the Act. Unless otherwise directed, the Animal

and Plant Health Inspection Service shall implement appropriations by programs, projects, and activities as specified by the Appropriations Committees. Unspecified reductions necessary to carry out the provisions of this Act are to be implemented in accordance with the definitions contained in the "Program, project, and activity" section of this report.

BUILDINGS AND FACILITIES

Appropriations, 2001	$9,848,000
Budget estimate, 2002	5,189,000
Committee recommendation	5,189,000

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

The following table represents the Committee's specific recommendation for this account as compared to the fiscal year 2001 and budget request levels:

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

[In thousands of dollars]

	Fiscal year 2001 enacted	Fiscal year 2002 budget request	Committee recommendation
Basic buildings and facilities repair, alterations, and preventative maintenance	1,996	1,996	1,996
Plum Island, NY	3,193	3,193	3,193
Quarantine and seed facilities, AK	4,659	.....	.....
Total, Buildings and Facilities	9,848	5,189	5,189

COMMITTEE RECOMMENDATIONS

For buildings and facilities of the Animal and Plant Health Inspection Service, the Committee recommends an appropriation of $5,189,000. This amount is $4,659,000 less than the 2001 level and the same as the budget request.

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

Appropriations, 2001	$65,191,000
Budget estimate, 2002	71,430,000
Committee recommendation	71,430,000

The Agricultural Marketing Service was established by the Secretary of Agriculture on April 2, 1972. AMS carries out programs authorized by some 31 different statutory authorities, the primary ones being the Agricultural Marketing Act of 1946 (7 U.S.C. 1621–1627); the U.S. Cotton Standards Act (7 U.S.C. 51–65); the Cotton Statistics and Estimates Act (7 U.S.C. 471–476); the Tobacco Inspection Act (7 U.S.C. 511–511q); the Perishable Agricultural Commodities Act (7 U.S.C. 499a–499s); the Egg Products Inspection Act (21 U.S.C. 1031–1056); and section 32 (15 U.S.C. 713c).

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

COMMITTEE RECOMMENDATIONS

For marketing services of the Agricultural Marketing Service, the Committee recommends an appropriation of $71,430,000. This amount is $6,239,000 more than the 2001 appropriation and the same as the budget request.

The Committee provides $14,259,000, the full amount requested, for the Pesticide Data Program. The Committee recognizes the importance of the Pesticide Data Program (PDP) to collect reliable, scientific-based pesticide residue data that benefits consumers, food processors, crop protection, pesticide producers, and farmers. The PDP is of particular importance since the passage of the Food Quality Protection Act, which requires thorough re-evaluation of agricultural pesticides and tolerances for uses on individual crops. The PDP is an effective tool to maintain the availability of critical products which allow the production of safe and affordable foods.

The Committee provides $5,980,000 for costs associated with implementing the Livestock Mandatory Price Reporting Act of 1999.

The State of Alaska has developed the Alaska Grown Program to promote the sale of Alaskan products in both military and civilian markets. The Committee fully supports this program and expects the Department again to give full consideration to funding applications submitted for the Alaska Grown Program, which includes Alaska agricultural products and seafood harvested in the State. The Alaska Grown Program should coordinate with other regional marketing entities such as the Alaska Fisheries Development Foundation and the Lower Kuskokwim Economic Development Council.

The amount provided also includes $6,234,000 for the microbiological data program so that baselines may be established for the incidence, number and types of food-borne microorganisms. The Committee expects AMS to coordinate with other agencies of USDA, other public health agencies of the government, and industry to avoid duplication of effort and to ensure that the data collected can be used by all interested parties.

The Committee is aware of the unique factors that affect dairy production in Alaska. Because of these factors, only 51 percent of Alaska's dairy needs can be produced in-State. Further, because of the perishable nature of milk and the cost to ship it, alternatives to increase milk production at Alaska's existing State-owned facility, Matanuska Maid Dairy, must be sought. Therefore, the Committee expects AMS, working with other USDA agencies, to continue its assistance to the State of Alaska in addressing this unique problem.

The Committee is aware of the continuing disastrous economic situation being faced by the cranberry industry. Cranberry growers are struggling with continuing low prices for fruit well below the cost of production. Funding provided last year as part of the Crop

Risk Protection Act and the fiscal year 2001 Conference Report for commodity purchases of cranberries has been helpful but has not been fully implemented by the Department. Furthermore, far less than the amount required in the specific language of the fiscal year 2001 Agriculture and Related Agencies Appropriations Act has been purchased in the form of fruit concentrate and frozen fruit. Therefore, the Committee directs the Department to complete the purchases as required in those acts and provide the U.S. Senate and House of Representatives Committees on Appropriations with a report by March 1, 2002.

LIMITATION ON ADMINISTRATIVE EXPENSES

Limitation, 2001	($60,596,000)
Budget limitation, 2002	(60,596,000)
Committee recommendation	(60,596,000)

The Omnibus Budget Reconciliation Act of 1981 (Public Law 97–35) initiated a system of user fees for the cost of grading and classing tobacco, cotton, naval stores, and for warehouse examination. These activities, authorized under the U.S. Cotton Standards Act, the Tobacco Inspection Act, the Naval Stores Act, the U.S. Warehouse Act, and other provisions of law are designed to facilitate commerce and to protect participants in the industry.

COMMITTEE RECOMMENDATIONS

The Committee recommends a limitation on administrative expenses of the Agricultural Marketing Service of $60,596,000. This amount is the same as the 2001 funding level and the budget request.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY

(SECTION 32)

MARKETING AGREEMENTS AND ORDERS

Appropriations, 2001	$13,438,000
Budget estimate, 2002	13,874,000
Committee recommendation	13,874,000

Under section 32 of the act of August 24, 1935, (7 U.S.C. 612c), an amount equal to 30 percent of customs receipts collected during each preceding calendar year and unused balances are available for encouraging the domestic consumption and exportation of agricultural commodities. An amount equal to 30 percent of receipts collected on fishery products is transferred to the Department of Commerce. Additional transfers to the child nutrition programs of the Food and Nutrition Service have been provided in recent appropriations Acts.

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

SECTION 32 ESTIMATED TOTAL FUNDS AVAILABLE AND BALANCE CARRIED FORWARD—FISCAL YEARS 2000–2002

	Fiscal year—		
	2000 actual	2001 estimate	2002 estimate
Appropriation (30 percent of Customs Receipts)	$5,735,557,955	$5,738,448,921	$6,139,942,369
Agricultural Risk Protection Act (Public Law 106–224)		200,000,000	
Less Rescission	−15,000		
Less Transfers:			
Food and Nutrition Service	−4,935,199,000	−5,127,579,000	−5,340,708,000
Commerce Department	−69,920,523	−72,827,819	−79,125,978
Total, Transfers	−5,005,119,523	−5,200,406,819	−5,419,833,978
Budget Authority	730,423,432	738,042,102	720,108,391
Unobligated Balance Available, Start of Year	112,630,114	241,269,707	218,630,609
Recoveries of Prior Year Obligations	50,355,227	0	0
Available for Obligation	893,408,773	979,311,809	938,739,000
Less Obligations:			
Commodity Procurement:			
Child Nutrition Purchases	399,999,997	400,000,000	400,000,000
Removal of Defective Commodities	500,000	1,000,000	
Lamb Grading and Certification Support	0	1,000,000	
Emergency Surplus Removal	200,214,947	68,589,200	
Diversion Payments	30,777,658	10,250,000	
Disaster Relief	0	0	
Specialty Crop Purchases	0	200,000,000	
Estimated Future Purchases	0	56,800,000	215,000,000
Total, Commodity Procurement	631,492,602	737,639,200	615,000,000
Administrative Funds:			
Commodity Purchase Service	8,405,567	9,604,000	9,865,000
Marketing, Agreements, and Orders	12,240,897	13,438,000	13,874,000
Total, Administrative Funds	20,646,464	23,042,000	23,739,000
Total, Obligations	652,139,066	760,681,200	638,739,000
Carryout	241,269,707	218,630,609	300,000,000
Unobligated Balance Available, End of Year	241,269,707	218,630,609	300,000,000

COMMITTEE RECOMMENDATIONS

The Committee recommends a transfer from section 32 funds of $13,874,000 for the formulation and administration of marketing agreements and orders. This amount is $436,000 more than the 2001 level and the same as the budget estimate.

In previous fiscal years, section 32 funds have been spent to purchase and distribute salmon for donation to schools, institutions, and other domestic feeding programs. The Committee expects the Agricultural Marketing Service [AMS] to continue to assess the existing inventories of pink salmon and salmon nuggets; and determine whether or not there is a surplus and continued low prices in fiscal year 2002. If there is surplus salmon and continued low prices in fiscal year 2002, the Committee expects the Department to purchase surplus salmon for use in the aforementioned feeding programs or for humanitarian food aid.

PAYMENTS TO STATES AND POSSESSIONS

Appropriations, 2001	$1,347,000
Budget estimate, 2002	1,347,000
Committee recommendation	1,347,000

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

COMMITTEE RECOMMENDATIONS

For payments to States and possessions for Federal-State marketing projects and activities, the Committee provides $1,347,000. This amount is the same as the 2001 appropriation and the budget request.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

Appropriations, 2001 [1]	$31,350,000
Budget estimate, 2002	32,907,000
Committee recommendation	34,000,000

[1] Excludes $199,560 in emergency funding provided by Public Law 106–554.

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

COMMITTEE RECOMMENDATIONS

For salaries and expenses of the Grain Inspection, Packers and Stockyards Administration, the Committee recommends an appropriation of $34,000,000. This amount is $2,650,000 more than the 2001 appropriation and $1,093,000 more than the budget request.

The Committee provides $400,000 for market contract catalog reporting activities. Additional increases are provided to enhance concentration and other anti-competitve investigative activities.

The Committee does not assume the $3,758,000 in net savings from collections from new user fees proposed in the budget.

LIMITATION ON INSPECTION AND WEIGHING SERVICES EXPENSES

Limitation, 2001	($42,463,000)
Budget limitation, 2002	(42,463,000)
Committee recommendation	(42,463,000)

The Agency provides an official grain inspection and weighing system under the U.S. Grain Standards Act [USGSA], and official inspection of rice and grain-related products under the Agricultural Marketing Act [AMA] of 1946. The USGSA was amended in 1981 to require the collection of user fees to fund the costs associated with the operation, supervision, and administration of Federal grain inspection and weighing activities.

COMMITTEE RECOMMENDATIONS

The Committee recommends a $42,463,000 limitation on inspection and weighing services expenses. This amount is the same as the 2001 level and the budget request.

OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

Appropriations, 2001	$459,000
Budget estimate, 2002	476,000
Committee recommendation	476,000

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

COMMITTEE RECOMMENDATIONS

For the Office of the Under Secretary for Food Safety, the Committee recommends an appropriation of $476,000. This amount is $17,000 more than the 2001 level and the same as the budget request.

FOOD SAFETY AND INSPECTION SERVICE

Appropriations, 2001	$695,171,000
Budget estimate, 2002	715,542,000
Committee recommendation	715,747,000

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

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

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

COMMITTEE RECOMMENDATIONS

For the Food Safety and Inspection Service, the Committee recommends an appropriation of $715,747,000. This amount is $20,576,000 more than the 2001 level and $205,000 more than the budget request.

The Committee has provided an increase of $205,000 from the fiscal year 2001 funding level for activities related to the Codex Alimentarius and expects increased educational and technical outreach to other nations in support of U.S. trade and food safety positions.

The following table represents the Committee's specific recommendations for the Food Safety and Inspection Service as compared to the fiscal year 2001 and budget request levels:

FOOD SAFETY AND INSPECTION SERVICE SALARIES AND EXPENSES

[In thousands of dollars]

	2001 estimates	2002 budget request	Committee recommendation
Federal food inspection	595,507	608,730	608,730
Import/export inspection	11,111	12,127	12,127
Laboratory services	31,348	36,548	36,548
Field automation	8,005	8,005	8,005
Grants to States	41,642	42,517	42,517
Special assistance for State programs	5,220	5,220	5,220
Codex Alimentarius	2,338	2,395	2,600
Total	695,171	715,542	715,747
Food safety inspection:			
Federal	620,271	638,513	638,513
State	46,444	47,418	47,418
International	14,246	15,344	15,344
Codex	2,338	2,395	2,600
FAIM	11,872	11,872	11,872
Total	695,171	715,542	715,747

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES

Appropriations, 2001	$588,000
Budget estimate, 2002	606,000
Committee recommendation	606,000

The Office of the Under Secretary for Farm and Foreign Agricultural Services provides direction and coordination in carrying out the laws enacted by the Congress with respect to the Department's

international affairs (except for foreign economics development) and commodity programs. The Office has oversight and management responsibilities for the Farm Service Agency, including the Commodity Credit Corporation, Risk Management Agency, and the Foreign Agricultural Service.

COMMITTEE RECOMMENDATIONS

For the Office of the Under Secretary for Farm and Foreign Agricultural Services, the Committee recommends an appropriation of $606,000. This amount is $18,000 more than the 2001 appropriation and the same as the budget request.

With respect to claims for losses regarding sugar beets grown for the 2000 crop year, the Committee expects that processing and payment of such claims shall be governed by the terms of the sugar beet policy as interpreted by the Risk Management Agency in its Bulletin No.: MGR–01–010, issued March 2, 2001 and losses calculated under section 13(e) of the sugar beet policy without regard to whether the sugar beets were processed or unprocessed.

In making emergency financial assistance available under section 815 of Public Law 106–387, with respect to sugar beets grown for the 2000 crop year, and notwithstanding any different procedure used to calculate indemnities under Federal crop insurance policies, the Committee expects the Secretary to include as the amount of quality loss the difference between the per-unit payment that the producer would have received from the Cooperative for processed and unprocessed sugar beets affected by the quality loss if the crop had not suffered the quality loss, and the per-unit payment that the producer did receive from the Cooperative for the processed and unprocessed beets affected by the quality loss.

During fiscal year 2001, funds from the Commodity Credit Corporation were provided for implementation of an International School Lunch Program. The Committee notes the benefits such program serves to relieve hunger throughout the world, promote civil society, and also provide an outlet for U.S. food production. The Committee encourages the Department to continue these activities in fiscal year 2002 and to work with the appropriate authorization committees to establish this program under law.

The Committee is concerned that allocation of section 416 funds for humanitarian assistance programs may disadvantage certain private voluntary organizations in regard to the amount of those funds allowable for administrative costs. The Committee requests the Secretary to evaluate the Department's policy regarding allowable administrative costs for distribution of commodities under section 416 for humanitarian purposes and report to the Committees on Appropriations of the House and Senate by March 1, 2002. In addition, the Committee continues to urge the Secretary to work with representatives of the dairy industry and appropriate non-governmental organizations to increase the amount of fortified dry milk exported under humanitarian assistance programs.

The Committee urges USAID and USDA to manage the Food Security Commodity Reserve effectively to meet international food aid commitments of the United States, including supplementing Public Law 480 title II funds to meet emergency food needs.

In recent years, USDA has used its authority under the CCC Charter Act of 1948 to purchase wheat and other surplus commodities for distribution as international humanitarian assistance under Section 416(b). This has benefitted American farmers while also helping to alleviate world hunger. Low commodity prices and global hunger will likely continue in the coming year. The Committee urges USDA to use its existing authority to purchase no less than 4,000,000 tons of surplus commodities in fiscal year 2002 for donation as international food aid, including the Global Food for Education Initiative. The program should be approved by December 31, 2001 so that there is sufficient time to ensure that purchases and donations are made in an orderly manner. The program should be fully coordinated with humanitarian and development projects managed by private voluntary organizations, cooperatives and international organizations.

U.S. Government-funded donation programs for rice, such as Public Law 480 program and other commodity programs administered by USDA, have been traditionally reserved for value-added rice. Nearly half the U.S. rice crop is exported each year and value added rice represents two-thirds of total exports. This substantial demand for value-added rice has helped enhance farm prices, keeps U.S. rice mills in operation, which in turn, helped related rural businesses, providing jobs and benefitting local economies.

Commercially, the U.S. rough rice market is healthy and growing. Rough rice exports are already over 1,000,000 metric tons this year, up 12 percent from this time last year. Meanwhile, U.S. value-added exports are shrinking and are at their lowest levels in 15 years. If unprocessed rice displaces value-added rice for food aid, the U.S. industry would not only suffer immediate economic loss, it would also undermine the long-term viability of the industry by providing opportunities to foreign competitors. Therefore, the Committee strongly urges the Department to continue its focus of utilizing value-added rice in U.S. government-funded food aid programs.

FARM SERVICE AGENCY

The Farm Service Agency [FSA] was established by the Department of Agriculture Reorganization Act of 1994, Public Law 103–354, enacted October 13, 1994. Originally called the Consolidated Farm Service Agency, the name was changed to the Farm Service Agency on November 8, 1995. The FSA administers the commodity price support and production adjustment programs financed by the Commodity Credit Corporation, the warehouse examination function, the Conservation Reserve Program [CRP], and several other cost-share programs; the Noninsured Crop Disaster Assistance Program [NAP]; and farm ownership and operating, and emergency disaster and other loan programs.

Agricultural market transition program.—The Federal Agriculture Improvement and Reform Act of 1996, Public Law 104–127 (1996 act), enacted April 4, 1996, mandates that the Secretary offer individuals with eligible cropland acreage the opportunity for a one-time signup in a 7-year, production flexibility contract. Depending on each contract participant's prior contract-crop acreage history and payment yield as well as total program participation, each

contract participant shares a portion of a statutorily specified, annual dollar amount. In return, participants must comply with certain requirements regarding land conservation, wetland protection, planting flexibility, and agricultural use. Contract crops, for the purposes of determining eligible cropland and payments, include wheat, corn, grain sorghum, barley, oats, upland cotton, and rice. This program does not include any production adjustment requirements or related provisions, except for restrictions on the planting of fruits and vegetables.

Marketing assistance loan program, price support programs, and other loan and related programs.—The 1996 act provides for marketing assistance loans to producers of contract commodities, extra long staple [ELS] cotton, and oilseeds for the 1996 through 2002 crops. With the exception of ELS cotton, these nonrecourse loans are characterized by loan repayment rates that may be determined to be less than the principal plus accrued interest per unit of the commodity. However, with respect to cotton and rice, the Secretary must allow repayment of marketing loans at the adjusted world price. And, specifically with respect to the cotton marketing assistance loan, the program continues to provide for redemption at the lower of the loan principal plus accrued storage and interest, or the adjusted world price. The three-step competitiveness provisions are unchanged.

The 1996 act also provides for a loan program for sugar for the 1996 through 2002 crops of sugar beets and sugarcane. The Fiscal Year 2001 Agriculture Appropriations Act eliminated the recourse feature. The 1996 act provides for a milk price support program, whereby the price of milk is supported through December 31, 1999, via purchases of butter, cheese, and nonfat dry milk. The rate of support is fixed each calendar year, starting at $10.35 per hundredweight in 1996 and declining each year to $9.90 per hundredweight in 1999. The milk price support program is extended through December 31, 2001. The 1996 act and the 1938 act provide for a peanut loan and poundage quota program for the 1996 through 2002 crops of peanuts. Finally, the Agricultural Act of 1949, as amended (1949 act), and the 1938 act provide for a price support, quota, and allotment program for tobacco.

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

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

For combined MLG's plus LDP's received for the 1999 and 2000 crops, the payment limit was increased to $150,000 per person in

separate pieces of legislation. Moreover, Congress enacted discretionary authority in 1999 for the Secretary of Agriculture to offer commodity certificate exchanges for loan repayment purposes. Indirect gains received by producers due to a certificate exchange are not subject to the MLG and LDP payment limitation.

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

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

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

Farm credit programs.—FSA reviews applications, makes and collects loans, and provides technical assistance and guidance to borrowers. Under credit reform, administrative costs associated with agricultural credit insurance fund [ACIF] loans are appropriated to the ACIF program account and transferred to FSA salaries and expenses.

Risk management.—FSA administers the noninsured Crop Disaster Assistance Program [NAP] which provides crop loss protection for growers of many crops for which crop insurance is not available.

SALARIES AND EXPENSES

	Appropriations	Transfers from program accounts	Total, FSA, salaries and expenses
Appropriations, 2001	$826,563	($266,132)	[1] ($1,092,695)
Budget estimate, 2002	939,030	(274,357)	(1,213,387)
Committee recommendation	939,030	(274,357)	(1,213,387)

[1] Excludes $49,890,000 in emergency and disaster assistance provided by Public Law 106–387.

The account "Salaries and expenses, Farm Service Agency," funds the administrative expenses of program administration and other functions assigned to FSA. The funds consist of appropriations and transfers from the CCC export credit guarantees, Public Law 480 loans, and agricultural credit insurance fund program accounts, and miscellaneous advances from other sources. All administrative funds used by FSA are consolidated into one account. The consolidation provides clarity and better management and control of funds, and facilitates accounting, fiscal, and budgetary work by

eliminating the necessity for making individual allocations and allotments and maintaining and recording obligations and expenditures under numerous separate accounts.

COMMITTEE RECOMMENDATIONS

For salaries and expenses of the Farm Service Agency [FSA], including funds transferred from other program accounts, the Committee recommends $1,213,387,000. This is $120,692,000 more than the 2001 level and the same as the budget request.

The Committee recognizes the pressures FSA has been under to downsize staff levels. However, concerns have been raised about the criteria being used for further staff reductions and the potential impact these reductions will have on farm services in all States. Until these concerns have been addressed, States in compliance with the original Espy reorganization plan should not be required to undertake further staff reductions.

The Committee is concerned that FSA should allocate more staff resources to the farm loan programs in both the field and in the St. Louis Information Technology and Finance Center. Without more farm loan staff in the field, FSA cannot adequately perform the supervised credit functions which ensure the success of the program, including but not limited to such functions as real estate appraisals, chattel appraisals, and year-end farm analysis. The Committee directs the Department to report on the numbers of staff positions, by type and location, and to provide a detailed explanation by object class, of funds obligated from the Salaries & Expenses Account, to support the farm loan programs by April 1, 2002.

The Committee supports farmer participation in the Conservation Reserve Enhancement Program (CREP) as a means to coordinate conservation and producer objectives of natural resource stewardship. The Committee encourages the Department, acting through the Farm Service Agency, to improve outreach and technical assistance for CREP in States where enrollment and participation is not commensurate with enrollment expectations.

In addition, the Committee notes the difficulty of States with high land values competing for enrollment in CREP. The Committee urges the agency to evaluate the conservation of benefits of CREP enrollment in all States and not give undue consideration to enrollment opportunities based on land values or rental rates.

STATE MEDIATION GRANTS

Appropriations, 2001	$2,993,000
Budget estimate, 2002	2,993,000
Committee recommendation	3,993,000

This program is authorized under title V of the Agricultural Credit Act of 1987. Originally designed to address agricultural credit disputes, the program was expanded by the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 to include other agricultural issues such as wetland determinations, conservation compliance, rural water loan programs, grazing on National Forest System lands, and pesticides. Grants are made to States whose mediation programs have been certified by the Farm Service Agency [FSA]. Grants will be solely for oper-

ation and administration of the State's agricultural mediation program.

COMMITTEE RECOMMENDATIONS

The Committee recommends $3,993,000 for State mediation grants. This is $1,000,000 more than the 2001 level and the budget request.

DAIRY INDEMNITY PROGRAM

Appropriations, 2001	$450,000
Budget estimate, 2002	100,000
Committee recommendation	100,000

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

COMMITTEE RECOMMENDATIONS

For the dairy indemnity program, the Committee recommends $100,000. This is $350,000 less than the 2001 level and the same as the budget request.

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

The Agricultural Credit Insurance Fund Program Account is used to insure or guarantee farm ownership, farm operating, and emergency loans to individuals, as well as the following types of loans to associations: irrigation and drainage, grazing, Indian tribe land acquisition and boll weevil eradication. The insurance endorsement on each insured loan may include an agreement by the Government to purchase the loan after a specified initial period.

FSA is also authorized to provide financial assistance to borrowers by guaranteeing loans made by private lenders having a contract of guarantee from FSA as approved by the Secretary of Agriculture.

The following programs are financed through this fund:

Farm ownership loans.—Made to borrowers who cannot obtain credit elsewhere to restructure their debts, improve or purchase farms, refinance nonfarm enterprises which supplement but do not supplant farm income, or make additions to farms. Total indebtedness to FSA may not exceed $200,000 for direct loans and $731,000 for guaranteed loans. Loans are made for 40 years or less.

Farm operating loans.—Provide short-to-intermediate term production or chattel credit to farmers who cannot obtain credit elsewhere, to improve their farm and home operations, and to develop or maintain a reasonable standard of living. Total indebtedness to FSA may not exceed $200,000 for direct loans and $731,000 for guaranteed loans. The term of the loan varies from 1 to 7 years.

Emergency disaster loans.—Made available in designated areas (counties) and in contiguous counties where property damage and/

or severe production losses have occurred as a direct result of a natural disaster. Areas may be declared by the President or designated for emergency loan assistance by the Secretary of Agriculture. The loan may be up to $500,000.

Credit sales of acquired property.—Property is sold out of inventory and is made to an eligible buyer by providing FSA loans.

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

Boll weevil eradication loans.—Made to assist foundations in financing the operations of the boll weevil eradication programs provided to farmers.

COMMITTEE RECOMMENDATIONS

The Committee recommends a total level for farm loans of $3,891,000,000. This is $800,479,000 more than the 2001 level and $35,695,000 more than the budget request.

The following table reflects the program levels for farm credit programs administered by the Farm Service Agency recommended by the Committee, as compared to the fiscal year 2001 and the budget request levels:

AGRICULTURAL CREDIT PROGRAMS—LOAN LEVELS

[In thousands of dollars]

	2001 enacted	2002 budget	Committee recommendation
Farm ownership:			
Direct [1]	(127,722)	(128,000)	(147,000)
Guaranteed [2]	(868,086)	(1,000,000)	(1,000,000)
Farm operating:			
Direct [3]	(522,891)	(600,000)	(611,000)
Guaranteed unsubsidized [4]	(1,075,468)	(1,500,000)	(1,500,000)
Guaranteed subsidized [5]	(369,100)	(500,000)	(506,000)
Indian tribe land acquisition	(2,002)	(2,000)	(2,000)
Emergency disaster [6]	(24,947)	(25,000)	(25,000)
Boll weevil eradication loans	(100,000)	(100,000)	(100,000)
Total, farm loans	(3,090,216)	(3,855,000)	(3,891,000)

[1] Excludes estimated $2,800,000 increase funded by emergency supplemental loan subsidy appropriation provided by Public Law 106–113.

[2] Excludes estimated $141,420,000 increase funded by emergency supplemental loan subsidy appropriation provided by Public Law 106–113.

[3] Excludes estimated $176,115,000 increase funded by emergency supplemental loan subsidy appropriation provided by Public Law 106–113.

[4] Excludes estimated $311,332,000 increase funded by emergency supplemental loan subsidy appropriation provided by Public Law 106–113.

[5] Excludes estimated $104,246,000 increase funded by emergency supplemental loan subsidy appropriation provided by Public Law 106–113.

[6] Excludes estimated $273,569,000 increase funded by emergency supplemental loan subsidy appropriation provided by Public Law 106–113.

LOAN SUBSIDIES AND ADMINISTRATIVE EXPENSES LEVELS

[In thousands of dollars]

	Subsidies			Administrative expenses		
	Insured loan [1]	Guaranteed loan [2]	Total	Appropriations	Transfer to FSA	Total ACIF
Appropriations, 2001	67,449	89,283	116,732	4,130	264,731	385,592
Budget estimate, 2002	60,427	124,950	185,377	8,000	272,595	465,972
Committee recommendation	60,427	124,950	185,377	8,000	272,595	465,972

[1] Excludes estimated $83,294,000 in emergency supplemental appropriation provided by Public Law 106–113.
[2] Excludes estimated $13,493,000 in emergency supplemental appropriation provided by Public Law 106–113.

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

COMMITTEE RECOMMENDATIONS

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

[In thousands of dollars]

	2001 enacted	2002 budget	Committee recommendation
Loan subsidies:			
Farm ownership:			
Direct [1]	13,756	3,366	3,866
Guaranteed [2]	4,427	4,500	4,500
Farm operating:			
Direct [3]	47,251	53,580	54,580
Guaranteed unsubsidized [4]	14,738	52,650	52,650
Guaranteed subsidized [5]	30,119	67,800	68,550
Indian tribe land acquisition	322	118	118
Emergency disaster [6]	6,120	3,363	3,363
Boll weevil eradication loans [7]	.....	.....	.....
Total, loan subsidies	116,733	185,377	187,627
ACIF expenses	268,861	280,595	280,595

[1] Excludes enacted emergency supplemental appropriation of $302,000 (Public Law 106–113).
[2] Excludes enacted emergency supplemental appropriation of $721,000 (Public Law 106–113).
[3] Excludes enacted emergency supplemental appropriation of $15,886,000 (Public Law 106–113).
[4] Excludes enacted emergency supplemental appropriation of $4,265,000 (Public Law 106–113).
[5] Excludes enacted emergency supplemental appropriation of $8,507,000 (Public Law 106–113).
[6] Excludes enacted emergency supplemental appropriation of $67,107,000 (Public Law 106–113).
[7] No cost since subsidy rate is negative.

RISK MANAGEMENT AGENCY

Appropriations, 2001	$65,453,000
Budget estimate, 2002	74,752,000
Committee recommendation	74,752,000

Under the Federal Agriculture Improvement and Reform [FAIR] Act of 1996, risk management activities previously performed by the Farm Service Agency will be performed by the new Risk Management Agency.

Risk management includes program activities in support of the Federal Crop Insurance Program as authorized by the Federal Crop Insurance Reform and Department of Agriculture Reorganiza-

tion Act of 1994 and the FAIR Act. Functional areas of risk management are: research and development; insurance services; and compliance, whose functions include policy formulation and procedures and regulations development. Reviews and evaluations are conducted for overall performance to ensure the actuarial soundness of the insurance program.

COMMITTEE RECOMMENDATIONS

For administrative and operating expenses for the Risk Management Agency, the Committee recommends an appropriation of $74,752,000. This is $9,299,000 more than the 2001 level and the same as the budget request.

CORPORATIONS

FEDERAL CROP INSURANCE CORPORATION FUND

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

Producers of insurable crops are eligible to receive a basic level of protection against catastrophic losses, which cover 50 percent of the normal yield at 55 percent of the expected price. The only cost to the producer is an administrative fee of $100 per crop per policy. At least catastrophic [CAT] coverage was required for producers who participate in the commodity support, farm credit, and certain other farm programs. Under the Federal Agriculture Improvement and Reform [FAIR] Act of 1996, producers are offered the option of waiving their eligibility for emergency crop loss assistance instead of obtaining CAT coverage to meet program requirements. Emergency loss assistance does not include emergency loans or payment under the Noninsured Assistance Program [NAP]. Beginning with the 1997 crop, the Secretary began phasing out delivery of CAT coverage through the FSA offices, and in 1998 designated the private insurance providers as the sole source provider of CAT coverage.

The Reform Act of 1994 also provides increased subsidies for additional buy-up coverage levels which producers may obtain from private insurance companies. The amount of subsidy is equivalent to the amount of premium established for catastrophic risk protection coverage for coverage up to 65 percent level at 100 percent price. For coverage equal to or greater than 65 percent at 100 percent of the price, the amount is equivalent to an amount equal to the premium established for 50 percent yield indemnified at 75 percent of the expected market price.

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

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

FEDERAL CROP INSURANCE CORPORATION FUND

Appropriations, 2001 [1]	$2,804,660,000
Budget estimate, 2002 [2]	3,037,000,000
Committee recommendation [2]	3,037,000,000

[1] Such sums as may be necessary are provided; excludes $12,971,000 in emergency and disaster assistance provided by Public Law 106–387.
[2] Current estimate. Such sums as may be necessary, to remain available until expended, are provided.

The Federal Crop Insurance Act, as amended by the Federal Crop Insurance Reform Act of 1994, authorizes the payment of expenses which may include indemnity payments, loss adjustment, delivery expenses, program-related research and development, startup costs for implementing this legislation such as studies, pilot projects, data processing improvements, public outreach, and related tasks and functions.

All program costs, except for Federal salaries and expenses, are mandatory expenditures subject to appropriation.

COMMITTEE RECOMMENDATIONS

For the Federal Crop Insurance Corporation fund, the Committee recommends an appropriation of such sums as may be necessary, estimated to be $3,037,000,000. This is $232,340,000 more than the current fiscal year 2001 estimate and the same as the budget request.

COMMODITY CREDIT CORPORATION FUND

The Commodity Credit Corporation [CCC] is a wholly owned Government corporation created in 1933 to stabilize, support, and protect farm income and prices; to help maintain balanced and adequate supplies of agricultural commodities, including products, foods, feeds, and fibers; and to help in the orderly distribution of these commodities. CCC was originally incorporated under a Delaware charter and was reincorporated June 30, 1948, as a Federal corporation within the Department of Agriculture by the Commodity Credit Corporation Charter Act, approved June 29, 1948 (15 U.S.C. 714).

The Commodity Credit Corporation engages in buying, selling, lending, and other activities with respect to agricultural commodities, their products, food, feed, and fibers. Its purposes include sta-

bilizing, supporting, and protecting farm income and prices; maintaining the balance and adequate supplies of selected commodities; and facilitating the orderly distribution of such commodities. In addition, the Corporation makes available materials and facilities required in connection with the storage and distribution of such commodities. The Corporation also disburses funds for sharing of costs with producers for the establishment of approved conservation practices on environmentally sensitive land and subsequent rental payments for such land for the duration of Conservation Reserve Program contracts.

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

The 1996 act requires that the following programs be offered for the 1996 through 2002 crops: 7-year production flexibility contracts for contract commodities (wheat, feed grains, upland cotton, and rice); nonrecourse marketing assistance loans for contract commodities, extra long staple [ELS] cotton, and oilseeds; a nonrecourse loan program for peanuts; and a nonrecourse/recourse loan program for sugar. The milk price support program is extended through December 31, 2001.

The 7-year production flexibility contracts were offered to eligible landowners and producers on a one-time basis in 1996, with some contracts being available in subsequent years for eligible contract-commodity acreage in the CRP program that, prior to 2002, is either withdrawn early or for which the contract expires. Statutorily established fixed dollar amounts are to be distributed annually among contract participants according to statutory formulas. With the exception of limitations on fruits and vegetables, contract acreage may be planted (or not planted) to any crop, but the contract acreage must be devoted to an approved agricultural use and contract participants must comply with applicable land conservation and wetland protection requirements.

Marketing assistance loans are available to producers of ELS cotton and oilseeds. Such loans are also available to producers of contract commodities, but only if the producers of such commodities are contract participants. Marketing loan provisions and loan deficiency payments are applicable to all such commodities except ELS cotton.

The peanut loan program as provided by the 1996 act is accompanied by the poundage quota program authorized by the 1938 act. The loan rate for quota peanuts is set at $610 per ton for each of the crop years, 1996 through 2002. The quota poundage floor (1.35 million tons in 1995) authorized by the 1938 act for 1995 is eliminated for the 1996 through 2002 crops. The 1996 act also amends the peanut provisions of the 1938 act pertaining to undermarketings of farm quotas and transfers of quotas across county lines.

The 1996 act created a recourse loan program for sugar that reverts to a nonrecourse loan program in a given fiscal year if the tariff rate quota for imports of sugar exceeds 1.5 million short tons (raw value) in any fiscal year, 1997–2002. The 1996 act suspends

marketing allotment provisions in the 1938 act and implements a 1-cent-per-pound penalty if cane sugar pledged as collateral for a Corporation loan is forfeited. A similar penalty applies to beet sugar.

The tobacco loan program authorized by the 1949 act is supplemented by the quota and allotment programs authorized by the 1938 act. The tobacco program provisions in both acts were not affected by the 1996 act.

Milk prices are supported each year through the end of calendar year 1999 at statutorily established levels through purchases of butter, cheese, and nonfat dry milk. The calendar year 1996 support level was $10.35 per hundredweight for milk containing 3.67 percent butterfat, and the rate declines annually to $9.90 per hundredweight for calendar year 1999. Public Law 106–78 extended the milk price support program through December 31, 2000, at the $9.90 support level. The 2001 appropriations act extended the milk price support program to December 31, 2001, at the $9.90 per hundredweight support level.

The interest rate on commodity loans secured on or after October 1, 1996, will be 1 percentage point higher than the formula which was used to calculate commodity loans secured prior to fiscal year 1997. The CCC monthly commodity loan interest rate will in effect be 1 percentage point higher than CCC's cost of money for that month. Moreover, the Corporation's use of funds for purchases of information technology equipment, including computers, is more restricted than it was prior to enactment of the 1996 act.

The 1996 act amends the 1985 act to establish the Environmental Conservation Acreage Reserve Program [ECARP], which encompasses the Conservation Reserve Program [CRP], the Wetland Reserve Program [WRP], and the Environmental Quality Incentives Program [EQIP]. Each of these programs is funded through the Corporation.

The CRP continues through fiscal year 2002, with up to 36.4 million acres enrolled at any one time. Except for lands that are determined to be of high environmental value, the Secretary is to allow participants to terminate any CRP contract entered into prior to January 1, 1995, upon written notice, provided the contract has been in effect for at least 5 years. The Secretary maintains discretionary authority to conduct future early outs and future sign-ups of lands that meet enrollment eligibility criteria.

WRP is reauthorized through the year 2002, not to exceed 975,000 acres in total enrollment. Beginning October 1, 1996, one-third of the land enrolled is to be in permanent easements, one-third in 30-year easements or less, and one-third in wetland restoration agreements with cost sharing; 75,000 acres of land in less than permanent easements must be placed in the program before any additional permanent easements are placed.

A new, cost-share assistance program, EQIP, is established to assist crop and livestock producers deal with environmental and conservation improvements on the farm. The 1996 act authorizes program funding of $200,000,000 annually for fiscal years 1997 through 2002. One-half of the available funds are for addressing conservation problems associated with livestock operations and one-half for other conservation concerns. Five- to ten-year con-

tracts, based on a conservation plan will be used to implement the program.

The 1996 act also authorizes other new Corporation-funded conservation programs, including the conservation farm option, flood risk reduction contracts, the Wildlife Habitat Incentives Program, and the Farmland Protection Program.

Management of the Corporation is vested in a board of directors, subject to the general supervision and direction of the Secretary of Agriculture, who is an ex-officio director and chairman of the board. The board consists of seven members, in addition to the Secretary, who are appointed by the President of the United States with the advice and consent of the Senate. Officers of the Corporation are designated according to their positions in the Department of Agriculture.

The activities of the Corporation are carried out mainly by the personnel and through the facilities of the Farm Service Agency [FSA] and the Farm Service Agency State and county committees. The Foreign Agricultural Service, the General Sales Manager, other agencies and offices of the Department, and commercial agents are also used to carry out certain aspects of the Corporation's activities.

The Corporation's capital stock of $100,000,000 is held by the United States. Under present law, up to $30,000,000,000 may be borrowed from the U.S. Treasury, from private lending agencies, and from others at any one time. The Corporation reserves a sufficient amount of its borrowing authority to purchase at any time all notes and other obligations evidencing loans made by such agencies and others. All bonds, notes, debentures, and similar obligations issued by the Corporation are subject to approval by the Secretary of the Treasury.

Under Public Law 87–155 (15 U.S.C. 713a–11, 713a–12), annual appropriations are authorized for each fiscal year, commencing with fiscal year 1961. These appropriations are to reimburse the Corporation for net realized losses.

REIMBURSEMENT FOR NET REALIZED LOSSES

Appropriations, 2001 [1]	$25,264,441,000
Budget estimate, 2002 [1]	23,116,000,000
Committee recommendation [1]	23,116,000,000

[1] Current estimate. Such sums as may be necessary are provided.

COMMITTEE RECOMMENDATIONS

For the payment to reimburse the Commodity Credit Corporation (CCC) for net realized losses, the Committee recommends an appropriation of such sums as may be necessary, estimated in the budget to be $23,116,000,000. This is $2,148,441,000 less than the current estimated level and the same as the budget request.

OPERATIONS AND MAINTENANCE FOR HAZARDOUS WASTE MANAGEMENT

Limitation, 2001	($5,000,000)
Budget estimate, 2002	(5,000,000)
Committee recommendation	(5,000,000)

The Commodity Credit Corporation's [CCC] hazardous waste management program is intended to ensure compliance with the Comprehensive Environmental Response, Compensation, and Liability Act and the Resource Conservation and Recovery Act. Investigative and cleanup costs associated with the management of CCC hazardous waste are paid from USDA's hazardous waste management appropriation. The CCC funds operations and maintenance costs only.

COMMITTEE RECOMMENDATIONS

For Commodity Credit Corporation operations and maintenance for hazardous waste management, the Committee provides a limitation of $5,000,000. This amount is the same as the 2001 level and the budget request.

TITLE II—CONSERVATION PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

Appropriations, 2001	$709,000
Budget estimate, 2002	730,000
Committee recommendation	730,000

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

COMMITTEE RECOMMENDATIONS

For the Office of the Under Secretary for Natural Resources and Environment, the Committee recommends an appropriation of $730,000. This amount is $21,000 more than the 2001 appropriation and the same as the budget request.

NATURAL RESOURCES CONSERVATION SERVICE

The Natural Resources Conservation Service [NRCS] was established pursuant to Public Law 103–354, the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6962). NRCS combines the authorities of the former Soil Conservation Service as well as five natural resource conservation cost-share programs previously administered by the Agricultural Stabilization and Conservation Service. Through the years, this Service, together with the agricultural conservation programs and over 2 million conservation district cooperatives, has been a major factor in reducing pollution. The Natural Resources Conservation Service works with conservation districts, watershed groups, and the Federal and State agencies having related responsibilities to bring about physical adjustments in land use that will conserve soil and water resources, provide for agricultural production on a sustained basis, and reduce damage by flood and sedimentation. The Service, with its dams, debris basins, and planned watersheds, provides technical advice to the agricultural conservation programs, where the Federal Government pays about one-third of the cost, and, through these programs, has done perhaps more to minimize pollution than any other activity. These programs and water sewage systems in rural areas tend to minimize pollution in the areas of greatest damage, the rivers and harbors near our cities.

The conservation activities of the Natural Resources Conservation Service are guided by the priorities and objectives as set forth in the National Conservation Program [NCP] which was prepared in response to the provisions of the Soil and Water Resources Con-

servation Act of 1977 [RCA] (Public Law 95–192). The long-term objectives of the program are designed to maintain and improve the soil, water, and related resources of the Nation's nonpublic lands by: reducing excessive soil erosion, improving irrigation efficiencies, improving water management, reducing upstream flood damages, improving range condition, and improving water quality.

CONSERVATION OPERATIONS

Appropriations, 2001	$712,545,000
Budget estimate, 2002	773,454,000
Committee recommendation	802,454,000

Conservation operations are authorized by Public Law 74–46 (16 U.S.C. 590a–590f). Activities include:

Conservation technical assistance.—Provides assistance to district cooperators and other land users in the planning and application of conservation treatments to control erosion and improve the quantity and quality of soil resources, improve and conserve water, enhance fish and wildlife habitat, conserve energy, improve woodland, pasture and range conditions, and reduce upstream flooding; all to protect and enhance the natural resource base.

Inventory and monitoring provides soil, water, and related resource data for land conservation, use, and development; guidance of community development; identification of prime agricultural producing areas that should be protected; environmental quality protection; and for the issuance of periodic inventory reports of resource conditions.

Resource appraisal and program development ensures that programs administered by the Secretary of Agriculture for the conservation of soil, water, and related resources shall respond to the Nation's long-term needs.

Soil surveys.—Inventories the Nation's basic soil resources and determines land capabilities and conservation treatment needs. Soil survey publications include interpretations useful to cooperators, other Federal agencies, State, and local organizations.

Snow survey and water forecasting.—Provides estimates of annual water availability from high mountain snow packs and relates to summer stream flow in the Western States and Alaska. Information is used by agriculture, industry, and cities in estimating future water supplies.

Plant materials centers.—Assembles, tests, and encourages increased use of plant species which show promise for use in the treatment of conservation problem areas.

COMMITTEE RECOMMENDATIONS

For conservation operations, the Committee recommends an appropriation of $802,454,000. This amount is $89,909,000 more than the 2001 level and $29,000,000 more than the budget request.

For fiscal year 2002, the Committee recommends funding increases, as specified below, for new and ongoing conservation activities. Amounts provided by the Committee for specific conservation measures shall be in addition to levels otherwise made available to States.

Projects identified in Senate Report 106–288 and Conference Report 106–948 that were directed to be funded by the Committee for fiscal year 2001 are not funded for fiscal year 2002, unless specifically mentioned herein.

The Committee is aware of the severe water problems occurring in the State of Georgia, especially in the Flint River watershed in Southwest Georgia and the coastal watershed in Southeast Georgia. Surface and ground water are being severely depleted by drought and further exacerbated by salt water intrusion into coastal agriculture areas. The Committee provides $1,000,000 in fiscal year 2002 funding for the Georgia Agricultural Water Conservation Initiative.

The Committee directs the agency to maintain a national priority area pilot program under the guidelines of the Environmental Quality Incentives Program (EQIP) in the delta of the State of Mississippi.

The Committee provides $800,000 for fiscal year 2002 for a study to characterize the on-site consequences, estimate off-site impacts, and develop strategies to facilitate land use change while preserving critical natural resources. The agency is directed to work in cooperation with Clemson University in conducting this study.

The Committee provides the fiscal year 2001 level of funding to expand the cooperative efforts with the Claude E. Phillips Herbarium, Delaware.

The Committee provides the fiscal year 2001 level of funding to maintain a partnership between USDA and the National Fish and Wildlife Foundation.

The Committee provides $2,500,000 to continue work on the Great Lakes Basin Program for soil and erosion sediment control.

The Committee provides an increase of $5,000,000 above the fiscal year 2001 level for the grazing lands conservation assistance program, of which no less than $250,000 shall be for grazing land conservation activities in Wisconsin.

The Committee provides the fiscal year 2001 level of funding for the National Water Management Center in Arkansas.

The Comittee provides an increase of $750,000 from the fiscal year 2001 level for the Chesapeake Bay Program.

The Committee continues its concern for the serious threat to pastures and watersheds resulting from the introduction of alien weed pests into Hawaii. The Committee directs the agency to work with the Hawaii Department of Agriculture and the Animal Plant and Health Inspection Service to develop an integrated approach, including environmentally-safe biological controls, for eradicating these pests.

The Committee provides the fiscal year 2001 level of funding to obtain and evaluate materials and seeds of plants indigenous to regions north of 52 degrees North Latitude and equivalent vegetated regions in the Southern Hemisphere (south of 52 degrees South Latitude). The Committee directs the agency to continue working in conjunction with the Alaska Division of Agriculture in this effort.

The Committee provides an increase of $50,000 from the fiscal year 2001 level for the Oregon Garden, Silverton, OR.

The Committee continues funding at the fiscal year 2001 level of funding for plant material centers and continued development of warm season grasses for use in the Conservation Reserve Program (CRP) and the Wildlife Habitat Initiatives Program (WHIP).

The Committee encourages the agency to provide $300,000 to support the emerging alternative technology to reduce phosphorous loading into Lake Champlain.

The Committee provides the fiscal year 2001 level of funding to continue support of agricultural development and resource conservation on the Island of Molokai and the transition from small-scale conservation projects to those that benefit the community through sustainable economic impact.

The Committee continues funding at the fiscal year 2001 level for the Kenai streambank restoration water project for fiscal year 2002.

The Committee recognizes the need for a special outreach effort so that USDA can serve small-scale Appalachian farmers in sustaining agriculture production while protecting natural resources. The Committee provides the fiscal year 2001 level of funding for the Appalachian Small Farmer Outreach Program. Sound economic grazing systems, marketing strategies, and uniformity of production quality will ensure the competitiveness of livestock operations and help maintain small farm enterprises. This initiative will provide livestock producers access to the needed one-on-one assistance.

The Committee provides the fiscal year 2001 level of funding for technical assistance for Franklin County Lake, Mississippi.

The Committee continues the fiscal year 2001 level of funding for two additional offices in Bethel and Nome in order for NRCS to have a presence in western Alaska and includes $350,000 for new offices in Juneau and Glennallen in fiscal year 2002. Also, the Committee provides an additional $650,000 for funding necessary to support at least one staff position for each soil and water conservation district, a public information program, and assistance in rural Alaska.

The Committee provides $250,000 for fiscal year 2002 to complete the Squirrel Branch Drainage Project, Mississippi.

The Committee provides the fiscal year 2001 level of funding for agroforestry efforts in conjunction with the National Agroforestry Center in Lincoln, Nebraska.

The Committee continues funding for the implementation of the Delta Study at the fiscal year 2001 level. Local sponsors are to work cooperatively with the NRCS so that water conservation, water supply evaluations, and environmental planning can proceed.

The Committee directs the agency to proceed with Phase II of the Kuhn Bay Project (Point Remove), Arkansas.

The Committee directs the agency to work with soil scientists at regional land-grant universities to continue the pilot project in Washington, Sharkey and Yazoo Counties, Mississippi, to determine the proper classification and taxonomic characteristics of Sharkey soils.

The Committee provides an increase of $150,000 from the fiscal year 2001 level to address the erosion in the Loess Hills area in western Iowa. The Committee is aware that the Eastern Red Cedar and other invasive species of woody plants are having a very nega-

tive effect on prairies in the Loess Hills, a unique soil important to many rare animals and plants. The Committee encourages the Department to support efforts to reduce this problem.

The Committee provides $160,000 for fiscal year 2002 to conduct nitrogen soil tests and plant-available nitrogen tests, and to demonstrate poultry litter and wood composting in an effort to improve farmers' economic returns and minimize potential water quality conditions resulting from excess application of nutrients from manure and fertilizers on West Virginia's cropland.

The Committee provides an increase of $500,000 from the fiscal year 2001 funding level for the Delta Conservation Demonstration Center, Washington County, Mississippi.

The Committee provides $200,000 for fiscal year 2002 for the Idaho One-Plan, a test of the prototype Conservation Planning Module in the field with farmers and ranchers in Canyon County, Idaho.

The Committee provides $300,000 to continue the expansion of the Potomac and Ohio River Basins Soil Nutrient Project to include Jefferson, Berkeley, and Greenbrier Counties. This funding will enable the NRCS, in cooperation with West Virginia University and the Appalachian Small Farming Research Center, to identify and characterize phosphorous movement in soils to determine appropriate transportation, the holding capacity, and the management of phosphorous. This information is critical in helping Appalachian farmers deal with nutrient loading issues and in protecting the Chesapeake Bay from eutrophication and the Ohio River, Mississippi River, and Gulf of Mexico from depletion of life-sustaining oxygen.

The Committee provides the fiscal year 2001 level of funding for evaluating and increasing native plant materials in Alaska.

The Committee provides the fiscal year 2001 funding level for technical assistance for the Seward/Resurrection River watershed project, Alaska.

The Committee provides an increase of $250,000 from the fiscal year 2001 level of funding for the continued development of a geographic information system (GIS)-based model in South Carolina to integrate commodity and conservation program data at the field level for watershed analysis purposes.

The Committee provides $8,515,000 for Snow Survey and Water Supply Forecasting and activities related to SNOwpack TELemetry (SNOTEL). This level is $2,538,000 more than the amount provided in fiscal year 2001 and $2,378,000 above the budget request.

The Committee provides $500,000 for fiscal year 2002 to improve drainage along Lyon Creek in Taylorsville, Mississippi.

The Committee provides $750,000 for a feasibility study on the Little Wood River Irrigation District Gravity Pressure Delivery System in Idaho.

The Committee provides $400,000 for the Backyard Conservation Program as part of the National Cooperative Soil Program. This funding is to be used to provide technical assistance on grazing lands and backyard containment of water runoff in order to improve nutrient management and protect water resources in the Lake Tahoe Basin.

The Committee provides no less than $250,000 above the fiscal year 2001 level for technical assistance related to the Barataria-Terrebone National Estuary Program. This program will assist in the reduction of non-point source pollution affecting water quality in the Gulf of Mexico and the lessening of the causes of hypoxia. Landowners in this area are encouraged to make application under the Environmental Quality Incentives Program to obtain financial assistance necessary to carry out this program.

The Committee provides $750,000 for planning, design, and technical assistance associated with the Little Red River Irrigation Project in Arkansas.

Recurring floods along the Red River in recent years have resulted in tremendous loss of property and have endangered residents throughout the basin. A number of methods, such as enhanced water storage capacity, more efficient drainage, and shifts in agricultural land use, may be employed to retard the flow of flood waters and reduce downstream flooding. It is important that these improvements be pursued in a manner beneficial to agriculture and result in minimal loss of productive farm land. Accordingly, the Committee provides $1,000,000 for the Red River Basin Flood Prevention Project in North Dakota in cooperation with the Energy and Environmental Research Center.

The Committee provides $2,000,000 to provide technical assistance for the Kentucky Soil Erosion Control Cost-Share Program, and an additional $700,000 to accelerate the Kentucky Soil Survey Program. The Committee also encourages the NRCS to enter into cooperative agreements with Kentucky Soil Conservation Districts to further the partnerships among these organizations.

The Committee is aware of growing demands on natural resources in New York State resulting from increased development and urban sprawl. The Committee provides $230,000 for use through a cooperative agreement with Pace University to promote sustainable growth and protection of soil and water resources.

The Committee provides $300,000 for the Central Alabama/Birmingham Water Quality and Conservation Initiative. In addition, the Committee provides $400,000 for the Alabama Gulf Coast Water Quality and Conservation Initiative.

The Committee provides $1,000,000 for conservation activities in Wisconsin in cooperation with the Aldo Leopold Foundation.

The Committee provides $580,000 for fiscal year 2002 for study, planning and design to implement floodwater retarding structures in the Town Creek Watershed, Carthage, Mississippi.

The Committee provides $500,000 for fiscal year 2002 for cattle and nutrient management in stream crossings in cooperation with Mississippi conservation districts.

The Committee provides $300,000 for fiscal year 2002 to provide bank stabilization structures in the Strayhorn Creek Watershed, Mississippi.

The Committee provides $300,000 to implement the Certified Environmental Management Systems for Agriculture (CEMSA) in cooperation with the Iowa Soybean Association. CEMSA will be designed to assist producers to voluntarily adopt certifiable conservation plans and is expected to be implemented over a 3-year period

at a total cost of $1,000,000, with additional funds to be provided from non-Federal sources.

The Committee provides $250,000 for planning and design associated with the Walnut Bayou Irrigation Project, Arkansas.

The Committee provides $350,000 for advanced wetland plant research at Silverton, Oregon, to plant and study optimal species for conserving water, reducing soil runoff, and removing toxins. In addition, the Committee is aware of needs for additional technical assistance in Oregon and other States and encourages the Secretary to examine the distribution of funds among States in correlation with overall conservation needs.

The Committee directs the NRCS to develop a plan to establish a Geographic Information Systems Center of Excellence in cooperation with West Virginia University that will provide expertise to design, field, and support new applications for capturing, managing, analyzing, and delivering soil survey information in an easily accessible manner.

The Committee encourages the agency to support watershed management and demonstration projects in cooperation with the National Pork Producers Council.

The Committee provides $350,000 for fiscal year 2002 for flood control in the Pearl River Basin, Dry Creek watershed in Marion County, Mississippi.

The Committee provides $400,000 for fiscal year 2002 to install grade stabilization structures in the Skuna River, Mississippi.

The Committee provides $175,000 for fiscal year 2002 for a cooperative agreement between NRCS and Alcorn State University to analyze soil erosion and water quality by using demonstration sites.

The Committee provides an increase of $1,000,000 from the fiscal year 2001 level for the Wildlife Management Institute for developing and transferring fish and wildlife technology to States and field offices.

The Committee provides $750,000 to assist in the conversion to sprinkler irrigation in the vicinity of Minidoka, Idaho, in order to reduce water quality impairments resulting from the return of water runoff to the aquifer by way of agricultural drain wells.

The Committee provides $100,000 for fiscal year 2002 to survey the Chickasaway River in Quitman, Mississippi, to provide planning and design for de-snagging and debris removal.

The Committee provides $100,000 for fiscal year 2002 to perform a feasibility study for a surface impoundment in Choctaw County, Mississippi.

The Committee provides $250,000 for fiscal year 2002 to finish installing the remaining channel work on Coonewah Creek in Lee County, Mississippi.

The Committee provides an increase of $500,000 from the 2001 fiscal year level for the continuation of the Delta Conservation Demonstration Center, Washington County, Mississippi.

The Committee provides $1,000,000 for fiscal year 2002 for a channel modification to the Mill Creek Watershed in the City of Magee, MS, to prevent further flooding.

The Committee is aware of the additional demands for conservation technical assistance resulting from the New Jersey State Con-

servation Cost Share Program and urges the agency to provide additional assistance in cooperation with that program.

The Committee provides a total of $600,000 for conservation programs related to cranberry production in the States of Massachusetts and Wisconsin.

The Committee provides $300,000 for the Upper Petit Jean Watershed Project, Arkansas.

The Committee expects the National Resource Conservation Service (NRCS) to continue to support the work of the Southwest Strategy and its coordinated effort to help address the natural resource, cultural resource, and economic issues facing the people of New Mexico and Arizona.

From within the available funds for the Alaska State Office, the Committee directs the Service to work with Harding Lake Association to study the Harding Lake Watershed.

Plant Materials Centers.—The Committee provides $200,000, the same level available in fiscal year 2001 and $100,000 above the budget request, to improve the Hawaii Plant Materials Center's capability to propagate native plants in support of the Federal clean-up on the Island of Kahoolawe and to facilitate start-up of native plant nurseries.

The Committee provides an increase of $200,000 from the fiscal year 2001 level for the Golden Meadow Plant Materials Center for necessary facility improvements and to support ongoing work in the areas of coastal wetland plant species and coastal prairie plant restoration.

The Committee provides $300,000 for fiscal year 2002 to make improvements to the existing building and facilities at the Jamie Whitten Plant Materials Center.

WATERSHED SURVEYS AND PLANNING

Appropriations, 2001	$10,844,000
Budget estimate, 2002	10,960,000
Committee recommendation	10,960,000

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

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

Watershed planning activities provide for cooperation between the Federal Government and the States and their political subdivisions in a program of watershed planning. Watershed plans form

the basis for installing works of improvement for floodwater retardation, erosion control, and reduction of sedimentation in the watersheds of rivers and streams and to further the conservation, development, utilization, and disposal of water. The work of the Department in watershed planning consists of assisting local organizations to develop their watershed work plan by making investigations and surveys in response to requests made by sponsoring local organizations. These plans describe the soil erosion, water management, and sedimentation problems in a watershed and works of improvement proposed to alleviate these problems. Plans also include estimated benefits and costs, cost-sharing and operating and maintenance arrangements, and other appropriate information necessary to justify Federal assistance for carrying out the plan.

COMMITTEE RECOMMENDATIONS

For watershed surveys and planning, the Committee recommends an appropriation of $10,960,000. This amount is $116,000 more than the 2001 appropriation and the same as the budget request.

WATERSHED AND FLOOD PREVENTION OPERATIONS

Appropriations, 2001 [1]	$99,224,000
Budget estimate, 2002	100,413,000
Committee recommendation	100,413,000

[1] Excludes $109,758,000 in emergency funding provided by Public Law 106–387.

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

The Natural Resources Conservation Service has general responsibility for administration of activities, which include cooperation with local sponsors, State, and other public agencies in the installation of planned works of improvement to reduce erosion, floodwater, and sediment damage; conserve, develop, utilize, and dispose of water; plan and install works of improvement for flood prevention, including the development of recreational facilities and the improvement of fish and wildlife habitat; and loans to local organizations to help finance the local share of the cost of carrying out planned watershed and flood prevention works of improvement.

COMMITTEE RECOMMENDATIONS

For watershed and flood prevention operations, the Committee recommends an appropriation of $100,413,000. This amount is $1,189,000 more than the 2001 appropriation and the same as the budget request.

The Committee continues the fiscal year 2001 level of funding for the Little Sioux Watershed and Mosquito Creek Watershed projects, Iowa.

The Committee encourages the agency to provide assistance within available funds for erosion control along the Tanana River

bordering the Big Delta State Historical Park; and the Matanuska River, Alaska.

Access to a consistent source of potable water became even more difficult for West Virginia families and farmers during the drought of 1999. While existing flood impoundments protect these people during floods, these impoundments do not include a water storage component that would allow the impoundment to serve a dual role. The Committee directs the NRCS in West Virginia to work toward redesign of its existing flood impoundments to include water storage as an additional function.

The Committee encourages the agency to support the increased demands for project completions dedicated to increasing water storage capacity, improving the efficiency of delivery systems, and conserving water through flood control projects, Hawaii.

The Committee recognizes the importance of building the Lost River Watershed Dam Number 10, West Virginia, and encourages the funding for the award of the construction contract for this project.

The Committee urges the agency to proceed with the implementation of the watershed plans for the Deckers Creek Watershed Acid Mine Drainage Remediation and Land Mine Treatment project, the Potomac Headwaters Land Treatment Watershed project, and the Knapps Creek Stream Restoration Watershed project, West Virginia.

The Committee continues to be aware of flooding in the Devils Lake basin in North Dakota, and notes that the lake has risen in each of the past 6 years. The lake is now more than 25 feet higher than it was in 1993. The Committee encourages the agency, with the cooperation of the Farm Service Agency, to assist in the locally coordinated flood response and water management activities. NRCS and FSA should continue to utilize conservation programs in providing water holding and storage areas on private land as necessary intermediate measures in watershed management.

The Committee urges NRCS to proceed with construction of Phase II of the watershed flood control project in the vicinity of Truth or Consequences, New Mexico.

The Committee urges the NRCS to assist dairy farmers with the installation or renovation of waste management features to protect water quality levels in Lake Pontchartrain and the Middle Tangipahoa Watershed, Louisiana.

The Committee provides funds and expects NRCS to provide assistance for projects in the Embarras River Basin, Lake County Watershed, and DuPage County, Illinois.

The Committee provides funds for continuing work by the NRCS for the Muenster Watershed, Texas.

The Committee supports work by the NRCS to assist the town of Swan Quarter, North Carolina, to provide protection from flooding from area farm lands.

The Committee provides funds for continuing work in connection with the East Fork of the Grand River, Twelve Mile Creek, Twin Ponies, Troublesome Creek, West Fork of the Big Creek, Soap Creek parts 10 and 11, Mill Creek and Little River projects all located in Iowa.

The Committee encourages the agency to provide assistance for the Small Watershed Program for the Environmental Assessment and design phase of the Pocasset River watershed plan, Rhode Island.

WATERSHED REHABILITATION PROGRAM

Appropriations, 2001	.....
Budget estimate, 2002	.....
Committee recommendation	$10,000,000

The Committee recommends a new watershed rehabilitation program account for technical and financial assistance to carry out rehabilitation of structural measures, in accordance with Section 14 of the Watershed Protection and Flood Prevention Act, approved August 4, 1954 (U.S.C. 1001 et seq.), as amended by Section 313 of Public Law 106–472, November 9, 2000 (16 U.S.C. 1012).

COMMITTEE RECOMMENDATIONS

For the watershed rehabilitation program, the Committee recommends $10,000,000. This amount is $10,000,000 more than the fiscal year 2001 level and the budget request.

The Committee is aware of the need for the rehabilitation of structures located in Colorado, Idaho, Iowa, Kentucky, Mississippi, Missouri, North Dakota, South Carolina, and South Dakota.

RESOURCE CONSERVATION AND DEVELOPMENT

Appropriations, 2001	$41,923,000
Budget estimate, 2002	43,048,000
Committee recommendation	48,048,000

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

COMMITTEE RECOMMENDATIONS

For resource conservation and development, the Committee recommends an appropriation of $48,048,000. This amount is $6,125,000 more than the 2001 level and $5,000,000 more than the budget request. This increase is intended to provide additional support for existing resource conservation and development councils and to allow for consideration of newly authorized areas in states.

FORESTRY INCENTIVES PROGRAM

Appropriations, 2001	$6,311,000
Budget estimate, 2002	.....
Committee recommendation	7,811,000

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

COMMITTEE RECOMMENDATIONS

For the Forestry Incentives Program, the Committee recommends an appropriation of $7,811,000. This amount is $1,500,000 more than the 2001 appropriation and $7,811,000 more than the budget request.

The Committee notes authorization under the Forestry Incentives Program for removal and site preparation for replanting on private lands which may serve to reduce the potential of wildfires and directs the agency, where appropriate, to provide resources for that purpose.

TITLE III—RURAL DEVELOPMENT PROGRAMS

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

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

OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

Appropriations, 2001	$604,000
Budget estimate, 2002	623,000
Committee recommendation	623,000

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

COMMITTEE RECOMMENDATIONS

For the Office of the Under Secretary for Rural Development, the Committee recommends an appropriation of $623,000. This amount is $19,000 more than the 2001 level and the same as the budget request.

The Committee is aware the Department has previously provided funding for the National Rural Development Partnership (NRDP). The NRDP, and its associated State Rural Development Councils, provide technical support and guidance for rural development at the State and local level. The Committee encourages the Department to continue support for this important organization from within available funds.

The Committee is aware of a proposal for a Rural Economic Area Partnership (REAP) Zone designation for 17 southern Illinois coun-

ties. The proposal was drafted by a coalition of regional planning and development organizations in Southern Illinois. The Committee encourages the Department to give the proposal serious review and to provide appropriate funding and technical assistance.

RURAL COMMUNITY ADVANCEMENT PROGRAM

Appropriations, 2001	$760,864,000
Budget estimate, 2002	692,125,000
Committee recommendation	1,004,125,000

[1] Excludes $199,560,000 in emergency supplemental appropriations provided by Public Law 106–387.

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

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

Community facility loans were created by the Rural Development Act of 1972 to finance a variety of rural community facilities. Loans are made to organizations, including certain Indian tribes and corporations not operated for profit and public and quasipublic agencies, to construct, enlarge, extend, or otherwise improve community facilities providing essential services to rural residents. Such facilities include those providing or supporting overall community development, such as fire and rescue services, health care, transportation, traffic control, and community, social, cultural, and recreational benefits. Loans are made for facilities which primarily serve rural residents of open country and rural towns and villages of not more than 20,000 people. Health care and fire and rescue facilities are the priorities of the program and receive the majority of available funds.

The Community Facility Grant Program authorized in the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104–127), is used in conjunction with the existing direct and guaranteed loan programs for the development of community facilities, such as hospitals, fire stations, and community centers. Grants are targeted to the lowest income communities. Communities that have lower population and income levels receive a higher cost-share con-

tribution through these grants, to a maximum contribution of 75 percent of the cost of developing the facility.

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

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

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

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

supplement other funds borrowed or furnished by applicants to pay development costs.

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

COMMITTEE RECOMMENDATIONS

For the Rural Community Advancement Program [RCAP], the Committee recommends $1,004,125,000. This amount is $243,261,000 more than the fiscal year 2001 level and $312,000,000 more than the budget request.

The following table provides the Committee's recommendations, as compared to the fiscal year 2001 and budget request levels:

RURAL COMMUNITY ADVANCEMENT PROGRAM

[Budget authority in thousands of dollars]

	Fiscal year—		Committee recommendation
	2001 appropriation	2002 budget request	
Community:			
Community facility direct loan subsidies	29,161	13,545	13,945
Community facility grants	13,000	12,958	14,958
Economic impact initiative grants	49,890	.....	25,000
High energy costs grants	29,934	.....	30,000
Subtotal, community	121,985	26,503	83,903
Business:			
Business and industry loan subsidies:			
Direct	2,904	.....	.....
Guaranteed	13,354	27,400	28,400
Rural business enterprise grants	45,564	40,575	46,575
Rural business opportunity grants	2,993	2,993	2,993
Subtotal, business	64,815	70,968	77,968
Utilities:			
Water and waste disposal loan subsidies:			
Direct	109,953	55,664	96,840
Water and waste disposal grants	529,498	529,498	741,422
Solid waste management grants	3,492	3,492	3,992
Subtotal, utilities	642,942	588,654	842,254
Total, loan subsidies and grants	[1] 760,864	692,125	1,004,125

[1] Excludes $199,560 in emergency funding provided by Public Law 106–387.

Rural Community Advancement Program.—The Committee provides the fiscal year 2001 level of funding for transportation technical assistance.

The Committee directs the Department to continue the Rural Economic Area Partnership [REAP] initiative.

The Committee directs that of the $24,000,000 provided for loans and grants to benefit Federally Recognized Native American Tribes, $250,000 be used to implement an American Indian and Alaska Native passenger transportation development and assistance initiative.

Community facility grants.—The Committee is aware of and encourages the Department to give consideration to applications relating to community facilities for structural needs of the following: the Vermont Foodbank; the Kawarek Washeteria, Alaska; Jessieville Fire Department, Arkansas; Rural Primary Care and Health Service Research Center, South Dakota; medical facility technology infrastructure, South Dakota; pavilion facility improvements, Jackson Parish, Louisiana; the Southern Plains Conference Center, Oklahoma; Blairstown Police Department, New Jersey; the Rural Boys and Girls Clubs of Alaska; and Warren County, Mississippi.

Economic impact initiative grants.—The Committee includes bill language to provide $25,000,000 for the Rural Community Facilities Grant Program for areas of extreme unemployment or severe economic depression.

The Committee expects the Department to focus on grants that would create new jobs in the telecommunications sector by making the Internet available in rural communities without such service. Additionally, the Committee encourages the Department to favorably consider a grant application from the Alaska Rural Communications Service (ARCS) to provide basic Internet service to underserved Alaska communities and to provide basic television service to communities in Alaska with one or fewer television stations.

High energy cost grants.—The Committee includes bill language to provide $30,000,000 for the Rural Community Advancement Program for communities with extremely high energy costs which is to be administered by the Rural Utilities Service.

Business and Industry Loan Program.—The Committee encourages the Department to give consideration to applications for rural business opportunity grants (RBOG) from the following: grants relating to the Cornerstone Project in Vermont; Agrilink Foods, Wisconsin; Idaho Rural Economic Development Initiative; and the City of Sand Point, Alaska.

Rural business enterprise grants.—The Committee is also aware of and encourages the Department to give consideration to applications for rural business enterprise grants (RBEG) from the following: the Grants to Broadcasting Program; Vermont Maple Industry Council; Women in Technology Project, Hawaii; Alaska cultural and ecotourism web site, construction of the Gateway Forest Products Dock, Alaska; Central Kentucky Grower's Association; Eastern Kentucky Superior Livestock Marketing Initiative; Port District of Brookings Harbor, Oregon; Value-Added Export Center, Arkansas; South Carolina Rural Development Fund; South Dakota Department of Agriculture Value-Added Finance Authority; Rural Economic Development Through Tourism (REDTT); Alsea Port and the Fire District Cooperative, Oregon.

The Committee expects the Department to ensure that the system by which applications for rural business enterprise grants are considered does not discriminate against applications which may benefit multiple States.

Water and waste disposal loans and grants.—The Committee is aware of and encourages the Department to consider applications for water and waste disposal loans and grants relating to the following projects: the town of Colby, Wisconsin; the City of Dillingham, Alaska; City of Aberdeen, and the Shoshone-Bannock Drinking Water System, Idaho; and, the counties of Florence, Richland, and York, South Carolina.

The Committee also includes language in the bill to make up to $24,000,000 for water and waste disposal systems for rural and native villages in Alaska; $20,000,000 for water and waste disposal systems for the colonias along the United States-Mexico border; and $16,000,000 for water and waste disposal systems for Federally Recognized Native American Tribes. In addition, the Committee makes up to $9,850,000 available for the circuit rider program of which the $350,000 increase from fiscal year 2001 shall be provided to those States that have the most water and waste disposal systems. These States have the most need for a third circuit rider program due to the demand for assistance to these many systems.

Water and waste technical assistance training grants.—The Committee encourages the Rural Utilities Service to consider a grant request from the National Drinking Water Clearinghouse, for which an increase in this program is provided; and the Alaska Village Safe Water Program to provide rural Alaska natives statewide training in water and waste systems operation and maintenance.

Solid Waste Management Grants.—The Committee is aware of and encourages the Department to consider an application from Matanuska-Susitna Borough, Alaska, for a landfill/solid waste disposal project.

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

RURAL DEVELOPMENT SALARIES AND EXPENSES

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	2001 appropriation	2002 budget request	
Appropriations	130,084	133,722	133,722
Transfer from:			
Rural Housing Insurance Fund Loan Program Account	(408,333)	(419,741)	(422,241)
Rural Electrification and Telecommunications Loans Program Account	(34,640)	(35,604)	(36,000)
Rural Telephone Bank Program Account	(2,993)	.....	(3,082)
Rural Telephone Bank Liquidating Account	.....	(3,082)	.....
Rural Local Television Program Account	.....	.....	(2,000)
Rural Development Loan Fund Program Account	(3,632)	(3,733)	(3,733)

RURAL DEVELOPMENT SALARIES AND EXPENSES—Continued

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	2001 appropriation	2002 budget request	
Total, RD salaries and expenses	579,682	595,882	600,778

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

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

COMMITTEE RECOMMENDATIONS

The Committee recommends $600,778,000 for salaries and expenses for the Rural Economic and Community Development Programs. This amount is $21,096,000 more than the fiscal year 2001 level and $4,896,000 more than the budget request.

The Committee provides from within funds made available, $200,000 from the fiscal year 2001 funding level for new field offices in Cordova, Kotzebue, and Kodiak, Alaska.

Within funds made available, the Secretary should develop a program to hire, train, and support staff in the Rural Development local offices to provide a home buyer education and credit counseling service to Section 502 direct loan, and other, borrowers.

The Committee expects that none of the funds provided for Rural Development, Salaries and Expenses should be used to enter into or renew a contract for any activity that is best suited as an inherent function of Government, without prior approval from the Committees on Appropriations of the House and Senate. Such activities may include, but are not limited to, any function that affects eligibility determination, disbursement, collection or accounting for Government subsidies provided under any of the direct or guaranteed loan programs of the Rural Development mission area or the Farm Service Agency. Further, the Secretary shall provide a report to the Committees on Appropriations of the House and Senate by March 1, 2002, on all plans by the Department to enter into contracts to carry out any of the previously stated activities.

RURAL HOUSING SERVICE

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

The mission of the Service is to improve the quality of life in rural America by assisting rural residents and communities in obtaining adequate and affordable housing and access to needed community facilities. The goals and objectives of the Service are: (1) fa-

cilitate the economic revitalization of rural areas by providing direct and indirect economic benefits to individual borrowers, families, and rural communities; (2) assure that benefits are communicated to all program eligible customers with special outreach efforts to target resources to underserved, impoverished, or economically declining rural areas; (3) lower the cost of programs while retaining the benefits by redesigning more effective programs that work in partnership with State and local governments and the private sector; and (4) leverage the economic benefits through the use of low-cost credit programs, especially guaranteed loans.

COMMITTEE RECOMMENDATIONS

The Committee recommends total appropriations of $1,480,977,000 for the Rural Housing Service. This is $37,686,000 more than the 2001 level and $22,575,000 more than the budget request.

The Committee encourages the Department to continue to set-aside of funds within rural housing programs to support self-help housing, home ownership partnerships, housing preservation and State rental assistance, and other related activities that facilitate the development of housing in rural areas.

The following table presents loan and grant program levels recommended by the Committee, as compared to the fiscal year 2001 levels and the 2002 budget request:

LOAN AND GRANT LEVELS

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	2001	2002 request	
Rural Housing Insurance Fund Program Account loan levels:			
Single family housing (sec. 502):			
Direct	(1,064,651)	(1,064,650)	(1,095,046)
Unsubsidized guaranteed	(3,136,429)	(3,137,968)	(3,137,968)
Housing repair (sec. 504)	(32,324)	(32,324)	(32,324)
Multifamily housing guarantees (sec. 538)	(99,780)	(99,770)	(99,770)
Rental housing (sec. 515)	(114,070)	(114,068)	(114,068)
Site loans (sec. 524)	(5,152)	(5,090)	(5,090)
Credit sales of acquired property	(11,779)	(11,778)	(11,778)
Self-help housing land development fund	(4,998)	(5,000)	(5,000)
Total, RHIF	(4,469,183)	(4,470,648)	(4,501,044)
Farm Labor Program:			
Farm labor housing loan level	(28,460)	(28,459)	(28,459)
Farm labor housing grants	14,967	14,967	14,967
Total, Farm Labor Program	(43,427)	(43,426)	(43,426)
Grants and payments:			
Mutual and self-help housing	33,925	33,925	35,000
Rental assistance	678,504	693,504	708,504
Rural housing assistance grants [RHAG]	43,903	38,914	38,914

LOAN AND GRANT LEVELS—Continued

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	2001	2002 request	
Total, rural housing grants and payments	756,332	766,343	782,418
Total, RHS loans and grants	(5,268,942)	(5,280,417)	(5,326,888)

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

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

LOAN SUBSIDY AND ADMINISTRATIVE EXPENSES LEVELS

The Federal Credit Reform Act of 1990 established the program account. Appropriations to this account will be used to cover the lifetime subsidy costs associated with the direct loans obligated and loan guarantees committed in 2002, as well as for administrative expenses. The following table presents the loan subsidy levels as compared to the 2001 levels and the 2002 budget request:

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	2001 level	2002 request	
Loan subsidies:			
Single family (sec. 502):			
Direct	170,983	140,108	144,108
Unsubsidized guaranteed	7,384	40,166	40,166
Housing repair (sec. 504)	11,456	10,386	10,386
Multifamily housing guarantees (sec. 538)	1,517	3,921	3,921
Rental housing (sec. 515)	56,202	48,274	48,274
Site loans (sec. 524)		28	28
Credit sales of acquired property	872	750	750
Self-help housing land development fund	278	254	254
Total, loan subsidies	248,692	243,887	247,887

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	2001 level	2002 request	
Administrative expenses	408,333	419,741	422,241

RENTAL ASSISTANCE PROGRAM

Appropriations, 2001	$678,504,000
Budget estimate, 2002	693,504,000
Committee recommendation	708,504,000

The Housing and Community Development Act of 1974 established a rural rental assistance program to be administered through the rural housing loans program. The objective of the program is to reduce rents paid by low-income families living in Rural Housing Service financed rental projects and farm labor housing projects. Under this program, low-income tenants will contribute the higher of: (1) 30 percent of monthly adjusted income; (2) 10 percent of monthly income; or (3) designated housing payments from a welfare agency.

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

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

COMMITTEE RECOMMENDATIONS

For rural rental assistance payments, the Committee recommends an appropriation of $708,504,000. This amount is $30,000,000 more than the 2001 level and $15,000,000 more than the budget request.

MUTUAL AND SELF-HELP HOUSING GRANTS

Appropriations, 2001	$33,925,000
Budget estimate, 2002	33,925,000
Committee recommendation	35,000,000

This grant program is authorized by title V of the Housing Act of 1949. Grants are made to local organizations to promote the development of mutual or self-help programs under which groups of usually 6 to 10 families build their own homes by mutually exchanging labor. Funds may be used to pay the cost of construction supervisors who will work with families in the construction of their homes and for administrative expenses of the organizations providing the self-help assistance.

COMMITTEE RECOMMENDATIONS

The Committee recommends $35,000,000 for mutual and self-help housing grants. This is $1,075,000 more than the 2001 level and $1,075,000 more than the budget request.

RURAL HOUSING ASSISTANCE GRANTS

Appropriations, 2001	$43,903,000
Budget estimate, 2002	38,914,000
Committee recommendation	38,914,000

This program consolidates funding for rural housing grant programs. This consolidation of housing grant funding provides greater flexibility to tailor financial assistance to applicant needs.

Very low-income housing repair grants.—The Very Low-Income Housing Repair Grants Program is authorized under section 504 of title V of the Housing Act of 1949. The rural housing repair grant program is carried out by making grants to very low-income families to make necessary repairs to their homes in order to make such dwellings safe and sanitary, and remove hazards to the health of the occupants, their families, or the community.

These grants may be made to cover the cost of improvements or additions, such as repairing roofs, providing toilet facilities, providing a convenient and sanitary water supply, supplying screens, repairing or providing structural supports or making similar repairs, additions, or improvements, including all preliminary and installation costs in obtaining central water and sewer service. A grant can be made in combination with a section 504 very low-income housing repair loan.

No assistance can be extended to any one individual in the form of a loan, grant, or combined loans and grants in excess of $7,500, and grant assistance is limited to persons, or families headed by persons who are 62 years of age or older.

Supervisory and technical assistance grants.—Supervisory and technical assistance grants are made to public and private nonprofit organizations for packaging loan applications for housing assistance under sections 502, 504, 514/516, 515, and 533 of the Housing Act of 1949. The assistance is directed to very low-income families in underserved areas where at least 20 percent of the population is below the poverty level and at least 10 percent or more of the population resides in substandard housing. In fiscal year 1994 a Homebuyer Education Program was implemented under this authority. This program provides low-income individuals and families education and counseling on obtaining and/or maintaining occupancy of adequate housing and supervised credit assistance to become successful homeowners.

Compensation for construction defects.—Compensation for construction defects provides funds for grants to eligible section 502 borrowers to correct structural defects, or to pay claims of owners arising from such defects on a newly constructed dwelling purchased with RHS financial assistance. Claims are not paid until provisions under the builder's warranty have been fully pursued. Requests for compensation for construction defects must be made by the owner of the property within 18 months after the date financial assistance was granted.

Rural housing preservation grants.—Rural housing preservation grants (section 522) of the Housing and Urban-Rural Recovery Act of 1983 authorizes the Rural Housing Service to administer a program of home repair directed at low- and very low-income people.

The purpose of the preservation program is to improve the delivery of rehabilitation assistance by employing the expertise of housing organizations at the local level. Eligible applicants will compete on a State-by-State basis for grants funds. These funds may be administered as loans, loan write-downs, or grants to finance home repair. The program will be administered by local grantees.

COMMITTEE RECOMMENDATIONS

For the Rural Housing Assistance Grants Program the Committee recommends $38,914,000. This is $4,989,000 less than the 2001 level and the same as the budget request.

The following table compares the grant program levels recommended by the Committee to the fiscal year 2001 levels and the budget request:

RURAL HOUSING ASSISTANCE GRANTS

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	2001 level	2002 request	
Very low-income housing repair grants	29,934	29,934	29,934
Supervisory and technical assistance	998	998	998
Rural housing preservation grants	7,982	7,982	7,982
Demonstration housing grants for agriculture processing workers	4,989	.....	.....
Total	43,903	38,914	38,914

FARM LABOR PROGRAM ACCOUNT

[In thousands of dollars]

	Loan level	Subsidy level	Grants
Appropriations, 2001	(28,460)	14,967	14,967
Budget estimate, 2002	(28,459)	13,464	14,967
Committee recommendation	(28,459)	13,464	14,967

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

Under credit reform, administrative costs associated with loan programs are appropriated to the program accounts. Appropria-

tions to the salaries and expenses account will be for costs associated with grant programs.

COMMITTEE RECOMMENDATIONS

For direct farm labor housing loans, the Committee recommends a total level of $28,431,000. This is $1,503 less than the 2001 level and the same as the budget request.

RURAL BUSINESS-COOPERATIVE SERVICE

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

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

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	2001 level	2002 request	
Estimated loan level	(38,172)	(38,171)	(38,171)
Direct loan subsidy	19,433	16,494	16,494
Administrative expenses	3,632	3,733	3,733

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

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

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

COMMITTEE RECOMMENDATIONS

For rural development (intermediary relending) loans, the Committee recommends a total loan level of $38,171,000. This is $1,000 less than the 2001 loan level and the same as the budget request.

The Committee encourages the agency to consider the following for intermediary relending loans: Rural Enterprises Incorporated loan, Oklahoma; Santiam Canyon, Oregon; cooperative technical assistance in Hilo, Hawaii; Shirley Community Development Center; and the Rural Manufacturing Jobs Initiative, Pennsylvania.

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	2001 level	2002 request	
Estimated loan level	14,969	14,966	14,966
Direct loan subsidy [1]	3,902	3,616	3,616

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

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

COMMITTEE RECOMMENDATION

The Committee recommends a direct loan subsidy appropriation for rural economic development loans of $3,616,000. This amount is $286,000 less than the 2001 level and the same as the budget request. As proposed in the budget, the $3,616,000 provided is derived by transfer from interest on the cushion of credit payments.

RURAL COOPERATIVE DEVELOPMENT GRANTS

Appropriations, 2001 [1]	$6,486,000
Budget estimate, 2002	6,486,000
Committee recommendation	8,000,000

[1] Excludes $9,978,000 in emergency funding provided by Public Law 106–387.

Rural cooperative development grants are authorized under section 310B(e) of the Consolidated Farm and Rural Development Act, as amended. Grants are made to fund the establishment and operation centers for rural cooperative development with their primary purpose being the improvement of economic conditions in rural areas. Grants may be made to nonprofit institutions or institutions of higher education. Grants may be used to pay up to 75 percent of the cost of the project and associated administrative costs. The

applicant must contribute at least 25 percent from non-Federal sources. Grants are competitive and are awarded based on specific selection criteria.

Cooperative research agreements are authorized by 7 U.S.C. 2204b. The funds are used for cooperative research agreements, primarily with colleges and universities, on critical operational, organizational, and structural issues facing cooperatives.

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

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

COMMITTEE RECOMMENDATIONS

The Committee recommends $8,000,000 for rural cooperative development grants. This is $1,514,000 more than the 2001 level and the budget request.

The Committee is aware of and encourages the Department to consider the following applications for cooperative development grants: the Alaska Network Systems for Internet Facilities; Montana State University-Northern Cooperative Development Center; Mississippi Association of Cooperatives; and a rural cooperative located in Elko, Pershing, and Humboldt Counties, Nevada.

Of the funds provided for rural cooperative development grants, $2,000,000 is provided for a cooperative agreement for the Appropriate Technology Transfer for Rural Areas Program.

The Committee has included language in the bill that not more than $1,497,000 shall be made available to cooperatives or associations of cooperatives whose primary focus is to provide assistance to small, minority producers.

RURAL EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES GRANTS

Appropriations, 2001 [1]	$14,967,000
Budget estimate, 2002	14,967,000
Committee recommendation	14,967,000

[1] Provided by Public Law 106–377.

COMMITTEE RECOMMENDATIONS

The Committee recommends $14,967,000 for Rural Empowerment Zones and Enterprise Communities Grants. This amount is $14,967,000 more than the amount provided in Public Law 106–387, the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 and the same as the budget request. $14,967,000 was provided in Public Law 106–377, the Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2001.

RURAL UTILITIES SERVICE

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

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

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT

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

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

COMMITTEE RECOMMENDATIONS

The following table reflects the Committee's recommendation for the "Rural electrification and telecommunications loans program" account, the loan subsidy and administrative expenses, as compared to the fiscal year 2001 and budget request levels:

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	2001 level	2002 request	
Loan authorizations:			
Electric:			
Direct, 5 percent	(121,128)	(121,107)	(121,107)
Direct, Muni	(294,358)	(294,358)	(500,000)
Direct, FFB	(1,600,000)	(1,600,000)	(2,600,000)
Direct, Treasury rate	(500,000)	(500,000)	(750,000)
Guaranteed	(100,000)	(100,000)	(100,000)
Subtotal	(2,615,486)	(2,615,465)	(4,071,107)
Telecommunications:			
Direct, 5 percent	(74,835)	(74,827)	(74,827)
Direct, Treasury rate	(300,000)	(300,000)	(300,000)

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	2001 level	2002 request	
Direct, FFB	(120,000)	(120,000)	(120,000)
Subtotal	(494,835)	(494,827)	(494,827)
Total, loan authorizations	(3,110,321)	(3,110,292)	(4,565,934)
Loan Subsidies:			
Electric:			
Direct, 5 percent	12,604	3,609	3,609
Direct, Muni	20,458	([1])	([1])
Direct, FFB	([1])	([1])	([1])
Direct, Treasury rate	([1])	([1])	([1])
Guaranteed	10	80	80
Subtotal	32,532	3,689	3,689
Telecommunications:			
Direct, 5 percent	7,753	1,736	1,736
Direct, Treasury rate	([1])	300	300
Direct, FFB	([1])	([1])	([1])
Subtotal	7,753	2,036	2,036
Total, loan subsidies	40,285	5,725	5,725
Administrative expenses	34,640	35,604	36,000
Total, Rural Electrification and Telecommunications Loans Programs Account	74,925	41,329	41,725
(Loan authorization)	(3,110,321)	(3,110,292)	(4,565,934)

[1] Negative subsidy rates for fiscal years 2001 and 2002 are calculated for these programs.

RURAL TELEPHONE BANK PROGRAM ACCOUNT

[In thousands of dollars]

	Loan level	Direct loan subsidy	Administrative expenses
Appropriations, 2001	(174,615)	2,584	2,993
Budget estimate, 2002	.....	.....	3,082
Committee recommendation	(174,615)	3,737	3,082

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

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

Bank are carried out by RUS employees and the Office of the General Counsel of the U.S. Department of Agriculture.

The Federal Credit Reform Act of 1990 established the program account. Appropriations to this account will be used to cover the lifetime subsidy costs associated with the direct loans obligated in 2001, as well as for administrative expenses.

COMMITTEE RECOMMENDATIONS

The Committee recommends $3,737,000 which supports a loan level of $174,615,000. This amount is $1,153,000 more than the 2001 level and $3,737,000 more than the budget request.

DISTANCE LEARNING AND TELEMEDICINE PROGRAM

LOANS AND GRANTS

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	2001 level	2002 request	
Distance learning and telemedicine direct loan	(400,000)	(300,000)	(300,000)
Broadband telecommunications direct loans		(100,000)	(100,000)
Direct loan subsidy	([1])	([1])	([1])
Grants	26,941	26,941	51,941
Total	(426,941)	(426,941)	(426,941)

[1] Negative subsidy rates for fiscal year 2002 are calculated for this program.

The Distance Learning and Telemedicine Program is authorized by the Food, Agriculture, Conservation and Trade Act of 1990 (104 Stat. 4017, 7 U.S.C. 950aaa et seq.), as amended by the Federal Agriculture Improvement and Reform Act of 1996. This program provides incentives to improve the quality of phone services, to provide access to advanced telecommunications services and computer networks, and to improve rural opportunities.

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

COMMITTEE RECOMMENDATIONS

For the Distance Learning and Telemedicine Program, the Committee recommends $51,941,000. This amount is $25,000,000 more than the 2001 level and the budget request. Of the funds provided $25,000,000 is made available for a program to finance broadband transmission and local dial-up Internet service for rural areas.

The Committee is aware of and encourages the Department to give consideration to the following applications for grants and loans: Valley Children's Hospital; the Center for the Advancement of Distance Education in Rural American (CADERA) telehealth proposal in New Mexico; the University of Vermont College of Medicine to support a statewide telemedicine system for trauma services; Fresno Community Medical Center's Rural Outreach and Telemedicine Network; the Alaska Federal Health Care Access Net-

work; the Pacific Northwest digital divide center in Washington State; the State of Vermont to support the expansion of distance learning networks in schools; for distance learning sites in Bland, Craig, and Grayson Counties, Virginia; Avera-McKennan Hospital in South Dakota for the establishment of a Secure Rural Imaging Network; the Business and Technology Center at Petit Jean College; Darton College's information and education network in rural Georgia; to establish a rural technology-assistance program at Iowa State University; True North initiative to develop a technology-based sector across northeastern Minnesota; for aquaculture education and distance learning at Harbor Branch Oceanographic Center; and the College of Southern Idaho to expand educational opportunities to rural residents.

The Committee also is aware of the need for the distance learning and telemedicine link program of the Maui Community College, the community hospital system, and the nutrition education activities of the University of Hawaii College of Tropical Agriculture and Human Resources. The Committee encourages the Department to fund a demonstration project to build upon existing resources and to further the use of advanced telecommunications by rural communities.

The bill provides $25,000,000 for rural broadband telecommunications infrastructure, rural Internet infrastructure, and refinancing to enhance rural broadband deployment, for grants and direct loans between 2 percent and treasury rates of interest plus ⅛th of a percent, with $12,500,000 of the budget authority available for grants and $12,500,000 available for loans.

LOCAL TELEVISION LOAN GUARANTEE PROGRAM ACCOUNT

	Loan level	Direct loan Subsidy	Administrative Expenses
Appropriations, 2001	.....	.....	.....
Budget estimate, 2002	.....	.....	.....
Committee recommendation	$322,580,000	$25,000,000	$2,000,000

The local television loan guarantee program is authorized by Public Law 106–533, Title X, Local TV Act. The purpose of this Act is to facilitate access, on a technologically neutral basis and by December 31, 2006, to signals of local television stations for households located in nonserved areas and underserved areas.

The Federal Credit Reform Act of 1990 established the program account. Appropriations to this account will be used to cover the lifetime subsidy costs associated with the servicing of guaranteed loans, as well as administrative expenses.

COMMITTEE RECOMMENDATIONS

For the Local Television Loan Guarantee Program, the Committee recommends $25,000,000, which supports a loan level of $322,580,000. This amount is $25,000,000 more than the fiscal year 2001 funding level and the budget request.

TITLE IV—DOMESTIC FOOD PROGRAMS

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

Appropriations, 2001	$569,000
Budget estimate, 2002	587,000
Committee recommendation	587,000

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

COMMITTEE RECOMMENDATIONS

For the Office of the Under Secretary for Food, Nutrition and Consumer Services, the Committee recommends an appropriation of $587,000. This amount is $18,000 more than the 2001 level and the same as the budget request.

The Committee is aware of innovative work in Wisconsin and Iowa which has made milk available through school vending machines as an alternative to other beverages. The Under Secretary is urged to examine the merits of these experiments and, if found to hold potential for improvement of child health and nutrition, is expected to expand these efforts as pilot programs in these states.

During fiscal year 2001, funds from the Commodity Credit Corporation were provided for implementation of a Senior Farmers Market Nutrition Program. The Committee notes the benefits such a program serves to improve nutrition among the elderly, and also provide an outlet for U.S. food production. The Committee encourages the Department to continue these activities in fiscal year 2002 and to work with the appropriate authorization committees to establish this program under law.

The Committee is concerned about the arrangements between formula manufacturers and hospitals under which manufacturers provide hospitals with formula and other products, product information and/or incentives and directs the Secretary to assess the impact of such arrangements on State infant formula rebate contracts under the WIC Program and breast-feeding rates among WIC participants.

The Committee recognizes that childhood obesity and adult diseases in children, such as type II diabetes of which poor nutrition is the major contributing factor, have become a serious problem. In response, the Committee believes that nutrition education is crucial to the health and well-being of our nation's children, and the Department should have a significant nutrition education program in our schools. Therefore, the Committee urges the Secretary to put an increased emphasis on nutrition education and training.

FOOD AND NUTRITION SERVICE

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

Child Nutrition Programs.—The National School Lunch and School Breakfast, Summer Food Service, and Child and Adult Care Food programs provide funding to the States, Puerto Rico, the Virgin Islands, and Guam for use in serving nutritious lunches and breakfasts to children attending schools of high school grades and under, to children of preschool age in child care centers, and to children in other institutions in order to improve the health and well-being of the Nation's children, and broaden the markets for agricultural food commodities. Through the Special Milk Program, assistance is provided to the States for making reimbursement payments to eligible schools and child care institutions which institute or expand milk service in order to increase the consumption of fluid milk by children. Funds for this program are provided by direct appropriation and transfer from section 32.

Special Supplemental Nutrition Program for Women, Infants, and Children [WIC].—This program safeguards the health of pregnant, post partum, and breast-feeding women, infants, and children up to age 5 who are at nutritional risk because of inadequate nutrition and income by providing supplemental foods. The delivery of supplemental foods may be done through health clinics, vouchers redeemable at retail food stores, or other approved methods which a cooperating State health agency may select. Funds for this program are provided by direct appropriation.

Food Stamp Program.—This program seeks to improve nutritional standards of needy persons and families. Assistance is provided to eligible households to enable them to obtain a better diet by increasing their food purchasing capability, usually by furnishing benefits in the form of food stamps. The program also includes Nutrition Assistance to Puerto Rico. The Omnibus Budget Reconciliation Act of 1981 (Public Law 97–35) authorizes a block grant for Nutrition Assistance to Puerto Rico which gives the Commonwealth broad flexibility in establishing a nutrition assistance program that is specifically tailored to the needs of its low-income households.

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

Effective October 1, 1997, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193) added section 27 to the Food Stamp Act which provides that $100,000,000 of food stamp funds be used to purchase commodities for The Emergency Food Assistance Program. Funds for this program are provided by direct appropriation.

Commodity Assistance Program [CAP].—This program provides funding for the Commodity Supplemental Food Program [CSFP],

and administrative expenses for The Emergency Food Assistance Program [TEFAP].

CSFP provides supplemental foods to infants and children up to age 6, and to pregnant, post partum, and breast-feeding women with low incomes, and who reside in approved project areas. In addition, this program operates commodity distribution projects directed at low-income elderly persons.

TEFAP provides commodities and grant funds to State agencies to assist in the cost of storage and distribution of donated commodities. The Soup Kitchen/Food Bank Program was absorbed into TEFAP under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193), by an amendment to section 201A of the Emergency Food Assistance Act.

Food Donations Programs.—Nutritious agricultural commodities are provided to residents of the Federated States of Micronesia and the Marshall Islands. Cash assistance is provided to distributing agencies to assist them in meeting administrative expenses incurred. It also provides funding for use in non-Presidentially declared disasters and for FNS' administrative costs in connection with relief for all disasters. Commodities, or cash in lieu of commodities, are provided to assist nutrition programs for the elderly. Funds for this program are provided by direct appropriation.

Food Program Administration.—Most salaries and Federal operating expenses of the Food and Nutrition Service are funded from this account. Also included is the Center for Nutrition Policy and Promotion [CNPP] which oversees improvements in and revisions to the food and guidance systems, and serves as the focal point for advancing and coordinating nutrition promotion and education policy to improve the health of all Americans. As of September 30, 2000, there were 1,524 full-time permanent and 89 part-time and temporary employees in the agency. FNS's headquarters staff, which is located in Alexandria, VA, totals 553, and 1,060 FNS employees are located in the field. There are 7 regional offices employing 652 employees, and the balance of the agency is located in 4 food stamp compliance offices, 1 computer support center in Minneapolis, MN, 1 administrative review office, and 69 field offices. Funds for this program are provided by direct appropriation.

CHILD NUTRITION PROGRAMS

[In thousands of dollars]

	Appropriation	Section 32 transfers	Total
Appropriations, 2001	4,413,931	5,127,579	9,541,510
Budget estimate, 2002	4,731,490	5,357,256	10,088,746
Committee recommendation	4,746,538	5,340,708	10,087,246

The Child Nutrition Programs, authorized by the Richard B. Russell National School Lunch Act and the Child Nutrition Act of 1966, provide Federal assistance to State agencies in the form of cash and commodities for use in preparing and serving nutritious meals to children while they are attending school, residing in service institutions, or participating in other organized activities away from home. The purpose of these programs is to help maintain the

health and proper physical development of America's children. Milk is provided to children either free or at a low cost depending on their family income level. FNS provides cash subsidies to States administering the programs and directly administers the program in the States which choose not to do so. Grants are also made for nutritional training and surveys and for State administrative expenses. Under current law, most of these payments are made on the basis of reimbursement rates established by law and applied to lunches and breakfasts actually served by the States. The reimbursement rates are adjusted annually to reflect changes in the Consumer Price Index for food away from home.

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

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

Child and Adult Care Food Program [CACFP].—Permanently authorizes payments for snacks provided to children through age 18 in after-school programs, and provides funds for demonstration projects to expand services to homeless children and family day care homes in low-income areas. Beginning on July 1, 1999, the Homeless Child Nutrition Program and the Homeless Summer Food Service Program will be transferred into the CACFP.

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

A description of Child Nutrition Programs follows:

1. *Cash payments to States.*—The programs are operated under an agreement entered into by the State agencies and the Department. Funds are made available under letters of credit to State agencies for use in reimbursing participating schools and other institutions. Sponsors make application to the State agencies, and if approved, are reimbursed on a per-meal basis in accordance with the terms of their agreements and rates prescribed by law. The reimbursement rates are adjusted annually to reflect changes in the Consumer Price Index for food away from home.

(a) School Lunch Program.—Assistance is provided to the States for the service of lunches to all school children, regardless of family income. States must match some of the Federal cash grant. In fiscal year 2002, the School Lunch Program will provide assistance for serving an estimated 4.7 billion school lunches including 2.0 billion for children from upper-income families and 2.7 billion for children from lower and low-income families. An estimated 28.0 million children are expected to participate in the program daily during the school year.

(b) Special assistance for free and reduced-price lunches.—Additional assistance is provided to the States for serving lunches free or at a reduced price to needy children. In fiscal year 2002, under current law, the program will provide assistance for about 4.7 billion lunches, of which 2.3 billion will be served free of charge and 0.4 billion at reduced price. About

16.2 million needy children will participate in the program on an average schoolday during the year.

(c) School Breakfast Program.—Federal reimbursement to the States is based on the number of breakfasts served free, at a reduced price, or at the general rate for those served to nonneedy children. Certain schools are designated in severe need because, in the second preceding year, they served at least 40 percent of their lunches at free or reduced prices and because the regular breakfast reimbursement is insufficient to cover cost, receive higher rates of reimbursement in both the free and reduced-price categories. In fiscal year 2002, the program will serve an estimated 1.4 billion breakfasts to a daily average of 8.4 million children.

A pilot project is authorized and funded to study the effects of providing free breakfast to all students without regard to family income.

(d) State administrative expenses.—The funds may be used for State employee salaries, benefits, support services, and office equipment. Public Law 95–627 made the State administrative expenses grant equal to 1.5 percent of certain Federal payments in the second previous year. In fiscal year 2002, $129,929,000 will be allocated among the States to fund ongoing State administrative expenses and to improve the management of various nutrition programs.

(e) Summer Food Service Program.—Meals served free to children in low-income neighborhoods during the summer months are supported on a performance basis by Federal cash subsidies to State agencies. Funds are also provided for related State and local administrative expenses. During the summer of 2002, approximately 152.0 million meals will be served.

(f) Child and Adult Care Food Program.—Preschool children receive year-round food assistance in nonprofit child care centers and family and group day care homes under this program. Public Law 97–35 permits profitmaking child care centers receiving compensation under title XX of the Social Security Act to participate in the program if 25 percent of the children served are title XX participants. Certain adult day care centers are also eligible for participation in this program, providing subsidized meals to nonimpaired individuals age 60 years or older. The Child and Adult Care Food Program reimburses State agencies at varying rates for breakfasts, lunches, suppers, and meal supplements and for program-related State audit expenses. In fiscal year 2002, approximately 1.8 billion meals will be served.

2. *Commodity procurement.*—Commodities are purchased for distribution to the school lunch, child care food, and summer food service programs. The minimum commodity support rate for all school lunch and child care center lunches and suppers served is mandated by law and adjusted annually on July 1 to reflect changes in the producer price index for food used in schools and institutions. The commodities purchased with these funds are supplemented by commodities purchased with section 32 funds.

3. *Nutrition studies and education.*—

(a) Nutrition education and training [NET].—This program provides funds to State agencies for the development of comprehensive nutrition education and information programs for children participating in or eligible for school lunch and related child nutrition programs.

(b) National Food Service Management Institute [NFSMI].—The National Food Service Management Institute provides instruction for educators and school food service personnel in nutrition and food service management.

4. *Special milk.*—In fiscal year 2002, approximately 120.3 million half-pints will be served in the Special Milk Program. These include about 114.5 million half-pints served to children whose family income is above 130 percent of poverty. During fiscal year 2002, the average full cost reimbursement for milk served to needy children is expected to be 17.0 cents for each half-pint. Milk served to nonneedy children is expected to be reimbursed at 13.0 cents for each half-pint.

COMMITTEE RECOMMENDATIONS

For the child nutrition programs, the Committee recommends an appropriation of $4,746,538,000, plus transfers from section 32 of $5,340,708,000, for a total program of $10,087,246,000. This amount is $545,736,000 more than the 2001 level and $1,500,000 less than the budget request.

The Committee's recommendation provides for the following annual rates for the child nutrition programs.

TOTAL OBLIGATIONAL AUTHORITY

[In thousands of dollars]

Child nutrition programs	2001 estimate	2002 budget	Committee recommendation
School Lunch Program	5,468,561	5,759,232	5,759,232
School Breakfast Program	1,488,604	1,579,752	1,579,752
State administrative expenses	123,256	129,929	129,929
Summer Food Service Program	299,959	325,341	325,341
Child and Adult Care Food Program	1,765,743	1,878,179	1,878,179
Special Milk Program	15,874	15,940	15,940
Commodity procurement, processing, and computer support	357,023	381,877	381,877
Coordinated review system	4,507	4,507	4,507
Team nutrition	9,991	9,991	9,991
Food safety education	1,998	1,998	1,998
School breakfast demonstration project	5,994	.....	.....
School lunch program integrity	.....	2,000	.....
School Breakfast Startup Grant Program	.....	.....	500

The Committee provides $9,991,000 for TEAM nutrition. Included in this amount is $4,000,000 for food service training grants to States; $1,600,000 for technical assistance materials; $800,000 for National Food Service Management Institute cooperative agreements; $400,000 for print and electronic food service resource systems; and $3,191,000 for other activities.

The Committee expects FNS to utilize the National Food Service Management Institute to carry out the food safety education program.

The Committee provides $500,000 to continue a School Breakfast Program startup grant program for the State of Wisconsin in order to help cover appropriate costs associated with the program and to expand the availability of school breakfasts for children.

The Committee includes a general provision in the bill to expand the number of low-income children in child care centers that receive nutritious meals through the Child and Adult Care Food Program. This language eliminates the outdated requirement that eligible children receive Title 20 funds in order to receive the CACFP meal subsidy. This would allow proprietary centers to participate in CACFP if at least 25 percent of the children they serve are eligible for a free or reduced price meal.

The Committee also encourages States to conduct outreach to recruit new providers into the CACFP program through the 25 percent free or reduced price meal eligibility criteria option. The Committee recognizes the value that pooling has played in increasing participation in the CACFP program. Under current law, which provides two options of participation, States are encouraged to use this flexibility to maximize participation until the 25 percent free or reduced-price meal eligibility criteria is made permanent.

Congress amended the Richard B. Russell National School Lunch Act in 1998 to strengthen the Buy American provision that applies to the school-based child nutrition programs. FNS issued regulations implementing this provision in 1999, but the Committee is concerned that the agency has not enforced these regulations. FNS is directed to provide a report to the U.S. Senate and House Committee on Appropriations by December 31, 2001, on how the agency intends to enforce the Buy American provision of the act that applies to purchases conducted by schools.

The Committee is concerned about the rising costs of food and labor to our meal programs. The Committee understands that the reimbursement rates for school meals are adjusted annually according to the Consumer Price Index for food away from home. Changes in the labor market may have caused wages for school food service personnel to increase at a rate faster than the index benchmark. Furthermore, the reimbursement rate for after school snacks authorized under the William F. Goodling Child Nutrition and WIC Reauthorization Act of 1998 has come under question as being inadequate to cover the costs of these snacks. Therefore, the Committee requests that the Secretary conduct a study and report back to the Committee on Appropriations of the House of Representatives and Senate no later than June 30, 2002, on the actual national average cost of meals served under the authority of the Richard B. Russell National School Lunch Act and the Child Nutrition Act of 1966. The Committee also requests that the report discuss any significant local or regional cost factors that may affect the sufficiency of the reimbursement rate in those locales.

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN [WIC]

Appropriations, 2001 [1]	$4,043,086,000
Budget estimate, 2002 [1]	4,137,086,000
Committee recommendation [2]	4,247,086,000

[1] Includes up to $19,956,000 for the Farmers' Market Nutrition Program.
[2] Includes up to $25,000,000 for the Farmers' Market Nutrition Program.

The special supplemental nutrition program for women, infants, and children [WIC] is authorized by section 17 of the Child Nutrition Act of 1966. Its purpose is to safeguard the health of pregnant, breast-feeding and post partum women and infants, and children up to age 5 who are at nutritional risk because of inadequate nutrition and inadequate income. The budget estimate assumes an average monthly participation of 7.25 million participants at an average food cost of $34.72 per person per month in fiscal year 2002.

The WIC program food packages are designed to provide foods which studies have demonstrated are lacking in the diets of the WIC program target population. The authorized supplemental foods are iron-fortified breakfast cereal, fruit or vegetable juice which contains vitamin C, dry beans, peas, and peanut butter.

There are three general types of delivery systems for WIC foods: (1) retail purchase in which participants obtain supplemental foods through retail stores; (2) home delivery systems in which food is delivered to the participant's home; and (3) direct distribution systems in which participants pick up food from a distribution outlet. The food is free of charge to all participants.

The William F. Goodling Child Nutrition Reauthorization Act of 1998, Public Law 105–336, reauthorizes the program through 2003 and adds several provisions to the program. For example, the Act requires that an individual seeking certification or recertification in the program must provide documentation of family income. In addition, the Act permits State agencies to award infant formula rebate contracts to the bidder offering the lowest net wholesale price, unless the State agency demonstrates to the satisfaction of the Secretary that the weighted average retail price for different brands of formula in that State does not vary by more than 5 percent.

Public Law 105–336 also includes many provisions to improve retailer integrity and help to prevent fraud, waste and abuse in the program.

The WIC Farmers' Market Nutrition Program [FMNP] is also funded from the WIC appropriation. FMNP is designed to accomplish two major goals: (1) to improve the diets of WIC (or WIC-eligible) participants by providing them with coupons to purchase fresh, nutritious, unprepared food, such as fruits and vegetables, from farmers markets; and (2) to increase the awareness and use of farmers' markets by low-income households. Although directly related to the WIC Program, about one-half of the current FMNP operations are administered by State departments of agriculture rather than the State WIC agencies.

COMMITTEE RECOMMENDATIONS

For the Special Supplemental Food Program for Women, Infants, and Children [WIC], the Committee recommends an appropriation

of $4,247,086,000. This amount is $204,000,000 more than the 2001 appropriation and $110,000,000 more than the budget request.

The WIC Program continues to be a high priority of the Committee. Since the submission of the President's budget, WIC participation appears to be above projected levels and economic forecasts for the coming year suggest program demand will continue to rise. Accordingly, the Committee provides increased funding for the WIC Program for fiscal year 2002 to meet anticipated caseload demand.

The Committee makes available up to $25,000,000, $5,044,000 more than the fiscal year 2001 level, to carry out the WIC Farmers' Market Nutrition Program.

The Committee also provides $14,000,000 for infrastructure funding and includes language in the bill earmarking $6,000,000 for WIC electronic benefit transfer systems.

While the Committee supports and encourages State and local agency efforts to utilize WIC as an important means of participation referral to other health care services, it recognizes the constraints that WIC programs are experiencing as a result of expanding health care priorities and continuing demand for core WIC program activities. The Committee wishes to clarify that while WIC plays an important role in screening and referral to other health care services, it was never the Committee's intention that WIC should perform aggressive screening, referral and assessment functions in such a manner that supplants the responsibilities of other programs, nor was it the Committee's intention that WIC State and local agencies should assume the burden of entering into and negotiating appropriate cost sharing agreements. The Committee again includes language in the bill to preserve WIC funding for WIC services authorized by law to ensure that WIC funds are not used to pay the expenses or to coordinate operations or activities other than those allowable pursuant to section 17 of the Child Nutrition Act of 1996, unless fully reimbursed by the appropriate Federal agency. Within the context of authorized activities, the Committee notes an Executive Memorandum issued by the President on December 11, 2000, on the subject of improving immunization rates for children at risk. The Committee supports the goal of the Executive Memorandum, but remains concerned that the delivery of core WIC objectives may suffer without properly shared responsibilities and resources from other agencies. The Committee directs the Secretary of Agriculture to consult with the Secretary of the Department of Health and Human Services to delineate departmental financial and operational responsibilities necessary to promote the objectives of the Executive Memorandum and to provide a report on this subject to the House and Senate Committees on Appropriations within 60 days of the enactment of this Act.

The Committee notes that, in spite of advances in food and nutrition science, the WIC food prescription has changed little since 1974. In the past decade, USDA has twice solicited comments—in 1994, and again in 1998—on a draft policy on food substitutions to accommodate food preferences and ethnic cultural eating patterns. The Committee regrets that the Department has not moved forward with the development of a WIC food prescription that responds to the needs of the culturally sensitive populations WIC

serves. Further action to respond to these concerns needs to be taken. The Committee urges the Department to move expeditiously, in consultation with WIC public health nutritionists and directors, to develop for public comment a food prescription rule responding to these needs and to provide a report to the Committee by January 31, 2002, regarding the status and publication of a culturally sensitive food prescription.

The Committee strongly supports WIC infant formula rebates as an effective program cost containment measure, but is aware of reports that certain health care providers offer short term supplies to new mothers which may or may not contain infant formula included in that State's rebate program. It has been suggested that this practice may result in an infant's reliance on a non-rebate formula and, consequently, higher program costs. The Committee requests the Secretary to examine this issue and report to the Committee on Appropriations of the House and Senate by March 1, 2002 on any program cost implications of sole source contracts between pharmaceutical companies and health care providers that reduce the effectiveness of the infant formula rebates and on the stated program goal of enhanced breast feeding.

FOOD STAMP PROGRAM

[In thousands of dollars]

	Expenses	Amount in reserve	Puerto Rico	TEFAP commodity purchases	Total
Appropriations, 2001	18,618,228	100,000	1,301,000	100,000	20,119,228
Budget estimate, 2002	19,556,436	1,000,000	1,335,550	100,000	21,991,986
Committee recommendation	19,556,436	100,000	1,335,550	100,000	21,091,986

The Food Stamp Program, authorized by the Food Stamp Act of 1964, attempts to alleviate hunger and malnutrition among low-income persons by increasing their food purchasing power. Eligible households receive food stamps with which they can purchase food through regular retail stores. They are thus enabled to obtain a more nutritious diet than would be possible without food stamp assistance. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104–193, reauthorizes the Food Stamp Program through fiscal year 2002.

The Food Stamp Program is currently in operation in all 50 States, the District of Columbia, the Virgin Islands, and Guam. Participating households receive food stamps, the value of which is determined by household size and income. The cost of the stamps is paid by the Federal Government and is called the benefit cost. As required by law, the Food and Nutrition Service periodically revises household stamp allotments to reflect changes in the cost of the thrifty food plan. The last revision was made on October 1, 2000.

State social service agencies assume responsibility for certifying eligible households and issuing the stamps through suitable outlets. Authorized grocery stores accept the stamps as payment for food purchases and forward them to commercial banks for cash or credit. The stamps flow through the banking system to the Federal Reserve Bank for redemption out of a special account maintained

by the U.S. Treasury Department. The major alternative to the paper food stamp system is electronic benefit transfer [EBT].

By the end of fiscal year 2000, 41 States and the District of Columbia had operating EBT systems. They are Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Florida, Georgia, Hawaii, Idaho, Illinois, Iowa, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Missouri, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Washington, Wisconsin, and Wyoming. Thirty-seven of these systems are statewide. All other States are in some stage of planning or implementing their EBT systems.

Nutrition Assistance to Puerto Rico.—The Omnibus Budget Reconciliation Act of 1981, Public Law 97–35, authorized a block grant for Nutrition Assistance to Puerto Rico which gives the commonwealth broad flexibility to establish a nutrition assistance program that is specifically tailored to the needs of its low-income households. However, the commonwealth must submit its annual plan of operation to the Secretary for approval. The FAIR Act of 1996, Public Law 104–127, enacted November 5, 1996, reauthorizes appropriations through fiscal year 2002. In addition to the provision of direct benefits to the needy, a portion of the grant may be used to fund up to 50 percent of the cost of administering the program. The grant may also be used to fund projects to improve agriculture and food distribution in Puerto Rico.

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

Effective October 1, 1997, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193) added section 27 to the Food Stamp Act which provides that $100,000,000 of food stamp funds be used to purchase commodities for the Emergency Food Assistance Program.

Administrative costs.—All direct and indirect administrative costs incurred for certification of households, issuance of food coupons, quality control, outreach, and fair hearing efforts are shared by the Federal Government and the States on a 50–50 basis. Under the Hunger Prevention Act of 1988, a State agency is held liable if its error rate of overissuances exceeds the lowest achieved national error rate average plus 1 percent. Liabilities are based on the level of State issuance and the extent to which the State's error rate exceeds a tolerance level. State agencies which reduce quality control error rates below 6 percent receive up to a maximum match of 60 percent of their administrative expenses. Also, State agencies are paid up to 100 percent of the costs of administering the program on Indian reservations.

State administration also includes State antifraud activities.—Under the provisions of the Food Stamp Act of 1977, as amended by the Mickey Leland Childhood Hunger Relief Act of 1993, States are eligible to be reimbursed for 50 percent of the costs of their food stamp fraud investigations and prosecutions.

States are required to implement an employment and training program for the purpose of assisting members of households participating in the Food Stamp Program in gaining skills, training, or experience that will increase their ability to obtain regular employment. In fiscal year 1987, the Department of Agriculture implemented a new grant program to States to assist them in providing employment and training services.

COMMITTEE RECOMMENDATIONS

For the Food Stamp Program, the Committee recommends $21,091,986,000. This is $972,758,000 more than the 2001 appropriated level and $900,000,000 less than the budget request. Of the amount provided, $100,000,000 is made available as a contingency reserve. This is $900,000,000 less than the contingency reserve level proposed in the budget and the same as the 2001 level.

Included in this amount is up to $3,000,000 to purchase bison for the Food Distribution Program on Indian Reservations from Native American producers and Cooperative Organizations without competition.

The Committee is aware of a pressing need for infrastructure development in the Food Distribution Program on Indian Reservations (FDPIR). Warehousing facilities on some reservations do not allow for the proper and efficient storage and distribution of commodities, and Indian Tribal Organizations must be able to replace and upgrade equipment such as tractor trailers and fork lifts. Facilities have not always been able to keep pace with improvements in the food package, including the addition of fresh produce and more frozen foods as program options, which generates the need for cooler and freezer equipment. Therefore, the Committee directs the Secretary to conduct an assessment of facility and equipment needs in FDPIR, and to report to the Committee no later than December 31, 2001.

Pursuant to 7 U.S.C. 2028, the Commonwealth of Puerto Rico must submit for the Secretary's approval a yearly plan that contains information regarding how food and assistance benefits under the Nutrition Assistance Program (NAP) for Puerto Rico are provided during the following fiscal year. While the Committee notes the program flexibility normally afforded to Puerto Rico, the Committee encourages the Secretary not to approve any NAP plan that does not require at least 75 percent of NAP funds to be spent on food at certain stores with point-of-sales devices.

COMMODITY ASSISTANCE PROGRAM

Appropriations, 2001	$139,991,000
Budget estimate, 2002 [1]	139,991,000
Committee recommendation [1]	139,991,000

[1] Does not reflect $5,300,000 rescission of available prior year appropriations.

The Commodity Assistance Program includes funding for the Commodity Supplemental Food Program and administrative expenses for The Emergency Food Assistance Program.

The Commodity Supplemental Food Program [CSFP].—Authorized by section 4(a) of the Agricultural and Consumer Protection Act of 1973, as amended in 1981 by Public Law 97–98, this pro-

gram provides supplemental food to infants and children up to age 6, and to pregnant, post partum, and breast-feeding women who have low incomes, and reside in approved project areas. In addition, the program operates commodity distribution projects directed at low-income elderly persons 60 years of age or older.

In fiscal year 2002 approximately 94,400 women, infants, and young children and 335,600 elderly are authorized to receive food packages each month. The foods are provided by the Department of Agriculture for distribution through State agencies. The authorized commodities are iron-fortified infant formula, rice cereal, canned juice, evaporated milk and/or nonfat dry milk, canned vegetables or fruits, canned meat or poultry, egg mix, dehydrated potatoes, farina, and peanut butter or dry beans. Elderly participants may receive all commodities except iron-fortified infant formula and rice cereal.

The 1996 FAIR Act, Public Law 104–127, reauthorizes the program through fiscal year 2002.

The Emergency Food Assistance Program [TEFAP].—Title II of Public Law 98–8, enacted March 3, 1983, authorized and appropriated funds for the costs of intrastate storage and transportation of CCC-donated commodities. Under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193), the Soup Kitchen/Food Bank Program was absorbed into TEFAP by amending section 201A of the Emergency Food Assistance Act. While commodities will not be purchased specifically for soup kitchens and food banks, they will be eligible to receive commodities through TEFAP.

Funds are administered by FNS through grants to State agencies which operate commodity distribution programs. Allocation of the funds to States is based on a formula which considers the States' unemployment rate and the number of persons with income below the poverty level.

In fiscal year 2000, $162,029,525 worth of surplus commodities were distributed to assist needy individuals. Donations will continue in fiscal year 2001. Precise levels depend upon the availability of surplus commodities and requirements regarding displacement. In fiscal year 2002, $45,000,000 will be used to help State and local authorities with the storage and distribution costs of providing surplus commodities to needy individuals. Although the $45,000,000 was allocated to each State in the form of administrative funds, each State is authorized to redirect funding for the purchase of additional commodities.

The 1996 FAIR Act reauthorizes administrative funding through fiscal year 2002 and allows these funds to be used for local repackaging and further processing of commodities high in nutrient content. The law requires CCC bonus commodities to be distributed through TEFAP, and reauthorizes funding for the purchase of TEFAP commodities.

COMMITTEE RECOMMENDATIONS

For the Commodity Assistance Program, the Committee recommends an appropriation of $139,991,000. This amount is the same as the 2001 funding level and the budget request.

The Committee continues to encourage the Department to distribute Commodity Assistance Program funds equitably among the States, based on an assessment of the needs and priorities of each State and the State's preference to receive commodity allocations through each of the programs funded under this account.

The Committee is aware that, notwithstanding the rescission of $5,300,000 for the Commodity Supplemental Food Program, the Department will have sufficient unspent prior-year carryover balances in fiscal year 2002 both to expand the program in currently participating states and to admit new states that may apply for the program. The new states include Washington, North Dakota, South Dakota, Wisconsin and Pennsylvania.

The Committee is aware that a significant quantity of food products are made available by hunters and other game harvesting operations which are approved through USDA or State inspected facilities and present an additional source of donated commodities. The Department should give consideration to this opportunity as a means to supplement and provide variety to food assistance programs and, if appropriate, allow the use of TEFAP administrative funds for this purpose.

FOOD DONATIONS PROGRAMS

Appropriations, 2001	$150,749,000
Budget estimate, 2002	150,749,000
Committee recommendation	150,749,000

Nutrition Program for the Elderly.—Commodity support for the Nutrition Program for the Elderly is authorized by titles III and VI of the Older Americans Act of 1965. The foods provided are used in preparing meals which are served in senior citizen centers and similar settings or delivered to the homebound elderly. These meals are the focal point of the nutrition projects for the elderly which have the dual objective of promoting better health and reducing the isolation of old age.

Currently, commodities or cash in lieu of commodities are distributed through State agencies to the local meal sites. Some States elect to take all of their subsidy in cash and some States choose to receive a combination of cash and commodities. The commodities made available to the Nutrition Program for the Elderly are generally the same as those provided to schools under the Child Nutrition Programs. In previous years, the State agencies that elected to receive cash in lieu of commodities were funded on a payment per meal basis. The Older Americans Act of 2000, Public Law 106–501, enacted November 13, 2000, revised the funding formula. The Act requires that each State or grantee receive a proportion of available funds equal to the proportion of meals served by that State or grantee in the preceding fiscal year. The Act reauthorizes the program through 2005.

Pacific Island assistance.—This program provides funding for assistance to the nuclear-affected islands in the form of commodities and administrative funds. It also provides funding for use in non-Presidentially declared disasters and for FNS' administrative costs in connection with relief for all disasters.

COMMITTEE RECOMMENDATIONS

For the food donations programs for selected groups, the Committee recommends $150,749,000. This amount is the same as the 2001 appropriation and the budget request. Of the amount recommended by the Committee, $1,079,000 is for the needy family program and $149,670,000 is for the elderly feeding program.

FOOD PROGRAM ADMINISTRATION

Appropriations, 2001 [1] [2]	$116,550,000
Budget estimate, 2002	125,546,000
Committee recommendation	127,546,000

[1] Does not reflect the transfer of $998,000 from the Economic Research Service for studies and evaluations pursuant to Public Law 106–387.
[2] Does not reflect $1,996,000 transferred to the Congressional Hunger Center Foundation provided by Public Law 106–113.

The Food Program Administration appropriation provides for most of the Federal operating expenses of the Food and Nutrition Service, which includes the Child Nutrition Programs; Special Milk Program; Special Supplemental Nutrition Program for Women, Infants, and Children [WIC], including the Farmers' Market Nutrition Program; Food Stamp Program; Nutrition Assistance for Puerto Rico; the Commodity Assistance Program, including the Commodity Supplemental Food Program, and the Emergency Food Assistance Program; and the Food Donations Programs, including the Nutrition Program for the Elderly and Pacific Island Assistance.

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

COMMITTEE RECOMMENDATIONS

For Food Program Administration, the Committee recommends an appropriation of $127,546,000. This amount is $10,996,000 more than the 2001 level and $2,000,000 more than the budget request. Included in this amount is an increase of $2,000,000 for activities to enhance integrity of the National School Lunch Program.

TITLE V—FOREIGN ASSISTANCE AND RELATED PROGRAMS

FOREIGN AGRICULTURAL SERVICE

SALARIES AND EXPENSES

[In thousands of dollars]

	Appropriations	Transfers from loan accounts	Total
Appropriations, 2001	115,170	(4,257)	(119,427)
Budget estimate, 2002	121,563	(4,257)	(125,820)
Committee recommendation	121,563	(4,257)	(125,820)

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

The Agency maintains a worldwide agricultural intelligence and reporting service to provide U.S. farmers and traders with information on world agricultural production and trade that they can use to adjust to changes in world demand for U.S. agricultural products. This is accomplished through a continuous program of reporting by 63 posts located throughout the world covering some 130 countries.

The Foreign Agricultural Service analyzes agricultural information essential to the assessment of foreign supply and demand conditions in order to provide estimates of the current situation and to forecast the export potential for specific U.S. agricultural commodities. Published economic data about commodities are combined with attaché reports and subjected to analysis through advanced econometric techniques to generate these estimates.

In addition, the Service is now using advanced techniques for identifying, delineating, and assessing the impact of events which may affect the condition and expected production of foreign crops of economic importance to the United States. The crop condition activity relies heavily on computer-aided analysis of satellite, meteorological, agricultural, and related data.

The mission of FAS overseas is to represent U.S. agricultural interests, to promote export of domestic farm products, improve world trade conditions, and report on agricultural production and trade in foreign countries. FAS staff are stationed at 80 offices around the world where they provide expertise in agricultural economics and marketing, as well as provide attaché services.

The Foreign Agricultural Service works in conjunction with market development cooperators, trade associations, State departments of agriculture and their affiliates, and U.S. sales teams to develop foreign markets for U.S. farm products. FAS sponsors overseas

trade exhibits to promote U.S. agricultural products, provides information about foreign importers, and performs a wide range of market development activities.

FAS carries out several export assistance programs to counter the adverse effects of unfair trade practices by competitors on U.S. agricultural trade. The Export Enhancement Program uses CCC-owned commodities as export bonuses to provide export enhancements to U.S. producers. The Market Access Program [MAP] conducts both generic and brand-identified promotional programs in conjunction with nonprofit agricultural associations and private firms financed through reimbursable CCC payments.

These programs are supplemented by the Cooperator Program, a joint FAS-nonprofit private trade and producer association partnership program developing strategies for U.S. agriculture export expansion. Through 2000, nonprofit private trade and producer associations have generated an estimated $1,361,000,000 in contributions to more than match the $824,000,000 contributed by FAS to finance overseas market promotion activities under the Cooperator Program. In addition, GSM credit guarantee programs play an integral role in the recent progress of American agriculture in the world marketplace.

The Agricultural Trade Act of 1978 includes authority to establish up to 25 agricultural trade offices. Currently, 16 such offices are in operation at key foreign trading centers to assist U.S. exporters, trade groups, and State export marketing officials in trade promotion.

The Service initiates, directs, and coordinates the Department's formulation of trade policies and programs with the goal of maintaining and expanding world markets for U.S. agricultural products. It monitors international compliance with bilateral and multilateral trade agreements. It identifies restrictive tariff and trade practices which act as barriers to the import of U.S. agricultural commodities, then supports negotiations to remove them. It acts to counter and eliminate unfair trade practices by other countries that hinder U.S. agricultural exports to third markets.

FAS also carries out the mission of the former Office of International Cooperation and Development [OICD] to promote U.S. agriculture and to advance the agriculture of developing countries as parts of a complementary global agricultural system capable of providing ample food and fiber for all people. To accomplish this mission, FAS applies USDA policies and U.S. agricultural perspectives in its programs of international agricultural cooperation and development, and in its work with foreign countries, international organizations, U.S. universities and other institutions, agencies of the U.S. Government, and the U.S. private sector.

The General Sales Manager was established pursuant to section 5(f) of the charter of the Commodity Credit Corporation and 15 U.S.C. 714–714p. The funds allocated to the General Sales Manager are used for conducting the following programs: (1) CCC Export Credit Guarantee Program (GSM–102), including supplier credit guarantees and facilities financing guarantees, (2) Intermediate Credit Guarantee Program (GSM–103), (3) Public Law 480, (4) section 416 Overseas Donations Program, (5) Export Enhancement Program, (6) Market Access Program, and (7) programs

authorized by the Commodity Credit Corporation Charter Act including barter, export sales of most CCC-owned commodities, export payments, and other programs as assigned to encourage and enhance the export of U.S. agricultural commodities.

COMMITTEE RECOMMENDATIONS

For the Foreign Agricultural Service, the Committee recommends an appropriation of $121,563,000. This is $6,393,000 more than the 2001 appropriation and the same as the budget request.

The Committee expects the FAS to fund the Foreign Market Development Cooperator Program at no less than the fiscal year 2001 level.

The Committee provides $4,000,000 for the Cochran Fellowship Program, the same amount as the fiscal year 2001 level and the budget request. The Committee encourages the Secretary to continue to provide additional support for the program through the Commodity Credit Corporation Emerging Markets Program at the fiscal year 1999 level.

The Committee continues to include language in a general provision in the bill, as requested in the budget, to allow up to $2,000,000 of the amount appropriated to the FAS to remain available until expended solely for the purpose of offsetting fluctuations in international currency exchange rates, subject to documentation.

The Committee expects the Secretary to use the fully-authorized levels of the Dairy Export Incentive Program (DEIP), consistent with GATT Uruguay commitments, in order to ensure U.S. producers have fair access to foreign markets.

The Committee is concerned that the Dairy Export Incentive Program (DEIP) loses a substantial percentage of its tonnage every year due to cancellation or nullification of DEIP awards by foreign buyers or for other reasons beyond the control of U.S. dairy producers. Because the permitted DEIP tonnage is strictly limited each year under United States commitments made to the World Trade Organization (WTO), it is vital that this lost tonnage be reallocated during the applicable export year under WTO rules so that it can be used, not wasted. Therefore, the Committee directs the Department of Agriculture to prepare a plan, after consultation with industry representatives, that substantially resolves this serious problem, and to report to the Committee on the plan.

The Committee understands there is a lack of exports from medium and small producers in rural areas because many of these producers do not have information available to them regarding exporting. Therefore, the Committee encourages the USDA's Foreign Agricultural Service to partner with the South Carolina Export Consortium, specifically South Carolina State University, to provide appropriate types of export-related assistance, which will help small and medium-sized producers who would not traditionally have the resources to attempt expansion through international trade.

The Committee encourages the Foreign Agricultural Service to assist the Alaska Seafood Marketing Institute and the Alaska Fisheries Development Foundation in marketing Alaska salmon and other seafood to overseas markets.

To promote the export of domestic farm products and improve world agriculture trade conditions, the Foreign Agricultural Service must increase its efforts to improve the understanding among trading partners of the safety of biotechnology and the thoroughness of the U.S. regulatory oversight of biotechnology. As trading partners construct regulatory systems for biotechnology and commodity trade, FAS is frequently requested to provide experts for the purpose of educating foreign government officials on the U.S. regulatory system. If the U.S. fails to participate in such discussions, those attempting to limit the access to foreign markets by U.S. producers will be presented an opportunity to undermine confidence in the benefits and safety of the technology while reducing trade opportunities for American producers. The Committee directs FAS to allocate adequate funding to meet the needs of our trading partners so that officials from the Department of Agriculture may, when requested, educate foreign regulators on the safety of the technology and the thoroughness of the U.S. regulatory process.

The Committee urges USDA to continue implementing the Global Food for Education (GFE) initiative in fiscal year 2002 under its Section 416(b) authority and to make financial assistance available to intergovernmental organizations, private voluntary organizations and cooperatives for the distribution and administrative costs of their GFE programs. In addition, the Committee continues to urge the Secretary to work with representatives of the dairy industry and appropriate non-governmental organizations to increase the amount of fortified dry milk exported under humanitarian assistance programs.

PUBLIC LAW 480 TITLE I PROGRAM ACCOUNT

[In thousands of dollars]

	Credit level	Loan subsidy	Administrative expenses
Appropriations, 2001	(159,327)	113,935	1,846
Budget estimate, 2002	(139,399)	113,935	2,005
Committee recommendation	(159,327)	130,218	2,005

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

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

Local currencies under title I sales agreements may be used in carrying out activities under section 104 of the Agricultural Trade

Development and Assistance Act of 1954, as amended. Activities in the recipient country for which these local currencies may be used include developing new markets for U.S. agricultural commodities, paying U.S. obligations, and supporting agricultural development and research.

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

COMMITTEE RECOMMENDATIONS

For Public Law 480, title I, the Committee recommends total appropriations of $132,223,000. This amount is $16,442,000 more than the 2001 level and $16,283,000 more than the budget request. This appropriation will support a Public Law 480, title I, credit level of $159,327,000 for fiscal year 2002, the same as the 2001 level and $19,928,000 more than the budget request. The corresponding loan levels, loan subsidy amounts, and administrative expenses are reflected in the table above, as compared to the fiscal year 2001 and budget request levels.

PUBLIC LAW 480 TITLE I OCEAN FREIGHT DIFFERENTIAL GRANTS

Appropriations, 2001	$20,277,000
Budget estimate, 2002	20,277,000
Committee recommendation	20,277,000

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

COMMITTEE RECOMMENDATIONS

For Public Law 480 ocean freight differential costs, the Committee recommends $20,277,000. This is the same as the fiscal year 2001 level and the budget request.

PUBLIC LAW 480 TITLE II GRANTS

Appropriations, 2001	$835,159,000
Budget estimate, 2002	835,159,000
Committee recommendation	850,000,000

The Committee recognizes the important mission of the Public Law 480 Program to combat hunger and malnutrition; promote broad-based equitable and sustainable development; expand international trade; develop and expand export markets for U.S. agricultural commodities; and to foster and encourage the development of private enterprise and democratic participation in developing countries. The Committee strongly supports the continued efficient operation of this important program.

Commodities supplied in connection with dispositions abroad (title II) (7 U.S.C. 1721–1726).—Commodities are supplied without cost through foreign governments to combat malnutrition and to meet famine and other emergency requirements. Commodities are

also supplied for nonemergencies through public and private agencies, including intergovernmental organizations. The Commodity Credit Corporation pays ocean freight on shipments under this title, and may also pay overland transportation costs to a landlocked country, as well as internal distribution costs in emergency situations. The funds appropriated for title II are made available to private voluntary organizations and cooperatives to assist these organizations in meeting administrative and related costs.

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

COMMITTEE RECOMMENDATIONS

For Title II, the Committee recommends a program level of $850,000,000. This is $14,841,000 more than the fiscal year 2001 level and the budget request.

The Federal Agriculture Improvement and Reform Act of 1996 [FAIR Act], Public Law 104–127, requires that a minimum of 2.025 million metric tons of commodities be provided each fiscal year under title II authority, of which 1.55 million metric tons—three-fourths of the total minimum tonnage—is designated for development programs that address chronic hunger and its root causes in areas with inadequate food security.

The Committee expects USAID's administration of Public Law 480 title II to encourage private voluntary organizations [PVO's], cooperatives, and the World Food Program [WFP] to generate a sufficient volume of proposals to allocate roughly three-fourths of the total title II tonnage funded for fiscal year 2002 for these PVOs, cooperatives, and the WFP for developmental food security programs.

The Committee recognizes the authority of USAID to waive this minimum when this volume of commodities cannot be used effectively and for certain emergencies, but believes this waiver should be used rarely, and only when emergency needs can be weighed against concrete proposals for a fully funded longer-term development program.

The Committee supports the use of title II funds in fiscal year 2002 to continue the fiscal year 2001 level of funding for the orphan feeding program in Haiti.

The Committee notes the extraordinary effort made by the people of Alaska through Rotary International, the Interfaith Council, the Municipality of Anchorage, and other groups to collect and distribute food and other assistance to people living in the Russian Far East. The Committee urges the Administration to work with these entities to take advantage of their volunteer efforts in feeding people in the Russian Far East, particularly abandoned children living in orphanages and hospitals.

The Committee is aware of the agency's involvement with new technologies for reducing losses to Public Law 480 title II shipments which have resulted from leaking vegetable oil containers. The Committee encourages the agency to continue this effort and pursue further design and development of suitable containers that will prevent future losses and enhance overall program efficiency.

As proposed in the budget, the Committee provides no new funding for title III grants. Authority is provided by law (7 U.S.C. 1736f) to transfer up to 15 percent of the funds available for any fiscal year for carrying out any title of Public Law 480 to any other title of the program. This authority may be used to transfer funds to title III should a transfer be deemed appropriate.

COMMODITY CREDIT CORPORATION EXPORT LOANS PROGRAM ACCOUNT

(EXPORT CREDIT PROGRAMS, GSM–102 AND GSM–103)

[In thousands of dollars]

	Guaranteed loan levels	Guaranteed loan subsidy	Administrative expenses
Appropriations, 2001	[1] 3,792,000	304,959	3,812
Budget estimate, 2002	[1] 3,904,000	265,584	4,014

[1] No appropriation required since export credit authorizations are permanent authority.

In 1980, the Commodity Credit Corporation [CCC] instituted the Export Credit Guarantee Program (GSM–102) under its charter authority. With this program, CCC guarantees, for a fee, payments due U.S. exporters under deferred payment sales contracts (up to 36 months) for defaults due to commercial as well as noncommercial risks. The risk to CCC extends from the date of export to the end of the deferred payment period covered in the export sales contract and covers only that portion of the payments agreed to in the assurance agreement. Operation of this program is based on criteria which will assure that it is used only where it is determined that it will develop new market opportunities and maintain and expand existing world markets for U.S. agricultural commodities. The program encourages U.S. financial institutions to provide financing to those areas where the institutions would be unwilling to provide financing in the absence of the CCC guarantees. Other credit activities may also be financed under the Export Credit Guarantee programs including supplier credit guarantee, under which CCC guarantees payments due to importers under short term financing (up to 180 days) that exporters extend directly to importers for the purchase of U.S. agricultural products. CCC also provides facilities financing guarantees.

In 1986, the Intermediate Export Credit Guarantee Program (GSM–103) was implemented by CCC under its charter authority as required by the Food Security Act of 1985. The program is similar to the Export Credit Guarantee Program (GSM–102), but provides for CCC guarantees to exporters for commodities sold on credit terms in excess of 3 years, but not more than 10 years. The program also provides for adjusting the maximum amount of interest which CCC guarantees to pay under the payment guarantee and permits freight costs to be covered for breeding animals financed under the GSM–102 and GSM–103 programs.

The Federal Credit Reform Act of 1990 establishes the program account. The subsidy costs of the CCC export guarantee programs are exempt from the requirement of advance appropriations of budget authority according to section 504(c)(2) of the Federal Credit Reform Act of 1990, Public Law 101–508. Appropriations to this account will be used for administrative expenses.

TITLE VI—RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

The Food and Drug Administration (FDA) is a scientific regulatory agency whose sole mission is to protect and promote the health and safety of Americans. The Food and Drug Administration Modernization Act of 1997 (FDAMA) reaffirmed the responsibilities of the FDA: To promote the public health by promptly and efficiently reviewing clinical research and taking appropriate action on the marketing of regulated products in a timely manner.

The FDA Foods Program has the primary responsibility for assuring that the U.S. food supply is safe, sanitary, wholesome, and honestly labeled, and that cosmetic products are safe and properly labeled. The variety and complexity of the food supply has grown dramatically while new and more complex safety issues, such as emerging microbial pathogens, natural toxins, and technological innovations in production and processing, have developed. This program plays a major role in keeping the United States food supply among the safest in the world.

The FDA drugs programs are comprised of three separate areas, Human Drugs, Animal Drugs and Biologics. FDA is responsible for the premarket review and postmarket surveillance of human, animal and biological products to ensure their safety and efficacy. For Human Drugs this includes the review of investigational new drug applications; evaluation of market applications for new and generic drugs, labeling and composition of prescription and over-the-counter drugs; monitoring the quality and safety of products manufactured in, or imported into, the United States; and, regulating the advertising and promotion of prescription drugs. The Animal Drugs and Feeds Program ensures only safe and beneficial veterinary drugs, intended for the treatment and/or prevention of diseases in animals and the improved production of food-producing animals, are approved for marketing. Surveillance activities are accomplished through review of drug experience reports, adverse experience reporting and nationwide inspections and investigations. The Biologics program assures that blood and blood products, blood test kits, vaccines, including vaccines to counter bioterrorism activities, bacterial vaccines, and viral vaccines, are pure, potent, safe, effective, and properly labeled. The program inspects blood banks and blood processors, licenses and inspects firms collecting human source plasma, evaluates and licenses biologics manufacturing firms and products; lot releases licensed products; and monitors adverse events associated with vaccine immunization.

The Devices and Radiological program ensures safety and effectiveness of medical devices and eliminates unnecessary human exposure to manmade radiation from medical, occupational, and consumer products. Postmarket surveillance is carried out to ensure the continued safety and effectiveness of marketed devices and radiation emitting products once approved. In addition, the program enforces quality standards under the Mammography Quality Standards Act. Medical devices include thousands of products from thermometers and contact lenses to heart pacemakers, hearing aids, MRIs, microwave ovens, and video display terminals.

FDA's National Center for Toxicological Research in Jefferson, Arkansas, serves as a specialized resource, conducting peer-review scientific research that provides the basis for FDA to make sound science-based regulatory decisions through its premarket review and postmarket surveillance. The research is designed to define and understand the biological mechanisms of action underlying the toxicity of products and developing methods to improve assessment of human exposure, susceptibility and risk of those products regulated by FDA.

SALARIES AND EXPENSES

[In thousands of dollars]

	Appropriation	Prescription drug user fees	Mammography clinics inspection fees	Export and certification fees	Total
Appropriations, 2001 [1]	$1,066,173	$149,273	$15,128	$5,992	$1,236,566
Budget estimate, 2002 [2]	1,173,673	161,716	15,590	6,181	1,357,160
Committee recommendation [3]	1,182,670	161,716	15,590	6,181	1,364,660

[1] Excludes $22,950,000 contingent appropriation to carry out the Medicine and Drug Safety Act of 2000 pursuant to Public Law 106–387.

[2] Includes Freedom of Information Act and proposed Human Subject Protection and Bioterrorism transfers. Excludes $2,950,000 proposed contingent appropriation to carry out the Medicine and Drug Safety Act of 2000, and $20,000,000 in collections from proposed legislation to authorize new user fees.

[3] Includes Freedom of Information Act transfer.

COMMITTEE RECOMMENDATIONS

For salaries and expenses, the Committee recommends an appropriation of $1,182,670,000. This amount is $116,497,000 more than the 2001 level and $8,997,000 more than the budget request. The Committee also recommends $161,716,000 in Prescription Drug User Fee Act user fee collections, and $15,590,000 in Mammography Quality Standards Act fee collections, as assumed in the President's budget. These amounts are $12,443,000 and $462,000 more than the 2001 levels, respectively. The Committee includes bill language which prohibits FDA from developing, establishing, or operating any program of user fees authorized by 31 U.S.C. 9701.

The following table reflects the Committee's recommendations, as compared to the fiscal year 2001 and budget request levels:

FOOD AND DRUG ADMINISTRATION SALARIES AND EXPENSES

[In thousands of dollars]

	Fiscal year—		Committee recommendation [3]
	2001 enacted [1]	2002 request [2]	
Centers and related field activities:			
Foods	284,641	306,105	310,926
Center for Food Safety and Applied Nutrition [CFSAN]	124,842	134,071	137,214
Field activities	159,799	172,034	173,712
(Food safety initiatives)	(189,626)	(204,679)	(204,679)
Human drugs	217,768	240,141	244,390
Center for Drug Evaluation and Research [CDER]	138,755	151,530	154,003
Orphan product grants	12,507	12,507	14,207
Field activities	66,506	76,104	76,180
Biologics	108,097	119,463	120,087
Center for Biologics Evaluation and Research [CBER]	86,341	93,521	94,120
Field activities	21,756	25,942	25,967
Animal drugs	63,928	81,109	81,182
Center for Veterinary Medicine [CVM]	48,917	54,323	54,379
Field activities	15,011	26,786	26,803
(Food safety initiatives)	(15,315)	(17,379)	(17,379)
Medical and radiological devices	164,844	178,572	178,761
Center for Devices and Radiological Health [CDRH]	122,217	130,527	130,667
Field activities	42,627	48,045	48,094
National Center for Toxicological Research [NCTR]	35,490	36,943	36,984
(Food safety initiatives)	(2,993)	(3,485)	(3,485)
Other activities	66,731	80,666	79,666
Office of the Commissioner	9,008	11,908	10,908
Office of Management and Systems	29,291	39,359	39,359
Office of Senior Associate Commissioner	7,772	8,039	8,039
Office of International and Constituent Relations	6,370	6,670	6,670
Office of Policy, Legislation, and Planning	7,453	7,853	7,853
Central services	6,837	6,837	6,837
(Food safety initiatives)	(8,740)	(9,264)	(9,264)
Rent and related activities	25,798	31,798	31,798
Rental payments to GSA	98,876	98,876	98,876

FOOD AND DRUG ADMINISTRATION SALARIES AND EXPENSES—Continued

[In thousands of dollars]

	Fiscal year—		Committee recommendation [3]
	2001 enacted [1]	2002 request [2]	
Total, FDA salaries and expenses, new budget authority	1,066,173	1,173,673	1,182,670

[1] Excludes $22,950,000 contingent appropriation to carry out the Medicine and Drug Safety Act of 2000 pursuant to Public Law 106–387.

[2] Includes Freedom of Information Act and proposed Human Subject Protection and Bioterrorism transfers. Excludes $2,950,000 proposed contingent appropriation to carry out the Medicine and Drug Safety Act of 2000, and $20,000,000 in collections from proposed legislation to authorize new user fees.

[3] Includes Freedom of Information Act transfer.

The Committee recommends the full increase in budget authority requested in the budget for FDA salaries and expenses activities, as follows: $40,000,000 to cover pay-related increases; $15,000,000 for Bovine Spongiform Encephalopathy (BSE) prevention, surveillance and compliance activities; $10,297,000 to increase the number of domestic and foreign inspections and expand import coverage in all product areas; $10,000,000 to reduce adverse events associated with the use of medical products; $10,000,000 to better protect the rights and welfare of volunteers and the integrity of data in clinical research trials; $9,400,000 to expand food safety efforts; $8,300,000 to begin acquisition of a new integrated financial system; and $6,000,000 for one-time costs to equip and occupy the Center for Drug Evaluation and Research (CDER) laboratory portion of the new facility at White Oak in Adelphi, MD.

As requested in the budget, the Committee makes available for 2 years the $6,000,000 provided for the relocation of the CDER laboratory functions to White Oak.

For FDA rental payments to the General Services Administration (GSA), the Committee recommends new budget authority of $98,867,000, the same as the 2001 and budget request levels.

Food safety.—An increase of $18,133,000 from the fiscal year 2001 level is recommended by the Committee for FDA food safety activities, bringing total funding for food safety to $234,807,000.

Within the total funding available, at least $2,100,000 is for FDA activities in support of *Codex Alimentarius*.

The Committee supports the ongoing work of the Interstate Shellfish Sanitation Conference and its joint efforts with the FDA and the shellfish industry to formulate shellfish safety regulations through the National Shellfish Sanitation Program. The Committee recommends no less than the fiscal year 2001 level be directed through the Office of Seafood Inspection to continue these activities, and directs that $200,000 be directed to the Interstate Shellfish Sanitation Conference for the *Vibrio Vulnificus* Education Program.

The Committee continues funding at the fiscal year 2001 level for FDA to continue its contract with New Mexico State University's Physical Science Laboratory to conduct method evaluation of rapid testing methods of fresh fruits and vegetables for microbial contamination. The funds are to be provided from the total sum appropriated for food safety initiatives.

The Committee expects the FDA to continue its support for the Waste Management Education and Research Consortium (WERC) and its work in food safety technology verification and education.

With the growing threat of foodborne illness to the public health, the Committee believes that collaborative research in food safety should continue among government, academia, and private industry. The national model for that collaboration has been the National Center for Food Safety and Technology (NCFST) in Summit-Argo, Illinois. The Committee expects the FDA to maintain at least $3,000,000 as the annual base level of funding for the National Center to continue the important work done there.

In addition, the funding provided for food safety will ensure the continuation of food contract inspections in the State of Alaska. Specifically, it will allow the FDA to renew its contract with the State of Alaska for inspections of food and seafood processors operating in Alaska. The current contract funds 100 inspections, approximately 90 seafood/HACCP inspections and 60 other food inspections, at a cost of approximately $121,000. The contract extension is scheduled to begin July 1, 2001, for approximately $221,884, and will fund over 250 inspections. The establishments to be inspected will be mutually agreed upon by FDA and the State of Alaska.

Included in the total amount provided for food safety is $1,000,000 to analyze risks associated with emerging biotech foods and develop criteria for evaluating the safety of biotech foods used for animal feeds.

Seafood Safety.—Two recent General Accounting Office (GAO) reports on the safety of seafood have documented the inadequacy of the FDA efforts to address foodborne hazards in seafood, including shellfish. Both reports found FDA's seafood inspection system provides consumers with inadequate protection for seafood-related foodborne illness. The Committee asks FDA to report to the Committee by January 1, 2002 regarding implementation of recommendations by GAO, and the timetable for bringing all FDA–regulated seafood processors into compliance with HACCP. The Committee also asks FDA to report whether its existing authorities and appropriations are sufficient for FDA to accomplish its food safety mission. The Committee urges FDA to promote the development of new food safety technologies such as irradiation, flash freezing, high-pressure processing, or others that can cost-effectively reduce the incidence of pathogens, and technologies that can ensure constant safe temperatures of seafood throughout the food chain.

The Committee is also concerned that FDA has not taken effective action to address foodborne illness risks from the consumption of raw shellfish. In particular, the Committee is concerned that Interstate Shellfish Sanitation Commission's (ISSC) proposed steps to reduce the rates of death and illness due to consumption of *Vibrio vulnificus*-contaminated raw shellfish may not effectively address public health concerns. Therefore, the Committee directs the FDA to report to the Committee by March 1, 2002 regarding the effectiveness of existing and proposed measures by the FDA and ISSC to ensure the safety of raw seafood intended for human consumption. This report should include FDA's assessment of the risk

of illness from consuming of raw seafood and the costs, benefits, and feasibility of requiring post-harvest treatment for raw seafood intended for human consumption.

Latex Allergies.—-The Committee recognizes the increasing prevalence of latex allergies. These allergies in some instances can be deadly. Some individuals with latex allergies can suffer an allergic reaction when they come in contact with food that has been prepared by food handlers using latex gloves. Consumers have reported allergic reactions caused by food handled with latex gloves to the FDA Center for Food Safety and Applied Nutrition, but FDA has not responded even though it acknowledges the health hazard posed by food handlers wearing latex gloves in the 1999 Food Code Annex 3 3–3–4.15; 3–304.15. Given this, the Committee directs the FDA to report back within 9 months of the enactment of this Act to the House and Senate Committees on Appropriation a full plan to eliminate exposure to latex from food handling. The Committee also encourages the FDA to add latex to its priority list of food allergens.

National Antimicrobial Resistance Monitoring Service.—The Committee supports the work of the National Antimicrobial Resistance Monitoring Service (NARMS) and its collaborative relationship between FDA, the Department of Agriculture, and the Centers for Disease Control and Prevention. The Committee expects the coordination of activities among these three areas of government to result in the most unbiased presentation of timely, accurate data in the best interest of public health. The FDA is directed to report to the Committee on Appropriations of the House and the Senate by May 2002 on the activities of the NARMS including the interagency agreements and interactions with non-governmental institutions.

Orphan Products Grants.—-Included in the Human Drugs increase is an additional $2,000,000 for the Orphan Products Grants Program. This will fund a total grants level of $14,207,000 for fiscal year 2002, a $1,700,000 increase from the fiscal year 2001 level. Also provided is $2,835,000 to administer the Orphan Products Grant Program, an increase of $300,000 from the fiscal year 2001 level.

Dietary Supplements.—An adverse event reporting (AER) system is essential to help FDA ensure the safety of dietary supplements available to American consumers. To enhance FDA's efforts to identify and respond to health problems potentially linked to the consumption of dietary supplements, the Committee recommends a total increase of $3,000,000 to strengthen FDA's data collection and evaluation efforts associated with adverse events associated with dietary supplements. This amount is $2,000,000 above the $1,000,000 associated with dietary supplements proposed in the budget increase for AER.

FDA has indicated that the ability to identify and analyze specific components in ingredients, including botanical ingredients, is an essential component of research and regulatory programs directed at ensuring the safety and effectiveness of dietary supplements. The Committee provides $2,000,000 in new budget authority for fiscal year 2002 to continue the review of botanicals in dietary supplements. This work is being carried out by FDA in col-

laboration with the National Center for Natural Products Research, Oxford, MS.

Rent payments.—The Committee recommends $98,876,000 for FDA rental payments to the General Services Administration [GSA], the same level as proposed in the budget and 2001 level.

Gene Therapy Patient Tracking System.—The Committee is concerned about FDA's delay in responding to the fiscal year 1995 Agriculture Appropriations language requiring a gene therapy individual patient tracking system. The report accompanying the fiscal year 2001 Agriculture Appropriations bill (Public Law 106–387) contained a requirement that FDA submit a detailed budget and plan for enactment of this system by January 2001. As of July 2001, a report responding to the Committee's directive has not been received. In addition, the Committee notes that FDA has not complied with the original language requiring individual tracking, as opposed to another adverse event reporting system. Given the length of time FDA has had to develop such a tracking system, and the recent reported deaths of gene therapy patients, the Committee provides an increase of $500,000 to the Center for Biologics and directs FDA to modify its gene therapy system so that it meets Congressional intent to track individual patient's health status both in the short- and long-term. The Committee directs FDA to submit quarterly reports to the House and Senate Committees on Appropriation on the establishment of this new tracking system, its implementation and funding matters.

Biotechnology.—The Committee understands that the FDA frequently receives requests from foreign governments for FDA regulators to visit foreign countries to educate regulators on the evaluation of the safety of biotechnology. Providing information on the soundness of the U.S. regulatory process will promote the understanding of the benefits of biotechnology to human health and the environment and improve the climate for acceptance of U.S. agricultural products abroad. The Committee directs the FDA to allocate adequate funding so that agency representatives may perform this service.

The Committee commends FDA for its "Draft Guidance for Industry: Voluntary Labeling Indicating Whether Foods Have or Have Note Been Developed Using Bioengineering" (66 Fed. Reg. 4839), released on January 18, 2001. The Committee urges FDA to expeditiously publish a final version of this guidance.

Blood product safety.—The Committee is concerned FDA has not moved forward in finalizing its proposed rule to require manufacturer tracking of blood-derived products and prompt patient notification of adverse events. The Committee urges FDA to complete implementation of this important blood product safety mechanism.

Reused Medical Devices.—It has come to the Committee's attention that certain reprocessors of medical devices are obtaining devices for reprocessing by sorting through medical waste. The Committee directs FDA to take enforcement action against reprocessors using inappropriate and unsanitary methods of collection of devices for reprocessing and to further ensure that all reprocessors are aware of what constitutes appropriate and sanitary collection.

The Committee recognizes the important role that FDA plays in ensuring that every medical device used on a patient in the United

States is both safe and effective for its intended use. Adhering to this principle, the FDA has issued new guidance for the reprocessing of single-use medical devices. The Committee is concerned that the FDA may consider allowing a single premarket submission for reprocessing of multiple models of a certain medical devices. FDA's own research indicates that minor modifications to a device can substantially alter the device's properties with regard to sterilization and reprocessing. This was stated by FDA's own scientists at the 1999 AAMI/FDA Conference entitled "The reuse of single-use devices." Therefore, the Committee urges the FDA to require a premarket submission for every model that is to be reprocessed, if an application was required for the original manufactured device.

Tissue Processing.—Over the past several years, there has been a growing concern about the transmission of CJD, vCJD and its related non-human counterpart mad cow disease. Processing multiple tissues from multiple donors could pose a substantial risk of transmitting CJD to those receiving tissue transplants. Pooling or batch processing could also result in transmission of many other diseases. For this reason, the American Association of Tissue Banks prohibits pooling of tissues for its members. The FDA has issued new rules regarding tissue processing. Those rules include a prohibition on pooling tissue from multiple donors but allow for a waiver under certain circumstances. FDA acknowledges that there is no scientific consensus at the present on how to inactivate CJD prions. Given this, the Committee believes FDA should consider not granting proposed waivers from the pooling prohibition, unless the patient's safety can be guaranteed. The Committee also directs FDA to notify the House and Senate Committees on Appropriation prior to granting such a waiver.

Recently, the FDA instituted new regulations for tissue processors. All tissue banks are now required to register with the FDA. The number registering is substantially larger than the number known to exist prior to this rule. This means that a large number of facilities have been operating without any inspections by the FDA or another accrediting body. Therefore, the conditions under which tissues have been processed in these facilities is unknown. The Committee encourages FDA to move expeditiously to inspect all tissue facilities that have never been inspected by the agency by the end of fiscal year 2002.

Office of Generic Drugs.—The Committee remains concerned by the high price of prescription drugs and the inability of many Americans to obtain necessary medications without reductions in other quality of life areas. In order to help provide more accessible and affordable medications, the Committee supports timely approval of generic drugs and provides $18,100,000, an increase of $2,700,000 over the fiscal year 2001 level and $2,000,000 more than the budget request for the Office of Generic Drugs.

Standards of Identity.—The Committee is aware of the ongoing debate surrounding increased importation and use of milk protein concentrate. A recent General Accounting Office investigation highlighted a dramatic increase in milk protein concentrate imports. The Committee is concerned with FDA's current lack of enforcement of standards of identity as it relates to the potential illegal use of milk protein concentrate in standardized cheese. The Com-

mittee requests a report on FDA's current work as it relates to enforcement of standards of identity as it relates to cheese by May 1, 2002.

Office of Women's Health.—The Committee is concerned that the FDA has paid insufficient attention to gender-based research. Last year, GAO reported a serious disproportionate impact on women of drugs withdrawn from the market for safety reasons. To address this issue, the Committee directs FDA to continue piloting the drug application database system that collects demographic information for specific New Drug Applications (NDAs) in the Center for Drug Evaluation and Research (CDER). Additionally, the FDA should study the possibility of developing an Agency-wide system by commencing a capability assessment for each Center and the Office of the Commissioner to review currently available critical clinical trial databases, coordinate data collection and identify areas in which data gaps exist. The Committee directs FDA to provide the Committee with the assessment report of the Agency-wide system and the status of the pilot program within CDER by June 3, 2002.

Medical Device Application Review.—The Committee is aware that for the last several years, premarket approval applications for breakthrough medical technologies have taken more than a year despite the 180-day statutory maximum for approval or denial of such applications. Moreover, the medical technology industry has doubled the investment in research and development in the last decade. Such research and development investment promises to yield numerous and dramatic new technologies which must come through FDA's review process. As requested in the budget, the Committee provides an increase of $13,917,000 from the fiscal year 2001 level for FDA's Devices and Radiological Health program area. This amount is consistent with agency estimates for bringing review times within statutory requirements in the short term. The Center for Devices and Radiological Health is directed to develop accountability measures to ensure that these funds are used to support sustained progress toward compliance with statutory review times in the long term.

BUILDINGS AND FACILITIES

Appropriations, 2001	$31,281,000
Budget estimate, 2002	34,281,000
Committee recommendation	34,281,000

In addition to Washington, D.C., area laboratories which are in six separate locations, FDA has 16 laboratories at other locations around the country, including regular field laboratories and specialized facilities, as well as the National Center for Toxicological Research complex. Continued repairs, modifications, improvements and construction to FDA headquarters and field facilities must be made to preserve the properties, ensure employee safety, meet changing program requirements, and permit the agency to keep its laboratory methods up to date.

COMMITTEE RECOMMENDATIONS

For continued repairs and improvements of FDA buildings and facilities, the Committee recommends $34,281,000. This amount is

$3,000,000 more than the 2001 appropriation and the same as the budget request.

Included in the amount provided is $8,281,000 for repair and improvement projects; $3,000,000 to continue renovation of the National Center for Toxicology Research; and $23,000,000 to complete construction of the Los Angeles, CA, replacement laboratory and office space project.

INDEPENDENT AGENCIES

COMMODITY FUTURES TRADING COMMISSION

Appropriations, 2001	$67,850,000
Budget estimate, 2002	70,400,000
Committee recommendation	70,400,000

The Commodity Futures Trading Commission [CFTC] was established as an independent agency by the Commodity Futures Trading Commission Act of 1974 (88 Stat. 1389; 7 U.S.C. 4a).

The Commission administers the Commodity Exchange Act, 7 U.S.C. section 1, et seq. The 1974 Act brought under Federal regulation futures trading in all goods, articles, services, rights, and interests; commodity options trading; and leverage trading in gold and silver bullion and coins; and otherwise strengthened the regulation of the commodity futures trading industry. It established a comprehensive regulatory structure to oversee the volatile futures trading complex.

The purpose of the Commission is to protect and further the economic utility of futures and commodity options markets by encouraging their efficiency, assuring their integrity, and protecting participants against manipulation, abusive trade practices, fraud, and deceit. The objective is to enable the markets to better serve their designated functions of providing a price discovery mechanism and providing price risk insurance. In properly serving these functions, the futures and commodity options markets contribute toward better production and financial planning, more efficient distribution and consumption, and more economical marketing.

Programs in support of the overall mission include market surveillance analysis and research; registration, audits, and contract markets; enforcement; reparations; proceedings; legal counsel; agency direction; and administrative support services. CFTC activities are carried out in Washington, DC; two regional offices located in Chicago and New York; and smaller offices in Kansas City, Los Angeles, and Minneapolis.

COMMITTEE RECOMMENDATIONS

For the Commodity Futures Trading Commission, the Committee recommends $70,400,000. The amount provided is $2,550,000 more than the 2001 appropriation and the same as the budget request.

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

Limitation, 2001	($36,719,000)
Budget estimate, 2002	(36,700,000)
Committee recommendation	(36,700,000)

The Farm Credit Administration [FCA] is the independent agency in the executive branch of the Government responsible for the examination and regulation of the banks, associations, and other institutions of the Farm Credit System.

Activities of the Farm Credit Administration include the planning and execution of examinations of Farm Credit System institutions and the preparation of examination reports. FCA also establishes standards, enforces rules and regulations, and approves certain actions of the institutions.

The administration and the institutions under its jurisdiction now operate under authorities contained in the Farm Credit Act of 1971, Public Law 92–181, effective December 10, 1971. Public Law 99–205, effective December 23, 1985, restructured FCA and gave the agency regulatory authorities and enforcement powers.

The act provides for the farmer-owned cooperative system to make sound, adequate, and constructive credit available to farmers and ranchers and their cooperatives, rural residences, and associations and other entities upon which farming operations are dependent, and to modernize existing farm credit law to meet current and future rural credit needs.

The Agricultural Credit Act of 1987 authorized the formation of the Federal Agricultural Mortgage Corporation [FAMC] to operate a secondary market for agricultural and rural housing mortgages. The Farm Credit Administration, under section 8.11 of the Farm Credit Act of 1971, as amended, is assigned the responsibility of regulating this entity and assuring its safe and sound operation.

Expenses of the Farm Credit Administration are paid by assessments collected from the Farm Credit System institutions and by assessments to the Federal Agricultural Mortgage Corporation.

COMMITTEE RECOMMENDATIONS

The Committee recommends a limitation of $36,700,000 on administrative expenses of the Farm Credit Administration [FCA]. This is $19,000 less than the fiscal year 2001 level and the same as the budget request.

TITLE VII—GENERAL PROVISIONS

Sections 701–731 of the general provisions are essentially the same as those included in the fiscal year 2001 and previous years' appropriations acts.

In addition, the Committee recommends the following provisions:

Section 732 to allow the use of remaining Public Law 480 Title III balances for Title II of the program, notwithstanding Section 412 of Public Law 480.

Section 733 to allow up to $5,000,000 for administrative costs associated with the distribution of commodities. The Committee notes the high volume of surplus commodities recently made available through Section 32, and other authorities, and expects the Secretary to make transfers under this section in the event high levels of surplus commodities continue to be made available.

Section 734 to provide funds to carry out the Conservation Reserve Program. The Committee is aware that the estimated Conservation Reserve Program enrollments in fiscal year 2002 include 816,000 acres of previously enrolled lands which would require very limited resources for technical assistance. Under the authorities provided by this section, the Secretary is directed that any new enrollments of Conservation Reserve Program acreage made possible by this section shall be limited to acreage enrolled in continuous sign up, the conservation reserve enhancement program, or the farmable wetland pilot program.

Section 735 to allow approval of rural development programs for certain purposes in the city of St. Joseph, Missouri.

Section 736 to amend the Richard B. Russell National School Lunch Act to allow proprietary centers to participate in the Child and Adult Care Feeding Program if at least 25 percent of the children served meet the income eligibility criteria for free or reduced-price meals.

Section 737 to provide $150,000 for erosion control and channel bank protection at Mallard Pointe, Madison County, Mississippi.

Section 738 to establish a pilot conservation program in the Illinois River Basin designed to enhance soil, water (including wetlands), and wildlife habitat in the Basin in cooperation with the State of Illinois. The Secretary should provide a report to the Appropriations Committees of the House and Senate by December 1, 2001 which outlines the Federal-State plan, Federal funding sources and levels, and implementation dates for the program.

Section 739 to provide $450,000 for a conservation project in the vicinity of Jamestown, Rhode Island.

Section 740 to provide funds for a rural development project. The Committee is aware of the economic challenges facing rural America and the added difficulties resulting from rising energy costs. The Committee encourages the development of business opportunities designed to meet growing energy needs and provides

$3,000,000 specifically for the application for development of an agricultural production and energy-related business venture in South Dakota. The Committee expects that grant funds up to this amount be made available for purposes of this venture to the extent these funds are matched by resources from the U.S. Department of Energy. The Department is expected to apply established review procedures when considering this application.

PROGRAM, PROJECT, AND ACTIVITY

During fiscal year 2002, for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99–177) or the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100–119), the following information provides the definition of the term "program, project, and activity" for departments and agencies under the jurisdiction of the Agriculture, Rural Development, and Related Agencies Subcommittee. The term "program, project, and activity" shall include the most specific level of budget items identified in the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2002, the House and Senate Committee reports, and the conference report and accompanying joint explanatory statement of the managers of the committee of conference.

If a sequestration order is necessary, in implementing the Presidential order, departments and agencies shall apply any percentage reduction required for fiscal year 2002 pursuant to the provisions of Public Law 99–177 or Public Law 100–119 to all items specified in the explanatory notes submitted to the Committees on Appropriations of the House and Senate in support of the fiscal year 2002 budget estimates, as amended, for such departments and agencies, as modified by congressional action, and in addition:

For the Agricultural Research Service the definition shall include specific research locations as identified in the explanatory notes and lines of research specifically identified in the reports of the House and Senate Appropriations Committees.

For the Natural Resources Conservation Service the definition shall include individual flood prevention projects as identified in the explanatory notes and individual operational watershed projects as summarized in the notes.

For the Farm Service Agency the definition shall include individual, regional, State, district, and county offices.

COMPLIANCE WITH PARAGRAPH 7, RULE XVI OF THE STANDING RULES OF THE SENATE

Paragraph 7 of rule XVI requires that Committee reports accompanying general appropriations bills identify each recommended amendment which proposes an item of appropriation which is not made to carry out the provisions of an existing law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session.

The Committee recommends funding for the following programs or activities which currently lack authorization for fiscal year 2002:

Dairy indemnity program; and

Bill Emerson and Mickey LeLand Hunger fellowships.

COMPLIANCE WITH PARAGRAPH 7(C), RULE XXVI OF THE STANDING RULES OF THE SENATE

Pursuant to paragraph 7(c) of rule XXVI, the Committee ordered reported, S. 1191, an original Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations bill, 2002, subject to amendment and subject to its budget allocations, by a recorded vote of 28–0, a quorum being present. The vote was as follows:

Yeas	Nays
Chairman Byrd	
Mr. Inouye	
Mr. Hollings	
Mr. Leahy	
Mr. Harkin	
Ms. Mikulski	
Mr. Reid	
Mr. Kohl	
Mrs. Murray	
Mr. Dorgan	
Mrs. Feinstein	
Mr. Durbin	
Mr. Johnson	
Mrs. Landrieu	
Mr. Reed	
Mr. Stevens	
Mr. Cochran	
Mr. Specter	
Mr. Domenici	
Mr. Bond	
Mr. McConnell	
Mr. Burns	
Mr. Shelby	
Mr. Gregg	
Mr. Bennett	
Mr. Campbell	
Mr. Craig	
Mrs. Hutchison	

COMPLIANCE WITH PARAGRAPH 12, RULE XXVI OF THE STANDING RULES OF THE SENATE

Paragraph 12 of rule XXVI requires that Committee reports on a bill or joint resolution repealing or amending any statute or part of any statute include "(a) the text of the statute or part thereof which is proposed to be repealed; and (b) a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions which would be made by the bill or joint resolution if enacted in the form recommended by the committee."

In compliance with this rule, the following changes in existing law proposed to be made by the bill are shown as follows: existing

law to be omitted is enclosed in black brackets; new matter is printed in italics; and existing law in which no change is proposed is shown in roman.

TITLE 42—THE PUBLIC HEALTH AND WELFARE

* * * * * * *

CHAPTER 13—SCHOOL LUNCH PROGRAMS

* * * * * * *

(a) Grant authority and institution eligibility

(1) * * *

* * * * * * *

(2) * * *

* * * * * * *

(B) any other private organization providing nonresidential child care or day care outside school hours for school children, if—

(i) during the period beginning on the date of enactment of this clause and ending on September 30, [2001] *2002*, at least 25 percent of the children served by the organization meet the income eligibility criteria established under section 1758(b) of this title for free or reduced price meals; or

* * * * * * *

BUDGETARY IMPACT OF BILL

PREPARED IN CONSULTATION WITH THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC. 308(a), PUBLIC LAW 93–344, AS AMENDED

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount of bill	Committee allocation	Amount of bill
Comparison of amounts in the bill with Committee allocations to its subcommittees of amounts in the First Concurrent Resolution for 2002: Subcommittee on Agriculture, Rural Development, and Related Agencies:				
General purpose, non-defense	16,137	16,137	NA	NA
General purpose	NA	NA	16,041	[1] 16,041
Mandatory	43,112	43,112	33,847	33,847
Projections of outlays associated with the recommendation:				
2002				[2] 41,538
2003				6,572
2004				758
2005				401
2006 and future years				612
Financial assistance to State and local governments for 2002	NA	19,744	NA	16,241

[1] Includes outlays from prior-year budget authority.
[2] Excludes outlays from prior-year budget authority.

NA: Not applicable.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2001 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2002

[In thousands of dollars]

Item	2001 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or −)	
				2001 appropriation	Budget estimate
TITLE I—AGRICULTURAL PROGRAMS					
Production, Processing, and Marketing					
Office of the Secretary	2,908	2,992	2,992	+84	
Executive Operations:					
Chief Economist	7,446	7,648	7,648	+202	
National Appeals Division	12,394	12,766	12,766	+372	
Office of Budget and Program Analysis	6,750	6,978	6,978	+228	
Office of the Chief Information Officer	10,029	10,261	10,261	+232	
Common computing environment	39,912	59,369	59,369	+19,457	
Office of the Chief Financial Officer	5,160	5,335	5,335	+175	
Total, Executive Operations	81,691	102,357	102,357	+20,666	
Office of the Assistant Secretary for Administration	628	647	647	+19	
Agriculture buildings and facilities and rental payments	182,345	187,581	187,581	+5,236	
Payments to GSA	(125,266)	(130,266)	(130,266)	(+5,000)	
Building operations and maintenance	(31,136)	(31,372)	(31,372)	(+236)	
Repairs, renovations, and construction	(25,943)	(25,943)	(25,943)		
Hazardous materials management	15,665	15,665	15,665		
Departmental administration	35,931	37,079	37,079	+1,148	
Outreach for socially disadvantaged farmers	2,993	2,993	3,493	+500	+500
Office of the Assistant Secretary for Congressional Relations	3,560	3,684	3,684	+124	
Office of Communications	8,604	8,894	8,894	+290	
Office of the Inspector General	68,715	70,839	70,839	+2,124	
Office of the General Counsel	31,012	32,627	32,627	+1,615	

Office of the Under Secretary for Research, Education and Economics	555	573	573	+18	.....
Economic Research Service	66,891	67,200	67,200	+309	.....
National Agricultural Statistics Service	100,550	113,786	113,786	+13,236	.....
Census of Agriculture	(14,967)	(25,350)	(25,350)	(+10,383)	.....
Agricultural Research Service	896,835	915,591	1,004,738	+107,903	+89,147
Buildings and facilities	74,037	30,462	99,625	+25,588	+69,163
Total, Agricultural Research Service	970,872	946,053	1,104,363	+133,491	+158,310
Cooperative State Research, Education, and Extension Service:					
Research and education activities	505,079	407,319	542,580	+37,501	+135,261
Native American Institutions Endowment Fund	(7,100)	(7,100)	(7,100)	.....	.....
Extension activities	432,475	413,404	434,038	+1,563	+20,634
Integrated activities	41,849	41,849	42,350	+501	+501
Total, Cooperative State Research, Education, and Extension Service	979,403	862,572	1,018,968	+39,565	+156,396
Office of the Under Secretary for Marketing and Regulatory Programs	634	654	654	+20	.....
Animal and Plant Health Inspection Service:					
Salaries and expenses	529,397	702,925	602,754	+73,357	−100,171
AQI user fees	(84,813)	(84,813)	(84,813)	.....	.....
Buildings and facilities	9,848	5,189	5,189	−4,659	.....
Total, Animal and Plant Health Inspection Service	539,245	708,114	607,943	+68,698	−100,171
Agricultural Marketing Service:					
Marketing Services	65,191	71,430	71,430	+6,239	.....
Standardization user fees	(4,000)	(5,000)	(5,000)	(+1,000)	.....
(Limitation on administrative expenses, from fees collected)	(60,596)	(60,596)	(60,596)	.....	.....
Funds for strengthening markets, income, and supply (transfer from section 32)	13,438	13,874	13,874	+436	.....
Payments to states and possessions	1,347	1,347	1,347	.....	.....
Total, Agricultural Marketing Service	79,976	86,651	86,651	+6,675	.....
Grain Inspection, Packers and Stockyards Administration:					
Salaries and expenses	31,350	32,907	34,000	+2,650	+1,093

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2001 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2002—Continued

[In thousands of dollars]

Item	2001 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or −)	
				2001 appropriation	Budget estimate
Inspection and weighing services	(42,463)	(42,463)	(42,463)	.....	.....
Office of the Under Secretary for Food Safety	459	476	476	+17	.....
Food Safety and Inspection Service	695,171	715,542	715,747	+20,576	+205
Lab accreditation fees [1]	(998)	(1,000)	(1,000)	(+2)	.....
Total, Food Safety and Inspection Service	695,171	715,542	715,747	+20,576	+205
Total, Production, Processing, and Marketing	3,899,158	3,999,886	4,216,219	+317,061	+216,333
Farm Assistance Programs					
Office of the Under Secretary for Farm and Foreign Agricultural Services	588	606	606	+18	.....
Farm Service Agency:					
Salaries and expenses	826,563	939,030	939,030	+112,467	.....
(Transfer from export loans)	(588)	(790)	(790)	(+202)	.....
(Transfer from Public Law 480)	(813)	(972)	(972)	(+159)	.....
(Transfer from ACIF)	(264,731)	(272,595)	(272,595)	(+7,864)	.....
Subtotal, Transfers from program accounts	(266,132)	(274,357)	(274,357)	(+8,225)	.....
Total, salaries and expenses	(1,092,695)	(1,213,387)	(1,213,387)	(+120,692)	.....
State mediation grants	2,993	2,993	3,993	+1,000	+1,000
Dairy indemnity program	450	100	100	−350	.....

Subtotal, Farm Service Agency	830,006	942,123	943,123	+113,117	+1,000
Agricultural Credit Insurance Fund Program Account:					
Loan authorizations:					
Farm ownership loans:					
Direct	(127,722)	(128,000)	(146,966)	(+19,244)	(+18,966)
Guaranteed	(868,086)	(1,000,000)	(1,000,000)	(+131,914)	.....
Subtotal	(995,808)	(1,128,000)	(1,146,966)	(+151,158)	(+18,966)
Farm operating loans:					
Direct	(522,891)	(600,000)	(611,198)	(+88,307)	(+11,198)
Unsubsidized guaranteed	(1,075,468)	(1,500,000)	(1,500,000)	(+424,532)	.....
Subsidized guaranteed	(369,100)	(500,000)	(505,531)	(+136,431)	(+5,531)
Subtotal	(1,967,459)	(2,600,000)	(2,616,729)	(+649,270)	(+16,729)
Indian tribe land acquisition loans	(2,002)	(2,000)	(2,000)	(−2)	.....
Emergency disaster loans	(24,947)	(25,000)	(25,000)	(+53)	.....
Boll weevil eradication loans	(100,000)	(100,000)	(100,000)	.....	.....
Total, Loan authorizations	(3,090,216)	(3,855,000)	(3,890,695)	(+800,479)	(+35,695)
Loan subsidies:					
Farm ownership loans:					
Direct	13,756	3,366	3,866	−9,890	+500
Guaranteed	4,427	4,500	4,500	+73	.....
Subtotal	18,183	7,866	8,366	−9,817	+500
Farm operating loans:					
Direct	47,251	53,580	54,580	+7,329	+1,000
Unsubsidized guaranteed	14,738	52,650	52,650	+37,912	.....
Subsidized guaranteed	30,119	67,800	68,550	+38,431	+750
Subtotal	92,108	174,030	175,780	+83,672	+1,750
Indian tribe land acquisition	322	118	118	−204	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2001 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2002—Continued

[In thousands of dollars]

Item	2001 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or −)	
				2001 appropriation	Budget estimate
Emergency disaster loans	6,120	3,363	3,363	−2,757	
Total, Loan subsidies	116,733	185,377	187,627	+70,894	+2,250
ACIF expenses:					
Salaries and expense (transfer to FSA)	264,731	272,595	272,595	+7,864	
Administrative expenses	4,130	8,000	8,000	+3,870	
Total, ACIF expenses	268,861	280,595	280,595	+11,734	
Total, Agricultural Credit Insurance Fund	385,594	465,972	468,222	+82,628	+2,250
(Loan authorization)	(3,090,216)	(3,855,000)	(3,890,695)	(+800,479)	(+35,695)
Total, Farm Service Agency	1,215,600	1,408,095	1,411,345	+195,745	+3,250
Risk Management Agency	65,453	74,752	74,752	+9,299	
Total, Farm Assistance Programs	1,281,641	1,483,453	1,486,703	+205,062	+3,250
Corporations					
Federal Crop Insurance Corporation:					
Federal crop insurance corporation fund	2,804,660	3,037,000	3,037,000	+232,340	
Commodity Credit Corporation Fund:					
Reimbursement for net realized losses	25,264,441	23,116,000	23,116,000	−2,148,441	

Operations and maintenance for hazardous waste management (limitation on administrative expenses)	(5,000)	(5,000)	(5,000)	.....	.....
Total, Corporations	28,069,101	26,153,000	26,153,000	−1,916,101	.....
Total, title I, Agricultural Programs	33,249,900	31,636,339	31,855,922	−1,393,978	+219,583
(By transfer)	(266,132)	(274,357)	(274,357)	(+8,225)	.....
(Loan authorization)	(3,090,216)	(3,855,000)	(3,890,695)	(+800,479)	(+35,695)
(Limitation on administrative expenses)	(108,059)	(108,059)	(108,059)	.....	.....
TITLE II—CONSERVATION PROGRAMS					
Office of the Under Secretary for Natural Resources and Environment	709	730	730	+21	.....
Natural Resources Conservation Service:					
Conservation operations	712,545	773,454	802,454	+89,909	+29,000
Watershed surveys and planning	10,844	10,960	10,960	+116	.....
Watershed and flood prevention operations	99,224	100,413	100,413	+1,189	.....
Watershed rehabilitation program	.....	.....	10,000	+10,000	+10,000
Resource conservation and development	41,923	43,048	48,048	+6,125	+5,000
Forestry incentives program	6,311	.....	7,811	+1,500	+7,811
Total, Natural Resources Conservation Service	870,847	927,875	979,686	+108,839	+51,811
Total, title II, Conservation Programs	871,556	928,605	980,416	+108,860	+51,811
TITLE III—RURAL DEVELOPMENT PROGRAMS					
Office of the Under Secretary for Rural Development	604	623	623	+19	.....
Rural Development:					
Rural community advancement program	760,864	692,125	1,004,125	+243,261	+312,000
(By transfer)	.....	.....	(13,000)	(+13,000)	(+13,000)
RD expenses:					
Salaries and expenses	130,084	133,722	133,722	+3,638	.....
(Transfer from RHIF)	(408,333)	(419,741)	(422,241)	(+13,908)	(+2,500)
(Transfer from RDLFP)	(3,632)	(3,733)	(3,733)	(+101)	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2001 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2002—Continued

[In thousands of dollars]

Item	2001 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or −)	
				2001 appropriation	Budget estimate
(Transfer from RETLP)	(34,640)	(35,604)	(36,000)	(+1,360)	(+396)
(Transfer from RTB)	(2,993)	(3,082)	(3,082)	(+89)	.....
(Transfer from TLP)	.....	.....	(2,000)	(+2,000)	(+2,000)
Total, RD expenses	(579,682)	(595,882)	(600,778)	(+21,096)	(+4,896)
Total, Rural Development	890,948	825,847	1,137,847	+246,899	+312,000
Rural Housing Service:					
Rural Housing Insurance Fund Program Account:					
Loan authorizations:					
Single family (sec. 502)	(1,064,651)	(1,064,650)	(1,095,046)	(+30,395)	(+30,396)
Unsubsidized guaranteed	(3,136,429)	(3,137,968)	(3,137,968)	(+1,539)	.....
Housing repair (sec. 504)	(32,324)	(32,324)	(32,324)	.....	.....
Rental housing (sec. 515)	(114,070)	(114,068)	(114,068)	(−2)	.....
Site loans (sec. 524)	(5,152)	(5,090)	(5,090)	(−62)	.....
Multi-family housing guarantees (sec. 538)	(99,780)	(99,770)	(99,770)	(−10)	.....
Multi-family housing credit sales	(1,779)	(1,778)	(1,778)	(−1)	.....
Single family housing credit sales	(10,000)	(10,000)	(10,000)	.....	.....
Self-help housing land development fund	(4,998)	(5,000)	(5,000)	(+2)	.....
Total, Loan authorizations	(4,469,183)	(4,470,648)	(4,501,044)	(+31,861)	(+30,396)
Loan subsidies:					
Single family (sec. 502)	170,983	140,108	144,108	−26,875	+4,000
Unsubsidized guaranteed	7,384	40,166	40,166	+32,782	.....

Housing repair (sec. 504)	11,456	10,386	10,386	−1,070	.....
Rental housing (sec. 515)	56,202	48,274	48,274	−7,928	.....
Site loans (sec. 524)	.....	28	28	+28	.....
Multi-family housing guarantees (sec. 538)	1,517	3,921	3,921	+2,404	.....
Multi-family housing credit sales	872	750	750	−122	.....
Self-help housing land development fund	278	254	254	−24	.....
Total, Loan subsidies	248,692	243,887	247,887	−805	+4,000
RHIF administrative expenses (transfer to RD)	408,333	419,741	422,241	+13,908	+2,500
Rental assistance program:					
(Sec. 521)	672,604	687,604	702,604	+30,000	+15,000
(Sec. 502(c)(5)(D))	5,900	5,900	5,900	.....	.....
Total, Rental assistance program	678,504	693,504	708,504	+30,000	+15,000
Total, Rural Housing Insurance Fund	1,335,529	1,357,132	1,378,632	+43,103	+21,500
(Loan authorization)	(4,469,183)	(4,470,648)	(4,501,044)	(+31,861)	(+30,396)
Mutual and self-help housing grants	33,925	33,925	35,000	+1,075	+1,075
Rural housing assistance grants	43,903	38,914	38,914	−4,989	.....
Farm labor program account	29,934	28,431	28,431	−1,503	.....
Subtotal, grants and payments	107,762	101,270	102,345	−5,417	+1,075
Total, Rural Housing Service	1,443,291	1,458,402	1,480,977	+37,686	+22,575
(Loan authorization)	(4,469,183)	(4,470,648)	(4,501,044)	(+31,861)	(+30,396)
Rural Business-Cooperative Service:					
Rural Development Loan Fund Program Account:					
(Loan authorization)	(38,172)	(38,171)	(38,171)	(−1)	.....
Loan subsidy	19,433	16,494	16,494	−2,939	.....
Administrative expenses (transfer to RD)	3,632	3,733	3,733	+101	.....
Total, Rural Development Loan Fund	23,065	20,227	20,227	−2,838	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2001 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2002—Continued

[In thousands of dollars]

Item	2001 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or −)	
				2001 appropriation	Budget estimate
Rural Economic Development Loans Program Account:					
(Loan authorization)	(14,969)	(14,966)	(14,966)	(−3)	.....
Direct subsidy	3,902	3,616	3,616	−286	.....
Rural cooperative development grants	6,486	6,486	8,000	+1,514	+1,514
Rural empowerment zones and enterprise community grants	.....	14,967	14,967	+14,967	.....
Total, Rural Business-Cooperative Service	33,453	45,296	46,810	+13,357	+1,514
(Loan authorization)	(53,141)	(53,137)	(53,137)	(−4)	.....
Rural Utilities Service:					
Rural Electrification and Telecommunications Loans Program Account:					
Loan authorizations:					
Electric:					
Direct, 5 percent	(121,128)	(121,107)	(121,107)	(−21)	.....
Direct, Municipal rate	(294,358)	(294,358)	(500,000)	(+205,642)	(+205,642)
Direct, FFB	(1,600,000)	(1,600,000)	(2,600,000)	(+1,000,000)	(+1,000,000)
Direct, Treasury rate	(500,000)	(500,000)	(750,000)	(+250,000)	(+250,000)
Guaranteed electric	(100,000)	(100,000)	(100,000)	.....	.....
Subtotal	(2,615,486)	(2,615,465)	(4,071,107)	(+1,455,621)	(+1,455,642)
Telecommunications:					
Direct, 5 percent	(74,835)	(74,827)	(74,827)	(−8)	.....
Direct, Treasury rate	(300,000)	(300,000)	(300,000)	.....	.....
Direct, FFB	(120,000)	(120,000)	(120,000)	.....	.....

Subtotal	(494,835)	(494,827)	(494,827)	(−8)	.....
Total, Loan authorizations	(3,110,321)	(3,110,292)	(4,565,934)	(+1,455,613)	(+1,455,642)
Loan subsidies:					
Electric:					
Direct, 5 percent	12,064	3,609	3,609	−8,455	.....
Guaranteed electric	10	80	80	+70	.....
Direct, Municipal rate	20,458	.....	.....	−20,458	.....
Subtotal	32,532	3,689	3,689	−28,843	.....
Telecommunications:					
Direct, 5 percent	7,753	1,736	1,736	−6,017	.....
Direct, Treasury rate	.....	300	300	+300	.....
Subtotal	7,753	2,036	2,036	−5,717	.....
Total, Loan subsidies	40,285	5,725	5,725	−34,560	.....
RETLP administrative expenses (transfer to RD)	34,640	35,604	36,000	+1,360	+396
Total, Rural Electrification and Telecommunications Loans Program Account	74,925	41,329	41,725	−33,200	+396
(Loan authorization)	(3,110,321)	(3,110,292)	(4,565,934)	(+1,455,613)	(+1,455,642)
Rural Telephone Bank Program Account:					
(Loan authorization)	(174,615)	.....	(174,615)	.....	(+174,615)
Direct loan subsidy	2,584	.....	3,737	+1,153	+3,737
RTB administrative expenses (transfer to RD)	2,993	3,082	3,082	+89	.....
Total	5,577	3,082	6,819	+1,242	+3,737
High energy costs grants (by transfer)	.....	(24,000)	(24,000)	(+24,000)	.....
Distance learning and telemedicine program:					
Distance learning and telemedicine direct loan	(400,000)	(300,000)	(300,000)	(−100,000)	.....
Broadband telecommunications direct loans	.....	(100,000)	(100,000)	(+100,000)	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2001 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2002—Continued

[In thousands of dollars]

Item	2001 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or −)	
				2001 appropriation	Budget estimate
Grants/loans subsidy costs	26,941	26,941	51,941	+25,000	+25,000
Local Television loan program account:					
(Loan authorization)	.....	.....	(322,580)	(+322,580)	(+322,580)
Direct loan subsidy	.....	.....	25,000	+25,000	+25,000
LTLP administration expenses (transfer to RD)	.....	.....	2,000	+2,000	+2,000
Total, Rural Utilities Service	107,443	71,352	127,485	+20,042	+56,133
(Loan authorization)	(3,684,936)	(3,510,292)	(5,463,129)	(+1,778,193)	(+1,952,837)
Total, title III, Rural Economic and Community Development Programs	2,475,739	2,401,520	2,793,742	+318,003	+392,222
(By transfer)	(449,598)	(486,160)	(504,056)	(+54,458)	(+17,896)
(Loan authorization)	(8,207,260)	(8,034,077)	(10,017,310)	(+1,810,050)	(+1,983,233)
TITLE IV—DOMESTIC FOOD PROGRAMS					
Office of the Under Secretary for Food, Nutrition and Consumer Services	569	587	587	+18	.....
Food and Nutrition Service:					
Child nutrition programs	4,407,445	4,729,490	4,746,038	+338,593	+16,548
Transfer from section 32	5,127,579	5,357,256	5,340,708	+213,129	−16,548
Discretionary spending	6,486	2,000	500	−5,986	−1,500
Total, Child nutrition programs	9,541,510	10,088,746	10,087,246	+545,736	−1,500

Special supplemental nutrition program for women, infants, and children (WIC)	4,043,086	4,137,086	4,247,086	+204,000	+110,000
Food stamp program:					
Expenses	18,618,228	19,556,436	19,556,436	+938,208	.....
Reserve	100,000	1,000,000	100,000	.....	−900,000
Nutrition assistance for Puerto Rico	1,301,000	1,335,550	1,335,550	+34,550	.....
The emergency food assistance program	100,000	100,000	100,000	.....	.....
Total, Food stamp program	20,119,228	21,991,986	21,091,986	+972,758	−900,000
Commodity assistance program	139,991	139,991	139,991	.....	.....
Rescission	.....	−5,300	−5,300	−5,300	.....
Food donations programs:					
Needy family program	1,081	1,081	1,081	.....	.....
Elderly feeding program	149,668	149,668	149,668	.....	.....
Total, Food donations programs	150,749	150,749	150,749	.....	.....
Food program administration	116,550	125,546	127,546	+10,996	+2,000
Total, Food and Nutrition Service	34,111,114	36,628,804	35,839,304	+1,728,190	−789,500
Total, title IV, Domestic Food Programs	34,111,683	36,629,391	35,839,891	+1,728,208	−789,500
TITLE V—FOREIGN ASSISTANCE AND RELATED PROGRAMS					
Foreign Agricultural Service:					
Salaries and expenses, direct appropriation	115,170	121,563	121,563	+6,393	.....
(Transfer from export loans)	(3,224)	(3,224)	(3,224)	.....	.....
(Transfer from Public Law 480)	(1,033)	(1,033)	(1,033)	.....	.....
Total, Program level	(119,427)	(125,820)	(125,820)	(+6,393)	.....
Public Law 480 Program and Grant Accounts:					
Program account:					
Loan authorization, direct [2]	(159,327)	(139,399)	(159,327)	.....	(+19,928)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2001 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2002—Continued

[In thousands of dollars]

Item	2001 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or −)	
				2001 appropriation	Budget estimate
Loan subsidy	113,935	113,935	130,218	+16,283	+16,283
Ocean freight differential	20,277	20,277	20,277	.....	.....
Title II—Commodities for disposition abroad:					
Program level	(835,159)	(835,159)	(850,000)	(+14,841)	(+14,841)
Appropriation	835,159	835,159	850,000	+14,841	+14,841
Salaries and expenses:					
General Sales Manager (transfer to FAS)	1,033	1,033	1,033	.....	.....
Farm Service Agency (transfer to FSA)	813	972	972	+159	.....
Subtotal	1,846	2,005	2,005	+159	.....
Total, Public Law 480:					
Program level	(835,159)	(835,159)	(850,000)	(+14,841)	(+14,841)
Appropriation	971,217	971,376	1,002,500	+31,283	+31,124
CCC Export Loans Program Account (administrative expenses):					
Salaries and expenses (Export Loans):					
General Sales Manager (transfer to FAS)	3,224	3,224	3,224	.....	.....
Farm Service Agency (transfer to FSA)	588	790	790	+202	.....
Total, CCC Export Loans Program Account	3,812	4,014	4,014	+202	.....
Total, title V, Foreign Assistance and Related Programs	1,090,199	1,096,953	1,128,077	+37,878	+31,124
(By transfer)	(4,257)	(4,257)	(4,257)	.....	.....

TITLE VI—FOOD AND DRUG ADMINISTRATION AND RELATED AGENCIES					
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Food and Drug Administration					
Salaries and expenses, direct appropriation	1,066,173	1,173,673	1,182,670	+116,497	+8,997
Prescriptions drug user fee act—fee collections	(149,273)	(161,716)	(161,716)	(+12,443)	.....
Subtotal	(1,215,446)	(1,335,389)	(1,344,386)	(+128,940)	(+8,997)
Mammography clinics inspection fee collections	(15,128)	(15,590)	(15,590)	(+462)	.....
Export and certification fee collections	(5,992)	(6,181)	(6,181)	(+189)	.....
Limitation on payments to GSA	(104,736)	(105,116)	(105,116)	(+380)	.....
Drug reimportation	.....	2,950	.....	.....	−2,950
Buildings and facilities	31,281	34,281	34,281	+3,000	.....
Total, Food and Drug Administration	1,097,454	1,210,904	1,216,951	+119,497	+6,047
INDEPENDENT AGENCIES					
Commodity Futures Trading Commission	67,850	70,400	70,400	+2,550	.....
Farm Credit Administration (limitation on administrative expenses)	(36,719)	(36,700)	(36,700)	(−19)	.....
Total, title VI, Related Agencies and Food and Drug Administration	1,165,304	1,281,304	1,287,351	+122,047	+6,047
TITLE VII—GENERAL PROVISIONS					
Hunger fellowships (sec. 730)	1,996	1,996	1,996	.....	.....
National Sheep Industry Improvement Center revolving fund	5,000	.....	.....	−5,000	.....
FDA Drug reimportation (sec. 745)	22,949	.....	.....	−22,949	.....
Limit crop insurance education	.....	.....	.....	.....	.....
Mallard Pointe conservation	.....	.....	150	+150	+150
Jamestown conservation	.....	.....	450	+450	+450
Child and adult care feeding program	.....	.....	10,000	+10,000	+10,000
CCC Apple market loss	.....	.....	.....	.....	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2001 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2002—Continued

[In thousands of dollars]

Item	2001 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or −)	
				2001 appropriation	Budget estimate
Total, title VII, General provisions	29,945	1,996	12,596	−17,349	+10,600
TITLE VIII—FISCAL YEAR 2001					
NATURAL DISASTER ASSISTANCE AND OTHER					
EMERGENCY APPROPRIATIONS					
CHAPTER 1					
DEPARTMENT OF AGRICULTURE					
Office of the Chief Information Officer: Common computing environment (contingent emergency appropriations)	19,457			−19,457	
Departmental administration (contingent emergency appropriations)	200			−200	
Farm Service Agency					
Salaries and expenses (contingent emergency appropriations)	49,890			−49,890	
Emergency conservation program (contingent emergency appropriations)	79,824			−79,824	
Federal Crop Insurance Corporation					
Federal crop insurance corporation fund (emergency appropriations)	12,971			−12,971	
Natural Resources Conservation Service					
Watershed and flood prevention operations (contingent emergency appropriations)	109,758			−109,758	

Rural Development					
Rural community advancement program (contingent emergency appropriations)	199,560			−199,560	
Total, Department of Agriculture	471,660			−471,660	
General Provisions					
Conservation technical assistance (contingent emergency appropriations)	34,923			−34,923	
CCC Disease loss compensation (contingent emergency appropriations)	19,000			−19,000	
Dairy assistance (contingent emergency appropriations)	473,000			−473,000	
CCC Livestock assistance program (contingent emergency appropriations)	488,922			−488,922	
WRP Additional acreage enrollments (contingent emergency appropriations)	117,000			−117,000	
CCC Sheep loss assistance (contingent emergency appropriations)	2,395			−2,395	
CCC Citrus canker compensation (contingent emergency appropriations)	57,872			−57,872	
CCC Apple/potatoes market loss and quality (contingent emergency appropriations)	137,696			−137,696	
CCC Honey assistance (contingent emergency appropriations)	20,000			−20,000	
CCC Livestock indemnity program (contingent emergency appropriations)	9,978			−9,978	
CCC Wool/mohair assistance (contingent emergency appropriations)	19,956			−19,956	
CCC Crop loss disaster assistance (contingent emergency appropriations)	1,622,000			−1,622,000	
CCC Cranberry assistance (contingent emergency appropriations)	19,956			−19,956	
Shared appreciation loan arrangements (contingent emergency appropriations)	2,000			−2,000	
SC grain dealer's guarantee fund (contingent emergency appropriations)	2,495			−2,495	
Puerto Rico food stamp block grant	−5,000			+5,000	
Hawaii sugar transportation cost assistance (contingent emergency appropriations)	7,184			−7,184	
Rural development cooperative grants (contingent emergency appropriations)	9,978			−9,978	
Business and industry loans:					
(Loan authorization)	(1,160,232)			(−1,160,232)	
Loan subsidy (contingent emergency appropriations)	9,978			−9,978	
CCC Tobacco quota compensation (contingent emergency appropriations)	3,000			−3,000	
CCC Cooperative assistance (contingent emergency appropriations)	19,956			−19,956	
CCC Burley tobacco (contingent emergency appropriations)	50,000			−50,000	
CCC LDP delinquent borrower (contingent emergency appropriations)	5,000			−5,000	

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2001 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2002—Continued

[In thousands of dollars]

Item	2001 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or −)	
				2001 appropriation	Budget estimate
Food stamp excess shelter allowance (contingent emergency appropriations)	15,000			−15,000	
Food stamp vehicle allowance (contingent emergency appropriations)	25,000			−25,000	
Total, General Provisions	3,167,289			−3,167,289	
Total, title VIII, FISCAL YEAR 2001	3,638,949			−3,638,949	
TITLE X—ANTI-DUMPING					
Anti-dumping	39,912			−39,912	
Grand total:					
New budget (obligational) authority	76,673,187	73,976,108	73,897,995	−2,775,192	−78,113
Appropriations	(73,029,238)	(73,981,408)	(73,903,295)	(+874,057)	(−78,113)
Rescission		(−5,300)	(−5,300)	(−5,300)	
Emergency appropriations	(12,971)			(−12,971)	
Contingent emergency appropriations	(3,630,978)			(−3,630,978)	
(By transfer)	(719,987)	(764,774)	(782,670)	(+62,683)	(+17,896)
(Loan authorization)	(11,456,803)	(12,028,476)	(14,067,332)	(+2,610,529)	(+2,038,856)
(Limitation on administrative expenses)	(144,778)	(144,759)	(144,759)	(−19)	
RECAPITULATION					
Title I—Agricultural programs	33,249,900	31,636,339	31,855,922	−1,393,978	+219,583
Title II—Conservation programs	871,556	928,605	980,416	+108,860	+51,811
Title III—Rural economic and community development programs	2,475,739	2,401,520	2,793,742	+318,003	+392,222

Title IV—Domestic food programs	34,111,683	36,629,391	35,839,891	+1,728,208	−789,500
Title V—Foreign assistance and related programs	1,090,199	1,096,953	1,128,077	+37,878	+31,124
Title VI—Related agencies and Food and Drug Administration	1,165,304	1,281,304	1,287,351	+122,047	+6,047
Title VII—General provisions	29,945	1,996	12,596	−17,349	+10,600
Title VIII, fiscal year 2001	3,638,949	.....	.....	−3,638,949	.....
Title X, Anti-dumping	39,912	.....	.....	−39,912	.....
Total, new budget (obligational) authority	76,673,187	73,976,108	73,897,995	−2,775,192	−78,113

[1] In addition to appropriation.
[2] Public Law 480 program level of $159,676,000 for fiscal year 2002 combines direct loan level and ocean freight differential.

○