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AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG
ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL, 2000

—————
JUNE 17, 1999.—Ordered to be printed
—————

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

REPORT

[To accompany S. 1233]

The Committee on Appropriations reports the bill (S. 1233) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2000, and for other purposes, reports favorably thereon and recommends that the bill do pass.

Total obligational authority, fiscal year 2000

Amount of bill as reported to the Senate	\$60,710,118,000
Amount of 1999 appropriations acts to date	¹ 54,510,359,000
Amount of estimates, 2000	² 66,883,182,000
The bill as recommended to the Senate:	
Over the appropriations provided in 1999	+ 6,199,759,000
Under the estimates for 2000	- 6,173,064,000

¹ Includes \$1,250,000,000 rescission and excludes emergency appropriations.

² Includes fiscal year 2001 advance appropriations totaling \$5,000,000,000.

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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.

	1999 ¹	2000 Committee recommendation
Title I: Agricultural programs	\$14,481,998,000	\$20,000,476,000
Title II: Conservation programs	793,072,000	808,072,000
Title III: Rural economic and community development programs	2,175,234,000	2,184,449,000
Title IV: Domestic food programs	34,817,199,000	35,546,075,000
Title V: Foreign assistance and related programs	1,196,718,000	1,062,908,000
Title VI: Related agencies	1,046,138,000	1,104,888,000
Title VII: General provisions .....	.....	3,250,000
Total, new budget (obligational) authority	54,510,359,000	60,710,118,000

¹Excludes emergency appropriations of \$6,639,751,000 and \$22,466,000 rescission of emergency funds (Public Laws 105-277 and 106-31). Includes \$1,250,000,000 Food Stamp Program rescission (Public Law 106-31).

COMPLIANCE WITH SECTION 308(a) OF THE BUDGET CONTROL ACT

Section 308(a) of the Budget Control Act (Public Law 93-344) requires that this Committee include in its report specific budgetary information on the status of recommended appropriations relative to the First Concurrent Resolution. The following table provides this data:

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 2000: Subcommittee on Agriculture, Rural Development, and Related Agencies:				
General purpose discretionary	13,983	13,983	14,254	¹ 14,254
Violent crime reduction fund .....	.....	.....	.....	.....
Mandatory	50,295	47,063	33,088	32,467
Projections of outlays associated with the recommendation:				
2000 .....	.....	.....	.....	² 40,763
2001 .....	.....	.....	.....	4,159
2002 .....	.....	.....	.....	595
2003 .....	.....	.....	.....	343
2004 and future years .....	.....	.....	.....	492
Financial assistance to State and local governments for 2000	NA	18,341	NA	15,542

¹ Includes outlays from prior-year budget authority.

² Excludes outlays from prior-year budget authority.

NA: Not applicable.

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 programs; rural economic and community development activities 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]. It also provides money to the Department of the Treasury for payments to the Farm Credit System Financial Assistance Corporation.

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.

The Committee also 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.

FOOD SAFETY

For fiscal year 2000, the Committee recommends \$320,633,000, an increase of \$45,886,000 from the fiscal year 1999 level for United States Department of Agriculture and Food and Drug Administration activities included in the President's Food Safety Initiative. The Food Safety Initiative includes those activities identified in the May 1997 report to the President entitled: "Food Safety from Farm-to-Table: A National Food Safety Initiative." It does not include other federal food safety programs and activities, federal meat and poultry inspection being a notable example. The increases recommended by the Committee for the President's Food Safety Initiative, by agency, are as follows:

- \$10,000,000 for the Agricultural Research Service;
- \$2,635,000 for the Cooperative State Research, Education, and Extension Service;
- \$453,000 for the Economic Research Service;

- \$2,500,000 for the National Agricultural Statistics Service;
- \$2,398,000 for the Agricultural Marketing Service;
- \$2,900,000 for the Food Safety and Inspection Service; and
- \$25,000,000 for the Food and Drug Administration.

The United States continues to have one of the safest food supplies in the world. These additional measures are intended to increase the protection of the American public through the implementation of science-based food inspection systems and other technologies to control and detect food safety hazards, additional research, education on food safety procedures and safe food handling, enhanced public health surveillance, and a faster, more efficient response to incidences of foodborne illness.

At the same time, however, the Committee believes that it is equally important for the Secretary of Agriculture and the Commissioner of the Food and Drug Administration to reassure the public about the safety of our food supply and to educate the American public on the safety, effectiveness, and consumer benefits of practices and processes used in food production. The Committee directs the Secretary of Agriculture and the Commissioner of the Food and Drug Administration to develop a plan of action to achieve this goal and to submit this plan, identifying those activities underway or proposed to be undertaken, to the Committee by December 1, 1999.

Food recalls

The Committee believes that agencies with jurisdiction over meat, poultry and food products should, to the extent practicable, have consistent recall protocols. Both the Food and Drug Administration (FDA) and the Food Safety and Inspection Service (FSIS) have established recall coordinators to implement the agencies' respective protocol. The Committee expects the FDA and the FSIS each to provide to the Committee a report detailing the operations of its recall coordinator. The report should include descriptions of the coordinator's authorities, operating procedures, and budget and descriptions of actions taken during recent recalls handled by each. The Committee expects this report to be provided to the Committee by January 30, 2000.

Food irradiation

The Committee supports the use of new technology and innovative methods to improve the safety of the nation's food supply. Among these new tools is the use of irradiation in both meat and poultry and processed foods. The Committee is concerned that the Food Safety and Inspection Service and the Food and Drug Administration have not completed their December 1995 proposals for harmonizing and improving the efficiency of procedures used by the agencies for reviewing and approving the use of substances, including irradiation, in meat and poultry products. In addition, the Committee urges the Secretary of Agriculture to finalize and fully implement its proposed rule to allow the use of irradiation on meat.

Antibiotic resistance in livestock

A General Accounting Office (GAO) report to Congress in April 1999 reflects the difference of opinion between the United States Department of Agriculture and the Department of Health and

Human Services about the potential risks associated with the use of human antibiotics in animals and to what extent on-farm antibiotic use contributes to resistance in humans. Accordingly, the Committee directs the Secretary of Health and Human Services to implement the GAO report's recommendation and develop a strategy, including a proposed timetable and budget to conduct an assessment of the risk to human health from antimicrobial resistance in foodborne pathogens resulting from on-farm antibiotic use. The Secretary should consult with all stakeholders in designing the assessment and should also detail how the result of the risk assessment will be incorporated into regulations governing the approval of on-farm antibiotics. Furthermore, the Committee directs the USDA to submit a report on the status of its research on the effectiveness of the use of growth promoting antibiotics in animals that may compromise human therapies and on alternatives to this practice.

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, 1999	¹ \$2,836,000
Budget estimate, 2000	2,942,000
Committee recommendation	2,836,000

¹Excludes \$250,000 emergency appropriation provided by Public Law 105-277 to support mandatory price reporting pilot investigation.

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 \$2,836,000. This amount is \$106,000 less than the budget request and the same as the 1999 appropriation.

“InfoShare” funds.—In the Fiscal Year 1996 Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act (Public Law 104-37), \$7,500,000 of the amount requested by the President was made available for “InfoShare”, the Department’s project to integrate information systems and business processes to improve service delivery to customers of farm service and rural development agencies. These funds were made available until expended. The Committee notes that only a portion of these funds have been obligated, and an estimated \$4,300,000 of these funds will remain unobligated at the end of fiscal year 1999. Due to budgetary constraints, the Committee is unable to provide the requested program funding increases to meet the Department’s USDA Service Center modernization and other information technology requirements. The Committee suggests that during fiscal year 2000, to the extent feasible, the Secretary use unobligated “InfoShare” balances to fund the highest priority information technology needs of the Department, with the prior approval of the House and Senate Committees on Appropriations.

Markets for U.S. Agriculture.—The Committee believes that a strong agricultural economy is dependent on open and fairly structured markets both at home and abroad. While downturns in foreign economies, and the effect of those downturns on U.S. commodity prices, are outside the scope of USDA policy or involvement, there remain many elements in the arena of foreign trade which are inherently unfair to U.S. producers and exporters and the Committee strongly urges the Secretary, in conjunction with other parts of government, to act on behalf and in the best interest of U.S. agriculture in opening and maintaining fair marketplaces abroad for U.S. commodities. Similarly, the Committee encourages the Secretary to utilize existing authorities to examine domestic markets to ensure price transparency and to avoid undue concentration of market power in any segment of the U.S. agriculture industry.

Conservation partnerships.—The Committee encourages the Natural Resources Conservation Service, Farm Service Agency and other related agencies to work with the National Fish and Wildlife Foundation to develop partnerships to restore and enhance natural resources on land used for agricultural purposes as provided in the conservation title of the Federal Agriculture and Improvement Reform Act of 1996 (FAIR).

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.

Codex Alimentarius.—The Committee supports the activities of the U.S. office to implement Codex Alimentarius (Codex). The Food Safety and Inspection Service has had primary responsibility for the Codex activities of the Department, but other USDA agencies have shared in Codex activities and costs. The Committee urges the Secretary to provide at least \$3,200,000 for Codex activities for fiscal year 2000. Further, the Committee expects the Department to submit a budget request for Codex activities for fiscal year 2001.

Commissions.—Within the limitation on funding to cover necessary expenses of activities related to advisory committees, panels, commissions, and task forces of the Department of Agriculture, the Committee expects funding for the Commission on 21st Century Production Agriculture and the National Drought Policy Commission each to be maintained at the fiscal year 1999 level. The Committee encourages the National Drought Policy Commission, created in July, 1998, to expedite its work to develop recommendations for a coordinated preparedness and response to drought emergencies.

Migrant housing.—The Committee is concerned about the availability of migrant farm worker housing, particularly in areas with short harvest seasons. The Committee requests that the Department, along with input from growers, migrant farm worker groups, and nonprofit housing organizations, examine alternative construction technologies to address the lack of proper farm worker housing. The Committee directs the Department to report these findings to the Committee by February 1, 2000.

Environmental Quality Incentives Program.—The Committee encourages the agency to allocate Environmental Quality Incentives Program (EQIP) funds to all eligible livestock producers on an equitable basis.

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, 1999	¹ \$5,620,000
Budget estimate, 2000	6,622,000
Committee recommendation	6,411,000

¹Does not reflect \$791,000 for the transfer of the Office of Energy from the Economic Research Service.

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 \$6,411,000. This amount is \$211,000 less than the budget request and \$791,000 more than the 1999 appropriation. Included in the Committee's recommendation is \$791,000 associated with the transfer in fiscal year 1999 of the Office of Energy Policy and New Uses functions to this account from the Economic Research Service pursuant to the Secretary's reorganization authority.

NATIONAL APPEALS DIVISION

Appropriations, 1999	\$11,718,000
Budget estimate, 2000	12,699,000
Committee recommendation	11,718,000

The National Appeals Division conducts administrative hearings and reviews of adverse program decisions made by the rural devel-

opment 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 \$11,718,000. This amount is \$981,000 less than the budget request and the same as the 1999 appropriation.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

Appropriations, 1999	\$6,120,000
Budget estimate, 2000	6,583,000
Committee recommendation	6,583,000

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; 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 \$6,583,000. This amount is \$463,000 more than the 1999 appropriation and the same as the budget request.

OFFICE OF THE CHIEF INFORMATION OFFICER

Appropriations, 1999 ¹	\$5,551,000
Budget estimate, 2000	7,998,000
Committee recommendation	5,551,000

¹Excludes total emergency funding of \$46,168,420 transferred from the Information Technology Systems and Related Expenses Account for Year 2000 (Y2K) compliance pursuant to Public Law 105-277.

The Clinger-Cohen Act of 1996 required the establishment of a Chief Information Officer for major Federal agencies. The Office of the Chief Information Officer was established in August 1996, pursuant to the Clinger-Cohen Act of 1996, to provide policy guidance, leadership, coordination, and direction to the Department's information management and information technology investment activities in support of USDA program delivery. The Office provides long-range planning guidance, implements measures to ensure that technology investments are economical and effective, coordinates interagency information resources management projects, and implements standards to promote information exchange and technical interoperability. 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 \$5,551,000 for the Office of the Chief Information Officer. This amount is \$2,447,000 less than the budget request and the same as the 1999 appropriation. Due to budgetary constraints, the Committee is unable to provide any of the increases in funding requested for this Office.

The President’s budget for the Office of the Chief Information Officer requests program funding increases totaling \$2,250,000 for various activities related to information technology. Under the “Office of the Secretary” account, the Committee suggests that unobligated funds made available to the Office of the Secretary in fiscal year 1996 for “InfoShare” be used, to the extent feasible, to meet high priority USDA Service Center and other information technology requirements. Requested program increases for the Office of the Chief Information Officer may be determined by the Secretary to qualify for the use of these funds.

OFFICE OF THE CHIEF FINANCIAL OFFICER

Appropriations, 1999	\$4,283,000
Budget estimate, 2000	6,288,000
Committee recommendation	5,283,000

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 \$5,283,000. This amount is \$1,005,000 less than the budget request and \$1,000,000 more than the 1999 appropriation.

The Committee provides \$1,000,000 of the \$2,005,000 increase requested to restore USDA financial credibility and accountability. The Committee also includes language in the bill directing the Chief Financial Officer to actively market cross-servicing activities of the National Finance Center.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

Appropriations, 1999	\$613,000
Budget estimate, 2000	636,000
Committee recommendation	613,000

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 \$613,000. This amount is the same as the 1999 level and \$23,000 less than the budget request.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

Appropriations, 1999	\$137,184,000
Budget estimate, 2000	166,364,000
Committee recommendation	145,364,000

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.

Agency budget estimates for rent are based on GSA's projection of what it will charge the Agency in a given budget year. GSA sets rates according to the market value of property or space occupied, and independent of any agency input. Rent receipts are placed in a fund used by GSA in the management of its real property operations. All Federal Government agencies utilizing Government-owned or leased property pay into this fund, which provides GSA with a pool of capital to support overall Government space needs. In effect, agencies are paying prevailing commercial rental rates in order to subsidize the inflated cost of new construction and newly leased space, and to provide for vacant space in GSA's inventory.

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 area. In 1995, USDA initiated a plan to improve the delivery of USDA programs to the American people, including streamlining the USDA organization. A high-priority goal in the Secretary's plan is to improve the operation and effectiveness of the USDA headquarters in Washington. To implement this goal, a strategy for efficient 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. Occupancy by USDA agencies began in fiscal year 1998 and will be completed in fiscal year 1999.

COMMITTEE RECOMMENDATIONS

For U.S. Department of Agriculture buildings and facilities and payments for the rental of space and related services, the Committee recommends \$145,364,000. This amount is \$21,000,000 less than the budget request and \$8,180,000 more than the 1999 appropriation.

The following table reflects the Committee's specific recommendations for this account as compared to the fiscal year 1999 and budget request levels:

	1999 estimate	2000 budget request	Committee recommendation
Rental Payments	\$108,057,000	\$115,542,000	\$115,542,000
Building Operations	24,127,000	24,822,000	24,822,000
Strategic Space Plan	5,000,000	26,000,000	5,000,000
Total	137,184,000	166,364,000	145,364,000

HAZARDOUS WASTE MANAGEMENT

Appropriations, 1999	\$15,700,000
Budget estimate, 2000	22,700,000
Committee recommendation	15,700,000

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 waste as private businesses. The Department is required to contain, clean up, monitor, and inspect for hazardous waste in areas under the Department's jurisdiction.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$15,700,000 for hazardous waste management. This amount is the same as the 1999 appropriation and \$7,000,000 less than the budget request.

DEPARTMENTAL ADMINISTRATION

Appropriations, 1999	\$32,168,000
Budget estimate, 2000	36,117,000
Committee recommendation	34,738,000

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, judicial officer, and Board of Contract Appeals.

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 \$34,738,000. This amount is \$2,570,000 more than the 1999 appropriation and \$1,379,000 less than the budget estimate.

The Committee recommendation includes the increases requested in the President's budget of \$1,639,000 and 17 staff years for the Office of Civil Rights, and \$931,000 and 11 staff years for the Office of Outreach to continue to implement recommendations from the Civil Rights Action Team report, the National Commission on Small Farms report, and to carry out other responsibilities of the office.

OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS

Appropriations, 1999	\$3,000,000
Budget estimate, 2000	10,000,000
Committee recommendation	3,000,000

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 \$3,000,000. This amount is the same as the 1999 level and \$7,000,000 less than the budget request.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL
RELATIONS

Appropriations, 1999	\$3,668,000
Budget estimate, 2000	3,805,000
Committee recommendation	3,668,000

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 \$3,668,000. This amount is the same as the 1999 level and \$137,000 less than the budget estimate.

The Committee provides that not less than \$2,241,000 shall be transferred to agencies funded by this act to support congressional relations' activities at the agency level. The table below indicates the specific amounts provided by the Committee for each agency, as compared to the fiscal year 1999 and budget request levels.

[In thousands of dollars]

	Fiscal year—		Committee recommenda- tion
	1999	2000 estimate	
Headquarters activities	957	992	957
Intergovernmental affairs	470	488	470
Subtotal	1,427	1,480	1,427
Agricultural Marketing Service	176	183	176
Agricultural Research Service	129	133	129
Animal and Plant Health Inspection Service	101	105	101
Cooperative State Research, Education, and Extension Service ..	120	125	120
Farm Service Agency	355	368	355
Food and Nutrition Service	270	281	270
Food Safety and Inspection Service	309	321	309
Foreign Agricultural Service	183	191	183
Natural Resources Conservation Service	148	153	148
Risk Management Agency	109	116	109
Rural Business-Cooperative Service	52	54	52
Rural Housing Service	147	149	147
Rural Utilities Service	142	146	142
Subtotal	2,241	2,325	2,241
Total	3,668	3,805	3,668

OFFICE OF COMMUNICATIONS

Appropriations, 1999	\$8,138,000
Budget estimate, 2000	9,300,000
Committee recommendation	8,138,000

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 \$8,138,000. This amount is the same as the 1999 appropriation and \$1,162,000 less than the budget request.

OFFICE OF THE INSPECTOR GENERAL

Appropriations, 1999	\$65,128,000
Budget estimate, 2000	68,246,000
Committee recommendation	65,128,000

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 the 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, 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 the Inspector General, the Committee recommends an appropriation of \$65,128,000. This is \$3,118,000 less than the budget request and the same as the 1999 appropriation.

OFFICE OF THE GENERAL COUNSEL

Appropriations, 1999	\$29,194,000
Budget estimate, 2000	32,675,000
Committee recommendation	30,094,000

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 pro-

mulgation 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; and in proceedings before the Interstate Commerce Commission involving freight rates and practices relating to farm commodities, including appeals from and decisions of the Commission to the courts. 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 \$30,094,000. This amount is \$2,581,000 less than the budget request and \$900,000 more than the 1999 appropriation. Included in the Committee's recommendation is \$900,000 of the increase requested in the budget for enhanced legal services.

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

Appropriations, 1999	\$540,000
Budget estimate, 2000	2,061,000
Committee recommendation	540,000

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 \$540,000. This amount is \$1,521,000 less than the budget request and the same as the 1999 level.

ECONOMIC RESEARCH SERVICE

Appropriations, 1999	¹ \$65,757,000
Budget estimate, 2000	55,628,000
Committee recommendation	65,419,000

¹Of this amount, \$791,000 for the Office of Energy was transferred to the Office of the Chief Economist pursuant to the Secretary's reorganization authority; and \$2,000,000 was transferred to "Food and Nutrition Service, Food Program Administration" for studies and evaluations pursuant to Public Law 105-277.

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 \$65,419,000. This amount is \$9,791,000 more than the budget request and \$338,000 less than the 1999 appropriation.

The Committee's recommendation includes a decrease of \$791,000 reflecting the transfer in fiscal year 1999 of the Office of Energy and New Uses functions to the Office of the Chief Economist pursuant to the Secretary's reorganization authority. It includes the increase of \$453,000 requested in the budget to provide economic analysis in food safety risk management. The Committee also provides continued funding at the fiscal year 1999 level of \$12,195,000 for USDA food assistance program studies and evaluations. Of this amount, \$2,000,000 is transferred to the Food and Nutrition Service to conduct programmatic evaluations and analyses.

NATIONAL AGRICULTURAL STATISTICS SERVICE

Appropriations, 1999	\$103,964,000
Budget estimate, 2000	100,559,000
Committee recommendation	99,355,000

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 2000 budget estimate includes funding for the census of agriculture which was transferred from the Department of Commerce to the Department of Agriculture in fiscal year 1997 to consolidate 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 \$99,355,000. This amount is \$4,609,000 less than the 1999 appropriation and \$1,204,000 less than the budget estimate.

The Committee's recommendation includes \$16,490,000 for the Census of Agriculture, which is the same as the budget request. This is a decrease of \$7,109,000 from the fiscal year 1999 level due

to the decreased requirements of the census of agriculture, which takes place every 5 years.

The Committee has provided an additional \$2,500,000 for the initiation of a fruit and vegetable food safety survey. This amount represents the full amount requested for the NASS component of the President's food safety initiative.

With the implementation of the Food Quality Protection Act and the associated requirements for chemical risk assessments, the importance of accurate chemical usage data has become even more critical to the agricultural industry and to those tasked with evaluating pesticides, setting safe pesticide residue standards, and determining exposure risks. Currently, pesticide usage statistics are not collected for all sectors of agriculture. Unfortunately, in the absence of accurate data on actual chemical use, Environmental Protection Agency [EPA] scientists conducting risk assessments must use a worst-case assumption. The Committee expects NASS, to the extent practicable, to discontinue low-priority activities so that it can expand pesticide use surveys. The Committee expects that the data gathered by the NASS surveys will be used by the EPA as its basis for risk assessments.

AGRICULTURAL RESEARCH SERVICE

Appropriations, 1999	¹ \$785,518,000
Budget estimate, 2000	836,868,000
Committee recommendation	809,499,000

¹Excludes \$534,000 in emergency supplemental appropriations and \$4,500,000 transferred from the Office of National Drug Control Policy for counter-narcotics research pursuant to Public Law 105-277.

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 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 improve the Nation's environment; (2) provide an adequate supply of agricultural products by observing practices that will maintain a permanent and effective agriculture; (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 \$809,499,000. This is \$23,981,000 more than the 1999 level and \$27,369,000 less than the budget request.

Of the increases requested in the budget, the Committee provides \$10,000,000 for food safety research; \$4,725,000 for emerging diseases and exotic pests; \$1,500,000 for sustainable ecosystems; \$1,100,000 for global climate change; \$2,300,000 for agricultural genome; \$300,000 for integrated pest management; and \$1,500,000 for human nutrition.

These additional funds are to be allocated for existing or planned research, as follows:

Food Safety.—Manure handling and distribution: Ames, IA (\$300,000), Mississippi State, MS (\$500,000), Clay Center, NE (\$250,000), Lincoln, NE (\$250,000), Bushland, TX (\$250,000), Phoenix, AZ (\$250,000); risk assessment: Athens, GA (\$450,000), West Lafayette, IN (\$250,000), Clay Center, NE (\$500,000), Beltsville, MD (\$500,000); preharvest antibiotic resistance: Athens, GA (\$450,000), Ames, IA (\$450,000), College Station, TX (\$500,000); fungal toxins: Athens, GA (\$250,000); food safety engineering: West Lafayette, IN (\$500,000); hyperspectral imaging: Stennis Space Center, MS (\$500,000); zoonotic disease risk: Fayetteville, AR (\$250,000); listeriosis/sheep scrapie/ovine progressive pneumonia virus: Pullman, WA (\$600,000); pathogen control during slaughter/processing: Athens, GA (\$500,000); pathogen control in fruits/vegetables: Beltsville, MD (\$500,000), Wyndmoor, PA (\$500,000), Albany, CA (\$500,000); postharvest antimicrobial resistance: Wyndmoor, PA (\$500,000), Peoria, IL (\$500,000).

Emerging Diseases and Exotic Pests.—Fusarium head blight: Madison, WI (\$300,000), Raleigh, NC (\$75,000), consortium of land grant universities (\$1,800,000); aflatoxin: Stoneville, MS (\$500,000), Phoenix, AZ (\$300,000); noxious weeds: Burns, OR (\$300,000); cereal rust research: St. Paul, MN (\$300,000); emerging diseases: Ft. Pierce, FL (\$300,000); reniform nematode: Stoneville, MS (\$500,000); avian pneumovirus: Athens, GA (\$250,000); poult enteritis mortality syndrome: Athens, GA (\$100,000).

Sustainable ecosystems.—Eutrophication/hypoxia: Watkinsville, GA (\$250,000), University Park, PA (\$250,000); biologically-based IPM for invasive weeds and pests: Logan, UT (\$250,000), Kearneysville, WV (\$250,000); predict ecological impacts: Lubbock, TX (\$250,000), El Reno, OK (\$250,000).

Global Climate Change.—Carbon cycle research: Mandan, ND (\$300,000), Morris, MN (\$300,000), Auburn, AL (\$500,000).

Agricultural genome.—Plant Genetics: Columbia, MO (\$300,000); National Plant Germplasm System: Columbia, MO (\$300,000),

Beltsville, MD (\$300,000), Albany, CA (\$300,000), Ames, IA (\$300,000), Pullman, WA (\$300,000), Ithaca, NY (\$250,000); Ft. Collins, CO (\$250,000).

Integrated pest management.—IPM for fruits and vegetables: Ft. Pierce, FL (\$300,000).

Human nutrition.—\$1,500,000, to be evenly distributed among the six nutrition centers located at Grand Forks, ND; Beltsville, MD; Davis, CA; Little Rock, AR; Houston, TX; and Boston, MA.

The Committee recommendation includes \$7,314,500 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, as requested in the budget.

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:

Animal disease research.—Included in the additional funds recommended for food safety research is an increase of \$600,000 for research on listeriosis, sheep scrapie and ovine progressive pneumonia virus (OPPV). These funds are to be shared equally by the USDA-ARS Animal Disease Research Unit in Pullman, WA, and the USDA-ARS Sheep Experiment Station in Dubois, ID.

Appalachian Farming Systems Research Center.—The Committee provides an increase of \$1,000,000 to establish a consortium for 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 its research toward funding 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.

The Committee is aware of the growing importance of the U.S. aquaculture and the continuing need for research in production efficiency, systems, nutrition, water quality, genetics, disease, and post-harvest technology issues. In Senate Report 104-317, accompanying the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act for Fiscal Year 1997, the Committee directed the ARS to submit a report to the Committee which inventoried the operations, facilities, and personnel support at each ARS location where warmwater aquaculture research is conducted. The Committee directs ARS to update that report and to expand it to include all aquaculture research currently being conducted by the agency. The report should again inventory the operations, facilities, and personnel support at each ARS location where aquaculture research is conducted. It should also address the agency's current capacity and requirements for additional resources to meet future needs and issues confronting the Nation's aquaculture farmers, industry, and consumers; the impact on the domestic economy and trade balance; environmental requirements of existing and expanded growth in the industry; food safety issues; and opportunities in rural America and small-scale farming. This report is to be submitted to the Committee no later than January 31, 2000.

Asian bird influenza.—With encouragement from the Committee, ARS scientists at Athens, GA, have begun to 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 initial surveillance efforts between ARS and the University of Alaska have resulted in positive isolations of Avian influenza strains from a collaborative effort screening wild Alaska birds. Likewise, the ARS and University of Georgia surveillance efforts have resulted in 33 avian influenza isolates from mallard ducks and coots. With the upcoming addition of an ARS headquarters-provided ABI 3700 automated gene sequencer and robotics, the ARS laboratory in Athens now has an increased capacity to process very large numbers of samples. The Committee provides an increase of \$300,000 from the fiscal year 1999 level for ARS to continue to collaborate with the University of Alaska and the University of Georgia to further develop and assess these baseline data, specifically through increasing the number and diversity of wild bird samples obtained and analyzed.

Asian Longhorned Beetle.—The Committee directs the ARS to work with the University of Vermont to develop non-chemical controls for the Asian Longhorned Beetle.

Avian Pneumovirus.—The Committee notes the losses to turkey producers due to the spread of avian pneumovirus and includes in the increased funding recommended for emerging diseases and exotic pests \$250,000 for research related to this disease.

Barley research, Pullman, WA.—The Committee recognizes the important research conducted at the Pullman 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 1999 funding level for research on barley stripe rust.

Biological control research.—The Committee has been impressed by results of the various approaches which have been taken by the Mid South Regional Research Center in the area of biological controls of cotton insect pests. The economic and environmental benefits of this research could eventually reduce the vulnerability of crops to major insect pests and create alternatives to traditional crop protection methods. The Committee continues funding for this project at the fiscal year 1999 and budget request levels.

Biomedical materials in plants.—The Committee provides an increase of \$500,000 from the fiscal year 1999 level 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 the same levels as fiscal year 1999.

Brown Citrus Aphid.—The Brown Citrus Aphid transmits the Citrus Tristeza virus. In addition to extensive damages to Florida citrus, the virus debilitates crops in Texas, California and Arizona. Last year, the ARS submitted a report to the Congress outlining a comprehensive control strategy for this critical citrus disease complex. The Committee provides continued funding at the fiscal year 1999 level for highly important research on citrus virus.

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 provides an increase of \$300,000 from the fiscal year 1999 level for research on shellfish safety and methods of decreasing risks to consumers.

Cereal Crops Research Unit, Madison, WI.—The Committee supports the work of the twelve-state consortium to control fusarium head blight and includes in the increased funding provided for emerging diseases and exotic pests an increase of \$300,000 for the Cereal Crops Research Unit [CCRU] at Madison, WI, to address problems related to the barley industry. The Committee expects the CCRU to continue work to improve the barley industry's quality evaluation capacity.

Club wheat breeding.—The Committee provides continued funding at the fiscal year 1999 level for the ARS Pacific Northwest Club Wheat Breeding Program.

Cotton genetics.—The Committee recognizes the urgency to develop high-yielding cotton germplasm and continues support for the cotton genetics program at the Mid South Regional Research Center at the fiscal year 1999 level.

Cotton ginning laboratories.—The Committee continues funding at the fiscal year 1999 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 recommends funding at the budget request level for this research.

Endophyte.—For the center of excellence in endophyte/grass research operated cooperatively by the University of Missouri and the University of Arkansas, the Committee recommends continued funding at the fiscal year 1999 level. The purpose of this research is to enhance the sustainability of fescue-based beef production and to develop innovative applications of endophyte in improving stress resistance in other forage, turf, and grain crop species.

Fish Diseases.—The Committee notes the important work on fish diseases and the significant accomplishments attained as a result of the research carried out at the ARS Auburn Fish Disease Laboratory. The Committee provides an increase of \$600,000 from the fiscal year 1999 level for greatly needed scientific and technical support and equipment essential to the expanding workload at this laboratory.

Floriculture and nursery research.—The Committee provides the fiscal year 1999 level of funding for the ARS floriculture (environmental horticulture) and nursery research program. The Committee believes that this program should be conducted at the Northwest Nursery Crops Research Center (NWNRC) in Corvallis, Oregon. Nursery and greenhouse products rank number one in Oregon and the NWNRC is best suited to conduct floriculture and nursery research.

Fruit fly.—The Committee provides continued funding at the fiscal year 1999 level of \$278,200 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.

The Committee also supports continued funding by the ARS to provide \$293,000 to the University of Hawaii College of Tropical Agriculture and Human Resources to develop and implement a program to address control of the papaya ringspot virus; and \$293,000 to establish nematode resistance in commercial pineapple cultivars. The Committee views the nematode and ringspot virus activities as supportive of a national agricultural research agenda and that of 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. The Committee provides funding at the budget request levels for the Yakima and Wenatchee ARS facilities.

Grain legume research.—The Committee acknowledges the importance of a grain legume genetics research position at Washington State University in Pullman, WA, and continues funding at the fiscal year 1999 level to support this position. This research will focus on approaches to increase surface crop residues and on methods to overcome disease and insect problems in grain legumes.

Grain sorghum ergot.—Sorghum ergot was found in the United States for the first time during 1997. High Plains Virus is a new pathogen attacking corn, sorghum and wheat in the central Great Plains. Gray leaf spot has been a serious disease of corn during the past three years. The Committee provides the fiscal year 1999 level of funding for the grain sorghum pathology program at the ARS Wheat, Sorghum and Forages Research Unit in Lincoln, NE. This is the only grain sorghum virus effort within ARS for the study of sorghum ergot, High Plains Virus, and gray leaf spot in the central Great Plains.

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 1999 level.

Hawaii Biological Survey.—The Committee encourages the ARS to collaborate with the Hawaii Biological Survey at the Bishop Museum in Hawaii on alien pest prevention and control activities.

Hawaii Agriculture Research Center.—The Committee provides \$936,000, the same as the fiscal year 1999 level, for the Hawaii Agriculture Research Center. The Committee expects these funds to be used to maintain the competitiveness of U.S. sugarcane producers and to continue emphasis on supporting the expansion of new crops and products, including those from agroforestry, to complement sugarcane production in Hawaii.

Hops.—The Committee recognizes the outstanding increase in production of the U.S. hops industry. The industry has taken the lead in worldwide production, and Washington State produces 75 percent of the total U.S. crop. Included in the recommendation is the fiscal year 1999 level of funding to continue hops research in the Pacific Northwest.

Human nutrition research.—ARS is directed to submit a report to the Committee no later than January 31, 2000, on its existing capacity to conduct clinical studies in human nutrition research, including human metabolic studies, necessary to support research carried out at the USDA Center for Human Nutrition located in Beltsville, MD, and the other five USDA human nutrition centers. The report should indicate how this work is currently funded and whether additional resources are required to properly accomplish this activity.

Integrated farming systems.—The Committee provides \$500,000 to continue integrated farming systems [IFS] research through the ARS Dairy Forage Center, Madison, WI. The Committee expects the ARS to undertake an analysis of low-input farming practices to determine the comparative advantages of such systems as an alternative to more conventional farming systems tied to specialized cropping, high-level inputs, and a reliance on economies of scale.

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 crops and ornamental commodities. 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 implement its reduced risk pest management strategy for minor crops.

Jointed Goatgrass.—Jointed Goatgrass infests nearly 5 million acres of winter wheat in the western United States, costing wheat growers an estimated \$145,000,000 annually. Jointed goatgrass is impossible to control selectively with current methods because it is genetically related to wheat and has increased rapidly with widespread adoption of conservation tillage systems. It reduces yields, increases dockage costs, and reduces grain and seed value. The Committee expects the ARS to continue funding at the fiscal year 1999 level for the multi-disciplinary national research effort among State and Federal scientists to develop effective control measures to reduce the impact of jointed goatgrass on wheat production. The research is to be coordinated with companion research funded by the Cooperative State Research, Education, and Extension Service.

Kenaf.—The Committee recommends continued funding at the fiscal year 1999 level for the cooperative agreement between ARS and Mississippi State University to further kenaf research and product development efforts. The Committee recommends the redirection of \$100,000 of this amount toward research with medicinal plants and \$100,000 to the ARS project “Nutritional and Environmental Management to Improve Quality and Production Efficiency of Poultry” for joint activities with the Mississippi Agriculture and Forestry Experiment Station.

Methyl bromide.—The Committee provides the fiscal year 1999 level of funding to continue research related to a replacement for methyl bromide. The Committee expects the ARS to hold administrative overhead costs to a minimum and 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.

Minor crop pests.—The Committee provides continued funding at the fiscal year 1999 level of \$278,000 for the University of Hawaii College of Tropical Agriculture and Human Resources to develop environmentally safe methods to control pests and diseases in small-scale tropical and subtropical agricultural systems.

National Center for Agricultural Law Research and Information.—The Committee provides continued funding at the fiscal year 1999 level for the National Center for Agricultural Law Research and Information at the Leflar School of Law in Fayetteville, AR.

National Center for Cool and Cold Water Aquaculture.—The Committee provides an increase of \$300,000 from the fiscal year 1999 level 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, and be conducted through the establishment of a consortium, consisting of the Center and the Conservation Fund’s Freshwater Institute.

National Sedimentation Laboratory.—The Committee continues funding at the fiscal year 1999 level for work now underway at the

National Sedimentation Laboratory, and provides an increase of \$50,000 from the fiscal year 1999 level to expand its 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 1999 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 Warmwater Aquaculture Center.—The Committee is aware of the importance of gains which are being made in catfish production through the improvements offered by the National Warmwater Aquaculture Center. The Committee continues its support at the fiscal year 1999 funding level for the aquaculture program at Stoneville, and provides an additional \$308,000 for the Center to conduct hill-area aquaculture research.

Natural products.—The Committee provides an additional \$750,000 from the fiscal year 1999 level for the ARS to continue its cooperative agreement with the National Center for the Development of Natural Products for pharmaceutical research in support of research on natural products.

New England Plant, Soil, and Water Research Laboratory.—The Committee provides an additional \$300,000 from the fiscal year 1999 level for an agronomist position at the USDA-ARS New England Plant, Soil, and Water Research Laboratory in Orono, ME. The work of this laboratory is of significant benefit to potato producers in Maine, the New England region, and the industry nationwide.

Northern Grain Insects Research Laboratory.—The Northern Grain Insects Research Laboratory in Brookings, SD, conducts research critical to agriculture in the Northern Great Plains. The Committee provides funding at the fiscal year 1999 level to ensure that the Laboratory's research projects in areas such as corn rootworm management; integrated soil, crop and pest management strategies for sustainable production; control tactics and decision models for integrated pest management; and pest population ecology and behavioral mechanisms in cropping systems continue to be fully funded.

Northern Plains Research Laboratory, Sidney, MT.—The Committee provides an additional \$750,000 from the fiscal 1999 level for a new research program at the ARS Northern Plains Research Laboratory in Sidney, MT, to develop high value irrigated rotation crops. This additional amount will fund three scientists focusing on plant pathology, water and irrigation management, and value-added/high value crops and crop rotations.

Northwest Nursery Crops Research Center.—Nursery and greenhouse products rank third in the Nation and No. 1 in Oregon. As the public demands more and 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 ex-

panding and significant environmental research role. The Committee encourages ARS to expand its support for the Northwest Nursery Crops Research Center's research program (Corvallis, OR) in these environmental areas. The Committee provides the fiscal year 1999 level of funding for the ARS Corvallis station.

Pacific Northwest Club Wheat Breeding Program.—The Committee continues the fiscal year 1999 level of funding for the ARS Pacific Northwest Club Wheat Breeding Program (OR, WA).

Pear thrips.—The Committee recognizes the value of collaboration between ARS and the University of Vermont to develop controls for pear thrips and provides funding at the fiscal year 1999 level to continue this important research program.

Plant genetics research, Columbia, MO.—Included in the additional funding recommended for agricultural genome, the Committee provides an increase of \$300,000, as requested in the budget, to develop software to improve the statistical precision of mapping genes and locating quantitative trait loci (QTLs) to produce physical maps, and to efficiently manipulate and analyze data from microarray assays at the ARS Plant Genetics Research Unit, Columbia, MO.

Plant introduction pathologist position.—The Committee provides \$250,000 to support the continued funding of a plant introduction pathologist at the USDA-ARS Plant Introduction Station at Washington State University in Pullman, WA. This position is to be devoted to grain legumes and foliar diseases of dry peas, lentils, and chickpeas.

Postharvest Quarantine Research.—Technical barriers by other countries on the importance of U.S. commodities is one of the greatest obstacles to free trade of American crops. Recognizing the importance and relevance foreign countries place on ARS research related to treatment protocols and pest concerns, the Committee provides the fiscal year 1999 level of funding for quarantine research to ensure that U.S. commodities have expanded access to overseas markets.

Potato late blight research.—The Committee is aware that "late blight" has become an ongoing problem in the Pacific Northwest. The Committee urges the Agricultural Research Service to continue its research at the Aberdeen, ID, ARS station to identify horticulturally acceptable clones with "late blight" resistance in both early generation and advanced clonal material that have a high level of resistance for use as crossing parents. The Committee encourages the ARS to work with the National Potato Council on how funds can best be used for research priorities.

Potato research enhancement.—The Committee acknowledges the importance of potato research conducted at the Irrigated Agriculture Research and Extension Center in Prosser, WA. Recognizing the need to enable growers to optimize potato yield and quality goals while improving environmental stewardship, the Committee provides increased funding of \$250,000 for potato research at the Prosser, WA, station. This research will provide the integration of irrigation, nutrient management, pest control and crop rotation strategies into sustainable, holistic crop production systems that optimize total potato management practices.

Program continuations.—Including research programs specifically mentioned herein, the Committee directs the ARS to continue at the fiscal year 1999 level the following areas of research: “Immunity and Diagnostics of Diseases and Parasites of Catfish,” Auburn, AL; “Rice Genetics Research,” “Warmwater Foodfish Health Management Research,” Stuttgart, AR; “Biological Control of Yellow Starthistle and Other Non-indigenous Plant Pests in the Western USA,” “Ecologically Based Management of Salt Cedar (*Tamarix* SP) in the Western U.S.,” “In Vitro Creation and Commercialization of High Solids Tomatoes and High Solids, Low Sugar Potatoes,” “Technology to Enhance Soybean Oil for Food and Non Food Uses,” Albany, CA; “Shallow Groundwater Management Systems for Arid Irrigated Areas,” Fresno, CA; “Floriculture,” Washington, D.C.; “Behavioral Ecology and Management of Crop Insect Pests with Semiochemicals,” “Management of Termites as Urban Pests in the American Pacific,” Gainesville, FL; “Identification and Molecular Characterization of Agents Causing Poult Enteritis-Mortality Syndrome,” Athens, GA; “Develop, Evaluate and Transfer Technology to Improve Efficiency and Quality in Peanuts,” Dawson, GA; “Tropical Aquaculture Feeds and Culture Technology: Development of Shrimp Feeds,” Hilo, Hawaii; “Barley and Oat Germplasm Enhancement and Small Grains Germplasm Evaluation and Maintenance,” “Development and Use of Molecular Techniques in Oat Enhancement,” “Development of Genetically Enhanced Fish and Feeds for Aquaculture Utilizing Specialized Grains,” “Development and Use of Molecular Techniques in Oat Enhancement,” Aberdeen, ID; “Animal Health Consortium,” “Genetic Engineering of Anaerobic Bacteria for Improved Rumen Function,” “Bioprocess and Metabolic Engineering Technologies,” “Biotechnology R&D Corporation,” “Enhanced Use of Plant Proteins: Identifying, Isolating and Relating Structures to Properties,” “New Crops for Industrial Products,” “Novel Carbohydrate-Based Materials via Bioconversion Processes,” “Thermomechanical Processing of Natural Polymers,” Peoria, IL; “Reduced Herbicide Inputs for Effective Weed Management Systems to Improve Water Quality,” “Sensors and Systems for Site-Specific Crop Management to Improve Environmental Quality,” “Soybean Diseases,” Urbana, IL; “Ecologically-Based Pest Management of Selected Insect Pests of Corn,” “Genetic Characterization of Soybean Germplasm,” “Genetics of Host Resistance to Pathogens in Cereal Crops,” “Impact of Agricultural Management Practices on Soil and Water Quality at the Field and Watershed,” “Quantitative Genetic Analysis and Improvement of Corn Populations,” Ames, IA; “Genetic Enhancement of Hard Red Winter Wheat for Resistance to Multiple Biotic Stress,” Manhattan, KS; “Developing Integrated Weed Management Systems for Efficient and Sustainable Sugarcane Production,” “Disease and Insect Control Mechanisms for the Enhancement of Sugarcane Germplasm Resistance,” “Improving Sugarcane Productivity by Conventional and Molecular Approaches to Genetic Development,” Houma, LA (New Orleans, LA, work site); “Comparative Textural Analysis of Fresh and Fresh-Cut Fruits and Vegetables,” “Development and Evaluation of New Remote Sensing Technologies to Assess Food and Fiber Production,” “Ecologically-Based Technologies for Controlling *Ixodes Scapularis* and Reducing Lyme Disease,” “Enhance-

ment of Strawberry, Blueberry, and Other Small Fruit Crops Through Molecular Approaches and Breeding,” “Improving Quality of Fresh and Fresh-Cut Produce by Preventing Deterioration in Cold Storage,” “National Turfgrass Evaluation Program,” Beltsville, MD; “Dietary Assessments of Rural Older Persons,” Boston, MA; “Germplasm Evaluation and Genetic Improvement of Oats and Wild Rice,” “Wild Rice Breeding and Germplasm Improvement,” St. Paul, MN; “Biochemistry and Molecular Biology of Natural Products for Pest Control and Alternative Crops,” Oxford, MS; “Small Fruit Cultural and Genetic Research in the Mid-South,” Poplarville, MS; “Agronomic and Economic Evaluation of Kenaf as a Field Crop in Mississippi,” “Catfish Genetics and Breeding Research,” “Genetic-Physiological Parameters that Enhance Fiber Quality,” “Improve Production Efficiency in Aquaculture,” Stoneville, MS; “Farming Systems to Improve Soil and Water Quality,” “Plant Genetics Research,” Columbia, MO; “Optimizing Reproduction Efficiency to Enhance Profit and Sustainability of Range Beef Production,” Miles City, MT; “Metabolism and Nutritional Management of Prolific Sows During Gestation and Lactation,” Clay Center, NE; “Biology and Control of Virus Diseases of Sorghum,” Lincoln, NE; pear thrips research, Ithaca, NY; “Control of Fungal Pathogens of Small Grains,” “Evaluation of Temperate Legumes and Warm-Season Grass Mixtures in Sustainable Production Systems,” “Improved Peanut Product Quality and Bioactive Nutrient Composition with Genetic Resources,” Raleigh, NC; “Development of Soybean Germplasm and Production Systems for High Yield and Drought Prone Environments,” Wooster, OH; “Improving Resistance of Peanut to Biological Stress Through Germplasm and Cultural Enhancement,” Stillwater, OK; “Biology and Management of Soilborne Diseases and Beneficial Soil and Root-Inhabiting Microorganisms,” “Characterization of Induced Cytokinin Changes in Wheat,” “Hops Genetics and Breeding for Improved Flavor, Agronomic Performance and Pest Resistance,” “Partitioning of Photosynthate as Influenced by Genotype, Mycorrhizae and Air Enriched with CO₂,” “Preservation of Clonal Genetic Resources of Temperate Fruit, Nut, and Speciality Crops,” “Residue Management and Grass Seed Cropping Systems for Sustainable Agriculture,” “Specific Cooperative Agreements on Horticultural Crops,” Corvallis, OR; “New Processes for Generating Valuable Co-Products from Corn Fiber,” “New Processes for Obtaining Higher Value-Added Products from Agricultural Lipids,” “Value-Added Products from Fruit and Vegetable Processing Wastes,” Wyndmoor, PA; “Rice Germplasm and Variety Improvement in the Southern United States,” Beaumont, TX; “Harvesting and Ginning Technologies for Stripper Cotton,” Lubbock, TX; “Parasite Mite Control in Honey Bee Colonies Utilized in Honey Production and Crop Pollination,” Weslaco, TX; “Arctic Plant Germplasm Introduction and Research,” Palmer, AK (work site of Pullman, WA); “Biochemical and Molecular Regulation of Preharvest Sprouting and Grain Dormancy in Wheat,” “Control of Rusts and Smuts of Wheat and Barley,” “Genetically Enhanced Wheat for Quality Productivity and Resistance to Biotic and Abiotic Stresses,” “Genetics and Germplasm Enhancement of Cool Season Food Legumes,” Pullman, WA; “Agroforestry Systems for the Appalachian Region,” Beckley,

WV; "Utilization of Waste and Byproducts from Aquaculture to Enhance Economic Sustainability," Leetown, WV; "The Role of Life Strategies of Phytopathogenic Bacteria in the Epidemiology of Foliar Diseases," Madison, WI.

Red imported fire ants.—Infestations of Red Imported Fire Ants have been identified in 21 southern California cities, as well as in a number of states in the Southeast and the Southwest. Nationally, damages caused by imported fire ants to agriculture, human health, infrastructure, farm animals and wildlife are estimated at several billions of dollars each year. The Committee provides an increase of \$350,000 above the fiscal year 1999 level for research on effective control of imported fire ants infestation. This research is to be carried out at the ARS Mid South Regional Research Station in cooperation with the National Center for Physical Acoustics.

Root diseases of wheat and barley.—The Committee provides an additional \$500,000 from the fiscal year 1999 level to the ARS Root Disease and Biological Control Research Unit located at Washington State University in Pullman, WA, for research to control root diseases of wheat and barley. Of the total provided, \$125,000 is to be transferred to the Oregon State University Columbia Basin Agriculture Research Center, Pendleton, OR; \$75,000 is to be transferred to the University of Idaho Research and Extension Center, Kimberly, ID; and \$300,000 is to remain in the ARS program at Pullman, WA.

Rural geriatric nutrition research.—The Committee continues the fiscal year 1999 level of funding for the further development of a comprehensive nutrition outreach, treatment, and research program to assist the rural elderly population. Geisinger Health System's Rural Geriatric Nutrition Center in Danville, PA, is the lead organization undertaking this initiative in collaboration with other universities.

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 1999 level for continuation of agroforestry research in conjunction with work at the University of Missouri.

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 \$750,000 from the fiscal year 1999 level to expand the research efforts of the station on ornamental and vegetable crops.

Small grains geneticist, Aberdeen, ID.—The Committee is aware that the ARS is considering the elimination of the small grains geneticist position at the USDA-ARS Aberdeen, ID, station. The Committee provides the fiscal year 1999 funding level to continue research to improve both barley and oat genetic stocks. This research provides direct benefits to the U.S. barley industry, including end users who rely on improved quality traits in malting barley.

Soil chemist, Northwest Irrigation and Soils Research Laboratory.—The Committee continues funding for the current soil chemist position and related research at the Northwest Irrigation and Soils Research Laboratory in Kimberly, Idaho. The Committee understands that the ARS intends to replace the retiring soil chemist at the laboratory and expects the agency to fill this position as soon as it becomes vacant in fiscal year 2000.

Southern Insect Management.—The Committee provides an increase of \$75,000 from the fiscal year 1999 level of funding for a cooperative agreement with the National Center for Physical Acoustics (NCPA) to develop methods to monitor pest populations using advanced acoustic techniques; at least \$250,000 of the total funding is to be used to support the existing program at the NCPA.

Soybean research.—The Committee is aware of the important ARS-supported soybean genetics work being done and continues to strongly support ongoing research at Ames, IA, and Stoneville, MS, aimed at increasing the productivity and profitability of soybean production and processing. The Committee expects ARS to continue both of the programs at not less than the fiscal year 1999 funding levels.

Subterranean termite.—The Committee provides \$141,500 for termite research in Hawaii to devise and test control methods that do not endanger public health and safety.

Sugarcane biotechnology research.—The Committee recognizes the importance of furthering the science of molecular techniques in sugarcane. By mapping useful genes, transferring exotic genes into sugarcane germplasm, and improving selection techniques for sugarcane cultivars, much progress can be made to increase the efficiency and global competitiveness of the U.S. sugar industry. To continue the strong public/private relationship between ARS and the American Sugar Cane League and expand biotechnology at the work site of the ARS Southern Regional Research Center in Houma, LA, the Committee provides the fiscal year 1999 level of funding. The Committee expects ARS to collaborate with the American Sugar Cane League in efforts to coordinate research with other commodity-based biotechnology research and continue funding for this vital research.

Sunflower research.—The Committee provides an additional \$300,000 from the fiscal year 1999 level for a molecular geneticist at the USDA's ARS Sunflower Unit at North Dakota State University in Fargo, ND. The addition of a geneticist to this research program will provide the resources needed to conduct gene mapping research and develop "markers" for specific breeding traits, such as disease and insect resistance.

Temperate fruit flies.—The presence of temperate fruit flies (cherry flies and apple maggots) in the cherry production areas of the United States, including portions of the Pacific Northwest and the Great Lakes Region, is frequently cited by potential export markets such as Australia, Argentina, and South Africa as barriers to cherry imports from the U.S. The total value of U.S. sweet cherry exports alone in 1997 was over \$134,000,000. The Committee provides an additional \$300,000 at Yakima, WA, to develop technology for control and management of temperate fruit flies.

Tomato spotted wilt virus.—The Committee is aware of the widespread losses caused by the tomato spotted wilt virus (TSWV) in Hawaii and encourages the agency to provide funds to University of Hawaii scientists to transfer genetic resistance to TSWV into University of Hawaii breeding lines for impacted vegetables.

Tropical aquaculture research.—The Committee provides \$1,583,800 for the “Aquaculture Productivity Research” and the “Requirements and Sources of Nutrients for Marine Shrimp” projects in Hawaii to ensure continuation of the significant scientific and commercial contributions offered by the Oceanic Institute and natural resource conditions found only in Hawaii.

U.S. Meat Animal Research Center.—The Committee has continued the fiscal year 1999 level of funding for the U.S. Meat Animal Research Center, Clay Center, NE. The Committee recommends that the funds which currently support the “Metabolism and Nutritional Management of Prolific Sows During Gestation and Lactation” project proposed for termination in the President’s budget be redirected to support high priority food safety or waste management research.

U.S. Pacific Basin Agricultural Research Center.—The Committee provides an increase of \$500,000 to the U.S. Pacific Basin Agricultural Research Center to (1) support the production and marketing of high-quality, high-value tropical and subtropical crops; (2) integrate safe and effective pest management practices and post-harvest treatments; and (3) facilitate the transfer of technology developed by the Center to end users through existing Hawaii-based educational organizations.

Viticulture research.—With the emerging importance of the grape and wine industry in the Pacific Northwest, the Committee provides an increase of \$250,000 from the fiscal year 1999 level to establish a viticulture research position at the University of Idaho Parma Research and Extension Center and an additional \$200,000 from the fiscal year 1999 level, split evenly, to upgrade the current USDA-ARS programs at the Center and to provide for cooperative research agreements with University of Idaho researchers for viticulture research.

Water quality.—The Committee acknowledges the progress which has been made toward water quality objectives in conjunction with the pesticide application technology research currently conducted at the Mid South Regional Research Center. The ARS should continue this joint research initiative and expand it through the integrated pest management objectives outlined in the agency’s budget request.

Watershed Research, Columbia, MO.—The Committee includes an increase of \$325,000 from the fiscal year 1999 level for ARS for laboratory analysis of water samples collected during implementation of, and in accordance with, the Missouri Watershed Research, Assessment, and Stewardship Project.

Wind Erosion Research.—The Committee continues funding at the fiscal year 1999 level for the Wind Erosion Research Unit (WERU) in Manhattan, KS. The Committee directs the ARS to avoid reprogramming or routing any of the provided funds to or through other wind erosion facilities in the ARS system during fiscal year 2000. The Committee is also aware of a carbon sequestra-

tion study at Kansas State University. The Committee encourages the WERU to work in partnership with the University on this study.

BUILDINGS AND FACILITIES

Appropriations, 1999	\$56,437,000
Budget estimate, 2000	44,500,000
Committee recommendation	53,000,000

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 \$53,000,000. This is \$8,500,000 more than the budget estimate and \$3,437,000 less than the 1999 appropriation. 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
	1999 enacted	2000 budget estimate	
Arizona: Water Conservation and Western Cotton Laboratory, Maricopa	500		1,400
California:			
Western Human Nutrition Research Center, Davis	6,150	9,000	9,000
Western Regional Research Center, Albany		2,600	2,600
Hawaii: U.S. Pacific Basin Agricultural Research Center	4,500		5,500
Illinois:			
National Center for Agricultural Utilization Research, Peoria	8,200	1,800	1,800
USDA greenhouse complex, Urbana			400
Iowa: National Animal Disease Center, Ames	2,957		3,000
Kansas: U.S. Grain Marketing Research Laboratory, Manhattan	1,400		100
Louisiana: Southern Regional Research Center, New Orleans	6,000	5,500	5,500
Maryland:			
Beltsville Agricultural Research Center, Beltsville	2,500	13,000	13,000
National Agricultural Library, Beltsville	1,200		
Mississippi: Biocontrol and Insect Rearing Laboratory, Stoneville	200		2,000
Montana:			
Fort Keogh laboratory, Miles City			530
Pest quarantine and integrated pest management facility, Sidney	7,300		
New Mexico: Jornada Range Research Station, Las Cruces	6,700		
New York: Plum Island Animal Disease Center, Greenport	3,500	8,200	3,500
Pennsylvania: Eastern Regional Research Center, Philadelphia ..	3,300	4,400	4,400
Utah: Poisonous Plant Laboratory, Logan	30		270

ARS BUILDINGS AND FACILITIES—Continued

[In thousands of dollars]

State and facility	Fiscal year—		Committee recommenda- tion
	1999 enacted	2000 budget estimate	
West Virginia: National Center for Cool and Cold Water Aquaculture, Leetown	2,000	.....	.....
Total	56,437	44,500	53,000

The Committee provides funds to complete planning and design work for the Poisonous Plant Laboratory in Logan, UT; the Water Conservation and Western Cotton Laboratory in Maricopa, AZ; and Phase III of the U.S. Marketing Research Laboratory, Manhattan, KS. In addition, funding is included for planning and design work for the Fort Keogh Laboratory, Miles City, MT; and the USDA greenhouse complex, Urbana, IL.

Funds provided for the ARS National Animal Disease Lab, Ames, IA, are for a major renovation of wings B and C of Building 3 at the facility. Funds provided for the Biocontrol and Insect Rearing Laboratory, Stoneville, MS, are for site preparation.

In addition, the Committee provides \$5,500,000 toward construction of the office and laboratory phase of the U.S. Pacific Basin Agricultural Research Center in Hilo, Hawaii.

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 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, 1999	\$481,216,000
Budget estimate, 2000	¹ 468,965,000
Committee recommendation	¹ 474,377,000

¹ Excludes activities funded under the new "Integrated activities" account.

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 entrée to the university system of the United States 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); and the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3101 et seq.). 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 \$474,377,000. This amount is \$6,839,000 less than the 1999 appropriation and \$5,412,000 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 1999 and budget request levels:

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

[In thousands of dollars]

	1999 appropriation	2000 budget	Committee recommen- dation
Payments under Hatch Act	180,545	153,672	180,545
Cooperative forestry research (McIntire-Stennis)	21,932	19,882	21,932
Payments to 1890 colleges and Tuskegee	29,676	27,735	29,676
Special research grants (Public Law 89-106):			
Advanced spatial technologies (Mississippi)	1,000	.....	1,000
Aegilops cylindricum (Washington)	360	.....	360
Aflatoxin (Illinois)	113	.....	130
Agriculture-based industrial lubricants (Iowa)	250	.....	300
Agricultural diversification (Hawaii)	131	.....	131
Agricultural diversification—Red River Trade Corridor (Min- nesota, North Dakota)	250	.....	250
Agriculture water usage (Georgia)	300	.....	300
Alliance for food protection (Georgia, Nebraska)	300	.....	300
Alternative crops (North Dakota)	550	.....	550
Alternative crops for arid lands (Texas)	100	.....	100
Alternative marine and fresh water species (Mississippi) ...	308	.....	.....
Alternative salmon products (Alaska)	400	.....	650
Animal science food safety consortium (Arkansas, Iowa, Kansas)	1,521	.....	1,521
Apple fireblight (Michigan, New York)	500	.....	500
Aquaculture (Louisiana)	330	.....	330
Aquaculture (Mississippi)	592	.....	592
Aquaculture (North Carolina) .....	.....	.....	300
Aquaculture (Virginia)	100	.....	100
Aquaculture product and marketing development (West Vir- ginia)	750	.....	750
Babcock Institute (Wisconsin)	400	.....	500
Binational agricultural research and development fund	400	2,000	500
Biodiesel research (Missouri)	152	.....	152

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

[In thousands of dollars]

	1999 appropriation	2000 budget	Committee recommen- dation
Blocking Anhydrous methamphetamine production (Iowa)			250
Brucellosis vaccines (Montana)	150		500
Center for Animal Health and Productivity (Pennsylvania) ..	113		113
Center for Innovative Food Technology (Ohio)	381		
Center for Rural Studies (Vermont)	200		200
Chesapeake Bay agroecology (Maryland)	150		150
Chesapeake Bay aquaculture	385		385
Citrus tristeza	500		500
Competitiveness of agricultural products (Washington)	680		680
Contagious equine metritis (Kentucky)	250		
Cool season legume research (Idaho, Washington)	329		329
Cotton research (Texas)	200		
Cranberry/blueberry (Massachusetts)	150		
Cranberry/blueberry disease and breeding (New Jersey)	220		220
Dairy and meat goat research (Texas)	63		63
Delta rural revitalization (Mississippi)	148		148
Designing foods for health (Texas)	250		400
Drought mitigation (Nebraska)	200		200
Ecosystems (Alabama)	500		
Environmental research (New York)	486		
Environmental risk factors—cancer (New York)	100		
Environmentally-safe products (Vermont)			200
Expanded wheat pasture (Oklahoma)	285		285
Farm and rural business finance (Illinois)	87		
Feed barley for rangeland cattle (Montana)	600		750
Floriculture (Hawaii)	250		250
Food and Agriculture Policy Institute (Iowa, Missouri)	800		900
Food irradiation (Iowa)	200		200
Food Marketing Policy Center (Connecticut)	400		400
Food Processing Center (Nebraska)	42		42
Food quality (Alaska)	350		
Food safety	5,000	(¹)	(¹)
Food safety (Alabama)	300		
Food Systems Research Group (Wisconsin)	225		500
Forages for advancing livestock production (Kentucky)			250
Forestry (Arkansas)	523		
Fruit and vegetable market analysis (Arizona, Missouri)	320		320
Generic commodity promotion research and evaluation (New York)	212		
Global change	1,000	1,567	1,000
Global marketing support service (Arkansas)	127		
Grain sorghum (Kansas)	106		106
Grass seed cropping systems for a sustainable agriculture (Washington, Oregon, Idaho)	423		423
Human nutrition (Iowa)	473		473
Human nutrition (Louisiana)	752		752
Human nutrition (New York)	622		
Hydroponic tomato production (Ohio)	200		
Illinois-Missouri Alliance for Biotechnology	1,184		1,184
Improved dairy management practices (Pennsylvania)	296		296
Improved fruit practices (Michigan)	445		
Infectious disease research (Colorado)	250		325
Institute for Food Science and Engineering (Arkansas)	1,250		1,250

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

[In thousands of dollars]

	1999 appropriation	2000 budget	Committee recommen- dation
Integrated production systems (Oklahoma)	180	.....	180
International agricultural market structures and institu- tions (Kentucky)	250	.....	250
International arid lands consortium	400	.....	400
Iowa biotechnology consortium	1,564	.....	1,564
Livestock and dairy policy (New York, Texas)	475	.....	.....
Lowbush blueberry research (Maine)	220	.....	220
Maple research (Vermont)	100	.....	100
Meadowfoam (Oregon)	300	.....	300
Michigan biotechnology consortium	675	.....	675
Midwest Advanced Food Manufacturing Alliance	423	.....	423
Midwest agricultural products (Iowa)	592	.....	592
Milk safety (Pennsylvania)	250	.....	385
Minor use animal drugs (IR-4)	550	550	550
Molluscan shellfish (Oregon)	400	.....	400
Multicommodity research (Oregon)	364	.....	364
Multicropping strategies for aquaculture (Hawaii)	127	.....	127
National biological impact assessment	254	254	254
Nematode resistance genetic engineering (New Mexico)	127	.....	127
New crop opportunities (Alaska) .....	.....	.....	125
New crop opportunities (Kentucky) .....	.....	.....	750
Nonfood uses of agricultural products (Nebraska)	64	.....	64
North Dakota Trade and Policy Research Center .....	.....	300	.....
Oil resources from desert plants (New Mexico)	175	.....	175
Organic waste utilization (New Mexico)	100	.....	100
Pasture and forage research (Utah)	225	.....	225
Peach tree short life (South Carolina)	162	.....	162
Peanut allergy reduction (Alabama) .....	.....	.....	500
Pest control alternatives (South Carolina)	106	.....	106
Phytophthora root rot (New Mexico)	127	.....	127
Plant, drought, and disease resistance gene cataloging (New Mexico)	150	.....	250
Postharvest rice straw (California)	300	.....	.....
Potato research	1,300	.....	1,400
Precision agriculture (Kentucky)	500	.....	1,000
Preharvest food safety (Kansas)	212	.....	212
Preservation and processing research (Oklahoma)	226	.....	226
Rangeland ecosystems (New Mexico)	200	.....	200
Regional barley gene mapping project	400	.....	500
Regionalized implications of farm programs (Missouri, Texas)	294	.....	294
Rice modeling (Arkansas)	296	.....	296
Rural Development Centers (Pennsylvania, Iowa, North Da- kota, Mississippi, Oregon, Louisiana)	523	423	523
Rural Policies Research Institute (Nebraska, Missouri)	644	.....	644
Russian wheat aphid (Colorado)	200	.....	200
Seafood and aquaculture harvesting, processing, and mar- keting (Mississippi)	305	.....	305
Seafood harvesting, processing, and marketing (Alaska) .....	.....	.....	650
Small fruit research (Oregon, Washington, Idaho)	300	.....	300
Southwest consortium for plant genetics and water re- sources	338	.....	338
Soybean cyst nematode (Missouri)	475	.....	500

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

[In thousands of dollars]

	1999 appropriation	2000 budget	Committee recommen- dation
STEEP III—water quality in Northwest	500	.....	500
Sustainable agriculture (Michigan)	445	.....	.....
Sustainable agriculture and natural resources (Pennsyl- vania)	95	.....	100
Sustainable agriculture systems (Nebraska)	59	.....	59
Sustainable beef supply (Montana)	500	.....	750
Sustainable pest management for dryland wheat (Mon- tana)	400	.....	500
Swine waste management (North Carolina)	500	.....	500
Tillage, silviculture, waste management (Louisiana)	212	.....	212
Tomato wilt virus (Georgia)	200	.....	200
Tropical and subtropical	2,724	.....	2,724
Turkey carna virus (Indiana)	200	.....	.....
Urban pests (Georgia)	64	.....	64
Vidalia onions (Georgia)	100	.....	100
Viticulture consortium (California, Pennsylvania, New York)	1,000	.....	1,200
Water conservation (Kansas)	79	.....	79
Water quality	3,461	(¹)	(¹)
Weed control (North Dakota)	423	.....	423
Wetland plants (Louisiana)	600	.....	600
Wheat genetic research (Kansas)	261	.....	261
Wood utilization (Alaska, Idaho, Oregon, Mississippi, Min- nesota, North Carolina, Maine, Michigan, Tennessee)	5,136	.....	5,261
Wool (Texas, Montana, Wyoming)	300	.....	300
Total, special research grants	63,116	5,094	54,276
Improved pest control:			
Critical issues	200	467	200
Expert IPM decision support system	177	260	177
Integrated pest management	2,731	2,731	2,731
IR-4 minor crop pest management	8,990	10,711	8,990
Pesticide impact assessment	1,327	(¹)	(¹)
Pest management alternatives programs	1,623	4,200	1,623
Total, improved pest control	15,048	18,369	13,721
Competitive research grants:			
Plant systems	41,000	69,000	41,000
Animal systems	29,000	49,000	29,000
Nutrition, food quality, and health	16,000	28,000	16,000
Natural resources and the environment	20,500	32,000	20,500
Processes and new products	8,200	14,000	8,200
Markets, trade, and policy	4,600	8,000	4,600
Total, competitive research grants	119,300	200,000	119,300
Animal health and disease (sec. 1433)	5,109	4,775	5,109
Critical Agricultural Materials Act	600	.....	650
Aquaculture centers (sec. 1475)	4,000	4,000	4,000
Alternative crops	750	.....	550
Sustainable agriculture	8,000	8,500	8,000

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

[In thousands of dollars]

	1999 appropriation	2000 budget	Committee recommen- dation
Capacity building grants	9,200	9,200	9,200
Payments to the 1994 institutions	1,552	1,500	1,552
Graduate fellowship grants	3,000	3,000	3,000
Institution challenge grants	4,350	4,350	4,350
Multicultural scholars program	1,000	1,000	1,000
Hispanic-serving institutions	2,850	3,183	2,850
Secondary agriculture education	500	.....	500
1994 Research Program .....	.....	667	500
Federal administration:			
Agriculture development in the American Pacific	564	.....	564
Agriculture waste utilization (West Virginia)	250	.....	500
Alternative fuels characterization laboratory (North Da- kota)	218	.....	218
Animal waste management (Oklahoma)	250	.....	250
Biotechnology (Mississippi) .....	.....	.....	500
Center for Agricultural and Rural Development (Iowa)	355	.....	355
Center for North American Studies (Texas)	87	.....	87
Cotton research (Texas) .....	.....	.....	200
Data information system	1,000	2,000	2,000
Geographic information system	844	.....	1,000
Mariculture (North Carolina)	250	.....	250
Mississippi Valley State University	583	.....	583
National Center for Peanut Competitiveness (Georgia)	300	.....	300
Office of Extramural Programs	310	588	310
Pay costs and FERS	1,100	1,100	1,100
Peer panels	350	350	350
PM-10 study (California, Washington)	873	.....	873
Shrimp aquaculture (Hawaii, Mississippi, Arizona, Massa- chusetts, South Carolina)	3,354	.....	3,354
Water quality (Illinois) .....	.....	.....	436
Water quality (North Dakota) .....	.....	.....	436
Total, Federal administration	10,688	4,038	13,666
Total, Cooperative State Research, Education, and Ex- tension Service, research and education activi- ties	481,216	468,965	474,377

¹ Funded under "Integrated activities" account.

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 1999 level.

Special research grants under Public Law 89-106.—The Committee recommends a total of \$54,276,000. Specifics of individual grant allowances are included in the table above. Special items are discussed below.

Aquaculture (Stoneville).—Of the \$592,000 provided for this grant, the Committee recommends at least \$90,000 for continued studies of the use of acoustics in aquaculture research to be con-

ducted 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 provides \$5,261,000 for wood utilization research and expects each existing center to be maintained at its fiscal year 1999 funding level. An increase of \$125,000 is provided from the fiscal year 1999 level to establish a new center in Alaska.

Aquaculture centers.—The Committee provides \$4,000,000, the same as the 1999 level, to support the regional aquaculture centers.

Competitive research grants.—The Committee supports the National Research Initiative Competitive Grants Program [NRI] and continues funding at the fiscal year 1999 level of \$119,300,000.

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].

The Committee recognizes the important contributions that economics research makes to generating new knowledge about, and enhancing the efficiency of, our food and agriculture system. The Department should consider expanding its support for economics research in the National Research Initiative.

Alternative crops.—The Committee recommends \$550,000 for alternative crop research to continue research on canola.

Sustainable agriculture.—The Committee recommends \$8,000,000 for sustainable agriculture, the same as the 1999 level.

Higher education.—The Committee recommends \$11,200,000 for higher education. The Committee provides \$3,000,000 for graduate fellowships; \$4,350,000 for challenge grants; \$1,000,000 for multicultural scholarships; and \$2,850,000 for grants for Hispanic education partnership grants. Of the funds appropriated for the Challenge Grants Program, the Committee directs that funds be made available to support the continued operation of the Food and Agricultural Education Information System [FAEIS].

Federal administration.—The Committee provides \$13,666,000 for Federal administration. The Committee's specific recommendations are reflected in the table above.

Geographic Information System Program.—The Committee recommends \$1,000,000, an increase of \$156,000 from the fiscal year 1999 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 1999 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, 1999	(\$4,600,000)
Budget estimate, 2000	(4,600,000)
Committee recommendation	(4,600,000)

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. 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 \$4,600,000. This is the same as the budget request and the 1999 level.

EXTENSION ACTIVITIES

Appropriations, 1999	\$437,987,000
Budget estimate, 2000	¹ 401,603,000
Committee recommendation	¹ 421,620,000

¹ Excludes funds proposed under the "Integrated activities" account.

Cooperative extension work was established by the Smith-Lever Act of May 8, 1914. Legislation authorizes the Department of Agriculture 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 \$421,620,000. This amount is \$16,367,000 less than

the 1999 appropriation and \$20,017,000 more than the budget estimate.

The following table summarizes the Committee's recommendations for extension activities as compared to the fiscal year 1999 and budget request levels:

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

[In thousands of dollars]

	Fiscal year 1999 enacted	Fiscal year 2000 budget	Committee recommendation
Smith-Lever sections 3(b) and 3(c)	276,548	257,753	276,548
Smith-Lever section 3(d):			
Farm safety	3,000	.....	3,000
Food and nutrition education	58,695	61,043	58,695
Food safety	7,365	(¹)	(¹)
Indian reservation agents	1,714	5,000	1,714
Pest management	10,783	12,269	10,783
Pesticide applicator training .....	.....	1,500	.....
Pesticide impact assessment	3,214	(¹)	(¹)
Rural development centers	908	908	908
Sustainable agriculture	3,309	3,309	3,309
Water quality	9,561	(¹)	(¹)
Youth at risk	9,000	10,000	9,000
Renewable Resources Extension Act	3,192	3,192	3,192
1890 colleges and Tuskegee	25,843	25,090	25,843
1890's facilities grants	8,426	12,000	12,000
Rural health and safety education	2,628	.....	2,628
Extension services at the 1994 institutions	2,060	3,500	3,060
Subtotal	426,246	395,564	410,680
Federal administration and special grants:			
General administration	4,787	5,563	4,787
Ag in the Classroom	208	476	208
Beef producers improvement (Arkansas)	197	.....	197
Botanical garden initiative (Illinois) .....	.....	.....	150
Conservation technology transfer (Wisconsin) .....	.....	.....	235
Delta Teachers Academy	3,500	.....	3,500
Diabetes detection (Washington)	550	.....	.....
Extension specialist (Arkansas)	99	.....	.....
Extension specialist (Mississippi)	100	.....	119
Income enhancement demonstration (Ohio)	246	.....	.....
Integrated cow/calf management (Iowa)	300	.....	.....
National Center for Agriculture Safety (Iowa)	195	.....	195
Pilot technology project (Wisconsin)	163	.....	.....
Pilot technology transfer (Oklahoma and Mississippi)	326	.....	326
Range improvement (New Mexico)	197	.....	197
Rural development (Alaska) .....	.....	.....	350
Rural development (New Mexico)	280	.....	280
Rural development (Oklahoma)	150	.....	150
Rural rehabilitation (Georgia)	246	.....	246
Wood biomass as an alternative farm product (New York)	197	.....	.....
Subtotal, Federal administration	11,741	6,039	10,940

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE (CSREES)—EXTENSION
ACTIVITIES—Continued
[In thousands of dollars]

	Fiscal year 1999 enacted	Fiscal year 2000 budget	Committee recommendation
Total, extension activities	437,987	401,603	421,620

¹ Funded under "Integrated activities" account.

Farm safety.—Of the funds recommended for farm safety, the Committee continues funding at the fiscal year 1999 level of \$2,055,000 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 1999 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 \$2,628,000, the same as the fiscal year 1999 level, for rural health and safety education. Included in this amount is \$2,150,000 for the ongoing rural health program in Mississippi to train health care professionals to serve in rural areas, and \$478,000 for the ongoing rural health and outreach initiative in Louisiana.

INTEGRATED ACTIVITIES

Appropriations, 1999	
Budget estimate, 2000	\$72,844,000
Committee recommendation	35,541,000

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 shown under Research and Education and/or Extension Activities are proposed under this account.

COMMITTEE RECOMMENDATIONS

For integrated activities of the Cooperative State Research, Education, and Extension Service, the Committee recommends \$35,541,000. This amount is \$37,303,000 less than the budget request. There was no appropriation for this account for fiscal year 1999.

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

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

[In thousands of dollars]

	Fiscal year 1999	Fiscal year 2000 budget	Committee recommendation
Small Farm Initiatives		4,000	
Water Quality	(1)	16,204	13,000
Food Safety	(1)	15,000	15,000
Pesticide Impact Assessment	(1)	4,640	4,541
Crops at Risk from FQPA Implementation		3,000	
FQPA Risk Mitigation Program for Major Food Crop Systems ...		10,000	
Methyl Bromide Transition Program		5,000	3,000
Food Recovery and Gleaning		15,000	
Total, Integrated Activities	(1)	72,844	35,541

¹ Funded in fiscal year 1999 under research and education, and extension activities.

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 1999 level.

OFFICE OF THE UNDER SECRETARY FOR MARKETING AND
REGULATORY PROGRAMS

Appropriations, 1999	\$618,000
Budget estimate, 2000	641,000
Committee recommendation	618,000

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

COMMITTEE RECOMMENDATIONS

For the Office of the Under Secretary for Marketing and Regulatory Programs, the Committee recommends an appropriation of \$618,000. This is the same as the 1999 level and \$23,000 less than the budget request.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE
SALARIES AND EXPENSES

	Appropriations	User fees ¹	Total, APHIS appropriations
Appropriations, 1999	\$337,803,000	(\$88,000,000)	(\$425,803,000)
Budget estimate, 2000 ²	340,445,000	(95,000,000)	(435,445,000)
Committee recommendation	347,445,000	(90,000,000)	(437,445,000)

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

² Excludes an additional \$9,077,000 in collections from proposed user fees.

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 \$437,445,000. This is \$11,642,000 more than the 1999 appropriation and \$2,000,000 more than the budget request. The Committee does not assume the \$9,077,000 in total savings from new user fees proposed in the budget.

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 1999 enacted	Fiscal year 2000 budget request	Committee recommenda- tion
Pest and disease exclusion:			
Agricultural quarantine inspection	30,648	34,576	32,519
User fees ¹	88,000	95,000	90,000
Subtotal, agricultural quarantine inspection	118,648	129,576	122,519
Cattle ticks	4,627	4,627	4,627
Foot-and-mouth disease	3,803	3,803	3,803
Fruit fly exclusion and detection	22,970	25,204	22,970
Import-export inspection	6,815	7,166	6,815
Sanitary/Phytosanitary Management	7,539	8,262	7,539
Screwworm	30,301	30,301	30,301
Tropical bont tick	407	407	407
Subtotal, pest and disease exclusion	195,110	209,346	198,981
Plant and animal health monitoring:			
Animal health monitoring and surveillance	63,389	67,989	64,725
Animal and plant health regulatory enforcement	5,855	6,116	5,855
National Animal Health Emergency Management System ... ..	.....	1,218	.....
Pest detection	6,426	6,685	6,426
Subtotal, plant and animal health monitoring	75,670	82,008	77,006
Pest and disease management programs:			
Aquaculture	567	567	567
Biological control	8,160	8,160	8,160
Boll weevil	16,209	3,320	17,757
Brucellosis eradication	11,864	9,527	10,887
Emerging plant pests	1,410	3,510	3,510
Golden nematode	435	580	435
Gypsy moth	4,366	4,366	4,366
Imported fire ant	1,000	.....	.....
Noxious weeds	424	2,129	424
Pink bollworm	1,048	1,048	1,500
Pseudorabies	4,567	4,567	4,567
Scrapie	2,991	2,991	2,991
Tuberculosis	4,920	4,920	4,920
Wildlife services operations	29,997	28,161	31,172
Witchweed	1,506	1,506	1,506

ANIMAL AND PLANT HEALTH INSPECTION SERVICE—Continued

[In thousands of dollars]

	Fiscal year 1999 enacted	Fiscal year 2000 budget request	Committee recommenda- tion
Subtotal, pest and disease management	89,464	75,352	92,762
Animal care:			
Animal welfare	9,175	9,690	11,175
Horse protection	361	384	361
Subtotal, animal care	9,536	10,074	11,536
Scientific and technical services:			
Biotechnology/environmental protection	7,393	9,054	8,530
Integrated systems acquisition	3,500	3,696	3,500
Plant methods development laboratories	4,693	4,693	4,693
Veterinary biologics	10,345	10,555	10,345
Veterinary diagnostics	15,622	16,973	15,622
Wildlife services methods development	10,365	9,589	10,365
Subtotal, scientific and technical services	51,918	54,560	53,055
Contingency fund	4,105	4,105	4,105
Total, salaries and expenses	425,803	435,445	437,445
Recap:			
Appropriated	337,803	340,445	347,445
Agricultural quarantine inspection user fees	88,000	95,000	90,000

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

Agricultural quarantine inspection [AQI].—The Federal Agriculture Improvement and Reform [FAIR] Act (Public Law 104–127) makes amounts in excess of \$100,000,000 in the AQI user fee account directly available for program operations. Amounts collected in the user fee account up to \$100,000,000 are subject to appropriation. The Committee provides \$90,000,000 from the AQI user fee account. The Department estimates that an additional \$48,377,000 will be collected and available as provided in the FAIR Act (Public Law 104–127). The Committee recommendation includes an increase of \$1,871,000 to provide additional inspectors at the U.S./Canadian border, the U.S./Mexican border, and to increase Hawaii predeparture staffing based on pest risk analysis.

Pest and Disease Exclusion.—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 does not provide the proposed increases for the fruit fly exclusion and detection program, the import/export program, or the sanitary/phytosanitary management programs. If additional funding is needed the agency should use contingency funds for the fruit fly exclusion and detection program.

The Committee continues its interest in having 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 1999 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 recognizes the need for innovative and cost-effective approaches to pre-clearance baggage inspection at Hawaii's direct departure and interline airports and directs the agency to test and evaluate new inspection technologies and other methods and hiring arrangements for conducting pre-clearance baggage inspections at Hawaiian airports. The agency is instructed to report to the Committee by January 31, 2000 on progress made with these activities.

The Committee is also interested in APHIS's activities regarding the acquisition and deployment of state-of-the-art inspection technology and equipment at key points of entry, such as Hawaii, for screening passengers' luggage for banned agricultural pests and diseases coming into the United States. The Committee is concerned that equipment and technology purchases be commercially available and be evaluated by APHIS to provide the greatest overall advantage in terms of cost, capability, safety, efficiency and reliability. The agency is further instructed to report to the Committee on these activities and related expenditures by January 31, 2000.

Animal health monitoring and surveillance.—The Committee provides funding at the fiscal year 1999 level for enforcement of the Commercial Transportation of Equine for Slaughter Act.

The Committee recognizes the importance of the national poultry improvement plan [NPIP] and increases funding by \$136,000 from the fiscal year 1999 level of \$240,000 to continue this program.

The Committee does not provide funding in fiscal year 2000 for the Contagious Equine Metritis (CEM).

The Committee provides \$1,500,000 for the new certification and control program for Johnes Disease as proposed in the budget.

The Committee does not provide funding for the national health emergency management system program.

Pest Surveillance and detection.—The Committee includes bill language for those producers whose wheat crops were infested by karnal bunt and government actions were taken involving the seizure, quarantine, treatment, destruction, or disposal of this wheat and provides for the timely compensation of economic losses.

Biological control.—The Committee is concerned about the introduction of alien weed pests, such as gorse and miconia, into Hawaii. These pests have caused serious threats to pastures and watersheds. The Committee 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.

Boll weevil.—The Committee provides an increase of \$1,548,000 from the fiscal year 1999 level for the Boll Weevil Eradication Program. The Committee urges the agency to continue the development of the geographic information system so that the economic and entomological efficiency of the boll weevil eradication program can continue to improve. The technology developed through this

system will be transferred to cotton production regions as the program expands, reducing overall program costs. The Committee can not provide an increase to achieve the 30 percent Federal cost share under the current budget constraints. However, the Committee intends that the additional funds provided be used to increase the Federal cost share to the maximum extent possible.

The Committee recognizes that referenda have been passed by New Mexico cotton producers in the Mesilla Valley and Luna County to create boll weevil control districts. The Committee encourages the agency to continue to provide monitoring and technical assistance as needed for boll weevil detection and eradication in New Mexico.

Brucellosis eradication.—The Committee assumes the decreases in the proposed budget for brucellosis eradication. However, the Committee provides an increase 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 have left Yellowstone National Park.

The Committee also provides an increase of \$610,000 from the 1999 fiscal year level 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.

Emerging plant pests.—The Committee provides an increase of \$2,100,000 from the fiscal year 1999 level to expand the Asian longhorned beetle program in New York and Illinois.

The Committee encourages the agency to explore cooperative efforts with the University of Vermont regarding research to isolate a pathogenic fungi for use as a pesticide to combat the Asian long horned beetle.

Noxious weeds.—The Committee continues the demonstration project on kudzu at the fiscal year 1999 funding level.

The Committee encourages the agency to continue working with the State of Texas regarding *orobanche ramosa* at the fiscal year 1999 level.

The Committee does not provide the increases in support of the Presidential Executive Order on Invasive Alien Species proposed in the budget.

Pink bollworm.—The Committee provides an increase of \$452,000 from the fiscal year 1999 level for the sterile fly release to continue the San Joaquin Valley containment program and to initiate an eradication program in five counties in Arizona.

Wildlife services operations.—Funding at the fiscal year 1999 level is provided to continue cattail management and blackbird control efforts in North Dakota, South Dakota, and Louisiana.

The Committee notes the important and unique features of State and local cooperator activities in the implementation of wildlife services operations and disagrees with the Department's recommendation to impose higher cost share requirements on cooperating entities. The Committee encourages continued cost sharing of control activities to the maximum extent possible in all States.

The Committee does not include the requested increase for the agency to cooperate with the Federal Aviation Administration and local airports to reduce wildlife strike hazards.

The Committee provides \$300,000 to continue the operation of a State Wildlife Services office in Hawaii to provide on-site coordination of prevention and control activities in Hawaii and the American Pacific. The Committee also provides \$400,000 specifically for the Hawaii Department of Agriculture to work with all agencies on a coordinated brown tree snake prevention and detection program for Hawaii.

With the reintroduction of the wolf to the State of Montana, the State's wildlife service operations account has suffered financially. The Committee provides \$250,000 for coyote and wolf control programs for livestock operators in Montana.

The Committee continues funding at the fiscal year 1999 level to maintain the Wildlife Services office in Vermont and maintains the fiscal year 1999 funding level for the Vermont oral rabies vaccination program.

Significant progress has been made in reducing the number of catfish eaten by fish-eating birds in the Mid-south. However, efforts by the Department have been thwarted with the increased number of birds migrating to areas where catfish ponds prominently exist. The Committee provides an additional \$100,000 from the fiscal year 1999 level to reduce damages and manage populations of fish-eating birds which prey on farm-raised catfish in the Mid-south area.

The Committee provides the fiscal year 1999 level for the continuation of the National Trap Testing Program.

The Committee continues the fiscal year 1999 funding level to support the training of wildlife biologists for the Berryman Institute.

The Committee provides an increase of \$125,000 from the fiscal year 1999 level to expand the coyote control program for sheep operators in West Virginia. Predators have been the primary obstacle to sheep production in the State.

The Committee is encouraged by the agency's assistance in the local-federal partnership aimed at reducing damages to cropland and forests caused by beaver populations. Also, the Committee is encouraged by the cooperative relationships for beaver management between the Delta National Forest and the agency. The Committee continues funding at the fiscal year 1999 level for these programs.

Grasshopper/Mormon cricket control.—The Committee recognizes the seriousness of grasshopper population control to the health of both rangeland and crop production in Western States. The Committee expects the agency to use contingency funds should a severe outbreak occur and the need arise to manage the western grasshopper and Mormon cricket populations.

Animal welfare.—The Committee provides an increase of \$2,000,000 from the fiscal year 1999 level for the Animal Care Unit for enforcement of the Animal Welfare Act. These funds should be used to increase the number of field inspectors and to conduct follow-up inspections for non-compliance.

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

The Committee directs the agency not to increase funding and not to expand the licensing and regulations for Animal Care to license and regulate persons currently exempt from its licensing and regulatory requirements who breed and raise dogs and/or cats on their own residential property and sell these dogs and/or cats at retail directly to persons who purchase them for their own use and enjoyment. The Committee does not believe that such an expansion in regulation is necessary to protect the welfare of the animals involved, nor that APHIS has the capacity to carry out such an expansion in regulation without undermining the effectiveness of its regulation of current licensees.

The Committee notes that APHIS has published regulations implementing the Animal Welfare Act which bans tethering of dogs, a practice common in Alaska and other locations that use sled dogs for transportation. A recent study conducted at Cornell University indicates that tethering, done properly, is far superior to caging dogs which leads to aggressive behavior, prevents socialization, and causes health problems from lack of exercise. In light of this new information, the Committee directs the agency to reevaluate its regulations on tethering and report to the Committee on its conclusions no later than March 1, 2000.

Biotechnology/environmental protection.—The Committee does not assume collections from the biotechnology user fees proposed in the President’s budget.

The Committee provides an increase of \$1,137,000 from the fiscal year 1999 level for the National Monitoring and Residue Analysis Laboratory (NMRAL) located in Gulfport, MS. The Committee encourages the agency to work with NMRAL in securing payments in a timely manner for contract work done for USDA agencies.

Wildlife services methods development.—The Committee provides the fiscal year 1999 level of funding for the Monell Chemical Senses Center located in Philadelphia, Pennsylvania.

The Committee provides funding at the fiscal year 1999 level for the cooperative agreement with the Hawaii Agriculture Research Center, formerly known as the Hawaiian Sugar Planters’ Association, for rodent control in sugarcane and macadamia nut crops.

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, 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.

BUILDINGS AND FACILITIES

Appropriations, 1999	\$7,700,000
Budget estimate, 2000	7,200,000
Committee recommendation	7,200,000

The APHIS appropriation for “Buildings and facilities” funds major nonrecurring construction projects in support of specific pro-

gram activities and recurring construction, alterations, preventive maintenance, and repairs of existing APHIS facilities. Due to funding constraints, the Committee defers funding for requested construction projects.

The following table represents the Committee's specific recommendation for this account as compared to the fiscal year 1999 and budget request levels:

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

[In thousands of dollars]

	Fiscal year 1999 enacted	Fiscal year 2000 budget request	Committee rec- ommendation
Basic buildings and facilities repairs, alterations, and preventive maintenance	1,000	4,000	4,000
Plum Island, NY	3,200	3,200	3,200
NWRC, Ft. Collins, CO	3,500	.....	.....
Total, Buildings and Facilities	7,700	7,200	7,200

COMMITTEE RECOMMENDATIONS

For buildings and facilities of the Animal and Plant Health Inspection Service, the Committee recommends an appropriation of \$7,200,000. This amount is \$500,000 less than the 1999 level and the same as the budget request.

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

Appropriations, 1999	\$48,831,000
Budget estimate, 2000	60,182,000
Committee recommendation	51,229,000

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 \$51,229,000. This amount is \$2,398,000 more than the 1999 appropriation and \$8,953,000 less than the budget request.

The Committee understands that fiscal year 1999 funding provided to the Agricultural Marketing Service for the President's Food Safety Initiative for a microbiological data program was redirected to the Pesticide Data Program and is designated in the fiscal year 2000 budget as a fiscal year 1999 Food Safety Initiative activity. The Committee provides an additional \$2,398,000, as proposed in the budget, for the Pesticide Data Program.

The Committee recognizes the important role of the Pesticide Data Program (PDP) in collecting scientifically and statistically valid pesticide residue data in food products sampled at or near the point of consumer purchase. Enactment of the Food Quality Protection Act (FQPA) in 1996 has magnified the value of the PDP, as its data and results are now essential in the FQPA-mandated reassessment of tolerances for pesticide residues in foods, and in the development of more accurate risk assessments. The PDP is an effective tool in maintaining regulatory support for critical pesticides that are necessary to produce safe and affordable food and fiber, as well as provide critical public health protection. This important program benefits farmers, food processors, and consumers alike.

The Committee is aware of the recently-announced Pacific Salmon Treaty with Canada and of the adverse impact this agreement may have on salmon fishermen in Alaska. The Committee expects the Agricultural Marketing Service to work with the affected parties to develop an aggressive marketing strategy to avoid these potential adverse consequences.

The Committee continues to recognize the importance of organic markets for small farmers and fishermen. The Committee expects the Secretary to construct a national organic program that takes into consideration the needs of small farmers and fishermen. Therefore, the Committee expects the Secretary to consider and submit a report to the Committee on the establishment of a progressive user fee program so that small farmers and fishermen, handlers, and certification agents are not excessively burdened. Furthermore, the Committee expects that of the funding available for the National Organic Program, necessary funds should be used to offset the initial costs of accreditation services, a subsidy necessary due to the lack of expertise in the Department of Agriculture in the areas of organic accreditation and insufficient data on the industry.

The Committee is aware of proposals for the improvement of the Montgomery, Alabama, State Farmers' Market and proposals to provide outreach to small and medium-sized minority farmers in the State. The Committee encourages the Department to consider applications from the State of Alabama to fund these projects.

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 to give full consideration to funding applications submitted for the Alaska Grown Program.

LIMITATION ON ADMINISTRATIVE EXPENSES

Limitation, 1999	(\$60,730,000)
Budget limitation, 2000	(60,730,000)
Committee recommendation	(60,730,000)

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 \$60,730,000. This amount is the same as the 1999 level and the budget request.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY

(SECTION 32)

MARKETING AGREEMENTS AND ORDERS

Appropriations, 1999	(\$10,998,000)
Budget estimate, 2000	(12,443,000)
Committee recommendation	(12,443,000)

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 appropriation acts.

The following table reflects the status of this fund for fiscal years 1998-2000:

ESTIMATED TOTAL FUNDS AVAILABLE AND BALANCE CARRIED FORWARD—FISCAL YEARS 1998-2000

	Fiscal year—		
	1998 actual	1999 current estimate	2000 current estimate
Appropriation (30 percent of customs receipts)	\$5,730,107,608	¹ \$5,701,865,817	\$5,735,557,955
Less transfers:			
Food and Nutrition Service	- 5,151,391,000	- 5,048,150,000	- 4,935,199,000
Commerce Department	- 65,734,190	- 66,426,288	- 69,920,523
Total, transfers	- 5,217,125,190	- 5,114,576,288	- 5,005,119,523
Budget authority	512,982,418	¹ 587,289,529	730,438,432
Unobligated balance available, start of year ...	233,868,235	131,966,602	105,588,209
Recoveries of prior-year obligations	11,455,285	.....	.....
Available for obligation	758,305,938	¹ 719,256,131	836,026,641
Less obligations:			
Commodity procurement:			
Child nutrition purchases	400,000,000	400,000,000	400,000,000

ESTIMATED TOTAL FUNDS AVAILABLE AND BALANCE CARRIED FORWARD—FISCAL YEARS 1998–2000—Continued

	Fiscal year—		
	1998 actual	1999 current estimate	2000 current estimate
Emergency surplus removal	194,774,097	141,800,922	115,000,000
Diversion payments .....	.....	54,000,000	.....
Disaster relief	15,200,000	.....	.....
Total, commodity procurement ...	609,974,097	595,800,922	515,000,000
Administrative funds:			
Commodity Purchase Service	6,175,767	6,869,000	8,584,000
Marketing agreements and orders ..	10,189,472	10,998,000	12,443,000
Total, administrative funds	16,365,239	17,867,000	21,027,000
Total, obligations	626,339,336	613,667,922	536,027,000
Carryout	131,966,602	105,588,209	299,999,641
Unobligated balance available, end of year	131,966,602	105,588,209	299,999,641

¹ Excludes \$145,000,000 in emergency supplemental appropriations provided by Public Law 106–31.

COMMITTEE RECOMMENDATIONS

The Committee recommends a transfer from section 32 funds of \$12,443,000 for the formulation and administration of marketing agreements and orders. This amount is the same as the budget estimate and \$1,445,000 more than the 1999 level.

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 2000. If there is surplus salmon and continued low prices in fiscal year 2000, 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, 1999	\$1,200,000
Budget estimate, 2000	1,200,000
Committee recommendation	1,200,000

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 effi-

ciency 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 \$1,200,000. This amount is the same as the budget request and the 1999 appropriation.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

Appropriations, 1999	\$26,787,000
Budget estimate, 2000	26,448,000
Committee recommendation	24,287,000

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 \$24,287,000. This amount is \$2,161,000 less than the budget request and \$2,500,000 less than the 1999 level.

The fiscal year 1999 appropriation included one-time funding of \$2,500,000 for costs associated with the reorganization of the Grain Inspection, Packers and Stockyards Administration. The Committee's recommendation reflects the elimination of this one-time funding increase. The Committee does not assume the \$14,787,000 in net savings from collections from new user fees proposed in the budget.

LIMITATION ON INSPECTION AND WEIGHING SERVICES EXPENSES

Limitation, 1999	(\$42,557,000)
Budget limitation, 2000	(42,557,000)
Committee recommendation	(42,557,000)

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 \$42,557,000 limitation on inspection and weighing services expenses. This amount is the same as the budget estimate and the 1999 level.

OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

Appropriations, 1999	\$446,000
Budget estimate, 2000	469,000
Committee recommendation	446,000

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 \$446,000. This amount is the same as the 1999 level and \$23,000 less than the budget request.

FOOD SAFETY AND INSPECTION SERVICE

Appropriations, 1999	\$616,986,000
Budget estimate, 2000	652,955,000
Committee recommendation	638,404,000

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 \$638,404,000. This amount is \$21,418,000 more than the 1999 level and \$14,551,000 less than the budget request.

The Committee has provided for mandatory pay costs associated with Federal Food Inspection Activities. The Committee has also provided an additional \$2,900,000, the full amount requested, for the FSIS portion of the food safety initiative.

The budget request includes increases totaling \$10,769,000 for Consumer Safety Officers. These costs include conversion and relocation of existing employees and hiring new staff. Due to funding constraints, the Committee does not provide for the conversion or hiring of these employees. Further, the Committee understands that litigation has been filed against the Department to maintain carcass-by-carcass inspection. Therefore, the Committee has deferred action on this issue pending resolution of the lawsuit.

The Committee expects imported meat and poultry products entering the United States to be safe and comply with the same requirements that the United States imposes on domestic processors. Current law requires the Secretary to annually certify that foreign plants exporting meat and poultry products to the United States have inspection requirements that achieve a level of sanitary protection equivalent to that achieved under United States standards. The United States is a major exporter of meat and poultry products and benefits from its ability to demonstrate equivalence of its inspection system in gaining access to foreign markets. Nonetheless, the Committee directs the Secretary to aggressively review exporting plants' sanitary measures and inspection processes to verify that they provide U.S. consumers with a level of protection equivalent to U.S. standards. The Committee expects the Department to submit quarterly reports to the Committee on its activities to comply with current law, including its evaluation of HACCP plans and salmonella testing in foreign plants.

The following table represents the Committee's specific recommendations for the Food Safety and Inspection Service as compared to the fiscal year 1999 and budget request levels:

FOOD SAFETY AND INSPECTION SERVICE SALARIES AND EXPENSES

[Dollars in thousands]

	1999 estimates	2000 budget request	Committee recommendation
Federal food inspection	\$514,920	\$545,578	\$533,895
Import/export inspection	12,097	12,566	12,108
Laboratory services	36,060	39,856	38,492
Field automation	8,023	8,023	8,023
Grants to States	40,655	41,701	40,655
Special assistance for State programs	5,231	5,231	5,231
Total	616,986	652,955	638,404

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES

Appropriations, 1999	\$572,000
Budget estimate, 2000	595,000
Committee recommendation	572,000

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 \$572,000. This amount is the same as the 1999 appropriation and \$23,000 less than the budget request.

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, except that the total expenditures under step 2 during fiscal years 1996 through 2002 cannot exceed \$701,000,000. Producers have the option of taking a loan deficiency payment, if available, in lieu of the marketing assistance loan. The \$701,000,000 available for step 2 payments has been fully spent.

The 1996 act also provides for a loan program for sugar for the 1996 through 2002 crops of sugar beets and sugarcane, where the loans may be either recourse or nonrecourse in nature depending on the level of the tariff rate quota for imports of sugar. The 1996 act provides for a milk price support program, whereby the price of milk is supported through December 31, 1999, via purchases of butter, cheese, and nonfat dry milk. The rate of support is fixed each calendar year, starting at \$10.35 per hundredweight in 1996 and declining each year to \$9.90 per hundredweight in 1999. Beginning January 1, 2000, the 1996 act provides a recourse loan program for commercial processors of dairy products. 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 and loan deficiency payments for all commodities that was in effect for the 1991 through 1995 crop years continues through the 2002 crop year. Similarly, the three entity rule is continued.

Commodity Credit Corporation program activities.—Various price support and related programs have been authorized in numerous legislative enactments since the early 1930's. Operations under these programs are financed through the Commodity Credit Corporation. Personnel and facilities of the Farm Service Agency 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 trans-

ferred 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, 1999	¹ \$714,499,000	(\$211,265,000)	¹ (\$925,764,000)
Budget estimate, 2000	794,839,000	(211,378,000)	(1,006,217,000)
Committee recommendation	794,839,000	(211,265,000)	(1,006,104,000)

¹Excludes \$40,000,000 in emergency supplemental appropriations provided by Public Law 105-277 and \$42,753,000 provided by Public Law 106-31.

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, including funds transferred from other program accounts, the Committee recommends \$1,006,104,000. This is \$80,340,000 more than the 1999 level and \$113,000 less than the budget request. The Committee has provided direct appropriations for salaries and expenses of the Farm Service Agency at the level proposed by the President.

The Committee notes that seafood is not one of the agricultural commodities which is currently eligible for the Noninsured Crop Disaster Assistance Program even though crop insurance is not currently available when there is a failure. The Committee directs the Department to evaluate the feasibility and cost of including seafood in this program and report back to the Committee no later than March 15, 2000.

The budget identifies the availability of funds for transfer to the proposed Support Services Bureau. The Committee directs that available funds be used to meet increased requirements to maintain existing staffing levels.

STATE MEDIATION GRANTS

Appropriations, 1999	\$2,000,000
Budget estimate, 2000	4,000,000
Committee recommendation	2,000,000

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

COMMITTEE RECOMMENDATIONS

The Committee recommends \$2,000,000 for State mediation grants. This is the same as the amount provided in 1999 and \$2,000,000 less than the budget request.

DAIRY INDEMNITY PROGRAM

Appropriations, 1999	\$450,000
Budget estimate, 2000	450,000
Committee recommendation	450,000

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 \$450,000. This is the same as the budget request and the 1999 level.

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 \$700,000 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 \$700,000 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 \$3,083,292,000. This is \$74,558,000 more than the budget request and \$798,334,000 more than the 1999 level.

The following table reflects the program levels for farm credit programs administered by the Farm Service Agency recommended by the Committee, as compared to 1999 and the budget request levels:

AGRICULTURAL CREDIT PROGRAMS—LOAN LEVELS

[In thousands of dollars]

	1999 enacted	2000 budget	Committee recommendation
Farm ownership:			
Direct	¹ (85,651)	(128,049)	(128,049)
Guaranteed	² (425,031)	(431,373)	(431,373)
Farm operating:			
Direct	³ (500,000)	(500,000)	(500,000)
Guaranteed unsubsidized	⁴ (948,276)	(1,697,842)	(1,697,842)
Guaranteed subsidized	⁵ (200,000)	(97,442)	(200,000)
Indian tribe land acquisition	(1,000)	(1,028)	(1,028)
Emergency disaster	⁶ (25,000)	(53,000)	(25,000)

AGRICULTURAL CREDIT PROGRAMS—LOAN LEVELS—Continued

[In thousands of dollars]

	1999 enacted	2000 budget	Committee recommendation
Boll weevil eradication loans	(100,000)	(100,000)	(100,000)
Total, farm loans	⁷ (2,284,958)	(3,008,734)	(3,083,292)

¹ Excludes estimated \$200,000,000 increase funded by emergency supplemental loan subsidy appropriation provided by Public Law 106-31.

² Excludes estimated \$350,000,000 increase funded by emergency supplemental loan subsidy appropriation provided by Public Law 106-31.

³ Excludes estimated \$233,806,000 increase funded by emergency supplemental loan subsidy appropriation provided by Public Law 105-277, and an estimated \$185,000,000 increase funded by emergency supplemental loan subsidy appropriation provided by Public Law 106-31.

⁴ Excludes estimated \$150,000,000 increase funded by emergency supplemental loan subsidy appropriation provided by Public Law 105-277.

⁵ Excludes estimated \$156,704,000 increase funded by emergency supplemental loan subsidy appropriation provided by Public Law 105-277, and an estimated \$185,000,000 increase funded by emergency supplemental loan subsidy appropriation provided by Public Law 106-31.

⁶ Excludes estimated \$175,000,000 increase funded by emergency supplemental loan subsidy appropriation provided by Public Law 106-31.

⁷ Excludes estimated \$540,510,000 increase funded by emergency supplemental loan subsidy appropriation provided by Public Law 105-277, and an estimated \$1,095,000,000 increase funded by emergency supplemental loan subsidy appropriation provided by Public Law 106-31.

LOAN SUBSIDIES AND ADMINISTRATIVE EXPENSES LEVELS

[In thousands of dollars]

	Subsidies			Administrative expenses		
	Insured loan	Guaranteed loan	Total	Appropriations	Transfer to FSA	Total ACIF
Appropriations, 1999	54,465	35,238	¹ 89,703	² 10,000	209,861	² 219,861
Budget estimate, 2000	42,379	34,941	77,320	4,300	209,861	214,161
Committee recommendation	42,379	39,627	82,006	4,300	209,861	214,161

¹ Excludes estimated \$137,014,000 in emergency supplemental appropriation provided by Public Law 105-277 and Public Law 106-31.

² Excludes estimated \$4,000,000 in emergency supplemental appropriation provided by Public Law 106-31.

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]

	1999 enacted	2000 budget	Committee recommendation
Loan subsidies:			
Farm ownership:			
Direct	¹ 12,822	4,827	4,827
Guaranteed	² 6,758	2,416	2,416
Farm operating:			
Direct	³ 34,150	29,300	29,300
Guaranteed unsubsidized	⁴ 11,000	23,940	23,940
Guaranteed subsidized	⁵ 17,480	8,585	17,620
Indian tribe land acquisition	153	21	21
Emergency disaster	⁶ 5,900	8,231	3,882

[In thousands of dollars]

	1999 enacted	2000 budget	Committee recommendation
Boll weevil eradication loans	1,440	(⁹)	(⁹)
Total, loan subsidies	⁷ 89,703	77,320	82,006
ACIF expenses	⁸ 219,861	214,161	214,161

¹ Excludes enacted emergency supplemental appropriation of \$29,940,000 (Public Law 106-31).² Excludes enacted emergency supplemental appropriation of \$5,565,000 (Public Law 106-31).³ Excludes enacted emergency supplemental appropriation of \$15,969,000 (Public Law 105-277), and \$12,635,000 (Public Law 106-31).⁴ Excludes enacted emergency supplemental appropriation of \$1,740,000 (Public Law 105-277).⁵ Excludes enacted emergency supplemental appropriation of \$13,696,000 (Public Law 105-277) and \$16,169,000 (Public Law 106-31).⁶ Excludes enacted emergency supplemental appropriation of \$41,300,000 (Public Law 106-31).⁷ Excludes enacted emergency supplemental appropriation of \$31,405,000 (Public Law 105-277) and \$105,609,000 (Public Law 106-31).⁸ Excludes enacted emergency supplemental appropriation of \$4,000,000 (Public Law 106-31).⁹ No cost since subsidy rate is negative.

RISK MANAGEMENT AGENCY

Appropriations, 1999	\$64,000,000
Budget estimate, 2000	70,716,000
Committee recommendation	64,000,000

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 Reorganization 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 \$64,000,000. This is \$6,716,000 less than the budget request and the same as the 1999 level.

The Committee is pleased that the agency is currently conducting a test program to determine the feasibility of including catfish within the Federal Crop Insurance Program. It directs the agency to conduct the necessary analysis to determine whether salmon would meet the actuarial soundness requirement needed to conduct a similar test program. The Committee expects the report to be completed by September 1, 1999.

SUPPORT SERVICES BUREAU

Appropriations, 1999 .....	.....
Budget estimate, 2000	\$74,050,000
Committee recommendation .....	.....

Since 1993, the county-based agencies have been implementing streamlining plans to cut red tape and co-locate offices in the same county, with the goal of providing “one-stop service” for USDA customers. The next phase involves converging the administrative organizations of these separate agencies. The Budget proposes the establishment of a new Support Services Bureau (SSB) account to centrally fund the administrative support services common to each of the county-based agencies. This account will directly support the ongoing Service Center Modernization initiative. The SSB will reflect the combined costs of the agencies’ administrative functions and will allow common services such as information technology, financial management, and human resources to be shared among the Farm Service Agency (FSA), the Rural Development (RD) mission area, and the Natural Resources Conservation Service (NRCS).

The SSB will be financed by a combination of direct appropriations and transfers from the serviced agencies. The establishment of a single account will provide an efficient mechanism to effect the necessary fund transfers to support the bureau.

COMMITTEE RECOMMENDATIONS

For the Support Services Bureau, the Committee recommends no appropriation. This amount is \$74,000,000 less than the budget request. No funds were requested for this account for fiscal year 1999.

Due to funding constraints, the Committee is unable to provide the \$74,000,000 requested for the Support Services Bureau. Under the budget proposal, administrative management support activities for the Farm Service Agency, the Natural Resources Conservation Service and Rural Development will be consolidated under the Support Services Bureau. While the Committee supports obtaining additional efficiencies in these agencies and has been supportive of the Common Computing Environment, it expects funds to be transferred to the Support Services Bureau only to the extent that funds for these activities exist in each respective agency and only to the extent that the reprogramming procedures contained in this act are followed.

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 \$60 per crop per policy, or \$200 for all crops grown by the producer in a county, with a cap of \$600 regardless of the number of crops and counties involved. At least catastrophic [CAT] coverage was required for producers who participate in the commodity support, farm credit, and certain other farm programs. 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.

FEDERAL CROP INSURANCE CORPORATION FUND

Appropriations, 1999 ¹	\$1,504,036,000
Budget estimate, 2000 ²	997,000,000
Committee recommendation	997,000,000

¹Excludes emergency supplemental appropriations totaling \$69,000,000 provided by Public Law 105-277.

²The budget requests such sums as may be necessary to remain available until expended.

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 for 2000, 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 \$997,000,000. This is \$507,036,000 less than the amount provided in 1999.

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 ade-

quate 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 stabilizing, supporting, and protecting farm income and prices; maintaining the balance and adequate supplies of selected commodities; and facilitating the orderly distribution of such commodities. In addition, the Corporation 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 1996 act also requires a milk price support program that begins after enactment of the act and continues through December 31, 1999, followed by a recourse loan program for dairy product processors.

The 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. A recourse loan program for commercial processors of dairy products begins on January 1, 2000. The recourse loan rate is to be established for eligible dairy products at a level that reflects a milk equivalent value of \$9.90 per hundredweight of milk containing 3.67 percent butterfat.

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 contracts, 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, 1999	\$8,439,000,000
Budget estimate, 2000 ¹	14,368,000,000
Committee recommendation ¹	14,368,000,000

¹ Amount proposed to be reimbursed through a current indefinite appropriation.

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 \$14,368,000,000. This is \$5,929,000,000 more than the amount provided for 1999. The Committee notes that the Department's most recent estimate of the fiscal year 2000 payment required to reimburse the CCC for net realized losses is \$20,368,000,000, \$6,000,000,000 higher than the budget estimate.

Food Security Commodity Reserve

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.

OPERATIONS AND MAINTENANCE FOR HAZARDOUS WASTE
MANAGEMENT

Limitation, 1999	\$5,000,000
Budget estimate, 2000	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 1999 level and the budget request.

TITLE II—CONSERVATION PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

Appropriations, 1999	\$693,000
Budget estimate, 2000	721,000
Committee recommendation	693,000

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 \$693,000. This amount is the same as the amount provided in 1999 and \$28,000 less than 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, 1999	\$641,243,000
Budget estimate, 2000 ¹	680,679,000
Committee recommendation	656,243,000

¹Includes a proposed transfer of \$44,423,000 from “Watershed and flood prevention operations”.

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 \$656,243,000. This amount is \$15,000,000 more than the 1999 level and \$24,436,000 less than the budget estimate. The Committee does not assume the transfer of \$44,423,000 from watershed and flood prevention operations as proposed in the budget. Also, the Committee does not provide funding for competitive partnership grants, the Community Federal Information Partnership

(CFIP), or the Global Climate Change Initiative, as proposed by the budget.

The budget identifies the availability of funds for transfer to the proposed Support Services Bureau. The Committee directs that available funds be used to meet increased requirements to maintain existing staffing levels.

The Committee provides an increase of \$5,000,000 from the fiscal year 1999 level to develop partnerships between USDA and the National Fish and Wildlife Foundation to enhance the Foundation's participation in conservation programs and strengthen their fish and wildlife conservation benefits.

The Committee provides an increase of \$5,000,000 from the 1999 fiscal year level for the Animal Feeding Operation (AFO).

The Committee provides the fiscal year 1999 level of funding to continue work on the Great Lakes Basin Program for soil and erosion sediment control.

The Committee continues funding at the fiscal year 1999 level for the grazing lands conservation assistance program. The agency is to be commended for establishing a system to provide an accounting of funds used for this program within conservation operations.

The Committee continues funding at the 1999 fiscal year level for the National Water Management Center in Arkansas.

The Committee maintains the fiscal year 1999 level for the Chesapeake Bay Program.

The Committee provides \$500,000 for the Sowashee Creek Watershed, Lauderdale County, Mississippi.

The Committee is concerned about the introduction of alien weed pests, such as gorse and miconia, into Hawaii that has resulted in serious threats to pastures and watersheds. The Committee directs the agency to continue its 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 continues funding at the 1999 funding level for plant material centers and to continue the 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 allocate the 1999 level of funding to support the Federal-State partnership to address the Lake Champlain and Lake Memphremagog basins.

The Committee provides the fiscal year 1999 level of funding to continue support of agricultural development and resource conservation in the native Hawaiian homestead communities on the Island of Molokai. The Committee encourages program transition from small-scale conservation projects to those benefitting the community at large.

The Committee directs the agency to provide an increase of \$1,000,000 for the Kenai streambank restoration water project in fiscal year 2000.

The Committee recognizes the need for a special outreach effort in order for USDA to serve small-scale Appalachian farmers in sustaining agriculture production, while protecting natural resources, and therefore, directs the agency to use \$660,000 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 \$1,000,000 for technical assistance for Franklin County Lake, Mississippi.

The Committee is aware of the lack of funding for the Soil and Water Conservation Districts in the State of Alaska. The Committee provides an increase of \$1,000,000 from the fiscal year 1999 level for at least one staff position for each Soil and Water Conservation District Office, two positions with the Association of Soil and Water Conservation Districts, a public information program, and assistance to rural Alaska (off the road/rail network).

The Committee provides an increase of \$288,900 from the fiscal year 1999 level for agroforestry efforts in conjunction with the National Agroforestry Center in Lincoln, Nebraska.

The Committee encourages the agency to provide technical assistance as needed for Palmer's Crossing, Choctaw Water Quality Watershed, and the New Porter's Bayou watershed project in Mississippi.

The Committee provides the fiscal year 1999 level of funding to implement the recommendations identified in the Delta Study aimed at water conservation, alternative water supply evaluations, and environmental planning. This funding is to be used to continue the implementation of the study in cooperation with the local sponsor.

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

The Committee recognizes that the Department has the authority to establish national priority area pilot programs under the guidelines of the Environmental Quality Incentives Program [EQIP]. The Committee directs the agency to continue adequate funding for the two national priority area pilot projects designated in 1998.

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

The Committee directs the agency to be accountable for the funds spent on behalf of the salmon recovery efforts in the Pacific Northwest and report an itemized list to the Committee no later than January 1, 2000.

The Committee provides the 1999 fiscal year level of funding for the Tri-Valley watershed, an essential part of the Central Utah Completion Act, for improvement to canals and to provide pressurized irrigation water to Wasatch and Summit Counties.

The Committee provides an additional \$100,000 from the fiscal year 1999 to increase the Hawaii Plant Materials Center's capability to propagate native plants to support the Federal cleanup of the Island of Kahoolawe, and to facilitate the startup of native plant nurseries.

The Committee provides the fiscal year 1999 level for composting demonstration sites of poultry litter and wood products in West

Virginia. The Committee supports the Federal, state, and local partnerships that have been created by this project, and the progress toward utilizing poultry litter in value-added production.

The Committee provides the fiscal year 1999 level of funding to address the erosion in the Loess Hills area in western Iowa.

The Committee provides an increase of \$100,000 from the fiscal year 1999 funding level for Phase II of the Potomac and Ohio River basins soil nutrient project. This information is critical as 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 1999 level of funding for evaluating and increasing native plant materials in Alaska. The revegetation will be developed for commercial producers so that it can be used to protect and restore worn trails, eroded streambanks, and to prevent further ecological damage.

The Committee provides \$300,000 for testing emerging alternative technology to reduce phosphorus loading into Lake Champlain from agricultural runoff.

The Committee also provides an additional \$750,000 from the fiscal year 1999 funding level for technical assistance for the Seward/Resurrection River watershed project, Alaska.

The Committee provides the fiscal year 1999 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.

WATERSHED SURVEYS AND PLANNING

Appropriations, 1999	\$10,368,000
Budget estimate, 2000	11,732,000
Committee recommendation	10,368,000

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 retar-

dition, 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 \$10,368,000. This amount is the same as the 1999 appropriation and \$1,364,000 less than the budget request.

WATERSHED AND FLOOD PREVENTION OPERATIONS

Appropriations, 1999 ¹	\$99,443,000
Budget estimate, 2000 ²	83,423,000
Committee recommendation	99,443,000

¹Excludes \$95,000,000 in emergency supplemental appropriations provided by Public Law 106-31.

²Reflects a proposed transfer of \$44,423,000 from "Watershed and flood prevention operations" to "Conservation operations".

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 \$99,443,000. This amount is the same as the 1999 appropriation and \$16,020,000 more than the budget request.

The Committee continues the fiscal year 1999 level of funding for the Little Sioux project in Iowa.

The Committee encourages the agency to complete work on the Willow-Cravens Creek Watershed project, Missouri.

The Committee urges the NRCS to proceed with the design of Phase I of the main distribution pipeline which is dedicated to increasing water storage capacity and improving the efficiency of delivery systems on the islands of Hawaii and Maui to mitigate persistent drought conditions and conserve water to support diversified agriculture activities.

The Committee encourages the Department to assist local landowners with the Little Red River Watershed project in Arkansas and the Gallagher Creek Watershed and Squirrel Branch projects in Mississippi.

The Committee encourages the Department to work with the Tahoe Regional Planning Agency to restore the Lake Tahoe basin.

The Committee is increasingly concerned by the threats to public safety posed by the aging system of flood control structures and the hardships placed on local conservation and flood control districts due to the Department's policy that rehabilitation of such facilities is considered part of the districts' operation and maintenance responsibilities. The Committee directs the Department to provide the Committee a detailed analysis of this problem and a strategy to provide comprehensive rehabilitation of endangered structures.

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

The Committee encourages the agency to continue assistance for the Colusa Basin Drainage District, the Salinas Valley Eastside Project Area, and the Chino Dairy Preserve Project, California.

The Committee is aware of continued flooding in the Devils Lake basin in North Dakota, and notes that the lake has risen in each of the past seven years. The lake has risen nearly 25 feet since 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 being developed with the Federal Emergency Management Agency. 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.

RESOURCE CONSERVATION AND DEVELOPMENT

Appropriations, 1999	\$35,000,000
Budget estimate, 2000	35,265,000
Committee recommendation	35,000,000

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 \$35,000,000. This amount is the same as the 1999 level and \$265,000 less than the budget estimate.

FORESTRY INCENTIVES PROGRAM

Appropriations, 1999 ¹	\$6,325,000
Budget estimate, 2000	
Committee recommendation	6,325,000

¹ Excludes enacted emergency supplemental appropriations of \$10,000,000 provided by Public Law 105-277.

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 \$6,325,000. This amount is the same as the 1999 appropriation and \$6,325,000 more than the budget request.

FARMLAND PROTECTION PROGRAM

Appropriations, 1999	
Budget estimate, 2000	\$50,000,000
Committee recommendation	

The Farmland Protection Program is authorized by section 388 of the Federal Agriculture Improvement and Reform Act (7 U.S.C. 7201). Its purpose is to protect farmland from urban development and other nonagricultural land conversions; preserve farmland for future generations; maintain, restore, and enhance ecosystems; protect historical landscapes, scenic beauty, and open space; and sustain rural economic stability and development.

COMMITTEE RECOMMENDATIONS

For the Farmland Protection Program, the Committee recommends no appropriation. This is \$50,000,000 less than the budget estimate. No funds were appropriated for this program for fiscal year 1999. Direct funding is provided for the Farmland Protection Program through the Commodity Credit Corporation and the Committee does not believe a discretionary appropriation is appropriate or required to augment the authorized level for this program.

TITLE III—RURAL ECONOMIC AND COMMUNITY
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 multibillion dollar assistance program throughout all America providing loans and grants for single-family, multifamily housing, and special housing needs, a variety of community facilities, infrastructure, and business development programs.

OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

Appropriations, 1999	\$588,000
Budget estimate, 2000	612,000
Committee recommendation	588,000

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 \$588,000. This amount is \$24,000 less than the budget request and the same as the 1999 level.

The Committee urges the Department to work closely with the Santiam Canyon officials and other Federal agencies to ensure implementation of an economic plan.

The Committee notes the opportunities for improved farm income, especially among small farm operators, through diversification of crop production and specialized marketing strategies. An important element to this strategy is to afford producers better access to new and direct consumer markets. Toward this goal, the

Secretary is urged to work with interested farm groups, cooperatives, and communities in utilizing the authorities of the Rural Economic and Community Development Agency in the development of marketing opportunities in urban areas and other areas where farmers may directly market their products to consumers.

The Committee strongly supports farmers joining together in cooperative self-help efforts to move into value-added production and processing activities. Such cooperative endeavors can have a positive impact on the ability of farmers to improve their income and achieve financial stability, manage risk, compete more effectively in a global marketplace still characterized by subsidized foreign competition, and help create needed jobs in communities throughout rural America. The Committee believes the Department of Agriculture should give increased emphasis to programs aimed at encouraging such cooperative ventures, including strengthening funding for Cooperative Services' programs relating to research, education, and technical assistance for farmer cooperatives.

The Committee urges the agency to consider Rural Business Enterprise Grant applications from within Empowerment Zone areas, even when the beneficiary companies may exceed the number of employees or gross annual revenue determinations currently used by the agency to define small and emerging businesses, particularly where the grant would allow existing businesses to stay within the area and expand their operation.

The budget identifies the availability of funds for transfer to the proposed Support Services Bureau. The Committee directs that available funds be used to meet increased requirements to maintain existing staffing levels.

RURAL COMMUNITY ADVANCEMENT PROGRAM

Appropriations, 1999	¹ \$722,686,000
Budget estimate, 2000	670,103,000
Committee recommendation	718,006,000

¹Excludes \$30,000,000 in emergency supplemental appropriations provided by Public Law 106-31.

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

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

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

Rural business opportunity grants are authorized under section 306(a)(11) of the Consolidated Farm and Rural Development Act, as amended. Grants may be made, not to exceed \$1,500,000 annually, to public bodies and private nonprofit community development corporations or entities. Grants are made to identify and analyze business opportunities that will use local rural economic and human resources; to identify, train, and provide technical assistance to rural entrepreneurs and managers; to establish business support centers; to conduct economic development planning and 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, 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 \$718,006,000. This amount is \$47,903,000 more than the budget request and \$4,680,000 less than the fiscal year 1999 level.

Community facility grants.—The Committee recognizes the need for a community facility grant for the construction of a new facility for the St. Paul Island Health Clinic in Alaska. The Committee encourages the Department to consider an application for the construction of this facility.

Rural business enterprise grants.—The Committee is aware of and encourages the Department to give consideration to applications for rural business enterprise grants [RBEG] from the following: Land Stewardship Alliance; Pembroke Farming Cooperative, Illinois; the Grants to Broadcasting Program; Ninth District Development Financing, Inc., Virginia; South Carolina Cotton Museum, Bishopville, South Carolina; Premium Pork of Montana; South Dakota Value-Added Agriculture Development Center; West Virginia Rural Health Infrastructure Loan Program; Rural Economic Development Through Tourism (REDIT); Arkansas State

University Entrepreneurial and Trade Center; Cut Bank Tourism Information Center; Mission Valley Market Project; and for the small business incubator in Northeastern Montana.

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

The Committee has provided the fiscal year 1999 level of funding for transportation technical assistance.

Water and waste disposal loans and grants.—The Committee is aware of and encourages the Department to consider applications for the following projects: the city of Social Circle, GA; the Compton Mountain Water Project, VA; the Shulerville/Honey Hill Water project, Berkeley, South Carolina; the Long Park Dam in Manila, UT; Globalplex Intermodal Terminal Wastewater and Sewer Project, LA; Valley Park Water Association, Issaquena County, MS; and Vallecito Water Co., Colorado.

The Committee also includes language in the bill to make up to \$20,000,000 available for village safe water for the development of water systems for rural and native villages in Alaska, and \$20,000,000 for water and waste disposal systems for the colonias along the United States-Mexico border. In addition, the Committee makes up to \$7,300,000 available for the circuit rider program.

Water and waste technical assistance training grants.—The Committee encourages the Department to consider applications for the following: Rural Sanitation Drainage Initiative, AK; and for new environmental wastewater treatment technology and centrifuge technology, HI.

The Committee encourages the Department to support a farm labor service center pilot project to develop a program to help with recruiting, supporting and training a farm labor pool.

The Committee encourages the Department to work with officials of Tillamook Bay, or, to provide the needed infrastructure to diversify the local economy.

Labor shortages are causing a crisis on Vermont family farms, particularly in the Dairy and Orchard sectors. Farmers are unable to recruit and retain workers in today's competitive labor market, and generally do not have access to migrant labor pools available to other regions. Economic and quality of life issues associated with labor shortages are forcing more families out of farming. The Committee directs the agency to establish a Farm Labor Service Center pilot project to help with recruiting, supporting and training a farm labor pool.

The Committee is aware of the out-migration in rural counties across the country and the efforts being made through the Rural Economic Area Partnership (REAP) pilot program to address this problem with financial support for REAP zones, especially in North Dakota, from the Department. The Committee urges the Department to continue this support in fiscal year 2000. In addition, the Rural Development agency, which is the lead agency for this program, is encouraged by the Committee to use out-migration as one of the allocation criteria when determining assistance.

Business and Industry Loan Program.—The Committee commends the Secretary for recognizing the importance of cooperative businesses in rural America and encourages the Secretary to continue targeting these funds to rural and farmer cooperatives and eligible cooperative lending institutions.

The following table provides the Committee's recommendations, as compared to the fiscal year 1999 and budget request levels:

RURAL COMMUNITY ADVANCEMENT PROGRAM

[Budget authority in thousands of dollars]

	Fiscal year—		Committee recommendation
	1999 appropriation	2000 budget request	
Housing:			
Community facility loan subsidies: Direct ...	22,917	15,150	15,150
Community facility grants	6,869	13,237	8,000
Subtotal, housing	29,786	28,387	23,150
Business:			
Business and industry loan subsidies:			
Guaranteed	9,673	31,100	26,435
Rural business enterprise grants	38,220	35,970	37,664
Rural business opportunity grants	500	5,000	500
Subtotal, business	48,393	72,070	64,599
Utilities:			
Water and waste disposal loan subsidies:			
Direct	129,430	63,900	105,790
Water and waste disposal grants	512,761	503,000	521,467
Solid waste management grants	2,816	2,746	3,000
Subtotal, utilities	645,007	569,646	630,257
Total, loan subsidies and grants	722,686	670,103	718,006

RURAL HOUSING SERVICE

TOTAL APPROPRIATIONS LEVEL

Appropriations, 1999	\$1,269,445,000
Budget estimate, 2000	¹ 1,345,735,000
Committee recommendation	1,310,948,000

¹ Includes proposed fiscal year 2001 advance appropriation of \$200,000,000.

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) facilitate the economic revitalization of rural areas by providing direct and indirect economic benefits to individual borrowers, families, and rural communities; (2) assure that benefits are commu-

nicated 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 \$1,310,948,000 for the Rural Housing Service. This is \$34,787,000 less than the budget request and \$41,503,000 more than the 1999 level.

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

ESTIMATED LOAN LEVEL

Loan level, 1999	(\$4,251,717,000)
Budget estimate, 2000	(4,575,052,000)
Committee recommendation	(4,594,694,000)

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, farm labor housing, and rural housing sites. Rural housing loans are made to construct, improve, alter, repair, or replace dwellings and essential farm service buildings that are modest in size, design, and cost. Rental housing insured loans are made to individuals, corporations, associations, trusts, or partnerships to provide moderate-cost rental housing and related facilities for elderly persons in rural areas. These loans are repayable in not to exceed 30 years. Farm labor housing insured loans are made either to a farm owner or to a public or private nonprofit organization to provide modest living quarters and related facilities for domestic farm labor. Loan programs are limited to rural areas, which include towns, villages, and other places of not more than 10,000 population, which are not part of an urban area. Loans may also be made in areas with a population in excess of 10,000, but less than 20,000, if the area is not included in a standard metropolitan statistical area and has a serious lack of mortgage credit for low- and moderate-income borrowers.

COMMITTEE RECOMMENDATIONS

The following table presents loan and grant program levels recommended by the Committee, compared to the 1999 levels and the 2000 budget request:

RURAL HOUSING SERVICE LOAN AND GRANT LEVELS

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	1999	2000 request	
Rural Housing Insurance Fund Program Account loan levels:			
Low-income family housing (sec. 502):			
Direct	¹ (965,313)	(1,100,000)	(1,100,000)
Unsubsidized guaranteed	(3,000,000)	(3,200,000)	(3,200,000)
Housing repair (sec. 504)	² (25,001)	(32,396)	(32,396)
Farm labor (sec. 514)	(20,000)	(25,001)	(25,001)
Rental housing (sec. 515)	(114,321)	(100,000)	(114,321)
Multifamily housing guarantees (sec. 538)	³ (100,000)	(100,000)	(100,000)
Credit sales of acquired property	(16,930)	(7,503)	(12,824)
Site loans (sec. 524)	(5,152)	(5,152)	(5,152)
Self-help housing land development fund	(5,000)	(5,000)	(5,000)
Total, RHIF	(4,251,717)	(4,575,052)	(4,594,694)
Grants and payments:			
Mutual and self-help housing	26,000	30,000	26,000
Rental assistance	583,397	⁵ 440,000	640,000
Rural housing assistance grants [RHAG]	⁴ 41,000	54,000	41,000
Total, rural housing grants and payments	650,397	⁵ 524,000	707,000
Total, RHS loans and grants	(4,902,114)	(4,899,052)	(5,301,694)

¹ Excludes estimated \$10,000,000 increase funded by emergency supplemental appropriations provided by Public Law 106-31.

² Excludes estimated \$1,000,000 increase funded by emergency supplemental appropriations provided by Public Law 106-31.

³ USDA changed the subsidy rate from 2.32 to 3.10 when interim regulations were published. The new rules will provide \$74,839,000 in loans.

⁴ Excludes estimated \$1,000,000 increase funded by emergency supplemental appropriations provided by Public Law 106-31.

⁵ Excludes proposed fiscal year 2001 advance appropriations \$200,000,000.

LOAN SUBSIDY AND ADMINISTRATIVE EXPENSES LEVELS

[In thousands of dollars]

	Direct loan subsidy	Guaranteed loan subsidy	Administrative expenses, including transfer from RHIF
Appropriations, 1999	192,265	5,020	(360,785)
Budget estimate, 2000	155,877	20,000	(383,879)
Committee recommendation	162,185	20,000	(360,785)

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 2000, as well as for administrative expenses. The following table presents the loan subsidy levels as compared to the 1999 levels and the 2000 budget request:

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	1999 level	2000 request	
Loan subsidies:			
Single family (sec. 502):			
Direct	¹ 114,100	93,830	93,830
Unsubsidized guaranteed	2,700	19,520	19,520
Housing repair (sec. 504)	² 8,808	9,900	9,900
Farm labor (sec. 514)	10,406	11,308	11,308
Rental housing (sec. 515)	55,160	39,680	45,363
Multifamily housing guarantees (sec. 538)	2,320	480	480
Site loans	17	4	4
Credit sales of acquired property	3,492	874	1,499
Self-help housing land development fund	282	281	281
Total, loan subsidies	³ 197,285	175,877	182,185
Administrative expenses	60,978	61,979	60,978
(Transfer from RHIF)	(360,785)	(383,879)	(360,785)
Total, RHS administrative expenses	(421,763)	(445,858)	(421,763)

¹ Excludes \$1,182,000 emergency supplemental appropriations provided by Public Law 106-31.² Excludes \$352,000 emergency supplemental appropriations provided by Public Law 106-31.³ Excludes \$2,534,000 emergency supplemental appropriations provided by Public Law 106-31.

RENTAL ASSISTANCE PROGRAM

Appropriations, 1999	\$583,397,000
Budget estimate, 2000 ¹	440,000,000
Committee recommendation	640,000,000

¹ Excludes a proposed advance appropriation of \$200,000,000 for fiscal year 2001.

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 \$640,000,000. This amount is

\$200,000,000 more than the budget request and \$56,603,000 more than the 1999 level.

The Committee does not recommend an advance appropriation of \$200,000,000 for fiscal year 2001 to meet fiscal year 1999 contract obligations, as proposed in the budget.

MUTUAL AND SELF-HELP HOUSING GRANTS

Appropriations, 1999	\$26,000,000
Budget estimate, 2000	30,000,000
Committee recommendation	26,000,000

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 \$26,000,000 for mutual and self-help housing grants. This is the same as the 1999 level and is \$4,000,000 less than the budget request.

RURAL HOUSING ASSISTANCE GRANTS

Appropriations, 1999	\$41,000,000
Budget estimate, 2000	54,000,000
Committee recommendation	41,000,000

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.

Rural housing for domestic farm labor.—Financial assistance in the form of grants is authorized to public or private nonprofit organizations or other eligible organizations for low-rent housing and related facilities for domestic farm labor.

Under section 516 of the Housing Act of 1949, the Rural Housing Service is authorized to share with States or other political subdivisions, public or private nonprofit organizations, or nonprofit organizations of farm workers, the cost of providing low-rent housing, basic household furnishings, and related facilities to be used by domestic farm laborers. Such housing may be for year-round or seasonal occupancy and consist of family units, apartments, or dormitory-type units, constructed in an economical manner, and not of elaborate or extravagant design or materials. Grant assistance may not exceed 90 percent of the total development cost. Applicants furnish as much of the development cost as they can afford by using their own resources, by borrowing either directly from private sources, or by obtaining an insured loan under section 514 of the Housing Act. The applicant must agree to charge rentals which do not exceed amounts approved by the Secretary, maintain the housing at all times in a safe and sanitary condition, and give occupancy preference to domestic farm laborers.

The obligations incurred by the applicant as a condition of the grant continue for 50 years from the date of the grant unless sooner terminated by the Rural Housing Service. Grant obligations are secured by a mortgage of the housing or other security. In the event of default, the Rural Housing Service has the option to require repayment of the grant.

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 \$5,000, 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 non-profit organizations for packaging loan applications for housing assistance under sections 502, 504, 514/516, 515, 524, and 533. 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 \$41,000,000. This is \$13,000,000 less than the budget request and the same as the 1999 level.

The following table compares the grant program levels recommended by the Committee to the 1999 levels and the budget request:

RURAL HOUSING ASSISTANCE GRANTS

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	1999 level	2000 request	
Domestic farm labor grants	11,365	15,000	11,365
Very low-income housing repair grants	21,768	30,000	21,768
Rural housing preservation grants	7,867	9,000	7,867
Total	41,000	54,000	41,000

SALARIES AND EXPENSES

[In thousands of dollars]

	Appropriation	Transfer from loan accounts	Total, RHS salaries and expenses
Appropriations, 1999	60,978	(360,785)	(421,763)
Budget estimate, 2000	61,979	(383,879)	(445,858)
Committee recommendation	60,978	(360,785)	(421,763)

These funds are used to administer the loan and grant programs of the Rural Housing 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 for the rural housing insurance fund and rural community facility loans. Appropriations to the "Salaries and expenses" account will be for costs associated with grant programs.

COMMITTEE RECOMMENDATIONS

For salaries and expenses of the Rural Housing Service, including transfers from other accounts, the Committee recommends an appropriation of \$421,763,000. This is \$24,095,000 less than the budget request and the same as the fiscal year 1999 level.

RURAL BUSINESS-COOPERATIVE SERVICE

Appropriations, 1999	\$52,860,000
Budget estimate, 2000	63,201,000
Committee recommendation	54,585,000

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

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

COMMITTEE RECOMMENDATIONS

For the Rural Business-Cooperative Service loans and grants, the Committee recommends a program level of \$58,756,000. This is \$7,544,000 less than the fiscal year 1999 level and \$17,739,000 less than the budget request.

The following table presents the Committee's recommended levels for loans and grants administered by the Rural Business-Cooperative Service, as compared to the 1999 levels and the budget request:

RURAL BUSINESS-COOPERATIVE SERVICE GRANTS AND LOANS

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	1999 level	2000 request	
Rural development loan fund	(33,000)	(52,495)	(38,256)
Rural economic development loans	(15,000)	(15,000)	(15,000)
Total, RBS loans	(48,000)	(67,495)	(53,256)
Rural cooperative development grants	3,300	9,000	5,500
Total, RBS loans and grants	¹(51,300)	(76,495)	(58,756)

¹ Excludes additional \$15,000,000 for EZ/EC activities.

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

ESTIMATED LOAN LEVEL

Loan level, 1999	(\$33,000,000)
Budget estimate, 2000	(52,495,000)
Committee recommendation	(38,256,000)

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 2000, as well as for administrative expenses.

COMMITTEE RECOMMENDATIONS

For rural development (intermediary relending) loans, the Committee recommends a total level of \$38,256,000. This is \$14,239,000 less than the budget request and \$5,256,000 more than the 1999 level.

The following table presents the Committee's recommendations for direct loan subsidy and administrative expenses, as compared to the fiscal year 1999 and budget request levels:

ESTIMATED LOAN SUBSIDY AND ADMINISTRATIVE EXPENSES LEVELS

	Direct loan subsidy	Administrative ex- penses transfer to RBCS
Appropriations, 1999	\$16,615,000	(\$3,482,000)
Budget estimate, 2000	22,799,000	(3,337,000)
Committee recommendation	16,615,000	(3,337,000)

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

(In thousands of dollars)

	Fiscal year—		Committee rec- ommendation
	1999 level	2000 request	
Estimated loan level	(15,000)	(15,000)	(15,000)
Direct loan subsidy	¹ 3,783	¹ 3,453	¹ 3,453

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 \$3,453,000. This amount is the same as the budget request and \$330,000 less than the 1999 level. As proposed in the budget, the \$3,453,000 provided is derived by transfer from interest on the cushion of credit payments.

RURAL COOPERATIVE DEVELOPMENT GRANTS

Appropriations, 1999	\$3,300,000
Budget estimate, 2000 ¹	9,000,000
Committee recommendation	5,500,000

¹ Reflects a transfer of \$2,000,000 from salaries and expenses to fund cooperative research agreements.

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.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$5,500,000 for rural cooperative development grants. This is \$2,200,000 more than the 1999 level and \$3,500,000 less than the budget request. The Committee does not provide a transfer of \$2,000,000 from salaries and expenses to fund cooperative research agreements, as proposed in the budget.

The Committee is aware of and encourages the Department to consider the following applications for cooperative development grants: Malt Montana, Inc.; Multi-state regional cooperative development centers; Dawson County economic development, MT; Mississippi Association of Cooperatives; and eastern shore economic development, VA.

Of the funds provided for rural cooperative development grants, \$1,500,000 is provided for a cooperative agreement for the Appropriate Technology Transfer for Rural Areas Program.

SALARIES AND EXPENSES

(In thousands of dollars)

	Appropriation	Transfer from loan accounts	Total, RBS, salaries and expenses
Appropriations, 1999	25,680	(3,482)	(29,162)
Budget estimate, 2000	24,612	(3,337)	(27,949)
Committee recommendation	25,680	(3,337)	(29,017)

These funds are used to administer the loan and grant programs of 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.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$29,017,000 for salaries and expenses of the Rural Business-Cooperative Service. This is \$145,000 less than the 1999 level and \$1,068,000 more than the budget request.

The Committee recommends continued staffing and operations of the cooperative services office in Hilo, HI, to address the increasing demand for cooperatives by the expanding diversified agriculture sector in Hawaii.

ALTERNATIVE AGRICULTURAL RESEARCH AND COMMERCIALIZATION
CORPORATION REVOLVING FUND

Appropriations, 1999	\$3,500,000
Budget estimate, 2000	10,000,000
Committee recommendation	3,500,000

The Alternative Agricultural Research and Commercialization Act of 1990, subtitle G of the Food, Agriculture, Conservation, and Trade Act of 1990, as amended by the Federal Agriculture Improvement and Reform Act of 1996, was established to develop and produce marketable products other than food, feed, or traditional forest or fiber products. It assists in researching, developing, commercializing, and marketing new nonfood, nonfeed uses for traditional and new agricultural commodities.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$3,500,000 to the Alternative Agricultural Research and Commercialization Corporation Revolving Fund. This is the same as the fiscal year 1999 level and \$6,500,000 less than the budget request.

RURAL UTILITIES SERVICE

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

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

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM
ACCOUNT

ESTIMATED LOAN LEVEL

Loan level, 1999	(\$1,561,500,000)
Budget estimate, 2000	(1,070,000,000)
Committee allowance	(1,561,500,000)

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

COMMITTEE RECOMMENDATIONS

The following table reflects the Committee's recommended loan levels for the "Rural electrification and telecommunications loans program" account, as compared to the fiscal year 1999 and budget request levels:

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	1999 level	2000 request	
Loan authorizations:			
Direct loans:			
Electric 5 percent	(71,500)	(50,000)	(71,500)
Telecommunications 5 percent	(75,000)	(50,000)	(75,000)
Subtotal	(146,500)	(100,000)	(146,500)
Treasury rate: Telecommunications	(300,000)	(300,000)	(300,000)
Muni-rate: Electric	(295,000)	(250,000)	(295,000)
FFB loans:			
Electric, regular	(700,000)	(300,000)	(700,000)
Telecommunications	(120,000)	(120,000)	(120,000)
Subtotal	(1,415,000)	(970,000)	(1,415,000)
Total, loan authorizations	(1,561,500)	(1,070,000)	(1,561,500)

The Committee recommends budget authority to support an estimated \$1,561,500,000 program level for electric loans, \$491,500,000 more than the budget request and the same as the fiscal year 1999 level.

LOAN SUBSIDY AND ADMINISTRATIVE EXPENSES LEVELS

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 2000, as well as for administrative expenses.

COMMITTEE RECOMMENDATIONS

The following table presents the Committee's recommendation for the loan subsidy and administrative expenses, as compared to the 1999 level and budget request levels:

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	1999 level	2000 request	
Loan subsidies:			
Direct loans:			
Electric 5 percent	9,325	450	643
Telecommunications 5 percent	7,342	560	840
Subtotal	16,667	1,010	1,483
Treasury rate: Telecommunications	810	2,370	2,370
Muni-rate: Electric	25,842	9,175	10,826
Total, loan subsidies	43,319	12,555	14,679
RETLP administrative expenses	29,982	31,046	29,982
Total, "Rural electrification and telecommunications loans program" account	73,301	43,601	44,661
(Loan authorization)	(1,561,500)	(1,070,000)	(1,561,500)

RURAL TELEPHONE BANK PROGRAM ACCOUNT

ESTIMATED LOAN LEVEL

Loan level, 1999	(\$157,509,000)
Budget estimate, 2000	(175,000,000)
Committee recommendation	(157,509,000)

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 2000, as well as for administrative expenses.

COMMITTEE RECOMMENDATIONS

The following table presents the Committee's recommendations for the direct loan subsidy and administrative expenses, as compared to the 1999 and budget request levels:

LOAN SUBSIDY AND ADMINISTRATIVE EXPENSES LEVELS

	Direct loan subsidy	Administrative expenses
Appropriations, 1999	\$4,174,000	\$3,000,000
Budget estimate, 2000 ¹	3,290,000	3,000,000
Committee recommendation ¹	2,961,000	3,000,000

¹ To be derived by transfer from unobligated balances in the "Rural Telephone Bank liquidation" account.

DISTANCE LEARNING AND TELEMEDICINE PROGRAM

LOANS AND GRANTS

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	1999 level	2000 request	
Loan authorization	(150,000)	(200,000)	(200,000)
Direct loan subsidy	180	700	700
Grants	12,500	20,000	12,500
Total	12,680	20,700	13,200

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 \$13,200,000. This is \$520,000 more than the 1999 level and \$7,500,000 less than the budget request.

The Committee is aware of and encourages the Department to give consideration to the following applications for grants and loans: the National Center for American Indian and Alaska Native Mental Health Research Center multistate digital/distance learning project; a distance learning link between the Bennington school system and rural schools in Southern Vermont; the continuing education model distance learning program made up of a consortium

of Kansas State University and community colleges in Colby, Dodge City, Garden City, and Liberal, KS; Hundley-Whaley Research Center, Missouri; Northern California Telemedicine Network; 1994 land grant institutions; and the Alaska Federal Health Care Access Network, a multiagency statewide telemedicine initiative to provide health care services to remote communities on a cost-effective basis by saving unnecessary air transportation costs to urban and regional health care providers.

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.

SALARIES AND EXPENSES

	Appropriation	Transfers from loan accounts	Total, RUS, salaries and expenses
Appropriations, 1999	\$33,000,000	(\$32,982,000)	(\$65,982,000)
Budget estimate, 2000	34,107,000	(34,046,000)	(68,153,000)
Committee recommendation	33,000,000	(32,982,000)	(65,982,000)

These funds are used to administer the loan and grant programs of the Rural Utilities 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 for the agricultural credit insurance fund and the rural housing insurance fund. Appropriations to the "Salaries and expenses" account will be for costs associated with grant programs.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$65,982,000, including transfers of funds, for salaries and expenses of the Rural Utilities Service. This is the same as the 1999 level and \$2,171,000 less than the budget request.

TITLE IV—DOMESTIC FOOD PROGRAMS

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

Appropriations, 1999	\$554,000
Budget estimate, 2000	576,000
Committee recommendation	554,000

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 \$554,000. This amount is the same as the 1999 level and \$22,000 less than the budget request.

FOOD AND NUTRITION SERVICE

The Food and Nutrition Service represents an organizational effort to eliminate hunger and malnutrition in this country. Food 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 inadequate 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 meth-

ods which a cooperating State health agency may select. Funds for this program are provided by direct appropriation.

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

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 food 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 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, 1998, there were 1,557 full-time permanent and 107 part-time and temporary employees in the agency. FNS's headquarters staff, which is located in Alexandria VA, totals 539, and 1,025 FNS employees are located in the field. There are 7 regional offices employing 820 employees, and the balance of the agency is located in 6 food stamp compliance offices, 1 computer support center in Minneapolis, MN, 1 administrative review office, and 70 field offices. Funds for this program are provided by direct appropriation.

CHILD NUTRITION PROGRAMS

(In thousands of dollars)

	Appropriation	Section 32 transfers	Total
Appropriations, 1999	4,128,747	5,048,150	9,176,897
Budget estimate, 2000	¹ 4,635,768	4,929,268	9,565,036
Committee recommendation	² 4,624,829	4,935,199	9,560,028

¹ Includes \$15,000,000 in discretionary funding.² Includes \$13,000,000 in discretionary funding.

The Child Nutrition Programs, authorized by the 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 non-profit 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 2000, the School Lunch Program will provide assistance for serving an estimated 4.6 billion school lunches including 1.9 billion for children from upper-income families and 2.7 billion for children from lower and low-income families. An estimated 27.4 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 2000, under current law, the program will provide assistance for about 4.6 billion lunches, of which 2.3 billion will be served free of charge and 0.4 billion at reduced price. About 16 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 2000, the program will serve an estimated 1.3 billion breakfasts to a daily average of 7.8 million children.

A pilot project is authorized 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 2000, \$120,104,000 will be allocated among the States to fund ongo-

ing 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 2000, approximately 155.3 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 2000, 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 2000, approximately 131.4 million half-pints will be served in the Special Milk Program. These include about 123.8 million half-pints served to children whose family income is above 130 percent of poverty. During fiscal year 2000, the average full cost reimbursement for milk served to needy children is expected to be 17.2 cents for each half-pint. Milk served to nonneedy children is expected to be reimbursed at 13.1 cents for each half-pint.

COMMITTEE RECOMMENDATIONS

For the child nutrition programs, the Committee recommends an appropriation of \$4,624,829,000, plus transfers from section 32 of \$4,935,199,000, for a total program of \$9,560,028,000. This amount

is \$383,131,000 more than the 1999 level and \$5,008,000 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	1999 estimate	2000 budget	Committee recommendation
School Lunch Program	5,435,480	5,480,010	5,480,010
School Breakfast Program	1,351,580	1,421,789	1,421,789
State administrative expenses	114,858	120,104	120,104
Summer Food Service Program	288,906	314,946	314,946
Child and Adult Care Food Program	1,630,286	1,769,766	1,769,766
Special Milk Program	17,445	17,551	17,551
Commodity procurement, processing, and computer support	322,042	406,499	406,499
Nutrition studies and surveys		3,000	
Coordinated review system	4,300	4,363	4,363
Team nutrition	10,000	10,008	10,000
Food safety education	2,000	2,000	2,000
Nutrition education and training		2,000	
School breakfast demonstration project		13,000	13,000

The Committee's recommendation includes \$10,000,000 for team nutrition. Included in this amount is a minimum of \$4,100,000 for food service training and technical assistance, of which \$1,900,000 is for technical assistance materials, \$475,000 is for print and electronic food service resource systems, and \$800,000 is for cooperative agreements with the National Food Service Management Institute for food service; and \$4,000,000 for food service training grants to States. The Committee encourages the agency to consider grant applications for local initiatives for nutrition education, such as the "Common Roots" program. The Committee expects FNS to utilize the Food Service Management Institute to carry out the food safety education program.

The Committee urges the Secretary to develop a better strategy to encourage participation in after-school centers by adolescents and older children through programs available under the authorities of the Child Nutrition Act. The Committee is concerned that members of the qualifying age group who lack proper after-school supervision will be more prone to participate in undesirable activities. The use of nutritional programs should be considered an appropriate tool to attract adolescents to a more risk-free environment which should help improve academic performance and reduce the incidence of juvenile crime. In addition, the Secretary is directed to provide information to the Committee relating to the effectiveness of such a program and provide views on the advisability of expanding the availability of free or reduced meals under this authority to children over the age of 12.

The Committee has provided \$13,000,000 for the school breakfast demonstration project. The Committee directs the Department to have a rigorous study which tests the claims made that major educational and behavioral improvements occur when school break-

fasts are provided. The study should also be designed to consider the effects of changes in educational policies versus changes in the school breakfast program. The Committee encourages the agency to use the resources of the National School Food Service Management Institute and the Institute for Research on Poverty in the evaluation of the pilot program.

The Committee directs the agency to prepare and submit a report to the Committee no later than January 1, 2000, that describes a comprehensive, integrated approach to nutrition education as a complement to the various nutrition assistance programs. Such a report should highlight the aspects of current programs such as Team Nutrition, the Nutrition Education and Training (NET) and other school-based nutrition programs to be included in an integrated program. The report should also identify gaps in current programs and approaches as well as potential funding sources and solutions. This report is to be developed in close consultation with other government agencies such as the Department of Education, Health and Human Services, Centers for Disease Control and Prevention and other organizations, including the American Dietetic Association, the Society for Nutrition Education, the National Association of State NET Coordinators, and the American School Food Service Association.

The Committee urges the Department to provide technical assistance and guidance to those states not maximizing the number of children served under the Child and Adult Care Food Program in their jurisdiction. These states should be encouraged to follow the example of those states that pool a limited amount of Title XX with Child Care Development Block Grant (CCDBG) funds to meet the technical requirement of the current law.

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN [WIC]

Appropriations, 1999 ¹	\$3,924,000,000
Budget estimate, 2000 ²	4,105,495,000
Committee recommendation ¹	4,038,107,000

¹ Includes up to \$15,000,000 for the WIC Farmers' Market Nutrition Program.

² Excludes funding for the WIC Farmers' Market Nutrition Program which the budget proposes to fund under the "Commodity Assistance Program" account.

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 7.5 million participants at an average food cost of \$33.42 per person per month in fiscal year 2000.

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 \$4,038,107,000. This amount is \$114,107,000 more than the 1999 appropriation and \$67,388,000 less than the budget request.

The WIC Program continues to be a high priority of this Committee. The appropriation recommended by the Committee, together with anticipated carryover funds, will provide sufficient funding to maintain a 7.4 million average monthly WIC participation level in fiscal year 2000.

The Committee makes available up to \$15,000,000, the same as the fiscal year 1999 level, to carry out the WIC Farmers' Market Nutrition Program.

The Committee commends state and local WIC agencies for their commitment to promoting the overall health and nutritional well-being of the nation's low-income, nutritionally at-risk women, infants, and children. Recognizing that for many participants, WIC may be the only consistent point of contact with public and private health services, the Committee supports and encourages state and local agency efforts to utilize WIC as an important means of participant referral to other health care services. Among the issues WIC agencies face in accomplishing these goals is the lack of reimbursement for additional services, including screening and assessment services, for other Federal agency services and programs. As an example, the National Association of WIC Directors estimates that screening, assessment and referral services performed at the level requested of WIC by the National Immunization Program (NIP)

could cost the WIC program over \$84,000,000 in fiscal year 2000 with reimbursement for those services from NIP at less than \$8,000,000. This jeopardizes WIC agencies' ability to deliver the core mission of WIC program services—quality nutrition education and counseling, breast-feeding promotion and support, and related health care services. The Committee includes language in the bill to preserve WIC funding for authorized WIC services. The Committee directs the Secretary of Agriculture to work with other Federal departments and agencies to ensure that, except for education and referral purposes, WIC funds are not used to pay the administrative expenses or to coordinate operations or activities of other Federal agency services or programs unless fully reimbursed by those agencies.

FOOD STAMP PROGRAM

(In thousands of dollars)

	Expenses	Amount in reserve	Puerto Rico	TEFAP commodity purchases	Total
Appropriations, 1999	¹ 19,909,106	100,000	1,236,000	90,000	¹ 21,335,106
Budget estimate, 2000	20,109,444	1,000,000	1,268,000	100,000	² 27,284,444
Committee recommendation	20,098,744	100,000	1,268,000	97,000	21,563,744

¹ Excludes additional funding of \$500,000 appropriated by Public Law 105-379 for a study of a national data base for Federal means-tested public assistance programs, and includes the rescission of \$1,250,000,000 of the funds appropriated, pursuant to Public Law 106-31.

² Reflects an additional \$7,000,000 for discretionary spending and an advance fiscal year 2001 appropriation of \$4,800,000.

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, 1998.

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 1998, 35 States and the District of Columbia had operating EBT systems. They are Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Florida, Georgia, Hawaii, Kansas, Idaho, Illinois, Iowa, Louisiana, Maryland,

Massachusetts, Minnesota, Missouri, New Hampshire, New Jersey, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Texas, Utah, Vermont, and Wyoming. Twenty-eight 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 food 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 \$21,563,774,000. This is \$228,638,000 more than the 1999 appropriated level and \$5,720,700,000 less than the budget request. Of the amount provided, \$100,000,000 is made available as a contingency reserve, \$900,000,000 less than the contingency reserve level proposed in the budget and the same as the 1999 level. The Committee does not include in its recommendation discretionary funding for outreach activities or an advance fiscal year 2001 appropriation, as proposed in the budget.

COMMODITY ASSISTANCE PROGRAM

Appropriations, 1999	\$131,000,000
Budget estimate, 2000 ¹	155,215,000
Committee recommendation	131,000,000

¹ Includes \$20,000,000 in funding for the WIC Farmers Market Nutrition Program.

The Commodity Assistance Program includes funding for the Commodity Supplemental Food Program and the Emergency Food Assistance Program. Beginning in fiscal year 2000, the President proposes to merge the WIC Farmers Market Nutrition Program into this 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 program 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 2000 approximately 129,100 women, infants, and young children and 282,800 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 1998, \$108,800,000 worth of surplus commodities were distributed to assist needy individuals. Donations will continue in fiscal year 1999. Precise levels depend upon the availability of surplus commodities and requirements regarding displacement. In fiscal year 2000, \$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 \$131,000,000. This amount is the same as the 1999 appropriation and \$24,215,000 less than 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 three programs funded under this account.

FOOD DONATIONS PROGRAMS

Appropriations, 1999	\$141,081,000
Budget estimate, 2000	151,081,000
Committee recommendation	141,081,000

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 at a specific rate per meal. The estimated rate for 1999 is 55.40 cents per meal. 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.

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 \$141,081,000. This amount is the same as the 1999 appropriation and \$10,000,000 less than the budget request. Of the amount recommended by the Committee, \$1,081,000 is for food distribution payments to the Pacific Islands and \$140,000,000 is for the elderly feeding program.

FOOD PROGRAM ADMINISTRATION

Appropriations, 1999 ¹	\$108,561,000
Budget estimate, 2000	119,841,000
Committee recommendation	111,561,000

¹Does not reflect the transfer of \$2,000,000 from the Economic Research Service for studies and evaluations pursuant to Public Law 105-277.

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 food 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 \$111,561,000. This amount is \$8,280,000 less than the budget request and \$3,000,000 more than the 1999 level. The Committee's recommendation includes \$3,000,000 of the increase requested in the budget for program and financial integrity advancement. The need to strengthen review and oversight of food and nutrition programs and of the State agencies carrying out these programs is clear given the recent findings of the General Accounting Office and USDA's Office of the Inspector General.

TITLE V—FOREIGN ASSISTANCE AND RELATED PROGRAMS

FOREIGN AGRICULTURAL SERVICE AND GENERAL SALES MANAGER

[In thousands of dollars]

	Appropriations	Transfers from loan accounts	Total
Appropriations, 1999	136,203	(4,266)	(140,469)
Budget estimate, 2000	¹ 137,768	(4,506)	¹ (142,274)
Committee recommendation	136,203	(4,266)	(140,469)

¹The President's budget proposes legislation to fund the Foreign Market Development Cooperator Program (\$27,500,000) from Commodity Credit Corporation funds.

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 64 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 71 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 1998, nonprofit private trade and producer associations have generated an estimated \$1,288,000,000 in contributions to more than match the \$764,000,000 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, 17 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 \$136,203,000. This is the same as the 1999 appropriation and \$1,565,000 less than the budget request.

The Committee continues funding at the fiscal year 1999 levels for the Cochran Fellowship Program and for the Foreign Market Development Cooperator Program.

The Committee includes language 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) in order to ensure U.S. producers have fair access to foreign markets.

The Committee recognizes the benefits of providing for new participants in the Foreign Market Development and other Foreign Agricultural Service export programs. This ensures, to the full extent possible, that producers in every state, and that all types and forms of the commodity, are fairly represented. The Committee commends FAS for its recent efforts to ensure such fair representation for all types of rice and for all U.S. rice producers.

The Committee is aware of efforts underway by the Foreign Agricultural Service to develop emerging markets in areas including the Baltic countries of Lithuania, Latvia, and Estonia. The Committee encourages the agency to consider a request of the University of Wisconsin-River Falls to participate in this program.

PUBLIC LAW 480

PUBLIC LAW 480 TITLE I PROGRAM ACCOUNT

[In thousands of dollars]

	Credit level	Loan subsidy	Administrative expenses
Appropriations, 1999	¹ 203,475	¹ 176,596	¹ 1,850
Budget estimate, 2000	138,324	114,062	1,938
Committee recommendation	142,840	117,786	1,850

¹ Excludes credit level of \$762,665,263, subsidy of \$637,620,285, and administrative expenses of \$2,000,000 associated with food assistance to Russia funded through the transfer of funds from the Commodity Credit Corporation.

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 2000 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 au-

thorizes 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 a program level of \$159,089,000. This amount is \$60,635,000 less than the 1999 level and \$8,765,000 more than the budget request. Along with estimated title I carryover balances, the budget authority recommended by the Committee for Public Law 480 title I loan subsidy and ocean freight differential costs will, at a minimum, maintain the \$219,724,000 funded fiscal year 1999 title I program level in fiscal year 2000. The corresponding loan levels, subsidies, and administrative expenses are reflected in the table above.

The Committee is concerned that carryover balances in the Public Law 480 program (titles I and II) may exceed reasonable levels and expects the Secretary of Agriculture to submit to the Committee by December 1, 1999, an explanation as to why these balances have grown in recent years and the action being taken to fully utilize Public Law 480 resources.

PUBLIC LAW 480 GRANTS ACCOUNT (TITLE I OCEAN FREIGHT DIFFERENTIAL, TITLE II AND TITLE III)

Appropriations, 1999	¹ \$878,249,000
Budget estimate, 2000	799,000,000
Committee recommendation	803,249,000

¹Excludes \$88,057,501 associated with food assistance to Russia funded through the transfer of funds from the Commodity Credit Corporation, and \$149,200,000 in emergency supplemental appropriations provided by Public Law 106-31.

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.

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 agen-

cies, 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

The following table shows the Committee's recommendations for the Public Law 480 grant account:

PUBLIC LAW 480 GRANT ACCOUNT

[In thousands of dollars]

	1999 enacted	2000 budget	Committee recommendation
Title I ocean freight differential	¹ 16,249	12,000	16,249
Title II commodities supplied in connection with dispositions abroad	² 837,000	787,000	787,000
Title III commodities supplied in connection with dispositions abroad	25,000	.....	.....
Total	¹ ² 878,249	799,000	803,249

¹ Excludes \$88,057,501 associated with food assistance to Russia funded through the transfer of funds from the Commodity Credit Corporation.

² Excludes \$149,200,000 in emergency supplemental appropriations provided by Public Law 106–31.

Public Law 480, title II.—The new budget authority recommended by the Committee for title II, together with anticipated carryover balances, will allow, at a minimum, the fiscal year 1999 title II program level of \$837,000,000 to be maintained in fiscal year 2000.

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 2000 for these

PVO's, 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 2000 to continue the fiscal year 1999 level 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.

Public Law 480, title III.—As proposed in the budget, the Committee provides no new funding for title III grants. Authority is provided 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, 1999	4,721,000	¹ 437,355	3,820
Budget estimate, 2000	4,506,000	¹ 439,590	4,085
Committee recommendation	4,506,000	¹ 439,590	3,820

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.

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 pro-

vides 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 mission of the Food and Drug Administration [FDA] is to ensure that: (1) food is safe, pure, and wholesome; (2) cosmetics are unadulterated; (3) human and animal drugs, biological products, and therapeutic devices are safe and effective; and (4) radiological products and use procedures do not result in unnecessary exposure to radiation.

Under the foods program, FDA sets food standards; evaluates food additives and packaging for potential health hazards; conducts research to reduce food-borne disease, to determine specific health impacts of hazardous substances in food and to develop methods for detecting them in foods; maintains surveillance over foods through plant inspections, laboratory analyses, and legal action where necessary; and ensures fair and informative labeling and nutrient information.

The drugs program includes the premarket review of human and animal drugs and biological products in order to ensure their safety and efficacy; research to improve the agency's base of scientific knowledge; and the postmarketing monitoring of drug experience. FDA conducts manufacturer inspections and sample examinations to ensure industry compliance. Included under this program activity is the similar regulation of animal drugs and feeds, as well as a program to assure the safety of animal-derived human foods.

The devices and radiological products program conducts premarket review and postmarket surveillance of medical devices to assure their safety and efficacy, and sets standards for the manufacture and use of radiological products to protect the public from unnecessary exposure to radiation. FDA monitors experience with medical devices, and conducts inspections of manufacturing plants and tests of radiological products to ensure compliance with regulations and standards; conducts research to improve the agency's base of scientific knowledge; and conducts education programs to promote safe and effective use of devices and radiological products.

For these three major product-oriented programs, the agency utilizes a wide variety of scientific skills to deal with the many types of products regulated and the many scientific decisions FDA must make. These skills range from field investigators, all of whom must have education in the physical or biological sciences, to chemists, microbiologists, engineers, medical officers, and scientists from many other disciplines. Similarly, FDA utilizes a variety of laboratory facilities, both to test products for safety and to conduct the

research necessary to evaluate health hazards and to develop the means to detect product hazards and prevent them.

In addition, the National Center for Toxicological Research in Jefferson, AR, serves as a specialized resource for FDA's other program elements. This facility conducts research to improve the base of scientific knowledge and applied science which the agency uses in conducting its regulatory and consumer protection missions.

SALARIES AND EXPENSES

[In thousands of dollars]

	Appropriation	Prescription drug user fees	Mammography clinics inspection fees	Total
Appropriations, 1999	970,867	132,273	14,385	1,117,525
Budget estimate, 2000 ¹	1,109,950	145,434	14,817	1,270,201
Committee recommendation	1,035,538	145,434	14,817	1,195,789

¹The President's budget assumes that an additional \$17,000,000 in collections will be available to FDA for fiscal year 2000 from proposed new user fees, and an additional \$13,400,000 will be available for anti-bioterrorism activities by transfer from the Public Health and Social Services Emergency Fund.

COMMITTEE RECOMMENDATIONS

For salaries and expenses, the Committee recommends an appropriation of \$1,035,538,000. This amount is \$64,672,000 more than the 1999 level and \$74,412,000 less than the budget request. The Committee also recommends \$145,434,000 in Prescription Drug User Fee Act user fee collections, and \$14,817,000 in Mammography Quality Standards Act fee collections, as assumed in the President's budget. These amounts are \$13,161,000 and \$432,000 above the 1999 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 Committee continues its view that legislative proposals to establish new user fees should be submitted for consideration by the appropriate authorizing committees of the Congress and not assumed in the appropriations request until enacted into law.

The following table reflects the Committee's recommendations, as compared to the fiscal year 1999 and budget request levels:

FOOD AND DRUG ADMINISTRATION SALARIES AND EXPENSES

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	1999 enacted	2000 request	
Centers and related field activities:			
Foods	231,580	265,955	^{1 2} 264,845
Center for Food Safety and Applied Nutrition [CFSAN]	98,536	116,011	^{1 2} 117,440
Field activities	133,044	149,944	² 147,405
Food safety initiatives)	(144,976)	(169,576)	(165,276)
Seafood Inspection Program		3,000	

FOOD AND DRUG ADMINISTRATION SALARIES AND EXPENSES—Continued

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	1999 enacted	2000 request	
Human drugs	200,305	214,007	² 206,273
Center for Drug Evaluation and Research [CDER] ..	128,464	139,493	² 133,799
Orphan product grants	11,542	11,115	11,542
Field activities	60,299	63,399	² 60,932
Biologics	96,279	107,429	² 101,407
Center for Biologics Evaluation and Research [CBER]	78,535	85,485	² 83,556
Field activities	17,744	21,944	² 17,851
Animal drugs	41,973	52,473	¹ 48,221
Center for Veterinary Medicine [CVM]	29,375	36,375	^{1 2} 35,595
Field activities	12,598	16,098	² 12,626
Food safety initiatives)	(4,100)	(7,700)	^{1 2} (8,400)
Medical and radiological devices	145,736	164,411	² 154,271
Center for Devices and Radiological Health [CDRH]	106,561	114,736	² 114,211
Field activities	39,175	49,675	² 40,060
National Center for Toxicological Research [NCTR]	31,579	33,679	² 34,436
(Food safety initiatives)	(500)	(1,000)	(900)
Tobacco	34,000	68,000	34,000
Other activities	80,694	80,604	² 71,693
Office of the Commissioner	11,710	11,620	² 9,527
Office of Policy	2,867	2,867	(²)
Office of External Affairs	15,061	15,061	(²)
Office of Operations	3,559	3,559	(²)
Office of Management and Systems	38,964	38,964	² 30,923
Office of Senior Associate Commissioner			² 10,265
Office of International and Constituent Relations			² 4,914
Office of Policy, Legislation, and Planning			² 8,544
Central services	8,533	8,533	² 7,520
(Food safety initiatives)	(8,759)	(8,759)	(8,759)
Rent and related activities	25,855	25,855	25,855
Rental payments to GSA	82,866	94,537	94,537
Total, FDA salaries and expenses, new budget authority	970,867	³ 1,109,950	^{1 2} 1,035,538

¹ Includes approved fiscal year 1999 food safety reprogramming.² Reflects impact of proposed reorganization of the Commissioner's office and related activities..³ Excludes proposed \$13,400,000 transfer from Public Health and Social Services Emergency Fund for anti-bioterrorism activities.

Food safety.—An increase of \$25,000,000 from the fiscal year 1999 level of \$158,335,000 is recommended by the Committee for FDA food safety activities.

Included in the amount provided for food safety, the Committee continues the fiscal year 1999 funding level of \$250,000 for a cooperative research program related to molluscan shellfish and further expects the agency to continue its education program on the consumption of raw shellfish.

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 \$2,000,000 as the annual base level of funding for the National Center. The Committee encourages the FDA to consider a reprogramming of funds to provide up to an additional \$1,000,000, subject to the procedures for the reprogramming of funds contained in this act.

Premarket application review.—The Committee provides an increase of \$28,000,000 in budget authority from the fiscal year 1999 level for FDA premarket application review. This is the same amount requested in the budget for these activities through a combination of new budget authority and collections from proposed new user fees.

The Food, Drug and Cosmetic Act now includes a mission statement that requires the agency to promote the public health by “promptly and efficiently” reviewing clinical research and taking action on the marketing of regulated products in “a timely manner”. This mission statement reinforces the core statutory obligation of the agency to review drugs and devices within statutory time frames and to ensure speedy access by patients to new products. FDA has indicated that new blood products, animal drugs, medical devices, and food additives all suffer from lengthy review times, short of meeting statutory performance requirements. At the same time, new products are increasing annually.

As proposed in the budget, the \$28,000,000 increase in new budget authority for premarket application review is to be allocated as follows: \$11,400,000 for foods (+ 51 FTEs); \$2,400,000 for human drugs (+ 13 FTEs); \$4,000,000 for biologics (+ 16 FTEs); \$1,600,000 for animal drugs (+ 14 FTEs); \$7,000,000 for devices (+ 45 FTEs); and \$1,600,000 for the National Center for Toxicological Research (+ 2 FTEs).

The Committee understands the base appropriations and staffing levels for premarket review to be as follows: \$16,310,000 and 134 FTEs for foods; \$162,813,000 and 1,261 FTEs for human drugs; \$57,263,000 and 410 FTEs for biologics; \$11,546,000 and 115 FTEs for animal drugs; \$48,500,000 and 477 FTEs for medical devices.

Included in the \$11,400,000 increase provided for premarket application review for the foods program is an additional \$5,400,000 for the the direct additive process and \$6,000,000 for FDA to fully implement the food contact substances program, as authorized by the Food and Drug Administration Modernization Act of 1997 (FDAMA).

Included in the increase provided for human drugs premarket application review, the Committee provides an increase of \$1,900,000, as proposed by the President, for the Office of Generic Drugs. As proposed in the budget, these funds are to be used to increase staffing levels of the Office of Generic Drugs by not less than 11 full-time equivalent positions above the fiscal year 1999 level.

The aquaculture drug industry has done an excellent job within the past six years of conducting studies and assembling packages in support of New Animal Drug Applications, but the growth of the industry has exceeded FDA's capability to review aquaculture drug submissions in a timely manner. Within the increase provided to the Center for Veterinary Medicine to pre-market application review, the Committee expects at least \$200,000 and two new full-time equivalent positions to be provided above the 1999 level for the timely review of aquaculture drug submissions.

The Committee believes that Americans should have timely access to medical technology. While review times for medical devices have improved over the past few years, FDA still falls short of meeting the statutory requirements. Even using the definition of "first" action taken, FDA reports that only 51 percent of PMAs and 64 percent of 510(k)s received action within the required time frames. The additional resources appropriated for device premarket application review are to be used by FDA to improve the timeliness of its medical device review process to begin to meet statutory performance requirements.

Clinical Pharmacology Program.—The Committee continues to provide \$700,000, the fiscal year 1999 level of funding, for clinical pharmacology grants awarded on a competitive basis.

Rent payments.—The Committee recommends \$94,537,000 for FDA rental payments to the General Services Administration [GSA], the same level as proposed in the budget and \$11,671,000 more than the 1999 level.

Tobacco funding.—The Committee shares the administration's goal to protect the lives and health of the Nation's youth by reducing tobacco use by children and adolescents. Funding is continued at the fiscal year 1999 level of \$34,000,000.

The Committee emphasizes that its action is in no way to be construed as concurring or disagreeing with any court ruling regarding FDA's authority to implement its tobacco rule or the proposed tobacco settlement.

The Committee believes that tobacco retailers are entitled to timely notification from FDA to violations of the tobacco rule. The Committee understands that FDA has made progress in this area, and that approximately 90 percent of the notices for first violations of the tobacco rule are mailed by FDA within two weeks of the date of the compliance check. The Committee expects FDA to remain committed to ensuring timely notification to tobacco retailers and expects a report on the additional progress it has made in this area to be submitted to the Committee no later than November 1, 1999. The agency should include in that report the time it is taking to notify retailers of first and subsequent violations from the date of the compliance check; the information being provided to retailers

regarding the violation which occurred; and whether notices of violations are being mailed to corporate headquarters upon request.

The Committee requires that the FDA evaluate the feasibility of equipping retailers of tobacco products with the technology to verify a tobacco purchaser's age through the use of an automated identification verification system capable of "reading" a magnetic stripe or bar code on a driver's license in which the name and age of the licensee is encoded. FDA is to submit to the Committee, within 180 days of the enactment of this act, a report regarding the efficacy of reducing illegal tobacco sales to minors and the effect of compliance, through the use of automated identification systems that can read a magnetic stripe or bar code found on driver's licenses. This report, at a minimum, should include information indicating: the rate of compliance with minimum age sales and purchase requirements relating to tobacco in areas using the automated identification system as compared to areas not using such a system; whether such a system would work in all states; the ways by which to circumvent such systems and reduce their effectiveness; and the cost of imposing such a requirement on retailers and the states. Moreover, the report should identify the privacy issues, if any, which would be created if the automated identification verification system were to retain a tobacco purchaser's name and date of birth.

Blood and blood product safety.—The Committee encourages the FDA to continue its efforts to enhance the safety of blood and blood products through enforcement of good manufacturing practices and to work with medical and consumer representatives of the National Hemophilia Foundation and the Centers for Disease Control and Prevention at the initiation of any investigation of possible contamination of blood and blood products. The Committee understands that screening of blood and blood products could be improved through the use of polymerase chain reaction techniques to detect known infectious disease and urges the FDA to develop industry guidance for this effective screening tool. The Committee also encourages FDA to move forward with its plans to require manufacturer tracking of blood-derived products to ensure prompt patient notification in adverse event situations.

Ginseng imports.—The Committee is aware of potential problems related to imports of ginseng and urges the agency to take swift action in the event any such products are determined to be adulterated in order to eliminate any public concerns that could inadvertently have a negative impact on domestic producers.

Bottled water.—The Committee directs the FDA to publish by March 2000 the final study of the feasibility of appropriate methods of informing consumers of the contents of bottled water, a study mandated by the Safe Drinking Water Act Amendments of 1996.

BUILDINGS AND FACILITIES

Appropriations, 1999	\$11,350,000
Budget estimate, 2000	31,750,000
Committee recommendation	8,350,000

In addition to Washington area laboratories which are in six separate locations, there are 20 laboratories at other locations around the country, including regular field laboratories and specialized fa-

cilities, as well as the National Center for Toxicological Research complex. Continued repairs, modifications, and improvements 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 \$8,350,000. This amount is \$3,000,000 less than the 1999 appropriation and \$23,400,000 less than the budget request. Due to funding constraints, the Committee defers funding for new construction projects requested in the budget.

DEPARTMENT OF THE TREASURY

FINANCIAL MANAGEMENT SERVICE

PAYMENTS TO THE FARM CREDIT SYSTEM FINANCIAL ASSISTANCE CORPORATION

Appropriations, 1999	\$2,565,000
Budget estimate, 2000	
Committee recommendation	

The Agricultural Credit Act of 1987 (Public Law 100-233) authorized such sums as necessary to be appropriated to the Secretary of the Treasury for payment to the Farm Credit System Financial Assistance Corporation [FAC]. Treasury payments annually reimburse the Corporation for interest expenses on debt issued by the Corporation, which is authorized to be issued through 1992. Treasury is authorized to pay all or part of FAC interest for the first 10 years on each 15-year debt issuance. Debt proceeds are used to provide assistance to financially troubled Farm Credit System lending institutions. Under the Agricultural Credit Act of 1987, the Farm Credit System's share of interest assessment for FAC debt would increase if the System's retained earnings exceeded 5 percent of its assets. For 1997, 1998, and 1999, the Treasury portion of interest assessments was estimated at 9, 7, and 2 percent, respectively.

COMMITTEE RECOMMENDATIONS

The Committee recommends no appropriation for interest expenses incurred by the Farm Credit System Financial Assistance Corporation. This is the same as the budget request and \$2,565,000 less than the 1999 level.

INDEPENDENT AGENCIES

COMMODITY FUTURES TRADING COMMISSION

Appropriations, 1999	¹ \$61,000,000
Budget estimate, 2000	67,655,000
Committee recommendation	61,000,000

¹Excludes emergency funding of \$356,000 transferred from the Information Technology Systems and Related Expenses account for Year 2000 (Y2K) compliance pursuant to Public Law 105-277.

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 better to 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 \$61,000,000. The amount provided is the same as the 1999 appropriation and \$6,655,000 less than the budget request.

Due to fiscal constraints, the Committee is unable to provide the full amount requested for the Commission.

The Committee directs the Commission to provide a study to the House and Senate Committees on Appropriations on the impact of current daily trading limits and the relationship of those limits to the volatility of milk prices as compared to other commodities such as corn, soybeans, and wheat.

FARM CREDIT ADMINISTRATION

REVOLVING FUND FOR ADMINISTRATIVE EXPENSES

Limitations, 1999	(\$35,800,000)
Budget estimate, 2000	
Committee recommendation	

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 no limitation on administrative expenses of the Farm Credit Administration. This is the same as the budget request. A limitation of \$35,800,000 was placed on FCA administrative expenses for fiscal year 1999.

The Committee is aware of the Farm Credit Administration's proposed rule to allow direct lending institutions to serve farmers throughout the country without obtaining the permission of the institution that has been chartered to serve in the specific territory. The Committee is concerned that this rule may have an unintended adverse impact on certain farm credit lending institutions and the farmers they serve. The Committee believes that the FCA should reevaluate the proposed rule to ensure that any institution's ability to serve farmers is not adversely affected.

TITLE VII—GENERAL PROVISIONS

Sections 701–711, 713–726, and 730–738 of the general provisions are essentially the same as those included in the fiscal year 1999 and previous years' appropriations acts.

In addition, the Committee recommends the following provisions:

Section 712 to make appropriations for the Rural Housing Insurance Fund Program Account for fiscal years 1994 through fiscal year 1999 available until expended to cover obligations made in each of those years, respectively.

Section 727 to prohibit the use of funds provided by the act from being used to pay the salaries and expenses of personnel to enroll more than 180,000 acres in the Wetlands Reserve Program during fiscal year 2000.

Section 728 to limit funds provided by the Food Stamp Act for commodity purchases for The Emergency Food Assistance Program to \$97,000,000 for fiscal year 2000.

Section 729 to prohibit the use of funds provided by the act from being used to pay the salaries and expenses of personnel to carry out the transfer or obligation of fiscal year 2000 funds under the provisions of section 401 of Public Law 105–185 in excess of \$50,000,000.

Section 739 to prohibit the Secretary of Agriculture, from declaring as excess or surplus lands and facilities owned by the federal government and administered by the Secretary at Fort Reno, Oklahoma, or from transferring or conveying such lands or facilities, without the specific authorization of the Congress.

Section 740 to give the Chief of the Natural Resources and Conservation Service 102-A authority for closeout costs.

Section 741 to give the Secretary of Agriculture authority to establish a pilot program with the State of Hawaii for the inspection of mail.

Section 742 to provide guaranteed lines of credit, including working capital loans, for health care facilities to address Year 2000 computer conversion issues.

Section 743 to provide timely compensation to producers whose wheat crops were contaminated by karnal bunt.

Section 744 to provide \$3,000,000 for Bill Emerson and Mickey Leland Hunger Fellowships through the Congressional Hunger Center.

Section 745 provides \$250,000 for the program authorized under Section 388 of the Federal Agriculture Improvement and Reform Act of 1996 solely for use in the State of New Hampshire. The Committee is aware of the availability of matching funds for use in Chester, New Hampshire, for Dolloff Farms and expects these funds to be used for this purpose.

Section 746 to amend the Immigration and Nationality Act to reduce the Department of Labor's approval time for processing farmer's applications for legal H-2A workers.

Section 747 to provide for successorship relating to certain bargaining units and exclusive representatives.

PROGRAM, PROJECT, AND ACTIVITY

During fiscal year 2000, 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, 2000, 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 2000 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 2000 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 2000: Dairy indemnity program; and Nutrition program for the elderly.

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 en bloc, S. 1233, an original Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations bill, 2000, and S. 1234, an original Foreign Operations, Export Financing, and Related Programs Appropriations bill, 2000, each subject to amendment and each subject to its budget allocations, by a recorded vote of 28–0, a quorum being present. The vote was as follows:

Yeas	Nays
Chairman Stevens	
Mr. Cochran	
Mr. Specter	
Mr. Domenici	
Mr. Bond	
Mr. Gorton	
Mr. McConnell	
Mr. Burns	
Mr. Shelby	
Mr. Gregg	
Mr. Bennett	
Mr. Campbell	
Mr. Craig	
Mrs. Hutchison	
Mr. Kyl	
Mr. Byrd	
Mr. Inouye	
Mr. Hollings	
Mr. Leahy	
Mr. Lautenberg	
Mr. Harkin	
Ms. Mikulski	
Mr. Reid	
Mr. Kohl	
Mrs. Murray	
Mr. Dorgan	
Mrs. Feinstein	
Mr. Durbin	

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 8—ALIENS AND NATIONALITY

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CHAPTER 12—IMMIGRATION AND NATIONALITY

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SUBCHAPTER II—IMMIGRATION

* * * * *

PART II—ADMISSION QUALIFICATIONS FOR ALIENS; TRAVEL CONTROL OF CITIZENS AND ALIENS

* * * * *

§ 1188. Admission of temporary H-2A workers

(a) * * *

* * * * *

(c) Special rules for consideration of applications

The following rules shall apply in the case of the filing and consideration of an application for a labor certification under this section:

(1) Deadline for filing applications

The Secretary of Labor may not require that the application be filed more than **[60 days]** *45 days* before the first date the employer requires the labor or services of the H-2A worker.

* * * * *

(3) Issuance of certification

(a) The Secretary of Labor shall make, not later than **[20 days]** *30 days* before the date such labor or services are first required to be performed, the certification described in subsection (a)(1) of this section if—

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1999 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2000

[In thousands of dollars]

Item	1999 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				1999 appropriation	Budget estimate
TITLE I—AGRICULTURAL PROGRAMS					
Production, Processing, and Marketing					
Office of the Secretary	2,836	2,942	2,836		-106
Emergency grants to assist low-income immigrant and seasonal workers emergency appropriations (Public Law 106-31)	(20,000)			(-20,000)	
Executive Operations:					
Chief Economist	5,620	6,622	6,411	+791	-211
National Appeals Division	11,718	12,699	11,718		-981
Office of Budget and Program Analysis	6,120	6,583	6,583	+463	
Office of the Chief Information Officer	5,551	7,998	5,551		-2,447
Y2K conversion (emergency appropriations)	(46,168)			(-46,168)	
Office of the Chief Financial Officer	4,283	6,288	5,283	+1,000	-1,005
Total, Executive Operations	79,460	40,190	35,546	-43,914	-4,644
Office of the Assistant Secretary for Administration	613	636	613		-23
Agriculture buildings and facilities and rental payments	137,184	166,364	145,364	+8,180	-21,000
Payments to GSA	(108,057)	(115,542)	(115,542)	(+7,485)	
Building operations and maintenance	(24,127)	(24,822)	(24,822)	(+695)	
Repairs, renovations, and construction	(5,000)	(26,000)	(5,000)		(-21,000)
Hazardous waste management	15,700	22,700	15,700		-7,000
Departmental administration	32,168	36,117	34,738	+2,570	-1,379
Outreach for socially disadvantaged farmers	3,000	10,000	3,000		-7,000
Office of the Assistant Secretary for Congressional Relations	3,668	3,805	3,668		-137
Office of Communications	8,138	9,300	8,138		-1,162

Office of the Inspector General	65,128	68,246	65,128	.....	.....	-3,118
Office of the General Counsel	29,194	32,675	30,094	.....	+900	-2,581
Office of the Under Secretary for Research, Education and Economics	540	2,061	540	.....	.....	-1,521
Economic Research Service	65,757	55,628	65,419	.....	-338	+9,791
National Agricultural Statistics Service	103,964	100,559	99,355	.....	-4,609	-1,204
Census of Agriculture	(23,599)	(16,490)	(16,490)	.....	(-7,109)	.....
Agricultural Research Service	785,518	836,868	809,499	.....	+23,981	-27,369
Emergency appropriations (Public Law 106-31)	(23,000)	.....	.....	.....	(-23,000)	.....
Rescission of emergency appropriations	(-22,466)	.....	.....	.....	(+22,466)	.....
Buildings and facilities	56,437	44,500	53,000	.....	-3,437	+8,500
Total, Agricultural Research Service	841,955	881,368	862,499	.....	+20,544	-18,869
Emergency Appropriations	(23,000)	.....	.....	.....	(-23,000)	.....
Rescission of Emergency Appropriations	(-22,466)	.....	.....	.....	(+22,466)	.....
Cooperative State Research, Education, and Extension Service:						
Research and education activities	481,216	468,965	474,377	.....	-6,839	+5,412
Native American Institutions Endowment Fund	(4,600)	(4,600)	(4,600)	.....	.....	.....
Extension activities	437,987	401,603	421,620	.....	-16,367	+20,017
Integrated activities .....	.....	72,844	35,541	.....	+35,541	-37,303
Total, Cooperative State Research, Education, and Extension Service ..	919,203	943,412	931,538	.....	+12,335	-11,874
Office of the Under Secretary for Marketing and Regulatory Programs	618	641	618	.....	.....	-23
Animal and Plant Health Inspection Service:						
Salaries and expenses	425,803	435,445	437,445	.....	+11,642	+2,000
AQI user fees	(88,000)	(95,000)	(90,000)	.....	(+2,000)	(-5,000)
Buildings and facilities	7,700	7,200	7,200	.....	-500	.....
Total, Animal and Plant Health Inspection Service	433,503	442,645	444,645	.....	+11,142	+2,000
Agricultural Marketing Service:						
Marketing Services	48,831	60,182	51,229	.....	+2,398	-8,953
Emergency appropriations (Public Law 106-31)	(145,000)	.....	.....	.....	(-145,000)	.....
Standardization user fees	(4,000)	(4,000)	(4,000)	.....	.....	.....
(Limitation on administrative expenses, from fees collected)	(60,730)	(60,730)	(60,730)	.....	.....	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1999 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2000—Continued

[In thousands of dollars]

Item	1999 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with	
				1999 appropriation	Budget estimate
Funds for strengthening markets, income, and supply (transfer from section 32)	10,998	12,443	12,443	+ 1,445	.....
Payments to states and possessions	1,200	1,200	1,200	.....	.....
Total, Agricultural Marketing Service	61,029	73,825	64,872	+ 3,843	- 8,953
Emergency appropriations	(145,000)	.....	.....	(- 145,000)	.....
Grain Inspection, Packers and Stockyards Administration:					
Salaries and expenses	26,787	26,448	24,287	- 2,500	- 2,161
Limitation on inspection and weighing services	(42,557)	(42,557)	(42,557)	.....	.....
Office of the Under Secretary for Food Safety	446	469	446	.....	- 23
Food Safety and Inspection Service	616,986	652,955	638,404	+ 21,418	- 14,551
Lab accreditation fees ¹	(1,000)	(1,000)	(1,000)	.....	.....
Total, Production, Processing, and Marketing	3,447,877	3,572,986	3,477,448	+ 29,571	- 95,538
Emergency appropriations	(188,000)	.....	.....	(- 188,000)	.....
Farm Assistance Programs					
Office of the Under Secretary for Farm and Foreign Agricultural Services	572	595	572	.....	- 23
Farm Service Agency:					
Salaries and expenses	714,499	794,839	794,839	+ 80,340	.....
Emergency appropriations (Public Law 106-31)	(42,753)	.....	.....	(- 42,753)	.....
(Transfer from export loans)	(589)	(672)	(589)	.....	(- 83)
(Transfer from Public Law 480)	(815)	(845)	(815)	.....	(- 30)

	(209,861)	(209,861)	(209,861)	(209,861)	
(Transfer from ACIF)					
Subtotal, Transfers from program accounts	(211,265)	(211,378)	(211,265)		(- 113)
Total, salaries and expenses	(968,517)	(1,006,217)	(1,006,104)		(+ 37,587)
Emergency Appropriations	(42,753)				(- 42,753)
State mediation grants	2,000	4,000	2,000		
Dairy indemnity program	450	450	450		-2,000
Subtotal, Farm Service Agency	716,949	799,289	797,289		+ 80,340
Emergency appropriations	(42,753)				(- 42,753)
Agricultural Credit Insurance Fund Program Account:					
Loan authorizations:					
Farm ownership loans:					
Direct	(85,651)	(128,049)	(128,049)		(+ 42,398)
Emergency appropriations (Public Law 106-31)	(200,000)				(- 200,000)
Guaranteed	(425,031)	(431,373)	(431,373)		(+ 6,342)
Emergency appropriations (Public Law 106-31)	(350,000)				(- 350,000)
Subtotal	(510,682)	(559,422)	(559,422)		(+ 48,740)
Emergency appropriations	(550,000)				(- 550,000)
Farm operating loans:					
Direct	(500,000)	(500,000)	(500,000)		
Emergency appropriations (Public Law 106-31)	(185,000)				(- 185,000)
Guaranteed unsubsidized	(948,276)	(1,697,842)	(1,697,842)		(+ 749,566)
Guaranteed subsidized	(200,000)	(97,442)	(200,000)		(+ 102,558)
Emergency appropriations (Public Law 106-31)	(185,000)				(- 185,000)
Subtotal	(1,648,276)	(2,295,284)	(2,397,842)		(+ 749,566)
Emergency appropriations	(370,000)				(- 370,000)
Indian tribe land acquisition loans	(1,000)	(1,028)	(1,028)		(+ 28)
Emergency disaster loans	(25,000)	(53,000)	(25,000)		
Emergency appropriations (Public Law 106-31)	(175,000)				(- 28,000)
Subtotal					(- 175,000)
Emergency appropriations					(+ 102,558)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1999 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2000—Continued

[In thousands of dollars]

Item	1999 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				1999 appropriation	Budget estimate
Boll weevil eradication loans	(100,000)	(100,000)	(100,000)		
Total, Loan authorizations	(2,284,958)	(3,008,734)	(3,083,292)	(+ 798,334)	(+ 74,558)
Emergency appropriations	(175,000)			(- 175,000)	
Loan subsidies:					
Farm ownership loans:					
Direct	12,822	4,827	4,827	- 7,995	
Emergency appropriations (Public Law 106-31)	(29,940)			(- 29,940)	
Guaranteed	6,758	2,416	2,416	- 4,342	
Emergency appropriations (Public Law 106-31)	(5,565)			(- 5,565)	
Subtotal	19,580	7,243	7,243	- 12,337	
Emergency Appropriations	(35,505)			(- 35,505)	
Farm operating loans:					
Direct	34,150	29,300	29,300	- 4,850	
Emergency appropriations (Public Law 106-31)	(12,635)			(- 12,635)	
Guaranteed unsubsidized	11,000	23,940	23,940	+ 12,940	
Guaranteed subsidized	17,480	8,585	17,620	+ 140	+ 9,035
Emergency appropriations (Public Law 106-31)	(16,169)			(- 16,169)	
Subtotal	62,630	61,825	70,860	+ 8,230	+ 9,035
Emergency Appropriations	(28,804)			(- 28,804)	
Indian tribe land acquisition	153	21	21	- 132	
Emergency disaster loans	5,900	8,231	3,882	- 2,018	
Emergency appropriations (Public Law 106-31)	(41,300)			(- 41,300)	

Boil weevil loans subsidy	1,440			- 1,440	
Total, Loan subsidies	89,703	77,320	82,006	- 7,697	+ 4,686
Emergency Appropriations	(105,609)			(- 105,609)	
ACIF expenses:					
Salaries and expense (transfer to FSA)	209,861	209,861	209,861		
Administrative expenses	10,000	4,300	4,300	- 5,700	
Emergency appropriations (Public Law 106-31)	(4,000)			(- 4,000)	
Total, ACIF expenses	219,861	214,161	214,161	- 5,700	
Emergency Appropriations	(4,000)			(- 4,000)	
Total, Agricultural Credit Insurance Fund	309,564	291,481	296,167	- 13,397	+ 4,686
Emergency Appropriations	(109,609)			(- 109,609)	
(Loan authorization)	(2,284,958)	(3,008,734)	(3,083,292)	(+ 798,334)	(+ 74,558)
Emergency conservation program emergency appro- priations (Public Law 106-31)	(28,000)			(- 28,000)	
Total, Farm Service Agency	1,026,513	1,090,770	1,093,456	+ 66,943	+ 2,686
Emergency Appropriations	(180,362)			(- 180,362)	
Risk Management Agency	64,000	70,716	64,000		- 6,716
Support Services Bureau		74,050			- 74,050
Total, Farm Assistance Programs	1,091,085	1,236,131	1,158,028	+ 66,943	- 78,103
Emergency appropriations	180,362			- 180,362	
Corporations					
Federal Crop Insurance Corporation: Federal crop insurance corporation fund ..	1,504,036	997,000	997,000	- 507,036	
Commodity Credit Corporation Fund:					
Reimbursement for net realized losses	8,439,000	14,368,000	14,368,000	+ 5,929,000	
Operations and maintenance for hazardous waste management (limita- tion on administrative expenses)	(5,000)	(5,000)	(5,000)		

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1999 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2000—Continued

[In thousands of dollars]

Item	1999 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				1999 appropriation	Budget estimate
Livestock indemnity program (emergency appropriations Public Law 106-31)	(3,000)			(- 3,000)	
Livestock disaster assistance fund (emergency appropriations Public Law 106-31)	(70,000)			(- 70,000)	
Section 11 conservation technical assistance (emergency appropriations Public Law 106-31)	(28,000)			(- 28,000)	
Total, Corporations	9,943,036	15,365,000	15,365,000	+ 5,421,964	
Emergency appropriations	(101,000)			(- 101,000)	
Total, title I, Agricultural Programs	14,481,998	20,174,117	20,000,476	+ 5,518,478	- 173,641
Appropriations	(14,435,830)	(20,174,117)	(20,000,476)	(+ 5,564,646)	(- 173,641)
Emergency appropriations	(469,362)			(- 469,362)	
Rescission of Emergency Appropriations	(- 22,466)			(+ 22,466)	
(By transfer)	(211,265)	(211,378)	(211,265)		(- 113)
(Loan authorization)	(2,284,958)	(3,008,734)	(3,083,292)	(+ 798,334)	(+ 74,558)
(Limitation on administrative expenses)	(108,287)	(108,287)	(108,287)		
TITLE II—CONSERVATION PROGRAMS					
Office of the Under Secretary for Natural Resources and Environment	693	721	693		- 28
Natural Resources Conservation Service:					
Conservation operations	641,243	680,679	656,243	+ 15,000	- 24,436
(By transfer)		(44,423)			(- 44,423)
Watershed surveys and planning	10,368	11,732	10,368		- 1,364
Watershed and flood prevention operations	99,443	83,423	99,443		+ 16,020

Emergency appropriations (Public Law 106-31)	(95,000)	35,265	35,000	(- 95,000)	.....	- 265
Resource conservation and development	35,000	.....	35,000	.....	.....	+ 6,325
Forestry incentives program	6,325	.....	6,325	.....	.....	- 5,000
Debt for nature .....	.....	5,000	.....	.....	.....	- 50,000
Farmland protection program .....	.....	50,000	.....	.....	.....	.....
Total, Natural Resources Conservation Service	792,379	866,099	807,379	+ 15,000	.....	- 58,720
Emergency appropriations	(95,000)	.....	.....	(- 95,000)	.....	.....
Total, title II, Conservation Programs	793,072	866,820	808,072	+ 15,000	.....	- 58,748
Emergency appropriations	(95,000)	.....	.....	(- 95,000)	.....	.....
TITLE III—RURAL DEVELOPMENT PROGRAMS							
Office of the Under Secretary for Rural Development	588	612	588	.....	.....	- 24
Rural community advancement program	722,686	670,103	718,006	- 4,680	.....	+ 47,903
Emergency appropriations (Public Law 106-31)	(30,000)	.....	.....	(- 30,000)	.....	.....
Rural Housing Service:							
Rural Housing Insurance Fund Program Account:							
Loan authorizations:							
Single family (sec. 502)	(965,313)	(1,100,000)	(1,100,000)	(+ 134,687)	.....	.....
Emergency appropriations (Public Law 106-31)	(10,000)	.....	.....	(- 10,000)	.....	.....
Unsubsidized guaranteed	(3,000,000)	(3,200,000)	(3,200,000)	(+ 200,000)	.....	.....
Housing repair (sec. 504)	(25,001)	(32,396)	(32,396)	(+ 7,395)	.....	.....
Emergency appropriations (Public Law 106-31)	(1,000)	.....	.....	(- 1,000)	.....	.....
Farm labor (sec. 514)	(20,000)	(25,001)	(25,001)	(+ 5,001)	.....	.....
Rental housing (sec. 515)	(114,321)	(100,000)	(114,321)	.....	.....	(+ 14,321)
Multi-family housing guarantees (sec. 538)	(100,000)	(100,000)	(100,000)	.....	.....	.....
Site loans (sec. 524)	(5,152)	(5,152)	(5,152)	.....	.....	.....
Credit sales of acquired property	(16,930)	(7,503)	(12,824)	(- 4,106)	.....	.....
Self-help housing land development fund	(5,000)	(5,000)	(5,000)	.....	.....	(+ 5,321)
Total, Loan authorizations	(4,251,717)	(4,575,052)	(4,594,694)	(+ 342,977)	.....	(+ 19,642)
Emergency appropriations	(11,000)	.....	.....	(- 11,000)	.....	.....
Loan subsidies:							
Single family (sec. 502)	114,100	93,830	93,830	- 20,270	.....	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1999 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2000—Continued

[In thousands of dollars]

Item	1999 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				1999 appropriation	Budget estimate
Emergency appropriations (Public Law 106-31)	(1,182)			(-1,182)	
Unsubsidized guaranteed	2,700	19,520	19,520	+16,820	
Housing repair (sec. 504)	8,808	9,900	9,900	+1,092	
Emergency appropriations (Public Law 106-31)	(352)			(-352)	
Multi-family housing guarantees (sec. 538)	2,320	480	480	-1,840	
Farm labor (sec. 514)	10,406	11,308	11,308	+902	
Rental housing (sec. 515)	55,160	39,680	45,363	-9,797	+5,683
Site loans (sec. 524)	17	4	4	-13	
Credit sales of acquired property	3,492	874	1,499	-1,993	+625
Self-help housing land development fund	282	281	281	-1	
Total, Loan subsidies	197,285	175,877	182,185	-15,100	+6,308
Emergency appropriations	(1,534)			(-1,534)	
RHIF administrative expenses (transfer to RHS)	360,785	383,879	360,785		-23,094
Rental assistance program:					
(Sec. 521)	577,497	434,100	634,100	+56,603	+200,000
(Sec. 502(c)(5)(D))	5,900	5,900	5,900		
Subtotal	583,397	440,000	640,000	+56,603	+200,000
Advance appropriation, fiscal year 2001		200,000			-200,000
Total, Rental assistance program	583,397	640,000	640,000	+56,603	
Total, Rural Housing Insurance Fund	1,141,467	1,199,756	1,182,970	+41,503	-16,786
Emergency appropriations	(1,534)			(-1,534)	

(Loan authorization)	(4,251,717)	(4,575,052)	(4,594,694)	(+ 342,977)	(+ 19,642)
(Emergency appropriations)	(11,000)			(- 11,000)	
Mutual and self-help housing grants	26,000	30,000	26,000		- 4,000
Rural housing assistance grants	41,000	54,000	41,000		- 13,000
Emergency appropriations (Public Law 106-31)	(1,000)			(- 1,000)	
Subtotal, grants and payments	67,000	84,000	67,000		- 17,000
Emergency appropriations	(1,000)			(- 1,000)	
RHS expenses:					
Salaries and expenses	60,978	61,979	60,978		- 1,001
(Transfer from RHIF)	(360,785)	(383,879)	(360,785)		(- 23,094)
Total, RHS expenses	(421,763)	(445,858)	(421,763)		(- 24,095)
Total, Rural Housing Service	1,269,445	1,345,735	1,310,948	+ 41,503	- 34,787
Emergency appropriations	2,534			- 2,534	
(Loan authorization)	(4,251,717)	(4,575,052)	(4,594,694)	(+ 342,977)	(+ 19,642)
Emergency appropriations	(11,000)			(- 11,000)	
Rural Business-Cooperative Service:					
Rural Development Loan Fund Program Account:					
(Loan authorization)	(33,000)	(52,495)	(38,256)	(+ 5,256)	(- 14,239)
Loan subsidy	16,615	22,799	16,615		- 6,184
Administrative expenses (transfer to RBCS)	3,482	3,337	3,337	- 145	
Total, Rural Development Loan Fund	20,097	26,136	19,952	- 145	- 6,184
Rural Economic Development Loans Program Account:					
(Loan authorization)	(15,000)	(15,000)	(15,000)		
Direct subsidy	3,783	3,453	3,453	- 330	
Rural cooperative development grants	3,300	9,000	5,500	+ 2,200	- 3,500
RBCS expenses:					
Salaries and expenses	25,680	24,612	25,680		+ 1,068

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1999 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2000—Continued

[In thousands of dollars]

Item	1999 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				1999 appropriation	Budget estimate
(Transfer from RDLFP)	(3,482)	(3,337)	(3,337)	(- 145)	.....
Total, RBCS expenses	(29,162)	(27,949)	(29,017)	(- 145)	(+ 1,068)
Total, Rural Business-Cooperative Service	52,860	63,201	54,585	+ 1,725	- 8,616
(By transfer)	(3,482)	(3,337)	(3,337)	(- 145)	.....
(Loan authorization)	(48,000)	(67,495)	(53,256)	(+ 5,256)	(- 14,239)
Alternative Agricultural Research and Commercialization Revolving Fund	3,500	10,000	3,500	.....	- 6,500
Rural Utilities Service:					
Rural Electrification and Telecommunications Loans Program Account:					
Loan authorizations:					
Direct loans:					
Electric 5%	(71,500)	(50,000)	(71,500)	.....	(+ 21,500)
Telecommunications 5%	(75,000)	(50,000)	(75,000)	.....	(+ 25,000)
Subtotal	(146,500)	(100,000)	(146,500)	.....	(+ 46,500)
Treasury rates: Telecommunications	(300,000)	(300,000)	(300,000)	.....	.....
Muni-rate: Electric	(295,000)	(250,000)	(295,000)	.....	(+ 45,000)
FFB loans:					
Electric, regular	(700,000)	(300,000)	(700,000)	.....	(+ 400,000)
Telecommunications	(120,000)	(120,000)	(120,000)	.....	.....

	(820,000)	(420,000)	(820,000)	.....	(+ 400,000)
Subtotal	(820,000)	(420,000)	(820,000)	.....	(+ 400,000)
Total, Loan authorizations	(1,561,500)	(1,070,000)	(1,561,500)	.....	(+ 491,500)
Loan subsidies:					
Direct loans:					
Electric 5%	9,325	450	643	- 8,682	+ 193
Telecommunications 5%	7,342	560	840	- 6,502	+ 280
Subtotal	16,667	1,010	1,483	- 15,184	+ 473
Treasury rates: Telecommunications	810	2,370	2,370	+ 1,560	.....
Muni-rate: Electric	25,842	9,175	10,826	- 15,016	+ 1,651
Total, Loan subsidies	43,319	12,555	14,679	- 28,640	+ 2,124
REITLP administrative expenses (transfer to RUS)	29,982	31,046	29,982	.....	- 1,064
Total, Rural Electrification and Telecommunications Loans Program Account	73,301	43,601	44,661	- 28,640	+ 1,060
(Loan authorization)	(1,561,500)	(1,070,000)	(1,561,500)	.....	(+ 491,500)
Rural Telephone Bank Program Account:					
(Loan authorization)	(157,509)	(175,000)	(157,509)	.....	(- 17,491)
Direct loan subsidy	4,174	3,290	2,961	- 1,213	- 329
RTP administrative expenses (transfer to RUS)	3,000	3,000	3,000	.....	.....
Total	7,174	6,290	5,961	- 1,213	- 329
Distance learning and telemedicine program:					
(Loan authorization)	(150,000)	(200,000)	(200,000)	(+ 50,000)	.....
Direct loan subsidy	180	700	700	+ 520	.....
Grants	12,500	20,000	12,500	.....	- 7,500
Total	12,680	20,700	13,200	+ 520	- 7,500
RUS expenses:					
Salaries and expenses	33,000	34,107	33,000	.....	- 1,107
(Transfer from RETLP)	(29,982)	(31,046)	(29,982)	.....	(- 1,064)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1999 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2000—Continued

[In thousands of dollars]

Item	1999 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with	
				1999 appropriation	Budget estimate
(Transfer from RTP)	(3,000)	(3,000)	(3,000)		
Total, RUS expenses	(65,982)	(68,153)	(65,982)		(-2,171)
Total, Rural Utilities Service	126,155	104,698	96,822	-29,333	-7,876
(By transfer)	(32,982)	(34,046)	(32,982)		(-1,064)
(Loan authorization)	(1,869,009)	(1,445,000)	(1,919,009)	(+50,000)	(+474,009)
Total, title III, Rural Economic and Community Development Programs	2,175,234	2,194,349	2,184,449	+9,215	-9,900
Appropriations	(2,175,234)	(1,994,349)	(2,184,449)	(+9,215)	(+190,100)
Emergency appropriations	(32,534)	(200,000)		(-32,534)	
Advance appropriations	(397,249)	(421,262)	(397,104)	(-145)	(-200,000)
(By transfer)	(6,168,726)	(6,087,547)	(6,566,959)	(+398,233)	(-24,158)
(Loan authorization)	(11,000)			(-11,000)	(+479,412)
(Emergency appropriations)					
TITLE IV—DOMESTIC FOOD PROGRAMS					
Office of the Under Secretary for Food, Nutrition and Consumer Services	554	576	554		-22
Food and Nutrition Service:					
Child nutrition programs	4,128,747	4,620,768	4,611,829	+483,082	-8,939
Transfer from section 32	5,048,150	4,929,268	4,935,199	-112,951	+5,931
Discretionary spending		15,000	13,000	+13,000	-2,000
Total, Child nutrition programs	9,176,897	9,565,036	9,560,028	+383,131	-5,008

Special supplemental nutrition program for women, infants, and children (WIC)	3,924,000	4,105,495	4,038,107	+ 114,107	- 67,388
Food stamp program:					
Expenses	21,159,106	20,109,444	20,098,744	- 1,060,362	- 10,700
Reserve	100,000	1,000,000	100,000		- 900,000
Nutrition assistance for Puerto Rico	1,236,000	1,268,000	1,268,000	+ 32,000	
Discretionary spending	90,000	7,000	97,000	+ 7,000	- 7,000
The emergency food assistance program		100,000			- 3,000
Advance appropriation, fiscal year 2001		4,800,000			- 4,800,000
Rescission (Public Law 106-31)	- 1,250,000			+ 1,250,000	
Total, Food stamp program	21,335,106	27,284,444	21,563,744	+ 228,638	- 5,720,700
Appropriations	(21,335,106)	(27,284,444)	(21,563,744)	(+ 228,638)	(- 5,720,700)
Rescissions	(- 1,250,000)			(+ 1,250,000)	
Commodity assistance program	131,000	155,215	131,000		- 24,215
Food donations programs:					
Needy family program	1,081	1,081	1,081		
Elderly feeding program	140,000	150,000	140,000		- 10,000
Total, Food donations programs	141,081	151,081	141,081		- 10,000
Food program administration	108,561	119,841	111,561	+ 3,000	- 8,280
Total, Food and Nutrition Service	34,816,645	41,381,112	35,545,521	+ 728,876	- 5,835,591
Total, title IV, Domestic Food Programs	34,817,199	41,381,688	35,546,075	+ 728,876	- 5,835,613
Appropriations	(36,067,199)	(36,581,688)	(35,546,075)	(- 521,124)	(- 1,035,613)
Rescissions	(- 1,250,000)			(+ 1,250,000)	
TITLE V—FOREIGN ASSISTANCE AND RELATED PROGRAMS					
Foreign Agricultural Service and General Sales Manager:					
Direct appropriation	136,203	137,768	136,203		- 1,565
(Transfer from export loans)	(3,231)	(3,413)	(3,231)		(- 182)
(Transfer from Public Law 480)	(1,035)	(1,095)	(1,035)		(- 58)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1999 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2000—Continued

[In thousands of dollars]

Item	1999 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				1999 appropriation	Budget estimate
Total, Program level	(140,469)	(142,274)	(140,469)	.....	(-1,805)
Public Law 480 Program and Grant Accounts:					
Title I—Credit sales:					
Program level	(219,724)	(150,324)	(159,089)	(-60,635)	(+8,765)
Direct loans	(203,475)	(138,324)	(142,840)	(-60,635)	(+4,516)
Ocean freight differential	16,249	12,000	16,249	.....	+4,249
Title II—Commodities for disposition abroad:					
Program level	(837,000)	(787,000)	(787,000)	(-50,000)	.....
Emergency appropriations (Public Law 106-31)	(149,200)	.....	.....	(-149,200)	.....
Appropriation	837,000	787,000	787,000	-50,000	.....
Emergency appropriations (Public Law 106-31)	(149,200)	.....	.....	(-149,200)	.....
Title III—Commodity grants:					
Program level	(25,000)	.....	.....	(-25,000)	.....
Appropriation	25,000	.....	.....	-25,000	.....
Loan subsidies	176,596	114,062	117,786	-58,810	+3,724
Salaries and expenses:					
General Sales Manager (transfer to FAS)	1,035	1,093	1,035	.....	-58
Farm Service Agency (transfer to FSA)	815	845	815	.....	-30
Subtotal	1,850	1,938	1,850	.....	-88
Total, Public Law 480:					
Program level	(1,081,724)	(937,324)	(946,089)	(-135,635)	(+8,765)
(Emergency appropriations)	(149,200)	.....	.....	(-149,200)	.....

Appropriation	1,056,695	915,000	922,885	- 133,810	+ 7,885
(Emergency appropriations)	(149,200)			(- 149,200)	
CCC Export Loans Program Account (administrative expenses):					
Salaries and expenses (Export Loans):					
General Sales Manager (transfer to FAS)	3,231	3,413	3,231		- 182
Farm Service Agency (transfer to FSA)	589	672	589		- 83
Total, CCC Export Loans Program Account	3,820	4,085	3,820		- 265
Total, title V, Foreign Assistance and Related Programs	1,196,718	1,056,853	1,062,908	- 133,810	+ 6,055
Appropriations	(1,196,718)	(1,056,853)	(1,062,908)	(- 133,810)	(+ 6,055)
Emergency appropriations	(149,200)			(- 149,200)	
(By transfer)	(4,266)	(4,506)	(4,266)		(- 240)
TITLE VI—FOOD AND DRUG ADMINISTRATION AND RELATED AGENCIES					
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Food and Drug Administration					
Salaries and expenses, direct appropriation	970,867	1,109,950	1,035,538	+ 64,671	- 74,412
Prescription Drug User Fee Act	(132,273)	(145,434)	(145,434)	(+ 13,161)	
Subtotal	(1,103,140)	(1,255,384)	(1,180,972)	(+ 77,832)	(- 74,412)
Limitation on payments to GSA	(82,866)	(100,180)	(100,180)	(+ 17,314)	
Buildings and facilities	11,350	31,750	8,350	- 3,000	- 23,400
Total, Food and Drug Administration	982,217	1,141,700	1,043,888	+ 61,671	- 97,812
DEPARTMENT OF THE TREASURY					
Financial Management Service: Payments to the Farm Credit System Financial Assistance Corporation	2,565			- 2,565	
INDEPENDENT AGENCIES					
Commodity Futures Trading Commission	61,000	67,655	61,000		- 6,655
YZK conversion (emergency appropriations)	(356)			(- 356)	

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1999 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2000—Continued

[In thousands of dollars]

Item	1999 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				1999 appropriation	Budget estimate
Farm Credit Administration (limitation on administrative expenses)	(35,800)			(- 35,800)	
Total, title VI, Related Agencies and Food and Drug Administration	1,046,138	1,209,355	1,104,888	+ 58,750	- 104,467
TITLE VII—GENERAL PROVISIONS					
Hunger fellowships			3,000	+ 3,000	+ 3,000
Sec. 388 Fair Act—NH			250	+ 250	+ 250
Total, title VII, General provisions			3,250	+ 3,250	+ 3,250
TITLE XI—EMERGENCY APPROPRIATIONS (PUBLIC LAW 105-277)					
DEPARTMENT OF AGRICULTURE					
Office of the Secretary (cotton warehouse) (emergency appropriations)	(5,000)			(- 5,000)	
Pilot livestock price reporting study (emergency appropriations)	(250)			(- 250)	
Federal Crop Insurance Corporation					
Federal crop insurance corporation fund:					
Purchase requirement (emergency appropriations)	(66,000)			(- 66,000)	
Raisins (emergency appropriations)	(3,000)			(- 3,000)	
Commodity Credit Corporation					
Natural disasters (emergency appropriations)	(1,500,000)			(- 1,500,000)	
Multi-year losses (emergency appropriations)	(875,000)			(- 875,000)	
Livestock disaster assistance fund (emergency appropriations)	(200,000)			(- 200,000)	

Market loss (emergency appropriations)	(3,057,000)			(-3,057,000)	
Economic loss (Alaska) (emergency appropriations)	(50,000)			(-50,000)	
Honey (emergency appropriations)	(1,000)			(-1,000)	
Mohair fiber (emergency appropriations)	(27,000)			(-27,000)	
Total, Commodity Credit Corporation	(5,779,000)			(-5,779,000)	
Foreign Agricultural Service and General Sales Manager					
Food for progress (emergency appropriations)	(25,000)			(-25,000)	
Total, title XI, emergency appropriations	(5,809,250)			(-5,809,250)	
TITLE XIII—EMERGENCY APPROPRIATIONS (PUBLIC LAW 105-277)					
DEPARTMENT OF AGRICULTURE					
Farm Service Agency					
Salaries and expenses (emergency appropriations)	(40,000)			(-40,000)	
Agricultural Credit Insurance Fund Program Account:					
Loan authorizations:					
Farm operating loans:					
Direct	(233,806)			(-233,806)	
Guaranteed unsubsidized	(150,000)			(-150,000)	
Guaranteed subsidized	(156,704)			(-156,704)	
Total, Loan authorizations	(540,510)			(-540,510)	
Loan subsidies:					
Farm operating loans (emergency appropriations):					
Direct	(15,969)			(-15,969)	
Guaranteed unsubsidized	(1,740)			(-1,740)	
Guaranteed subsidized	(13,696)			(-13,696)	
Total, Agricultural Credit Insurance Fund	31,405			-31,405	
(Loan authorization)	(540,510)			(-540,510)	

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1999 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 2000—Continued

[In thousands of dollars]

Item	1999 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				1999 appropriation	Budget estimate
Total, Farm Service Agency	71,405			-71,405	
Commodity Credit Corporation					
Dairy production disaster assistance program (emergency appropriations)	(3,000)			(-3,000)	
Natural Resources Conservation Service					
Forestry incentives program (emergency appropriations)	(10,000)			(-10,000)	
Total, title XIII, emergency appropriations	(84,405)			(-84,405)	
Grand total:					
New budget (obligational) authority	54,510,359	66,883,182	60,710,118	+6,199,759	-6,173,064
Appropriations	(55,713,835)	(61,883,182)	(60,710,118)	(+4,996,283)	(-1,173,064)
Emergency appropriations	(6,639,751)			(-6,639,751)	
Advance appropriations		(5,000,000)			(-5,000,000)
Rescissions	(-1,250,000)			(+1,250,000)	
Rescission of Emergency Appropriations	(-22,466)			(+22,466)	
(By transfer)	(612,780)	(681,569)	(612,635)	(-145)	(-68,934)
(Loan authorization)	(8,453,684)	(9,096,281)	(9,650,251)	(+1,196,567)	(+553,970)
Emergency appropriations	(1,795,710)			(-1,795,710)	
(Limitation on administrative expenses)	(144,087)	(108,287)	(108,287)	(-35,800)	
RECAPITULATION					
Title I—Agricultural programs	14,481,998	20,174,117	20,000,476	+5,518,478	-173,641
Title II—Conservation programs	793,072	866,820	808,072	+15,000	-58,748

Title III—Rural economic and community development programs	2,175,234	2,194,349	2,184,449	+9,215	-9,900
Title IV—Domestic food programs	34,817,199	41,381,688	35,546,075	+728,876	-5,835,613
Title V—Foreign assistance and related programs	1,196,718	1,056,853	1,062,908	-133,810	+6,055
Title VI—Related agencies and Food and Drug Administration	1,046,138	1,209,355	1,104,888	+58,750	-104,467
Title VII—General provisions .....	.....	.....	3,250	+3,250	+3,250
Title XI—Emergency Appropriations (Public Law 105-277)	(5,809,250)	.....	.....	(-5,809,250)	.....
Title XIII—Emergency Appropriations (Public Law 105-277)	(84,405)	.....	.....	(-84,405)	.....
Total, new budget (obligational) authority	54,510,359	66,883,182	60,710,118	+6,199,759	-6,173,064

¹ In addition to appropriation.

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