Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Texas (Mr. BONILLA) come forward and lead the House in the Pledge of Allegiance.

Mr. BONILLA led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

GENERAL LEAVE

Mr. BONILLA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the consideration of H.R. 2673, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2004

Mr. BONILLA. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2673) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2004, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be confined to the bill, and be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentlewoman from Ohio (Ms. KAPTUR) and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. BONILLA).

The motion was agreed to.

□ 1205

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2673, with Mr. DREIER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous consent agreement, the gentleman from Texas (Mr. BONILLA) and the gentlewoman from Ohio (Ms. KAPTUR) each will control 30 minutes.

The Chair recognizes the gentleman from Texas (Mr. BONILLA).

Mr. BONILLA. Mr. Chairman, I yield myself such time as I may consume.

(Mr. BONILLA asked and was given permission to revise and extend his remarks.)

Mr. BONILLA. Mr. Chairman, I am pleased to bring before the House today the fiscal year 2004 appropriations bill for Agriculture, Rural Development, the Food and Drug Administration and Related Agencies.

My goal this year has been to produce a bipartisan bill, and I believe we have done a good job in reaching that goal.

The Subcommittee began work on this bill with the submission of the President's Budget on February 3rd. We had ten public hearings beginning on February 26th, and we completed our hearings on March 20th. The transcripts of these hearings, the Administration's official statements, the detailed budget requests, several thousand questions for the record and the statements of Members and the public are all contained in eight hearing volumes.

The Subcommittee and full Committee marked up the bill on June 17th and June 25th, respectively.

We have tried very hard to accommodate the requests of Members, and to provide increases for critical programs. We received more than 2,380 individual requests for specific spending, from almost every member of the House. Reading all of the mail I received, I can confirm to you that the interest in this bill is completely bipartisan. However, I would point out that my own support for a member's needs is dependent on that member's support of the Committee in general, and of this bill in particular.

This bill does have very limited increases over fiscal year 2003, or over the budget request, for programs that have always enjoyed strong bipartisan support. Those increases include:

Agricultural Research Service, $39 million above the request.

Animal and Plant Health Inspection Service, $38 million above last year, and $31 million above the request.

Food Safety and Inspection Service, $30 million above last year.

Farm Service Agency, $33 million above last year.

Natural Resources Conservation Service, $23 million over last year.

Rural Community Advancement Program, $223 million above the request.

Food and Drug Administration, $14 million over last year.

Mr. Chairman, we all refer to this bill as an agriculture bill, but it does far more than assisting basic agriculture. It also supports human nutrition, the environment, and food, drug and medical safety. This is a bill that will deliver benefits to every one of our constituents every day, no matter what kind of district they represent.

I would say to all Members that they can support this bill and tell all of their constituents that they voted to improve their lives while maintaining fiscal responsibility.

The bill is a bipartisan product with a lot of hard work and input from both sides of the aisle. I would like to thank the gentleman from Florida (Chairman YOUNG), and the gentleman from Wisconsin (Mr. OBEY), who serves as the distinguished chairman and ranking member of the Committee on Appropriations. I would also like to thank all my subcommittee colleagues: the gentleman from New York (Mr. WALSH); the gentleman from Georgia (Mr. KINGSTON); the gentleman from Washington (Mr. NETHERCUTT); the gentleman from Iowa (Mr. LATHAM); the gentlewoman from Missouri (Mrs. EMERSON); the gentleman from Virginia (Mr. GOODE); the gentleman from Illinois (Mr. LAHOOD); the gentlewoman from Connecticut (Ms. DELAURO); the gentleman from New York (Mr. HINCHEY); the gentleman from California (Mr. FARR); and the gentleman from Florida (Mr. BOYD).

In particular, I want to thank the gentlewoman from Ohio (Ms. KAPTUR), the distinguished ranking member of the subcommittee, for all her good work on this bill this year and the years in the past.

Mr. Chairman I would like to include at this point in the RECORD tabular material relating to the bill.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2003
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE I - AGRICULTURAL PROGRAMS					
Production, Processing, and Marketing					
Office of the Secretary	3,320	10,068	3,468	+148	-6,600
Executive Operations:					
Chief Economist	8,510	12,264	8,716	+206	-3,548
National Appeals Division	13,670	14,242	13,670	---	-572
Office of Budget and Program Analysis	7,270	7,980	7,749	+479	-231
Homeland Security staff	---	1,479	---	---	-1,479
Office of the Chief Information Officer	14,993	31,334	14,993	---	-16,341
Common computing environment	132,289	177,714	133,155	+866	-44,559
Office of the Chief Financial Officer	5,496	7,902	5,785	+289	-2,117
Working capital fund	11,922	---	---	-11,922	---
Total, Executive Operations	194,150	252,915	184,068	-10,082	-68,847
Office of the Assistant Secretary for Civil Rights	397	808	397	---	-411
Office of the Assistant Secretary for Administration	660	793	678	+18	-115
Agriculture buildings and facilities and rental payments	(186,879)	(199,332)	(156,891)	(-29,988)	(-42,441)
Payments to GSA	120,796	124,332	124,332	+3,536	---
Building operations and maintenance	32,327	41,000	32,559	+232	-8,441
Repairs, renovations, and construction	33,756	34,000	---	-33,756	-34,000
Hazardous materials management	15,583	15,713	15,713	+130	---
Departmental administration	37,629	45,128	38,592	+963	-6,536
Office of the Assistant Secretary for Congressional Relations	3,796	4,186	3,796	---	-390
Office of Communications	9,031	10,084	9,245	+214	-839
Office of the Inspector General	73,417	81,895	77,314	+3,897	-4,581
Office of the General Counsel	34,700	37,328	34,700	---	-2,628
Office of the Under Secretary for Research, Education and Economics	584	792	597	+13	-195
Economic Research Service	68,674	76,657	71,402	+2,728	-5,255
National Agricultural Statistics Service	138,448	136,182	129,800	-8,648	-6,382
Census of Agriculture	(41,274)	(25,279)	(25,279)	(-15,995)	---
Agricultural Research Service:					
Salaries and expenses	1,035,130	987,303	1,014,000	-21,130	+26,697
Buildings and facilities	118,703	24,000	35,900	-82,803	+11,900
Supplemental appropriations (P.L. 108-11)	110,000	---	---	-110,000	---
Total, Agricultural Research Service	1,263,833	1,011,303	1,049,900	-213,933	+38,597
Cooperative State Research, Education, and Extension Service:					
Research and education activities	616,792	514,228	594,772	-22,020	+80,544
Native American Institutions Endowment Fund	(7,054)	(9,000)	(9,000)	(+1,946)	---
Extension activities	450,520	422,268	438,242	-12,278	+15,974
Integrated activities	46,439	62,865	62,942	+16,503	+77
Outreach for socially disadvantaged farmers	3,470	4,003	3,470	---	-533
Total, Cooperative State Research, Education, and Extension Service	1,117,221	1,003,364	1,099,426	-17,795	+96,062
Office of the Under Secretary for Marketing and Regulatory Programs	725	791	725	---	-66
Animal and Plant Health Inspection Service:					
Salaries and expenses	682,757	694,897	725,502	+42,745	+30,605
Buildings and facilities	9,924	4,996	4,996	-4,928	---
Total, Animal and Plant Health Inspection Service	692,681	699,893	730,498	+37,817	+30,605

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2003
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
Agricultural Marketing Service:					
Marketing Services	75,210	75,071	75,953	+743	+882
Standardization user fees	(5,000)	(5,000)	(5,000)	---	---
(Limitation on administrative expenses, from fees collected)	(61,619)	(62,577)	(62,577)	(+958)	---
Funds for strengthening markets, income, and supply (transfer from section 32)	14,910	15,392	15,392	+482	---
Payments to states and possessions	1,338	1,347	1,347	+9	---
Total, Agricultural Marketing Service	91,458	91,810	92,692	+1,234	+882
Grain Inspection, Packers and Stockyards Administration:					
Salaries and expenses	39,690	41,688	39,690	---	-1,998
Limitation on inspection and weighing services	(42,463)	(42,463)	(42,463)	---	---
Office of the Under Secretary for Food Safety	599	792	599	---	-193
Food Safety and Inspection Service	754,821	797,149	785,261	+30,440	-11,888
Lab accreditation fees 1/	(1,000)	(1,000)	(1,000)	---	---
Total, Production, Processing, and Marketing	4,728,296	4,518,671	4,525,452	-202,844	+6,781
Farm Assistance Programs					
Office of the Under Secretary for Farm and Foreign Agricultural Services	618	916	636	+18	-280
Farm Service Agency:					
Salaries and expenses	970,389	1,016,836	1,016,836	+46,447	---
(Transfer from export loans)	(829)	(985)	(985)	(+156)	---
(Transfer from P.L. 480)	(1,019)	(2,975)	(2,975)	(+1,956)	---
(Transfer from ACIF)	(277,361)	(290,136)	(290,136)	(+12,775)	---
Subtotal, transfers from program accounts	(279,209)	(294,096)	(294,096)	(+14,887)	---
Total, Salaries and expenses	(1,249,598)	(1,310,932)	(1,310,932)	(+61,334)	---
State mediation grants	3,974	4,000	3,974	---	-26
Dairy indemnity program	100	100	100	---	---
Subtotal, Farm Service Agency	974,463	1,020,936	1,020,910	+46,447	-26
Agricultural Credit Insurance Fund Program Account:					
Loan authorizations:					
Farm ownership loans:					
Direct	(130,000)	(140,149)	(133,143)	(+3,143)	(-7,006)
Guaranteed	(1,000,000)	(1,000,000)	(950,000)	(-50,000)	(-50,000)
Subtotal	(1,130,000)	(1,140,149)	(1,083,143)	(-46,857)	(-57,006)
Farm operating loans:					
Direct	(605,000)	(650,000)	(617,503)	(+12,503)	(-32,497)
Unsubsidized guaranteed	(1,700,000)	(1,400,000)	(1,330,000)	(-370,000)	(-70,000)
Subsidized guaranteed	(400,000)	(266,249)	(252,937)	(-147,063)	(-13,312)
Subtotal	(2,705,000)	(2,316,249)	(2,200,440)	(-504,560)	(-115,809)
Indian tribe land acquisition loans	(2,000)	(2,000)	(2,000)	---	---
Boll weevil eradication loans	(100,000)	(60,000)	(100,000)	---	(+40,000)
Total, Loan authorizations	(3,937,000)	(3,518,398)	(3,385,583)	(-551,417)	(-132,815)
Loan subsidies:					
Farm ownership loans:					
Direct	14,995	30,945	29,398	+14,403	-1,547
Guaranteed	7,451	5,400	5,130	-2,321	-270
Subtotal	22,446	36,345	34,528	+12,082	-1,817

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2003
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
Farm operating loans:					
Direct	103,744	93,730	89,044	-14,700	-4,686
Unsubsidized guaranteed	53,540	46,620	44,289	-9,251	-2,331
Subsidized guaranteed	46,893	34,000	32,300	-14,593	-1,700
Subtotal	204,177	174,350	165,633	-38,544	-8,717
Indian tribe land acquisition	178	---	---	-178	---
Total, Loan subsidies	226,801	210,695	200,161	-26,640	-10,534
ACIF expenses:					
Salaries and expense (transfer to FSA)	277,361	290,136	290,136	+12,775	---
Administrative expenses	7,948	8,000	8,000	+52	---
Total, ACIF expenses	285,309	298,136	298,136	+12,827	---
Total, Agricultural Credit Insurance Fund	512,110	508,831	498,297	-13,813	-10,534
(Loan authorization)	(3,937,000)	(3,518,398)	(3,385,583)	(-551,417)	(-132,815)
Total, Farm Service Agency	1,486,573	1,529,767	1,519,207	+32,634	-10,560
Risk Management Agency	70,248	78,488	71,509	+1,261	-6,979
Total, Farm Assistance Programs	1,557,439	1,609,171	1,591,352	+33,913	-17,819
Corporations					
Federal Crop Insurance Corporation:					
Federal crop insurance corporation fund	2,886,000	3,368,000	3,368,000	+482,000	---
Commodity Credit Corporation Fund:					
Reimbursement for net realized losses	16,285,000	17,275,000	17,275,000	+990,000	---
Hazardous waste management (limitation on administrative expenses)	(5,000)	(5,000)	(5,000)	---	---
Total, Corporations	19,171,000	20,643,000	20,643,000	+1,472,000	---
Total, title I, Agricultural Programs	25,456,735	26,770,842	26,759,804	+1,303,069	-11,038
(By transfer)	(279,209)	(294,096)	(294,096)	(+14,887)	---
(Loan authorization)	(3,937,000)	(3,518,398)	(3,385,583)	(-551,417)	(-132,815)
(Limitation on administrative expenses)	(109,082)	(110,040)	(110,040)	(+958)	---
TITLE II - CONSERVATION PROGRAMS					
Office of the Under Secretary for Natural Resources and Environment	745	918	745	---	-173
Natural Resources Conservation Service:					
Conservation operations	819,641	703,605	850,004	+30,363	+146,399
Watershed surveys and planning	11,124	5,000	11,124	---	+6,124
Watershed and flood prevention operations	109,285	40,000	90,000	-19,285	+50,000
Watershed rehabilitation program	29,805	10,000	40,000	+10,195	+30,000
Resource conservation and development	50,668	49,943	52,894	+2,226	+2,951
Farm bill technical assistance	---	432,160	---	---	-432,160
Total, Natural Resources Conservation Service	1,020,523	1,240,708	1,044,022	+23,499	-196,686
Total, title II, Conservation Programs	1,021,268	1,241,626	1,044,767	+23,499	-196,859
TITLE III - RURAL DEVELOPMENT PROGRAMS					
Office of the Under Secretary for Rural Development	636	913	636	---	-277

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2003
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
Rural Development:					
Rural community advancement program	901,837	477,864	706,006	-195,831	+228,142
Tree assistance (sec. 747)	---	---	-5,000	-5,000	-5,000
(Transfer out)	(-29,805)	---	---	(+29,805)	---
Total, Rural community advancement program	901,837	477,864	701,006	-200,831	+223,142
RD expenses:					
Salaries and expenses	144,789	147,520	146,495	+1,706	-1,025
(Transfer from RHIF)	(429,564)	(482,787)	(447,151)	(+17,587)	(-35,636)
(Transfer from RDLFP)	(4,163)	(4,850)	(4,283)	(+120)	(-567)
(Transfer from RETLP)	(37,587)	(41,562)	(38,166)	(+579)	(-3,396)
(Transfer from RTB)	(3,062)	(3,462)	(3,182)	(+120)	(-280)
Subtotal, Transfers from program accounts	(474,376)	(532,661)	(492,782)	(+18,406)	(-39,879)
Total, RD expenses	(619,165)	(680,181)	(639,277)	(+20,112)	(-40,904)
Total, Rural Development	1,046,626	625,384	847,501	-199,125	+222,117
Rural Housing Service:					
Rural Housing Insurance Fund Program Account:					
Loan authorizations:					
Single family (sec. 502)	(1,037,868)	(1,366,462)	(1,366,462)	(+328,594)	---
Unsubsidized guaranteed	(2,845,318)	(2,725,172)	(2,725,172)	(-120,146)	---
Subtotal, Single family	(3,883,186)	(4,091,634)	(4,091,634)	(+208,448)	---
Housing repair (sec. 504)	(35,000)	(35,003)	(35,003)	(+3)	---
Rental housing (sec. 515)	(115,805)	(70,830)	(116,545)	(+740)	(+45,715)
Site loans (sec. 524)	(5,046)	(5,045)	(5,045)	(-1)	---
Multi-family housing guarantees (sec. 538)	(100,000)	(100,000)	(100,000)	---	---
Multi-family housing credit sales	(2,000)	(1,500)	(1,500)	(-500)	---
Single family housing credit sales	(10,000)	(10,000)	(10,000)	---	---
Self-help housing land develop. (sec. 523)	(5,011)	(5,000)	(5,000)	(-11)	---
Total, Loan authorizations	(4,156,048)	(4,319,012)	(4,364,727)	(+208,679)	(+45,715)
Loan subsidies:					
Single family (sec. 502)	201,035	126,018	126,018	-75,017	---
Unsubsidized guaranteed	32,388	39,903	39,903	+7,515	---
Subtotal, Single family	233,423	165,921	165,921	-67,502	---
Housing repair (sec. 504)	10,786	9,612	9,612	-1,174	---
Rental housing (sec. 515)	53,649	30,464	50,126	-3,523	+19,662
Site loans (sec. 524)	55	---	---	-55	---
Multi-family housing guarantees (sec. 538)	4,471	5,950	5,950	+1,479	---
Multi-family housing credit sales	928	663	663	-265	---
Single family housing credit sales	---	---	---	---	---
Self-help housing land develop. (sec. 523)	220	154	154	-66	---
Total, Loan subsidies	303,532	212,764	232,426	-71,106	+19,662
RHIF administrative expenses (transfer to RD)	429,564	482,787	447,151	+17,587	-35,636
Rental assistance program:					
(Sec. 521)	715,419	734,100	725,100	+9,681	-9,000
(Sec. 502(c)(5)(D))	5,862	5,900	5,900	+38	---
Total, Rental assistance program	721,281	740,000	731,000	+9,719	-9,000
Total, Rural Housing Insurance Fund	1,454,377	1,435,551	1,410,577	-43,800	-24,974
(Loan authorization)	(4,156,048)	(4,319,012)	(4,364,727)	(+208,679)	(+45,715)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2003
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
Mutual and self-help housing grants	34,772	34,000	34,772	---	+772
Rural housing assistance grants	42,222	41,500	42,222	---	+722
Farm labor program account	36,071	35,018	36,307	+236	+1,289
Subtotal, grants and payments	113,065	110,518	113,301	+236	+2,783
Total, Rural Housing Service	1,567,442	1,546,069	1,523,878	-43,564	-22,191
(Loan authorization)	(4,156,048)	(4,319,012)	(4,364,727)	(+208,679)	(+45,715)
Rural Business-Cooperative Service:					
Rural Development Loan Fund Program Account:					
(Loan authorization)	(40,000)	(40,000)	(40,000)	---	---
Loan subsidy	19,179	17,308	17,308	-1,871	---
Administrative expenses (transfer to RD)	4,163	4,850	4,283	+120	-567
Total, Rural Development Loan Fund	23,342	22,158	21,591	-1,751	-567
Rural Economic Development Loans Program Account:					
(Loan authorization)	(14,967)	(15,002)	(16,120)	(+1,153)	(+1,118)
Direct subsidy	3,176	2,792	3,000	-176	+208
Rural cooperative development grants	8,941	11,000	13,000	+4,059	+2,000
Rural empowerment zones and enterprise communities grants	14,870	---	10,967	-3,903	+10,967
Renewable energy program	---	3,000	3,000	+3,000	---
Total, Rural Business-Cooperative Service	50,329	38,950	51,558	+1,229	+12,608
(Loan authorization)	(54,967)	(55,002)	(56,120)	(+1,153)	(+1,118)
Rural Utilities Service:					
Rural Electrification and Telecommunications Loans Program Account:					
Loan authorizations:					
Electric:					
Direct, 5%	(121,103)	(240,000)	(240,000)	(+118,897)	---
Direct, Municipal rate	(100,000)	(100,000)	(1,000,000)	(+900,000)	(+900,000)
Direct, FFB	(2,600,000)	(1,500,000)	(2,000,000)	(-600,000)	(+500,000)
Direct, Treasury rate	(1,150,000)	(700,000)	(750,000)	(-400,000)	(+50,000)
Guaranteed electric	(100,000)	(100,000)	(100,000)	---	---
Guaranteed underwriting	(1,000,000)	---	---	(-1,000,000)	---
Subtotal, Electric	(5,071,103)	(2,640,000)	(4,090,000)	(-981,103)	(+1,450,000)
Telecommunications:					
Direct, 5%	(75,029)	(145,000)	(145,000)	(+69,971)	---
Direct, Treasury rate	(300,000)	(250,000)	(300,000)	---	(+50,000)
Direct, FFB	(120,000)	(100,000)	(120,000)	---	(+20,000)
Subtotal, Telecommunications	(495,029)	(495,000)	(565,000)	(+69,971)	(+70,000)
Total, Loan authorizations	(5,566,132)	(3,135,000)	(4,655,000)	(-911,132)	(+1,520,000)
Loan subsidies:					
Electric:					
Direct, 5%	6,870	---	---	-6,870	---
Direct, Municipal rate	4,004	---	---	-4,004	---
Guaranteed electric	79	60	60	-19	---
Subtotal, Electric	10,953	60	60	-10,893	---
Telecommunications:					
Direct, 5%	1,275	---	---	-1,275	---
Direct, Treasury rate	149	125	125	-24	---
Subtotal, Telecommunications	1,424	125	125	-1,299	---
Total, Loan subsidies	12,377	185	185	-12,192	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2003
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
RETLP administrative expenses (transfer to RD)	37,587	41,562	38,166	+579	-3,396
Total, Rural Electrification and Telecommunications Loans Program Account..	49,964	41,747	38,351	-11,613	-3,396
(Loan authorization).....	(5,566,132)	(3,135,000)	(4,655,000)	(-911,132)	(+1,520,000)
Rural Telephone Bank Program Account:					
(Loan authorization).....	(174,615)	---	---	(-174,615)	---
Direct loan subsidy.....	2,394	---	---	-2,394	---
RTB administrative expenses (transfer to RD)..	3,062	3,462	3,182	+120	-280
Total, Rural Telephone Bank Program Account.	5,456	3,462	3,182	-2,274	-280
High energy costs grants (by transfer).....	(29,805)	---	---	(-29,805)	---
Distance learning, telemedicine and broadband program:					
Loan authorizations:					
Distance learning and telemedicine.....	(300,000)	(50,000)	(300,000)	---	(+250,000)
Broadband telecommunications.....	(80,000)	(336,000)	(336,000)	(+256,000)	---
Total, Loan authorizations.....	(380,000)	(386,000)	(636,000)	(+256,000)	(+250,000)
Loan subsidies:					
Distance learning and telemedicine:					
Grants.....	46,636	25,000	25,000	-21,636	---
Broadband telecommunications:					
Direct.....	---	9,116	9,116	+9,116	---
Grants.....	9,935	2,000	8,000	-1,935	+6,000
Total, Loan subsidies and grants.....	56,571	36,116	42,116	-14,455	+6,000
Total, Rural Utilities Service.....	111,991	81,325	83,649	-28,342	+2,324
(Loan authorization).....	(6,120,747)	(3,521,000)	(5,291,000)	(-829,747)	(+1,770,000)
Total, title III, Rural Economic and Community Development Programs.....	2,777,024	2,292,641	2,507,222	-269,802	+214,581
(By transfer).....	(504,181)	(532,661)	(492,782)	(-11,399)	(-39,879)
(Loan authorization).....	(10,331,762)	(7,895,014)	(9,711,847)	(-619,915)	(+1,816,833)
TITLE IV - DOMESTIC FOOD PROGRAMS					
Office of the Under Secretary for Food, Nutrition and Consumer Services.....	599	786	599	---	-187
Food and Nutrition Service:					
Child nutrition programs.....	5,830,506	6,819,340	6,718,780	+888,274	-100,560
Transfer from section 32.....	4,745,663	4,599,101	4,699,661	-46,002	+100,560
Discretionary spending.....	3,974	---	---	-3,974	---
Total, Child nutrition programs.....	10,580,143	11,418,441	11,418,441	+838,298	---
Special supplemental nutrition program for women, infants, and children (WIC).....	4,696,000	4,769,232	4,588,310	-107,690	-180,922
Contingency fund.....	(125,000)	(25,000)	(150,000)	(+25,000)	(+125,000)
Food stamp program:					
Expenses.....	22,772,692	24,208,981	24,203,176	+1,430,484	-5,805
Reserve.....	2,000,000	2,000,000	2,000,000	---	---
Nutrition assistance for Puerto Rico and Samoa	1,401,000	1,397,000	1,402,805	+1,805	+5,805
The emergency food assistance program.....	140,000	140,000	140,000	---	---
Total, Food stamp program.....	26,313,692	27,745,981	27,745,981	+1,432,289	---
Commodity assistance program.....	163,431	166,072	166,072	+2,641	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2003
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
Food donations programs:					
Needy family program	1,074	---	---	-1,074	---
Nutrition programs administration	135,672	144,849	140,512	+4,840	-4,337
Total, Food and Nutrition Service	41,890,012	44,244,575	44,059,316	+2,169,304	-185,259
Total, title IV, Domestic Food Programs	41,890,611	44,245,361	44,059,915	+2,169,304	-185,446
TITLE V - FOREIGN ASSISTANCE AND RELATED PROGRAMS					
Foreign Agricultural Service:					
Salaries and expenses, direct appropriation	129,103	140,798	133,924	+4,821	-6,874
(Transfer from export loans)	(3,203)	(3,327)	(3,327)	(+124)	---
(Transfer from P.L. 480)	(1,026)	(1,066)	(1,066)	(+40)	---
Total, Salaries and expenses program level	(133,332)	(145,191)	(138,317)	[illegible]	[illegible] 874)
Public Law 480 Program and Grant Accounts:					
Program account:					
Loan authorization, direct	(154,664)	(132,000)	(132,000)	(-22,664)	---
Loan subsidies	115,416	103,887	103,887	-11,529	---
Ocean freight differential grants	24,995	28,000	28,000	+3,005	---
Title II - Commodities for disposition abroad:					
Program level	(1,192,200)	(1,185,000)	(1,192,000)	(-200)	(+7,000)
Appropriation	1,192,200	1,185,000	1,192,000	-200	+7,000
Supplemental appropriations (P.L. 108-11)	369,000	---	---	-369,000	---
Salaries and expenses:					
Foreign Agricultural Service (transfer to FAS)	1,026	1,066	1,066	+40	---
Farm Service Agency (transfer to FSA)	1,019	2,975	2,975	+1,956	---
Subtotal	2,045	4,041	4,041	+1,996	---
Total, Public Law 480:					
Program level	(1,192,200)	(1,185,000)	(1,192,000)	(-200)	(+7,000)
Appropriation	1,703,656	1,320,928	1,327,928	-375,728	+7,000
CCC Export Loans Program Account (administrative expenses):					
Salaries and expenses (Export Loans):					
General Sales Manager (transfer to FAS)	3,203	3,327	3,327	+124	---
Farm Service Agency (transfer to FSA)	829	985	985	+156	---
Total, CCC Export Loans Program Account	4,032	4,312	4,312	+280	---
McGovern-Dole international food for education and child nutrition program grants	---	50,000	56,874	+56,874	+6,874
Total, title V, Foreign Assistance and Related Programs	1,836,791	1,516,038	1,523,038	-313,753	+7,000
(By transfer)	(4,229)	(4,393)	(4,393)	(+164)	---
TITLE VI - RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION					
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Food and Drug Administration					
Salaries and expenses, direct appropriation	1,373,714	1,394,617	1,389,234	+15,520	-5,383
Prescription drug user fee act	(222,900)	(249,825)	(249,825)	(+26,925)	---
Medical device user fee act	(25,125)	(29,190)	(29,190)	(+4,065)	---
Subtotal	(1,621,739)	(1,673,632)	(1,668,249)	(+46,510)	(-5,383)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2003
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004 (H.R. 2673)
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
Mammography clinics user fee (outlay savings)	(16,112)	(16,576)	(16,576)	(+464)	---
Export and color certification	(6,378)	(6,649)	(6,649)	(+271)	---
Payments to GSA	(108,269)	(120,045)	(120,045)	(+11,776)	---
Buildings and facilities	7,948	11,500	6,000	-1,948	-5,500
Total, Food and Drug Administration	1,381,662	1,406,117	1,395,234	+13,572	-10,883
INDEPENDENT AGENCIES					
Commodity Futures Trading Commission	85,426	88,435	88,435	+3,009	---
Farm Credit Administration (limitation on administrative expenses)	(38,400)	(40,900)	(40,900)	(+2,500)	---
Total, title VI, Related Agencies and Food and Drug Administration	1,467,088	1,494,552	1,483,669	+16,581	-10,883
TITLE VII - GENERAL PROVISIONS					
Hunger fellowships	2,981	---	3,000	+19	+3,000
National Sheep Industry Improvement Center revolving fund	496	---	499	+3	+499
Child and adult care feeding program	21,857	---	---	-21,857	---
P.L. 480 Title II	248,375	---	---	-248,375	---
Tree assistance (sec. 747)	---	---	5,000	+5,000	+5,000
Total, title VII, General provisions	273,709	---	8,499	-265,210	+8,499
Grand total:					
New budget (obligational) authority	74,723,226	77,561,060	77,386,914	+2,663,688	-174,146
(By transfer)	(787,619)	(831,150)	(791,271)	(+3,652)	(-39,879)
(Loan authorization)	(14,423,426)	(11,545,412)	(13,229,430)	(-1,193,996)	(+1,684,018)
(Limitation on administrative expenses)	(147,482)	(150,940)	(150,940)	(+3,458)	---

1/ In addition to appropriation.

Mr. Chairman, I reserve the balance of my time.

Ms. KAPTUR. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, at a time of recession, rising unemployment in our country, the currency fluctuations that are affecting our markets internationally and great dependency on the Federal Government by our farm sector for economic survival, this bill fails to meet the needs of today's economy, including in rural America, for a countercyclical boost.

It has been a great pleasure working with our chairman, the gentleman from Texas (Mr. BONILLA), in trying to do the best with the allocation that we were afforded by the full committee; but it is very important as we proceed today to place on the record not only the condition of rural America but how this country and the government of this country is responding to it.

The allocation that we received forced our committee to produce a bill that is nearly $1 billion under last year's level, indeed $872 million. This situation exists partly because of the fault of the administration which submitted a request to us that did not provide support in many critical areas. In part, it is the fault of this Republican Congress which adopted a budget resolution that did not recognize the vital role that agriculture plays as a pillar of our economy. In fact, the allocation, as I said, for this bill is well below the administration's request as well as last year's level.

As a result, the bill underinvests in rural America. Surely in value-added production, where the future lies, it cripples our producers' efforts to earn more from the marketplace and less from support payments that continue to be forked over by the billions. The bill fails to meet the needs of other Americans who depend on agencies in the bill for nutrition, food safety, and other important services.

Technically the bill provides $17.005 billion for discretionary programs, and that is about a percent below the budget request, but 5 percent below the 2003 level of $17.877 billion, a most astonishing set of cutbacks in America's leading domestic industry that still maintains a trade surplus in global markets. I might mention, if Members think about the total of our entire bill, about $17 billion, we are spending that much in 4 months in Iraq. According to what Secretary Rumsfeld has told Congress, we are spending about $4 billion a month, twice as much as we anticipated, to try to feed hungry people and deal with health clinics and all the related expenditures in keeping our troops well supplied. If we think about what we are asking for in this bill versus what we are spending in other places in the world, we can call into question what has been brought to the floor in this package.

Now, among the funds and programs that are underfunded or at risk of inadequate support are farm loans, rural development, domestic food programs, international food aid, research, which is so important to the future, the Food & Drug Administration, such as approving medical devices, and a number of mandatory programs, for which funding is blocked. Funding for many new initiatives established in the farm bill to lead American agriculture into the 21st century is, once again, deferred.

And in some other accounts, it is highly likely that additional funds may be needed when this bill goes to conference, but those funds simply will not be available.

Let us talk about rural America. It is a part of our country on life support. We have a crisis in the rural parts of America born of concentration inside our market that is supposed to be competitive. As well, we have a crisis of diminishing U.S. exports. Even though our agricultural trade surplus at least helps to try to hold up our trade accounts, nonetheless, over the years we have had fewer agricultural exports and more imports coming into this country. So, agricultural America is beginning to tilt toward the negative in the same way as manufacturing America in terms of our trade accounts. We have a crisis in rural America of ignoring investment in new value-added developments such as bioenergy production in which this bill severely underinvests. The economic crisis in agriculture has social consequences in crime and social instability in the part of America that used to be called the heartland and always regarded as the cherished repository of our most fundamental values of free holding, of family, of faith, of community, and of stewardship.

The New York Times ran a powerful article in December entitled ''Pastoral Poverty: The Seeds of Decline.'' It detailed the systematic decline of the social fabric across rural America. Here are some of the conditions that were mentioned: the rate of serious crime in predominantly rural States such as Kansas and Oklahoma is 50 percent higher than in places like New York State where we have some of the largest metropolitan areas in the country; bank robberies are most likely in towns of 10,000 to 25,000 people. The article went on to talk about people in rural areas making much less than their urban counterparts and much more likely to have only minimum-wage jobs.

There were 300 times more seizures of methamphetamine labs in Iowa in 1999 than in New York and New Jersey combined, based on Drug Enforcement Administration figures.

So if everything is so great, why is the social fabric disintegrating? The economic factors that lead to this social disintegration are very clear, and they have been accelerating for a number of years. This bill will only help exacerbate them because today it is no secret that all that is holding up rural America is Federal subsidy. Fifty cents of every farm dollar today is earned from the mailbox when the farmer goes out to get his subsidy check, not from the market.

□ 1215

This bill could really do something to turn that around. It fails to do that.

More farmers and ranchers are depending on off-farm income to supplement an economy that is not working for them. USDA's economists recently reported that more than half of all farm operators have off-farm income, and when other household members are added in the off-farm income level jumps to 85 percent. So farming is becoming more of a hobby-oriented activity out there because you cannot earn your income unless you have inherited an enormous amount from past generations and even then you are trying to hold up your current debt level. The market is not providing real income without the Federal subsidy.

The stresses of rural life were also illustrated in a story last year about an Iowa program to provide mental health counseling to struggling farmers and their families. Surely this economic stress has an impact on people's ability to weather this economy over a number of years. But the funding so essential to help farmers make it in the market, in the competitive marketplace, is severely undermined in this bill. This is true with farm loan programs. Which help farmers to buy a farm or operate a farm; with rural development programs, which help both individuals and communities with homeownership, so essential to helping move our economy out of recession; water and sewer needs, which are hard investments that lead to growth; telecommunications and other vital services so necessary to help rural America jump-start into the private economy. All of these needed programs are either cut or fail to be funded in this bill. The bill falls far short of the true need.

Let us go through them. Farm loans. Overall, the bill cuts farm loans by 5 percent below the request, providing $173 million less in loans. For three critical programs, farm ownership guaranteed loans, farm operating direct loans, and farm operating subsidized guaranteed loans, the bill provides about a half a billion dollars less in loans than last year. That is a 20 percent cut. That is a cut in investment for our future.

Many other programs are cut. The business and industry guaranteed loan program is cut by 38 percent. This is where the new jobs will come from in rural America. Yet, in a time of recession, the administration and their congressional allies are cutting that by over a third.

Single family guaranteed home loans are 4 percent below the 2003 request. And think about that. That is $120 million less to offer borrowers at a time when the housing industry is the only industry that is out there that is holding this economy up as it hemorrhages jobs in other sectors.

The bill eliminates funding for the Rural Telephone Bank, which made $175 million of loans last year in 23 States. And we know that the utilities and the communications infrastructure of rural America is not at the same level as in our metropolitan areas. I think that is a very backward-looking cut.

What about water and wastewater disposal grants, one of the core programs of rural development? Every single State in this Union has people, lots of people, backed up to try to get approval for these programs. The bill does provide more funding than the administration's request, but it is $43 million below what was spent last year and almost $250 million below the level that numerous Members of Congress asked of this committee to meet the realistic needs of rural development.

Grants for distance learning and telemedicine and broadband are $24 million below this year's level.

I do not have to tell anybody out there about the shortage of physicians and medical information in rural America compared to urban and suburban America.

Funding for electric loan programs is nearly $1 billion below this year, a 20 percent reduction. How does that really help development across rural America?

Let us now look at our domestic and international programs. They are underfunded. During this year, Democrats focused on the record demand for domestic food, such as women, infants and children's coupons and food stamps. Noting enormous lines at soup kitchens and food pantries this winter, we fought very hard for temporary emergency assistance for food, and for these food banks across America. The bill does not respond adequately to these concerns, that is for sure.

Now, with the major rebuilding efforts that America is going to have to make in Iraq and Afghanistan, food will be critical to stabilizing the situation there; and we know that this bill falls far short of what is needed long-term. It simply cannot hold. We cannot meet these commitments without increasing the funding levels in these programs.

Let us now look at our domestic food programs. I mentioned the Temporary Emergency Food Assistance Program. It is $10 million below the new authorized level in the farm bill. All you have to do is go out to the food banks in your region to see what the need really is and hear the concerns that have been expressed by food bank directors and by human service directors and church leaders across this country. Funding for the Women, Infants and Children's Program is reduced below the administration request. The Commodity Supplemental Food Program is almost $20 million below this year. These are all programs that help keep people whole in bad economic times.

Neither the administration request nor the bill that is before us today adequately provides funding for the Senior Farmers Market Nutrition Program, despite the fact that applications in recent years have far outpaced available funds.

The Food and Drug Administration in this bill receives nearly $11 million less than what was requested. What does that mean? It means that we will not have full funding to implement the generic drug program, the Best Pharmaceuticals for Children Act, the over-the-counter drug program and the patient safety and adverse event reporting initiative. The bill will also halt work on the Arkansas regional lab and reduce funding for ongoing maintenance at Food and Drug Administration facilities by 25 percent.

An area of interest to many Members is medical device funding. The administration made an agreement in 2002 with the medical device industry and authorizing committees here for new industry user fees in exchange for a set level of discretionary funding each year for the program. Under the statute, if total discretionary funds fall short of the required level over a several-year period, the program sunsets. But despite the fact that it was a party to this agreement, the administration completely failed to live up to its part of the deal last year and this year and did not request the required funds. At least 46 Members of both parties requested that the full amount for devices be provided.

This bill provides an increase of $9 million over the request for the medical device program, but this is still short of the required level in order to really make the approval program work.

I wanted to say a word about mandatory programs because the bill includes 10 provisions cutting mandatory agricultural programs by $540 million. These are programs that provide support for rural firefighters; dam rehabilitation; renewable energy, and what could be more important to our country than that when we hemorrhage in terms of our ability to balance our trade accounts because of imported petroleum; conservation, which was a promise made in the recent farm bill; telecommunications and research. These cuts in those mandatory programs will have a real impact across rural America.

The Small Watershed Rehabilitation Program is cut by $95 million, more than twice the cut in this year's bill, despite a rapidly growing number of dams reaching the end of their useful lives across our country. Two years ago, the Natural Resource and Conservation Service had identified 1,450 dams in need of rehabilitation at a cost of about a half a billion dollars, $500 million. We have already spent that much money in the first half of July in Iraq, but we are not willing to spend that money here at home for infrastructure improvements.

While the bill does provide an increase of $20 million in discretionary funding, the cut in mandatory funding makes it much harder to meet identified needs. It is estimated there is a backlog of over $80 million just to finish projects currently under way, so funding on both the discretion and the mandatory sides are needed.

The bill eliminates the funding for rural firefighters. The bill eliminates all funding for the conservation security program. And in the Wetlands Reserve Program, so essential to assuring a healthy ecosystem, the bill cuts new enrollment in the program by a fifth, by 20 percent, which means that we will have so many fewer people who will be able to participate in a program that has a backlog of 736,000 acres.

In the EQIP Program, the bill reduces funding by $25 million; and that means that there will be 1,450 producers who will not be able to get EQIP funding this year.

In renewable energy, I think the bill is terribly ill-advised in zeroing out funding in a sector where America must restore her independence.

And in value-added grants, which the farm bill asked for, this bill zeros out support for the new jobs of the future that could be created across rural America.

In broadband loans for telecommunications, the bill eliminates all funding for this authorized program.

And for the initiative for future agriculture and food systems, the bill cuts $120 million from this competitive grant program which is designed to do research in critical areas such as genomics, food safety, food technology, human nutrition, new and alternative uses and production of agricultural commodities and products, agricultural biotechnology, where so much of our future lies and the world's future, natural resource management, including precision agriculture, and farm efficiency and profitability.

Other shortcomings in the bill I will quickly mention. Country-of-origin labeling. The bill prevents the implementation of origin labels for meat and meat products. This is a basic consumer right-to-know issue which the House unanimously supported when it instructed its conferees on the farm bill to support country-of-origin labeling for both meat and perishable products.

In terms of the provisions for meatpacker audits, the administration asked Congress for $1 million for the Grain Inspection, Packers and Stockyards Administration to audit the four largest steer and heifer meatpackers for compliance with that act. This might sound routine, but it is not. This would be the first time in the 82-year history of the Packers and Stockyards Act that the agency has required a large packer audit, but the bill conveniently does not provide the funding. Gosh, I wonder why.

And then in the food safety and inspection provisions, the bill provides about $12 million less than requested for the Food Safety and Inspection Service.

In terms of research, and this is really the seed corn for the future, the bill provides only half of the funding for the upgrading of security at our agricultural research labs.

In addition to that, the Cooperative Research Education and Extension Service, overall funding is over the request of the administration but $22 million lower than this year's level. As a result, many important research institutions and activities, including our 1890 and 1994 institutions, are shortchanged. In addition, at least 95 Members of this House of both parties asked for a 5 percent increase in these research formula funds, but the bill does not provide this.

Many Members also asked for $200 million for funding the national research initiative, but the bill provides only $149 million.

The Economic Research Service and National Agricultural Statistics Service would receive almost $12 million less than requested, forcing the postponement of important initiatives such as genomics research and improvement of statistical information in our New England States, Hawaii and Alaska.

In concluding these opening remarks, I would just like to summarize by saying that budgets reveal priorities. This year we are seeing that the Republican Party in this House is willing to put huge tax breaks for the most well-off in our society and also military action around the world ahead of almost every other economic and social value in our country. Rural America needs to have market-oriented incentives, not dole for farmers from coast to coast. This bill is an important answer to the situation confronting our Nation in one of the most vital sectors of our economy, and we should not shortchange the future by the underinvestment that this bill represents.

Mr. Chairman, I reserve the balance of my time.

□ 1230

Mr. BONILLA. Mr. Chairman, I reserve the balance of my time.

Ms. KAPTUR. Mr. Chairman, I yield 6 minutes to the very distinguished gentleman from Wisconsin (Mr. OBEY), ranking member of our full committee.

Mr. OBEY. Mr. Chairman, frankly, this bill is a mixed bag. We have a number of items in this bill that I support; but as is the case with so many other appropriations this year, our ability to do many things to help strengthen the economy of rural America is substantially crippled by the fact that our majority friends in this House have already decided to put all of their eggs in the tax cut basket, and that means that there is very little available for a variety of other activities whether we are talking about education or health care or in the case of this bill whether we are talking about rural sewer and water grants, rural development programs, FDA, name it.

I am distressed by some of these reductions. The gentlewoman from Ohio has already mentioned them. But just as examples, I would again cite inadequate funding for farm loans, for rural development, for rural water and sewer, for distance learning and telemedicine. We have $540 million in limitation on mandatory programs, and there are a number of other items.

But I would like to address just two other points. Number one, I am distressed that this bill contains language which prevents labeling for meat, country-of-origin labeling. I think our domestic producers have a right to be able to communicate to our domestic consumers whether or not food products are produced in this country or somewhere else. I think our consumers have a right to know that information, and I think that very clearly our special interests have weighed in and seen to it that this House will not do its duty to the public by preserving that labeling.

Secondly, I would like to discuss for a moment the amendment which purports to allow the reimportation of drugs into this country by senior citizens and some others. That is a well-meaning amendment, I will grant, and in the past I have been tempted on some occasions to support it myself. But I would simply point out that I think that this amendment is not likely to produce the effect that some would hope. First of all, the law requires that for a drug to be reimported it has to meet certain standards, and the problem is that our domestic pharmaceutical companies are very clever, and they can find hundreds of ways to prevent those drugs from meeting reimportation standards. They can prevent the use of a label which would meet U.S. standards and, therefore, prevent reimportation of a drug.

They can omit language required in the U.S. on those labels as an easy way to prevent those drugs from being reimported. They can put a drug in a form that is not time released when it is provided in the United States that it be in a time-released form. And so there are many ways which the intent of this language can be frustrating.

Secondly, I do not believe that this provision will have any significant impact on overall drug prices still charged to American consumers. And there are a number of other reasons which I will not take the time of the House now to go into, which make it quite clear that while this proposal is aimed at enabling seniors to reimport those drugs, the fact is that our domestic manufacturers, I think, are going to easily frustrate this language.

So I would say to the Members to vote however they are going to vote on it. It is not going to have much effect. I respect the intention, but that is about it. But I would simply say that if we want to do something real on prescription drugs, we will simply pass an expanded reliable, adequate, affordable prescription drug benefit under Medicare so that none of our seniors are reduced to the necessity to drive to Canada every couple of months to get a supply. That is what this Congress would do if it was not owned lock, stock and barrel by the pharmaceutical industry on this issue, but unfortunately it is and so it will not. And we will be stuck with these very tepid alternatives to meaningful action.

Mr. Chairman, I thank the gentlewoman for yielding me this time.

Mr. BONILLA. Mr. Chairman, I yield back the balance of my time.

Ms. KAPTUR. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Texas (Mr. STENHOLM), ranking member of the authorizing committee.

(Mr. STENHOLM asked and was given permission to revise and extend his remarks.)

Mr. STENHOLM. Mr. Chairman, I rise in support of the bill. I commend the chairwoman, the chairman of the subcommittee, and the full committee chairman for their work in a very difficult task. They were handed a very difficult situation in which they would take the amount of revenue available for the much-needed rural development, agricultural conservation issues and did the best they could under a very difficult situation. But I commend them for that action and look forward to working with them throughout the process to do as good a job for American agriculture that continues to feed the United States.

We have the most abundant food supply, the best quality of food, the safest food supply at the lowest cost to our people than any other country in the world; and what we are about to debate today is what has contributed to that over the years. I urge the support of the bill.

Mr. Chairman, I rise in support of the bill.

Once again, legislation relating to agriculture policy demonstrates the progress that can be made when a broadly-inclusive, bipartisan approach is taken towards solving national problems.

America's farmers and ranchers continue to struggle to survive as they face the global market. But while particular problem areas continue to plague the agricultural economy, overall there is reason for optimism that recovery in the farm and ranch sector is taking hold.

The Agriculture Department's Economic Research Service recently forecast that 2003 net farm income will be $46.2 billion; this is significantly higher than 2002, with both crop and livestock receipts predicted to increase. The 2002 Farm Bill—which was developed on a bipartisan basis, passed overwhelmingly in both Houses, and signed by the President—is part of the story for this improvement.

Mr. Chairman, this view of recovery in agriculture has to be qualified to a significant degree, however. Milk, livestock, and many crop prices have not recovered to the degree that would allow producers to resume significant capital investments. Also, much of the improvement shown in the net farm income figure is attributable to timing changes associated with programs enacted by last year's Farm Bill. And, of course, the rural economy continually must adjust to the rapid consolidation that continues to occur in farming and

ranching. And while these statistics demonstrate that conditions have improved for some of agriculture, many producers still find themselves faced with very difficult financial conditions.

So while total victory can't be claimed, I stress the point that inclusive development of agricultural policy has led to more optimistic conditions for the agricultural economy. Perhaps a similar approach to general economic policy would remove some of the doubt that clouds prospects for our economy in general.

Mr. Chairman, this partial improvement in the agricultural economy has been noticed in the cities. On June 16, the Wall Street Journal reported that the farm economy "is in recovery and moving toward strength." The article discusses the very difficult times that have afflicted agriculture for the last five years, and cites rising commodity prices, a devalued dollar, improved weather, and resurgent imports as reasons to be bullish for agriculture.

But the article also makes it clear why the cities are taking note: the improving situation is a key factor behind improved economic conditions in middle America—which is recovering more quickly than the rest of the nation. I'll quote from the article: "While farmers by themselves are a tiny part of the economy, they have a broad impact on it. The industries that sell to farmers and use farm products account for 12.3 percent of the country's gross domestic product and 16.7 percent of jobs, according to the Agriculture Department."

Mr. Chairman, the Wall Street Journal and many other big city newspapers criticized the Farm Bill when it was passed. But if they read their own pages today, they'll see that this country has made a wise investment, and that the returns go well beyond the farmstead.

Mr. Chairman, the bill before the House today provides the funding needed to implement the farm bill's programs. These include the commodity income support programs, the greatest expansion in farm conservation spending in our history, the Food Stamp program, and foreign food aid. It also funds important research efforts—investments in our nation's future; crucial pest and disease eradication programs, and rural economic development.

Mr. Chairman, fiscally speaking these are tough times and the Appropriations Committee labored under very tight constraints in the development of this bill. While being diligent and confining themselves to their allocation, they have struck a responsible balance among the competing priorities. I congratulate Mr. BONILLA and Ms. KAPTUR, Chairman YOUNG and my colleague from Wisconsin (Mr. OBEY), and I urge my colleagues to support the bill.

Mr. UDALL of Colorado. Mr. Chairman, today, I regretfully rise in opposition to this bill.

I did not support the Farm Security Act that was signed into law last year. But now that it has been signed into law it should be properly funded and this bill does not do that.

In fact, some good programs are no longer funded under this bill, including the Renewable Energy Systems and Energy Improvements program and the Conservation Security Program. Not funding these programs steers our agriculture policy in the wrong direction.

The Renewable Energy Systems and Energy Improvements would help farmers improve energy efficiency and even sell back energy created on their farms. This program would help farmers become more profitable as the margins on their commodities get smaller. But this program, which was supported by Congress last year, is zeroed out.

The Conservation Security Program has provided an incentive program for farmers to improve the ecological management of working lands. This program rewarded farmers for taking proper care of their land to prevent erosion and to help keep the land fertile. This often means not maximizing the full profitability of the land during a growing season to ensure that the land will continue to be productive in the future. Again, this is a program that was supported by Congress last year but the Majority Party in the House has decided not to fund it.

There is a long list of other programs that are cut: From the Women, Infant, and Children program, which helps insure that young children and their mothers get the nutrition they need; to Farm Ownership Loans, which help farmers and ranchers buy their own facilities; to the Rural Housing Service, which helps rural residents obtain adequate and affordable housing; and the list goes on and on.

The annual Agriculture Appropriation Bill often is not very controversial and I have supported it in the past. But this year's bill will hurt America's farmers and ranchers because it doesn't provide the funding needed. This is particularly true for those farmers and ranchers who are still reeling from the effects of drought.

There are a lot of critical programs that are funded in this bill and I would like to support the bill, but on balance it does not do enough and therefore I cannot.

Ms. KAPTUR. Mr. Chairman, I would like to submit the testimony of Wenonah Hauter of Public Citizen before the House Agriculture Appropriations Subcommittee. This testimony was inadvertently omitted from the printed hearings of the Subcommittee.

TESTIMONY OF WENONAH HAUTER DIRECTOR OF THE CRITICAL MASS ENERGY AND ENVIRONMENT PROGRAM PUBLIC CITIZEN

Chairman Bonilla, Ranking Member Kaptur and Members of the Subcommittee, my name is Wenonah Hauter. I am the Director of Public Citizen's Critical Mass Energy and Environment Program. As you know, Public Citizen is a national consumer organization founded by Ralph Nader in 1971. We represent 150,000 members. We welcome this opportunity to present our views on the FY 2004 Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriations Bill.

USDA—FOOD SAFETY AND INSPECTION SERVICE (FSIS)

We are adamantly opposed to the Administration's proposal to collect $122 million in user fees to recover the cost of providing inspection services beyond an approved eight-hour primary shift. We believe that such a proposal could compromise the effectiveness of FSIS inspectors. Furthermore, FSIS has already taken action to de-list foreign establishments that had been previously approved to export their meat and poultry products to the United States on the basis that inspection services were paid by the companies involved instead of by the foreign government. Implementation of the Administration's proposal to institute user fees would be hypocritical.

Additionally, we are concerned that the current proposal to hire approximately 80 more FSIS inspectors will be inadequate to fill current vacancies and to make up for previous year's cuts. We recommend that at least 200 line inspectors be hired this year.

The alarming number and magnitude of meat and poultry recalls in the past year indicate that there are some serious problems with the implementation of the Hazard Analysis Critical Control Points (HAACP) program. We have been arguing for the past three years that HACCP has turned over too much authority to industry to police itself and has severely undercut the ability of FSIS inspection personnel to their jobs. We have heard directly from inspection personnel who state that they are very confused and concerned over their roles in HAACP.

More troubling is the fact that the economic well-being of companies is placed ahead of the public's welfare by the management at FSIS. In June 2002, we were able to obtain instructions to FSIS inspectors assigned to a large Kansas slaughter plant in which they were admonished that should they err on the side of public health and stop a slaughter line for suspected fecal contamination they could be personally liable for their decision.

We are also concerned about the failure of supervisors and management to back up FSIS inspectors when they discover food safety hazards. Since last year's massive ConAgra recall, it has come to light that USDA was notified of potential problems at the Greeley, Colorado plant as early as February 2002—some three months before the first recall notice went out. Warnings came from John Munsell, president of Montana Quality Foods and Processing, after FSIS personnel assigned to his plant confirmed that the source of contaminated meat ground at Montana Quality Foods and Processing was the ConAgra plant in Greeley, Colorado. Instead of applauding Mr. Munsell and the FSIS personnel for their investigative work, they have been maligned by top FSIS officials and have been told they had no authority to point the finger at ConAgra.

The same can be said of the Wampler recall. A twenty-year veteran FSIS inspector, Vincent Erthal, had tried to warn his supervisors for several months of the unsanitary conditions at the Wampler plant in Franconia, Pennsylvania. His concerns went unheeded. This fall, the second largest recall in FSIS history was issued for possible Listeria monocytogenes contamination of product coming out of that plant. After much soul-searching, Mr. Erthal decided to come forward to reveal how his attempts to warn FSIS supervision of his concerns were thwarted. Again, instead of backing their own employee, FSIS management has circled the wagons and launched a campaign to discredit Mr. Erthal.

With all of the problems that FSIS has already experienced with their implementation of HAACP in processing plants, the proposed FY 2004 budget contains language that would expand the HACCP-based Inspection Models Project (HIMP) in slaughter facilities. HIMP is yet another attempt at weakening the authority of FSIS inspection personnel and turning that responsibility over to company personnel. In a December 17, 2001 report, staff from the General Accounting Office found glaring methodological deficiencies in FSIS' current pilot project. There has not been any evidence to show that those deficiencies have been addressed. Therefore, we would urge that this expansion of HIMP not go forward until all data from the current project has been evaluated.

While we applaud additional funds to support food safety education, we believe that the money will actually be used to promote irradiation. In her written remarks to the Subcommittee, Under Secretary for Food Safety Dr. Elsa Murano stated it was her intent to devote resources to educate the public about food irradiation. Her remarks also indicate that she will attempt to blur the

definition of pasteurization to include irradiation as part of the education campaign.

In focus groups conducted for FSIS in 2002, consumers in St. Louis, Missouri; Raleigh, North Carolina; and Philadelphia, Pennsylvania were asked whether they considered irradiation to be a form of pasteurization, and overwhelmingly consumers responded that making such an assertion would be misleading. Those findings corroborated findings from focus groups conducted for the Food and Drug Administration (FDA) in three different cities during the summer of 2001. We urge you not to fund any additional efforts to change labeling requirements for irradiated food by allowing ''pasteurization'' to be used.

Lastly, we are concerned about the recent revelations that FSIS still has not addressed problems identified by the USDA Inspector General (IG) regarding the agency's reinspection program for imported meat and poultry products. In 2000, the IG noted some 18 deficiencies in the FSIS reinspection program. In her recent audit, the IG stated that FSIS has still not corrected 14 of those deficiencies—even though they had agreed to do so three years ago. In light of the heightened concerns about the security of our food supply, this is unconscionable. We urge you to instruct FSIS to comply with the recommendations in the 2000 Inspector General report.

USDA—FOOD AND NUTRITION SERVICE/ AGRICULTURAL MARKETING SERVICE

The Farm Security and Rural Investment Act of 2002 (the Farm Bill) contains a provision (section 4201 (1)) that directs the Secretary of Agriculture not to prohibit the use of approved food safety technologies in any commodity purchased by the USDA for various government-sponsored nutrition programs, including the National School Lunch and National Breakfast Programs. The USDA has decided this means that they should lift the current ban on the use of irradiation as an intervention for ground beef products purchased for these programs. And, it seems irradiation is the only approved food safety technology they are pursuing.

Section 4201(l) received no scrutiny from any congressional committee, in either the House or Senate. It never received any floor debate in either the House or Senate. It was placed in the Senate version of the Farm Bill at the last minute as part of a 400-page manager's amendment. The conferees on the Farm Bill never even discussed it in open session.

On November 22, 2002, the USDA announced that it would solicit comments from the public on the implementation of Section 4201(l) of the Farm Bill and specifically wanted comments on irradiation. The comments are being collected by the Agricultural Marketing Service (AMS). Of the comments posted on the AMS website as of March 19, 2003, by over a 5 to 1 margin, citizens have expressed their opposition to lifting the ban on irradiation—with thousands of comments still left to be posted. Comments opposing such action have come from nearly all fifty states, while those supporting the technology have come primarily from those who have direct ties to the irradiation industry.

In order to promote this technology, the Food and Nutrition Service (FNS) has funded an irradiation ''education'' program in three Minnesota school districts. The program is being administered by proponents of irradiation—with no access for critics of the technology to present alternative views. In addition, the steering committee for the program is dominated by one irradiation company and its affiliates. In essence, FNS is funding a government-sponsored advertising campaign for one company.

Recent research indicates that some chemicals formed when certain foods are irradiated may be harmful when consumed. The new studies call into question the long-held position of the FDA and the food industry that irradiated foods are generally safe for human consumption. But the studies confirm research published in 1998 and 2001 showing that concentrations of chemicals called 2-alkylcyclobutanones (or 2–ACBs)—which are found only in irradiated foods—caused DNA damage in human cells. Among the new findings, 2–ACBs were shown to promote tumor development in rat colons. The 2–ACBs are formed when foods that contain fat are irradiated, such as beef, chicken, eggs and certain fruits—all of which can legally be irradiated.

There is even less research into the long-term health effects experienced by children who are exposed to toxic chemicals in foods. Dr. William Au, a toxicologist at the Department of Preventive Medicine and Community Health, University of Texas Medical Branch in Galveston, has argued that the lack of understanding regarding the ill effects suffered by children who consume toxic chemicals in foods extends to ''the toxicological risk with respect to eating irradiated food.''

If implemented, Section 4201 (1) will create the largest mass-feeding of irradiated food to children in history. We urge the committee not to fund the purchase of irradiated food for federal government nutrition programs.

FOOD AND DRUG ADMINISTRATION

We are concerned about the lack of funding for the Food and Drug Administration (FDA) for import reinspections. Even after the additional funding the agency received in FY 2003 to hire more staff to perform food import reinspections, the agency is only capable of reinspecting a paltry 1.3 percent of imported food over which it has jurisdiction. This needs to be addressed with additional funding, with the goal of reaching at least the 20 percent reinspection rate that FSIS is able to perform for imported meat and poultry products. Furthermore, FDA should be granted the same authority that FSIS currently possesses to inspect foreign establishments that can export their food to the United States.

We are also concerned with the repeated attempts to weaken the labeling for irradiated foods. The FDA has visited this issue repeatedly since 1997—primarily at the direction of Congress. Each time, the FDA finds that consumers do not see eye-to-eye on this issue with the irradiation industry and their supporters in Congress. It seems that there are those who want to keep on trying until we get it wrong.

In the conference committee report that accompanied the FY 2001 Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriations Act, the conferees stated: ''The conferees expect FDA to make final the regulations regarding labeling of irradiated foods by March 1, 2002, and report to the House and Senate Committees on Appropriations on the status by November 15, 2000. This agreement changes the dates proposed for final regulations by the House of September 30, 2001, and by the Senate of October 30, 2001.''

In its report to the Appropriations Committees, the FDA explained that it had published an Advanced Notice for Proposed Rulemaking (ANPR) in 1999 on food irradiation labeling as the agency was directed to do under the FDA Modernization Act conference committee report in 1997. In evaluating the comments that the agency received from the ANPR, FDA stated: ''The majority of these comments were letters that urged the agency to retain special labeling for irradiated foods but did not address the specific issues on which FDA requested comment. A preliminary analysis of the comments suggests no consensus about what alternative language for disclosure of irradiation processing would be truthful and not misleading. Because the public comments provided no clear direction for agency rulemaking, FDA believes that 1999 ANPR fulfills the Agency's obligations under the FDAMA Conference Report.''

The FDA went on to say in its report to Congress that it intended to impanel consumer focus groups to attempt to obtain further guidance on the labeling issue.

During the summer of 2001, the FDA commissioned six consumer focus groups in suburban Washington, DC; Minneapolis, Minnesota; and Sacramento, California. In all of the focus groups, the moderator attempted to make a strong association between pasteurization and irradiation. This was significant since there have been some irradiation proponents who have argued that a more appropriate term to describe irradiation is either ''cold pasteurization'' or ''electronic pasteurization.'' In a 2002 report to Congress, the FDA summarized the results of those focus groups: ''Most of the participants viewed alternate terms such as 'cold pasteurization' and 'electronic pasteurization' as misleading, because they appeared to conceal rather than disclose information about irradiated food products. Participants did not see the current disclosure labeling as a warning . . . Everyone agreed that irradiated foods should be labeled honestly. They indicated that the current FDA required statement is a straightforward way for labeling irradiated foods.''

Furthermore, in his 2002 testimony before the House Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriations, Dr. Lester Crawford, Deputy Commissioner of the FDA stated: ''(W)hen we did focus groups at FDA on cold pasteurization, the general feeling of the average citizen was that this was kind of a ruse or a means to conceal the fact that the food had been irradiated. And so we are kind of back to square one. We don't have a good synonym for irradiation and we would like to have one. We don't want to mislead the public.''

The public has been very consistent on the issue—in focus groups for USDA and FDA and in public comments solicited by FDA. Consumers do not want labeling rules for irradiated food to allow euphemisms like ''electronic pasteurization.'' In fact, rather than changing the words that are permitted to describe irradiated food, FDA should instead focus on expanding the current rules beyond retail establishments, so that irradiated food served in restaurants, hospitals and schools must be labeled. There have already been too many resources devoted to this issue within FDA. The driving force ought to be what the consumers believe to be honest and straightforward labeling—not what some in industry think will make it easier to sell their product. The FDA has more important things to do than devising ways to confuse and mislead consumers. We urge you not to find further attempts to change labeling rules for irradiated foods.

Thank you.

Mr. LIPINSKI. Mr. Chairman, I regret that I was unable to be here during debate on the Agriculture Appropriations bill. Had I been available, I would have engaged Congresswoman KAPTUR, the ranking member on the House Appropriations Agriculture Subcommittee, in a colloquy to discuss research on chronic wasting disease transmission.

Chronic wasting disease is spreading into Illinois. The emergence of this disease in Cook

County is the closest the disease has come to a large urban population. While this disease has yet to be detected in humans, little is known about how chronic wasting disease is transmitted from species to species. Illinois is fortunate to have unique multidisciplinary research collaborations, such as the Conservation Medicine Center of Chicago (CMCC), positioned to conduct important chronic wasting disease transmission research. The CMCC is a unique collaboration between Brookfield Zoo, Loyola University Chicago Stritch School of Medicine, and the University of Illinois College of Veterinary Medicine. The CMCC brings together an exceptional team of nearly twenty-five physicians, veterinarians, researchers and clinicians from many disciplines to study conservation medicine.

Chronic wasting disease is a growing problem across the country and the Committee has included funds for chronic wasting disease research in the Department of Agriculture's budget. I would like to urge the Department to utilize unique multidisciplinary research collaborations, such as the CMCC, to study this emerging disease and its transmission.

Mr. KIND. Mr. Chairman, to a farmer, 'erosion' is the progressive loss of some of the best means to robust and sustained production from their lands. It is one of the most expensive and difficult problems threatening their liveliehood—but, fortunately, it is a loss many farmers prevent by enrolling some of their marginal working lands in voluntary conservation programs.

Now, Mr. Chairman, I mention this because of the cynical irony at hand—today, it is Congress that must act to prevent another form of 'erosion', the erosion of legislation this Congress passed with great debate just one year ago—the 2002 Farm Bill.

At the time, I led an effort to increase funding to conservation programs that are available to all farmers because I strongly believed the 2002 Farm Bill to be too heavily weighted to primarily assisting the largest growers of a few commodity crops in a handful of states. Because of this lopsided tilt toward commodity subsidization, many who are not eligible—including dairy farmers, ranchers and fruit and vegetable farmers—rely upon conservation programs to boost farm and ranch income and to ease the cost of environmental compliance.

I argued that a small shift in funds from the commodity programs to voluntary conservation programs would significantly help more farmers in more regions of the country. At the end of the debate, conservation programs made some gains, though not all that I had sought.

The Farm Bill provided nearly $3 billion for USDA conservation programs in FY 2004, including $1.1 billion for working lands incentives programs like the Environmental Quality Incentives program, the Wildlife Habitat Incentives Program, and the Conservation Security Program.

The point, however, is that the 2002 Farm Bill was the end product of vociferous debate and was the culmination of all Members' input.

Unfortunately, the FY 2004 Agriculture Appropriations bill before us today undermines all of those efforts by rewriting the Farm Bill to reduce these critical working lands incentive programs by nearly 10 percent. Make no mistake, if passed, this bill will do nothing less than deny farmers and ranchers the funds they were promised.

The fiscal year 2004 Agricultural Appropriations bill before us today is supposed to provide the resources needed to help America's struggling farmers and ranchers—not go back and begin chipping away at pieces of the Farm Bill to better suit the view of a few appropriators. Yet, this is exactly what has happened. In total this Appropriation Bill seeks to eliminate more than $100 million from conservation and renewable energy programs that has been authorized under the 2002 Farm Bill.

Farmers and ranchers who depend upon these programs, and who have been hit hardest financially in recent years, will receive a disproportionately large cut in spending in FY 2004. In contrast, I am disappointed to note that no cuts have been proposed to commodity payments flowing to the largest grain farmers in just 15 states.

Specifically, sections 737, 738 and 745 of the underlying bill will respectively limit the enrollment of the Wetlands Reserve program by slashing 50,000 acres, or about $56 million from its authorized level; cut $25 million from the Environmental Quality Incentive program; and totally gut the Conservation Security program.

Despite the funds provided by the Farm Bill, most farmers and ranchers offering to restore wetlands and grasslands or offering to change the way they farm to improve air and water quality are still rejected when they seek USDA conservation assistance. For example, farmers and ranchers face a $1.4 billion backlog when they seek cost-sharing from the Environmental Quality Incentives program to improve water quality or wildlife habitat. These long lines will only grow longer if cut funds provided by the Farm Bill as has been proposed in the underlying bill.

WRP and EQIP are programs proven to assist farmers while helping the environment, and CSP holds equal promise.

Farmers have offered to restore most than 600,000 acres of lost wetlands by enrolling farmland into the wetlands reserve program. But, nearly all of these farmers will be rejected in FY 04, thanks in part to the cut included in this Appropriations Bill. These farmers are offering to restore more wetlands than the entire Nation destroys in a decade. Wetlands are not only crucial to wildlife and fish habitat but also to our own sources of drinking water. But the Agriculture Appropriations bill instead proposes to cut, rather than increase, funding to this crucial program.

Furthermore, Mr. Chairman, by providing more than $6.5 billion for working lands programs like EQIP and CSP in the 2002 Farm Bill, Congress decisively increased funds to help farmers manage working lands to produce food and fiber and simultaneously enhance water quality and wildlife habitat. EQUIP helps share the cost of a broad range of land management practices that help the environment, include more efficient use of fertilizers and pesticides and innovative technologies to store and reuse animal waste. CSP is a new program that will link conservation payments to gradually increasing levels of performance. In combination, these programs will provide farmers the tools and incentives they need to help meet our major environmental challenges.

Again, appropriators did not seek any cuts from the commodity programs, and it is these programs that the administration has identified as a barrier to successful negotiations in the World Trade Organzation as well as to the secure economic future of developing nations.

Mr. Chairman, President Bush recently toured the African Continent. In a New York Times article about the trip, the President is quoted on the topic of domestic agriculture subsidies as saying, ''. . . It will come up in every country we come to, because African leaders are worried that subsidies, agricultural subsidies, are undermining their capacity to become self-sufficient . . .''

And in recent testimony before the House Agriculture Committee, U.S. Trade Representative Robert Zoellick spoke about the need to ''Harmonize and reduce trade-distorting domestic support programs.''

The prior global negotiating effort—the Uruguay round (1986–1994)—was the first serious attempt to impose reforming disciplines on the world agricultural trade. Yet, the Uruguay round only started the job of tackling trade-distorting domestic subsidies by allocating them into three categories: ''green box'' subsidies, which involved payments decoupled from production incentives such as conservation programs; ''amber box'' subsidies, which includes payments linked to production, were capped at current levels and then cut by 20 percent and ''blue box'' subsidies, for payments linked to reductions in production, were allowed subject to specific criteria.

In his testimony before Congress, USTR Zoellick stated, ''The current 'DOHA Round' of negotiations seeks to build on the first step of the Uruguay round by pressing for much more substantial reductions to achieve a more levels playing field. To do so, the United States has proposed a cut of over $100 billion in trade-distorting support globally, undertaken in a manner that harmonizes levels across countries, with the eventual elimination of these subsidies all together.''

Mr. Chairman, as much as some appropriators and a few others in Congress may want to avoid the inevitable need to reform our domestic commodity support programs, it is equally unfortunate they have used this spending bill to erode our past work and break Congress's promise to America's farmers and ranchers.

I strongly urge my colleagues to oppose this misprioritized and shortsighted bill.

Mr. BEREUTER. Mr. Chairman, this Member rises in support of H.R. 2673, the Agriculture appropriations bill for fiscal year 2004.

This Member would like to commend the distinguished gentleman from Texas (Mr. BONILLA), the Chairman of the Agriculture Appropriations Subcommittee, and the distinguished gentlewoman from Ohio (Ms. KAPTUR), the ranking member of the Subcommittee, for their hard work in bringing this bill to the Floor.

Mr. Chairman, this Member certainly recognizes the severe budget constraints under which the full Appropriations Committee and the Agriculture Appropriations Subcommittee operated. In light of these constraints, this Member is grateful and pleased that this legislation includes funding for several important projects of interest to the state of Nebraska.

First, this Member is pleased that H.R. 2673 provides $477,000 for the Midwest Advanced Food Manufacturing Alliance (MAFMA). The Alliance is an association of twelve leading research universities and corporate partners. Its purpose is to develop and facilitate the transfer of new food manufacturing and processing technologies.

The MAFMA award grants for research projects on a peer review basis. These awards

must be supported by an industry partner willing to provide matching funds. In 2002, MAFMA had a total of 22 requests for funds seeking $789,995 with matching funds of $916,596. Thirteen proposals were funded with the total award of $387,688. Matching funds for the funded proposals were $416,702 in addition to an in-kind total of $97,550. These figures convincingly demonstrate how successful the Alliance has been in leveraging support from the food manufacturing and processing industries.

Mr. Chairman, the future viability and competitiveness of the U.S. agricultural industry depends on its ability to adapt to increasing world-wide demands for U.S. exports of intermediate and consumer good exports. In order to meet these changing world-wide demands, agricultural research must also adapt to provide more emphasis on adding value to our basic farm commodities. The Midwest Advanced Food Manufacturing Alliance can provide the necessary cooperative link between universities and industries for the development of competitive food manufacturing and processing technologies. This will, in turn, ensure that the United States agricultural industry remains competitive in a increasingly competitive global economy.

This Member is also pleased that this bill includes $224,000 to fund the National Drought Mitigation Center (NDMC) at the University of Nebraska-Lincoln. This project has assisted numerous states and cities in developing drought plans and developing drought response teams. Given the nearly unprecedented levels of drought in several parts of our country in recent years, this effort is obviously important.

Another important project funded by this bill is the Alliance for Food Protection, a joint project between the University of Nebraska and the University of Georgia. The mission of this Alliance is to assist the development and modification of food processing and preservation technologies. This technology will help ensure that Americans continue to receive the safest and highest quality food possible.

This Member is also pleased that the Committee Report expresses support for a number of Watershed and Flood Prevention Operations projects, including the Aowa Creek Watershed in Dixon County, Nebraska. When completed, the project will significantly reduce the risk of flooding to farms, roads, and community of Ponca, Nebraska. This important flood control project is nearing completion, but lacks sufficient funding to reimburse the local sponsor.

This Member would also note that H.R. 2673 includes a loan level of $100 million for the Section 538, the rural rental multi-family housing loan guarantee program. Under H.R. 2763, it is estimated that a loan subsidy of $5.95 million will be needed to meet this loan level. The Section 538 program provides a Federal guarantee on loans made to eligible persons by private lenders. Developers will bring ten percent of the cost of the project to the table, and private lenders will make loans for the balance. The lenders will be given a 100 percent Federal guarantee on the loans they make. Unlike the current Section 515 direct loan Program, where the full costs are borne by the Federal Government, the only costs to the Federal Government under the 538 Guarantee Program will be for administrative costs and potential defaults.

Mr. Chairman, this Member certainly appreciates the $2.725 billion loan level for the Department of Agriculture's Section 502 Unsubsidized Loan Guarantee Program. Under H.R. 2763, it is estimated that a loan subsidy of $39.9 million will be needed to meet this loan level. The Section 502 program has been very effective in rural communities by guaranteeing loans made by approved lenders to eligible income households in small communities of up to 20,000 residents in non-metropolitan areas and in rural areas. The program provides guarantees for 30-year fixed-rate mortgages for the purchase of an existing home or the construction of a new home.

Mr. Chairman, in conclusion, this Member supports H.R. 2673 and urges his colleagues to approve it.

Mr. MCGOVERN. Mr. Chairman, hunger is a terrible problem in the United States and around the world.

It's a problem that affects over 20 million adults and 13 million children right here in this country. They're our seniors, our veterans, our neighbors, working parents and their children.

And around the world, 800 million people—300 million of them children—go hungry every day.

I believe that hunger is a political condition.

The fact is that we have the resources to commit to ending hunger both at home and abroad. We have the technology, the expertise, the funding. What we lack is the political will to put an end to this scourge.

Currently, the unemployment rate is at 6.4% and growing. The demands on our community food banks and soup kitchens are becoming more than they can handle.

Government is about choices.

This Congress and this Administration have chosen over and over again to support tax cuts for the wealthy over prudent policies to help lift Americans out of poverty and to end hunger among the 33 million Americans who need our help.

Today, we are considering a Fiscal Year 2004 Agriculture Appropriations bill that dramatically underfunds programs that combat hunger here and abroad.

This Temporary Emergency Food Assistance Program, a key source of funding for food banks, is underfunded by $10 million.

The Women, Infants and Children program that provides assistance to infants, young children and pregnant, postpartum, and nursing women who are at-risk because of inadequate nutrition and income is $108 million below the Fiscal Year 2003 level. Although the Committee acknowledged that food prices were lower than expected, many of us have real concerns that a reduction in WIC funding—coupled with a continuing rise in unemployment—is a formula for tragedy.

The Senior Farmers Market Nutrition program is flat funded, even though the number of applications continues to outpace the availability of funds for this critical effort.

And if that weren't enough, Mr. Chairman, the funding levels in this bill for international food aid are completely inadequate.

P.L. 480, Title II funding—money that goes for humanitarian food aid—is more than $620 million below the Fiscal Year 2003 level.

And a program that I have been championing since its inception—the McGovern-Dole International Food for Education and Child Nutrition—is funded at $57 million. This is a $43 million decrease from last year and a $243 million drop from the funding provided to the initial pilot program.

The American economy, once vibrant, is struggling. Millions of Americans have lost their jobs, and incomes for many others are falling as they are forced to take lower-paying jobs to avoid unemployment.

One in five children in this country is threatened by hunger.

Every day, Mr. Chairman, 33 million Americans do not know whether there will be food on their tables. Overseas, people are starving to death because of famine, drought, war and poverty.

Mr. Chairman, I understand the difficulties the Chairman of the Agriculture Appropriations Subcommittee faced in drafting this bill. I'm sure that, given more resources, he would provide better funding levels for these important programs.

But the fact remains that the numbers in this bill are too low to meet the challenges of hunger. The last thing we should be doing is cutting funding for programs that serve the most vulnerable.

We can and we must do better.

Mr. FALEOMAVAEGA. Mr. Chairman, I would like to thank Chairman BONILLA and Ranking Member KAPTUR for their support regarding the Resident Instruction and Distance Education Grants Program for the Insular Areas. Last year's Farm Security and Rural Investment Act authorized this program with intent to develop and strengthen the land grant universities in the U.S. territories.

The American Samoa Community College has a strong and growing agricultural program which would benefit from this program. As insular areas members we support each other in this effort to fund this program which would provide the necessary teaching and instruction needed to educate our local people about health and diet education, environmental management and how best to utilize our natural resources.

At this time, I want to thank Chairman BONILLA and Ranking Member KAPTUR for their continued support and I once again recommend inclusion of report language which acknowledges the need for funding of this critical program.

Mr. NUSSLE. Mr. Chairman, I rise today in support of H.R. 2673, the Agriculture and Related Agencies Appropriations Act for Fiscal Year 2004. As a representative from Iowa with an economy heavily dependent on farming and farm-related businesses, I have a keen interest in this legislation which funds many of our agricultural research, food safety, and export promotion programs. As Chairman of the House Budget Committee, I am also interested in ensuring that this bill complies with the House Concurrent Resolution on the Budget for fiscal year 2004 [H. Con. Res. 95].

The bill provides $17 billion in new discretionary budget authority—$221 million above the President's request. While H.R. 2673 falls within its budgetary allocation, I would point out that the bill includes $538 million in mandatory savings, which are under the jurisdiction of the Agriculture Committee.

Overall, funding for agriculture appropriations has increased at an annual rate of 3.2 percent over the last five years. This rate is 4.5 percent below that of discretionary spending as a whole. I commend Chairman BONILLA and Ranking Member KAPTUR for their ability to work to produce a fiscally responsible bill.

The bill complies with sections 302(f) and 311(a) of the Budget Act. The first of these prohibits consideration of bills in excess of an appropriations subcommittee's 302(b) allocation of budget authority and outlays established in the budget resolution. The second, section 311(a), prohibits consideration of legislation exceeding the aggregate levels of budget authority and outlays established in the concurrent resolution on the budget.

In conclusion, I express my support for H.R. 2673, which makes an important contribution to ensuring that Americans continue to have the most abundant, inexpensive, and safest food supply in the world. I yield back the balance of my time.

Mr. LATHAM. Mr. Chairman, I rise in support of this Fiscal Year 2004 Agriculture Funding measure because it represents a good product under difficult circumstances. As we all know, this bill is not perfect—in large part because the allocation for Fiscal Year 2004 is considerably less than last year—some $800 million, in fact.

Because of the drop-off between the FY–03 allocation and the one for 04, the committee has to make difficult choices in order to accommodate the various sectors that are funded in the bill. While we are going to hear today that this bill short changes many areas, we should consider that the bill has many positives because it does.

Even with reduced resources, many important programs are well-funded. For example, funding for the FDA's generic drug program is increased, as is FDA funding for food safety. The bill includes monies to implement the ''Better Pharmaceuticals for Children Act''.

This bill also includes funding for valuable agriculture research that is currently carried out at major research centers. That research includes exploring better ways to make our agricultural production lands more efficient, and our ways of production more environmentally sound. For example, there is funding for animal feeding operations pilot projects that bring innovative technology to bear as we seek to reduce wastewater nutrients discharged from animal feeding operations.

Other research funding goes to helping us to better understand the origins of food crop diseases through high-level initiatives aimed at making our food production more economical and more healthy. Countless projects around the country will make significant strides in the research arena in the coming year because of this bill.

Many of those projects are in the states of some of the members who will speak ill of this measure today. But we should remember that those important research initiatives would not have been possible were it for the measured approach taken in reporting this bill of committee.

Not only did the committee have to make difficult program funding choices, but it also had to make choices to accomodate members of this body. At a point in the process, decisions had to be made, and I believe that the chairman did an excellent job in balancing the various needs and interests of the agriculture community and the members.

As a member of the subcommittee from an agriculture state, I can tell you that there are several things that I would like to have seen come out differently, particularly as to funding levels.

As a member of the agriculture subcommittee on appropriations, I can also tell you that all of us can point to things that we would like to have seen come out differently. In the end however, a good product has been fashioned, and I urge you to support it.

The CHAIRMAN. All time for general debate has expired.

The Clerk will read.

The Clerk read as follows:

H.R. 2673

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2004, and for other purposes, namely:

TITLE I

AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING, AND MARKETING

OFFICE OF THE SECRETARY

For necessary expenses of the Office of the Secretary of Agriculture, $3,468,000: *Provided,* That not to exceed $11,000 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary.

EXECUTIVE OPERATIONS

CHIEF ECONOMIST

For necessary expenses of the Chief Economist, including economic analysis, risk assessment, cost-benefit analysis, energy and new uses, and the functions of the World Agricultural Outlook Board, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1622g), $8,716,000.

NATIONAL APPEALS DIVISION

For necessary expenses of the National Appeals Division, $13,670,000.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

For necessary expenses of the Office of Budget and Program Analysis, $7,749,000.

OFFICE OF THE CHIEF INFORMATION OFFICER

For necessary expenses of the Office of the Chief Information Officer, $14,993,000.

COMMON COMPUTING ENVIRONMENT

For necessary expenses to acquire a Common Computing Environment for the Natural Resources Conservation Service, the Farm and Foreign Agricultural Service, and the Rural Development mission areas for information technology, systems, and services, $133,155,000, to remain available until expended, for the capital asset acquisition of shared information technology systems, including services as authorized by 7 U.S.C. 6915–16 and 40 U.S.C. 1421–28: *Provided,* That obligation of these funds shall be consistent with the Department of Agriculture Service Center Modernization Plan of the county-based agencies, and shall be with the concurrence of the Department's Chief Information Officer.

OFFICE OF THE CHIEF FINANCIAL OFFICER

For necessary expenses of the Office of the Chief Financial Officer, $5,785,000: *Provided,* That the Chief Financial Officer shall actively market and expand cross-servicing activities of the National Finance Center: *Provided further,* That no funds made available by this appropriation may be obligated for FAIR Act or Circular A–76 activities until the Secretary has submitted to the Committees on Appropriations of both Houses of Congress a report on the Department's contracting out policies, including agency budgets for contracting out.

OFFICE OF THE ASSISTANT SECRETARY FOR CIVIL RIGHTS

For necessary salaries and expenses of the Office of the Assistant Secretary for Civil Rights, $397,000.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

For necessary salaries and expenses of the Office of the Assistant Secretary for Administration, $678,000.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

(INCLUDING TRANSFERS OF FUNDS)

For payment of space rental and related costs pursuant to Public Law 92–313, including authorities pursuant to the 1984 delegation of authority from the Administrator of General Services to the Department of Agriculture under 40 U.S.C. 486, for programs and activities of the Department which are included in this Act, and for alterations and other actions needed for the Department and its agencies to consolidate unneeded space into configurations suitable for release to the Administrator of General Services, and for the operation, maintenance, improvement, and repair of Agriculture buildings and facilities, and for related costs, as follows: for payments to the General Services Administration, $124,332,000, for buildings operations and maintenance, $32,559,000, to remain available until expended: *Provided,* That not to exceed 5 percent of amounts which are made available for space rental and related costs for the Department of Agriculture in this Act may be transferred between such appropriations to cover the costs of new or replacement space 15 days after notice thereof is transmitted to the Appropriations Committees of both Houses of Congress.

HAZARDOUS MATERIALS MANAGEMENT

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Department of Agriculture, to comply with the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601 et seq.) and the Resource Conservation and Recovery Act (42 U.S.C. 6901 et seq.), $15,713,000, to remain available until expended: *Provided,* That appropriations and funds available herein to the Department for Hazardous Materials Management may be transferred to any agency of the Department for its use in meeting all requirements pursuant to the above Acts on Federal and non-Federal lands.

DEPARTMENTAL ADMINISTRATION

(INCLUDING TRANSFERS OF FUNDS)

For Departmental Administration, $38,592,000, to provide for necessary expenses for management support services to offices of the Department and for general administration, security, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department: *Provided,* That this appropriation shall be reimbursed from applicable appropriations in this Act for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551–558.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS

(INCLUDING TRANSFERS OF FUNDS)

For necessary salaries and expenses of the Office of the Assistant Secretary for Congressional Relations to carry out the programs funded by this Act, including programs involving intergovernmental affairs and liaison within the executive branch, $3,796,000: *Provided,* That these funds may be transferred to agencies of the Department of Agriculture funded by this Act to maintain personnel at the agency level: *Provided further,* That no funds made available by this appropriation may be obligated after 30 days from the date of enactment of this Act, unless the Secretary has notified the Committees on Appropriations of both Houses of

Congress on the allocation of these funds by USDA agency: *Provided further,* That no other funds appropriated to the Department by this Act shall be available to the Department for support of activities of congressional relations.

OFFICE OF COMMUNICATIONS

For necessary expenses to carry out services relating to the coordination of programs involving public affairs, for the dissemination of agricultural information, and the coordination of information, work, and programs authorized by Congress in the Department, $9,245,000: *Provided,* That not to exceed $2,000,000 may be used for farmers' bulletins.

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General, including employment pursuant to the Inspector General Act of 1978, $77,314,000, including such sums as may be necessary for contracting and other arrangements with public agencies and private persons pursuant to section 6(a)(9) of the Inspector General Act of 1978, and including not to exceed $125,000 for certain confidential operational expenses as well as the payment of informants, to be expended under the direction of the Inspector General pursuant to Public Law 95–452 and section 1337 of Public Law 97–98.

OFFICE OF THE GENERAL COUNSEL

For necessary expenses of the Office of the General Counsel, $34,700,000.

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

For necessary salaries and expenses of the Office of the Under Secretary for Research, Education, and Economics to administer the laws enacted by the Congress for the Economic Research Service, the National Agricultural Statistics Service, the Agricultural Research Service, and the Cooperative State Research, Education, and Extension Service, $597,000.

ECONOMIC RESEARCH SERVICE

For necessary expenses of the Economic Research Service in conducting economic research and analysis, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621–1627) and other laws, $71,402,000.

NATIONAL AGRICULTURAL STATISTICS SERVICE

For necessary expenses of the National Agricultural Statistics Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, marketing surveys, and the Census of Agriculture, as authorized by 7 U.S.C. 1621–1627 and 2204g, and other laws, $129,800,000, of which up to $25,279,000 shall be available until expended for the Census of Agriculture.

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

For necessary expenses to enable the Agricultural Research Service to perform agricultural research and demonstration relating to production, utilization, marketing, and distribution (not otherwise provided for); home economics or nutrition and consumer use including the acquisition, preservation, and dissemination of agricultural information; and for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed $100, and for land exchanges where the lands exchanged shall be of equal value or shall be equalized by a payment of money to the grantor which shall not exceed 25 percent of the total value of the land or interests transferred out of Federal ownership, $1,014,000,000: *Provided,* That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: *Provided further,* That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building shall not exceed $375,000, except for headhouses or greenhouses which shall each be limited to $1,200,000, and except for 10 buildings to be constructed or improved at a cost not to exceed $750,000 each, and the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building or $375,000, whichever is greater: *Provided further,* That the limitations on alterations contained in this Act shall not apply to modernization or replacement of existing facilities at Beltsville, Maryland: *Provided further,* That appropriations hereunder shall be available for granting easements at the Beltsville Agricultural Research Center: *Provided further,* That the foregoing limitations shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): *Provided further,* That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing or operating any research facility or research project of the Agricultural Research Service, as authorized by law.

None of the funds appropriated under this heading shall be available to carry out research related to the production, processing, or marketing of tobacco or tobacco products.

BUILDINGS AND FACILITIES

For acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities as necessary to carry out the agricultural research programs of the Department of Agriculture, where not otherwise provided, $35,900,000, to remain available until expended.

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE

RESEARCH AND EDUCATION ACTIVITIES

For payments to agricultural experiment stations, for cooperative forestry and other research, for facilities, and for other expenses, $594,772,000, as follows: to carry out the provisions of the Hatch Act of 1887 (7 U.S.C. 361a–i), $180,148,000; for grants for cooperative forestry research (16 U.S.C. 582a through a–7), $21,884,000; for payments to the 1890 land-grant colleges, including Tuskegee University and West Virginia State College (7 U.S.C. 3222), $36,000,000, of which $1,507,496 shall be made available only for the purpose of ensuring that each institution shall receive no less than $1,000,000; for special grants for agricultural research (7 U.S.C. 450i(c)), $101,241,000; for special grants for agricultural research on improved pest control (7 U.S.C. 450i(c)), $15,194,000; for competitive research grants (7 U.S.C. 450i(b)), $149,248,000; for the support of animal health and disease programs (7 U.S.C. 3195), $5,065,000; for supplemental and alternative crops and products (7 U.S.C. 3319d), $1,188,000; for the 1994 research grants program for 1994 institutions pursuant to section 536 of Public Law 103–382 (7 U.S.C. 301 note), $998,000, to remain available until expended; for rangeland research grants (7 U.S.C. 3333), $1,000,000; for higher education graduate fellowship grants (7 U.S.C. 3152(b)(6)), $3,222,000, to remain available until expended (7 U.S.C. 2209b); for higher education challenge grants (7 U.S.C. 3152(b)(1)), $4,888,000; for a higher education multicultural scholars program (7 U.S.C. 3152(b)(5)), $992,000, to remain available until expended; for an education grants program for Hispanic-serving Institutions (7 U.S.C. 3241), $4,073,000; for noncompetitive grants for the purpose of carrying out all provisions of 7 U.S.C. 3242 (section 759 of Public Law 106–78) to individual eligible institutions or consortia of eligible institutions in Alaska and in Hawaii, with funds awarded equally to each of the States of Alaska and Hawaii, $2,997,000; for a secondary agriculture education program and 2-year post-secondary education (7 U.S.C. 3152(j)), $994,000; for aquaculture grants (7 U.S.C. 3322), $3,996,000; for sustainable agriculture research and education (7 U.S.C. 5811), $13,661,000; for a program of capacity building grants (7 U.S.C. 3152(b)(4)) to colleges eligible to receive funds under the Act of August 30, 1890 (7 U.S.C. 321–326 and 328), including Tuskegee University and West Virginia State College, $9,479,000, to remain available until expended (7 U.S.C. 2209b); for payments to the 1994 Institutions pursuant to section 534(a)(1) of Public Law 103–382, $1,689,000; and for necessary expenses of Research and Education Activities, $36,815,000.

None of the funds appropriated under this heading shall be available to carry out research related to the production, processing, or marketing of tobacco or tobacco products: *Provided,* That this paragraph shall not apply to research on the medical, biotechnological, food, and industrial uses of tobacco.

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

For the Native American Institutions Endowment Fund authorized by Public Law 103–382 (7 U.S.C. 301 note), $9,000,000.

EXTENSION ACTIVITIES

For payments to States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, Micronesia, Northern Marianas, and American Samoa, $438,242,000, as follows: payments for cooperative extension work under the Smith-Lever Act, to be distributed under sections 3(b) and 3(c) of said Act, and under section 208(c) of Public Law 93–471, for retirement and employees' compensation costs for extension agents, $275,940,000; payments for extension work at the 1994 Institutions under the Smith-Lever Act (7 U.S.C. 343(b)(3)), $3,273,000; payments for the nutrition and family education program for low-income areas under section 3(d) of the Act, $58,185,000; payments for the pest management program under section 3(d) of the Act, $10,689,000; payments for the farm safety program under section 3(d) of the Act, $5,489,000; payments to upgrade research, extension, and teaching facilities at the 1890 land-grant colleges, including Tuskegee University and West Virginia State College, as authorized by section 1447 of Public Law 95–113 (7 U.S.C. 3222b), $13,500,000, to remain available until expended; payments for youth-at-risk programs under section 3(d) of the Smith-Lever Act, $8,426,000; for youth farm safety education and certification extension grants, to be awarded competitively under section 3(d) of the Act, $496,000; payments for carrying out the provisions of the Renewable Resources Extension Act of 1978 (16 U.S.C. 1671 et seq.), $4,093,000; payments for Indian reservation agents under section 3(d) of the Smith-Lever Act, $1,983,000; payments for sustainable agriculture programs under section 3(d) of the Act, $4,843,000; payments for cooperative extension work by the colleges receiving the benefits of the second Morrill Act (7 U.S.C. 321–326 and 328) and Tuskegee University and West Virginia State College, $31,908,000, of which $1,724,884 shall be made available only for the purpose of ensuring that each institution shall receive no less than $1,000,000; and for necessary expenses of extension activities, $19,417,000.

INTEGRATED ACTIVITIES

For the integrated research, education, and extension grants programs, including necessary administrative expenses,

$62,942,000, as follows: for competitive grants programs authorized under section 406 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7626), $43,942,000, including $12,887,000 for the water quality program, $14,870,000 for the food safety program, $4,501,000 for the regional pest management centers program, $4,857,000 for the Food Quality Protection Act risk mitigation program for major food crop systems, $1,487,000 for the crops affected by Food Quality Protection Act implementation, $3,229,000 for the methyl bromide transition program, and $2,111,000 for the organic transition program; for a competitive international science and education grants program authorized under section 1459A of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3292b), to remain available until expended, $1,000,000; for grants programs authorized under section 2(c)(1)(B) of Public Law 89–106, as amended, $2,000,000, including $497,000, to remain available until September 30, 2005 for the critical issues program, and $1,503,000 for the regional rural development centers program; and $16,000,000 for the homeland security program authorized under section 1484 of the National Agricultural Research, Extension, and Teaching Act of 1977, to remain available until September 30, 2005.

OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS

For grants and contracts pursuant to section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279), $3,470,000, to remain available until expended.

OFFICE OF THE UNDER SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

For necessary salaries and expenses of the Office of the Under Secretary for Marketing and Regulatory Programs to administer programs under the laws enacted by the Congress for the Animal and Plant Health Inspection Service; the Agricultural Marketing Service; and the Grain Inspection, Packers and Stockyards Administration; $725,000.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For expenses, not otherwise provided for, necessary to prevent, control, and eradicate pests and plant and animal diseases; to carry out inspection, quarantine, and regulatory activities; and to protect the environment, as authorized by law, $725,502,000, of which $4,139,000 shall be available for the control of outbreaks of insects, plant diseases, animal diseases and for control of pest animals and birds to the extent necessary to meet emergency conditions; of which $51,000,000 shall be used for the boll weevil eradication program for cost share purposes or for debt retirement for active eradication zones: *Provided*, That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by the States of at least 40 percent: *Provided further*, That this appropriation shall be available for the operation and maintenance of aircraft and the purchase of not to exceed four, of which two shall be for replacement only: *Provided further*, That, in addition, in emergencies which threaten any segment of the agricultural production industry of this country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as may be deemed necessary, to be available only in such emergencies for the arrest and eradication of contagious or infectious disease or pests of animals, poultry, or plants, and for expenses in accordance with sections 10411 and 10417 of the Animal Health Protection Act (7 U.S.C. 8310 and 8316) and sections 431 and 442 of the Plant Protection Act (7 U.S.C. 7751 and 7772), and any unexpended balances of funds transferred for such emergency purposes in the preceding fiscal year shall be merged with such transferred amounts: *Provided further*, That appropriations hereunder shall be available pursuant to law (7 U.S.C. 2250) for the repair and alteration of leased buildings and improvements, but unless otherwise provided the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

In fiscal year 2004, the agency is authorized to collect fees to cover the total costs of providing technical assistance, goods, or services requested by States, other political subdivisions, domestic and international organizations, foreign governments, or individuals, provided that such fees are structured such that any entity's liability for such fees is reasonably based on the technical assistance, goods, or services provided to the entity by the agency, and such fees shall be credited to this account, to remain available until expended, without further appropriation, for providing such assistance, goods, or services.

BUILDINGS AND FACILITIES

For plans, construction, repair, preventive maintenance, environmental support, improvement, extension, alteration, and purchase of fixed equipment or facilities, as authorized by 7 U.S.C. 2250, and acquisition of land as authorized by 7 U.S.C. 428a, $4,996,000, to remain available until expended.

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

For necessary expenses to carry out services related to consumer protection, agricultural marketing and distribution, transportation, and regulatory programs, as authorized by law, and for administration and coordination of payments to States, $75,953,000, including funds for the wholesale market development program for the design and development of wholesale and farmer market facilities for the major metropolitan areas of the country: *Provided*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

Fees may be collected for the cost of standardization activities, as established by regulation pursuant to law (31 U.S.C. 9701).

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed $62,577,000 (from fees collected) shall be obligated during the current fiscal year for administrative expenses: *Provided*, That if crop size is understated and/or other uncontrollable events occur, the agency may exceed this limitation by up to 10 percent with notification to the Committees on Appropriations of both Houses of Congress.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY (SECTION 32)

(INCLUDING TRANSFERS OF FUNDS)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for: (1) transfers to the Department of Commerce as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; and (3) not more than $15,392,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937 and the Agricultural Act of 1961.

PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), $1,347,000.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the United States Grain Standards Act, for the administration of the Packers and Stockyards Act, for certifying procedures used to protect purchasers of farm products, and the standardization activities related to grain under the Agricultural Marketing Act of 1946, $39,690,000: *Provided*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

LIMITATION ON INSPECTION AND WEIGHING SERVICES EXPENSES

Not to exceed $42,463,000 (from fees collected) shall be obligated during the current fiscal year for inspection and weighing services: *Provided*, That if grain export activities require additional supervision and oversight, or other uncontrollable factors occur, this limitation may be exceeded by up to 10 percent with notification to the Committees on Appropriations of both Houses of Congress.

OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

For necessary salaries and expenses of the Office of the Under Secretary for Food Safety to administer the laws enacted by the Congress for the Food Safety and Inspection Service, $599,000.

FOOD SAFETY AND INSPECTION SERVICE

For necessary expenses to carry out services authorized by the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act, including not to exceed $50,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), $785,261,000; and in addition, $1,000,000 may be credited to this account from fees collected for the cost of laboratory accreditation as authorized by section 1327 of the Food, Agriculture, Conservation and Trade Act of 1990 (7 U.S.C. 138f): *Provided*, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES

For necessary salaries and expenses of the Office of the Under Secretary for Farm and Foreign Agricultural Services to administer the laws enacted by Congress for the Farm Service Agency, the Foreign Agricultural Service, the Risk Management Agency, and the Commodity Credit Corporation, $636,000.

FARM SERVICE AGENCY

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for carrying out the administration and implementation of programs administered by the Farm Service Agency, $1,016,836,000: *Provided*, That the Secretary of Agriculture is authorized to use the services, facilities, and authorities (but not the funds) of the Commodity Credit Corporation to make program payments for all programs administered by the Agency: *Provided*

further, That other funds made available to the Agency for authorized activities may be advanced to and merged with this account.

STATE MEDIATION GRANTS

For grants pursuant to section 502(b) of the Agricultural Credit Act of 1987, as amended (7 U.S.C. 5101–5106), $3,974,000.

DAIRY INDEMNITY PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses involved in making indemnity payments to dairy farmers and manufacturers of dairy products under a dairy indemnity program, $100,000, to remain available until expended: *Provided*, That such program is carried out by the Secretary in the same manner as the dairy indemnity program described in the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 106–387, 114 Stat. 1549A–12).

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed loans as authorized by 7 U.S.C. 1928–1929, to be available from funds in the Agricultural Credit Insurance Fund, as follows: farm ownership loans, $1,083,143,000, of which $950,000,000 shall be for guaranteed loans and $133,143,000 shall be for direct loans; operating loans, $2,200,440,000, of which $1,330,000,000 shall be for unsubsidized guaranteed loans, $252,937,000 shall be for subsidized guaranteed loans and $617,503,000 shall be for direct loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, $2,000,000; and for boll weevil eradication program loans as authorized by 7 U.S.C. 1989, $100,000,000.

For the cost of direct and guaranteed loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, as follows: farm ownership loans, $34,528,000, of which $5,130,000 shall be for guaranteed loans, and $29,398,000 shall be for direct loans; operating loans, $165,633,000, of which $44,289,000 shall be for unsubsidized guaranteed loans, $32,300,000 shall be for subsidized guaranteed loans, and $89,044,000 shall be for direct loans.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, $298,136,000, of which $290,136,000 shall be transferred to and merged with the appropriation for ''Farm Service Agency, Salaries and Expenses''.

Funds appropriated by this Act to the Agricultural Credit Insurance Program Account for farm ownership and operating direct loans and guaranteed loans may be transferred among these programs: *Provided*, That the Committees on Appropriations of both Houses of Congress are notified at least 15 days in advance of any transfer.

RISK MANAGEMENT AGENCY

For administrative and operating expenses, as authorized by section 226A of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6933), $71,509,000: *Provided*, That not to exceed $1,000 shall be available for official reception and representation expenses, as authorized by 7 U.S.C. 1506(i).

CORPORATIONS

The following corporations and agencies are hereby authorized to make expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided.

FEDERAL CROP INSURANCE CORPORATION FUND

For payments as authorized by section 516 of the Federal Crop Insurance Act (7 U.S.C. 1516), such sums as may be necessary, to remain available until expended.

COMMODITY CREDIT CORPORATION FUND

REIMBURSEMENT FOR NET REALIZED LOSSES

For the current fiscal year, such sums as may be necessary to reimburse the Commodity Credit Corporation for net realized losses sustained, but not previously reimbursed, pursuant to section 2 of the Act of August 17, 1961 (15 U.S.C. 713a–11).

HAZARDOUS WASTE MANAGEMENT

(LIMITATION ON EXPENSES)

For the current fiscal year, the Commodity Credit Corporation shall not expend more than $5,000,000 for site investigation and cleanup expenses, and operations and maintenance expenses to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. 9607(g), and section 6001 of the Resource Conservation and Recovery Act, 42 U.S.C. 6961.

TITLE II

CONSERVATION PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

For necessary salaries and expenses of the Office of the Under Secretary for Natural Resources and Environment to administer the laws enacted by the Congress for the Forest Service and the Natural Resources Conservation Service, $745,000.

NATURAL RESOURCES CONSERVATION SERVICE

CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a–f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; acquisition of lands, water, and interests therein for use in the plant materials program by donation, exchange, or purchase at a nominal cost not to exceed $100 pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); purchase and erection or alteration or improvement of permanent and temporary buildings; and operation and maintenance of aircraft, $850,004,000, to remain available until expended (7 U.S.C. 2209b), of which not less than $9,215,000 is for snow survey and water forecasting, and not less than $11,722,000 is for operation and establishment of the plant materials centers, and of which not less than $23,500,000 shall be for the grazing lands conservation initiative: *Provided*, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for construction and improvement of buildings and public improvements at plant materials centers, except that the cost of alterations and improvements to other buildings and other public improvements shall not exceed $250,000: *Provided further*, That when buildings or other structures are erected on non-Federal land, that the right to use such land is obtained as provided in 7 U.S.C. 2250a: *Provided further*, That this appropriation shall be available for technical assistance and related expenses to carry out programs authorized by section 202(c) of title II of the Colorado River Basin Salinity Control Act of 1974 (43 U.S.C. 1592(c)): *Provided further*, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the Service: *Provided further*, That none of the funds made available under this paragraph by this or any other appropriations Act may be used to provide technical assistance with respect to programs listed in section 1241(a) of the Food Security Act of 1985 (16 U.S.C. 3841(a)).

WATERSHED SURVEYS AND PLANNING

For necessary expenses to conduct research, investigation, and surveys of watersheds of rivers and other waterways, and for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001–1009), $11,124,000: *Provided*, That none of the funds made available under this paragraph by this or any other appropriations Act may be used to provide technical assistance with respect to programs listed in section 1241(a) of the Food Security Act of 1985 (16 U.S.C. 3841(a)).

WATERSHED AND FLOOD PREVENTION OPERATIONS

For necessary expenses to carry out preventive measures, including but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, rehabilitation of existing works and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001–1005 and 1007–1009), the provisions of the Act of April 27, 1935 (16 U.S.C. 590a–f), and in accordance with the provisions of laws relating to the activities of the Department, $90,000,000, to remain available until expended of which up to $10,000,000 shall be available for the watersheds authorized under the Flood Control Act (33 U.S.C. 701 and 16 U.S.C. 1006a): *Provided*, That not to exceed $40,000,000 of this appropriation shall be made available for technical assistance: *Provided further*, That not to exceed $1,000,000 of this appropriation is available to carry out the purposes of the Endangered Species Act of 1973 (Public Law 93–205), including cooperative efforts as contemplated by that Act to relocate endangered or threatened species to other suitable habitats as may be necessary to expedite project construction: *Provided further*, That the amount of federal funds that may be made available to an eligible local organization for construction of a particular rehabilitation project shall be equal to 65 percent of the total rehabilitation costs, but not to exceed 100 percent of actual construction costs incurred in the rehabilitation: *Provided further*, That consistent with existing statute, rehabilitation assistance provided may not be used to perform operation and maintenance activities specified in the agreement for the covered water resource projects entered into between the Secretary and the eligible local organization responsible for the works of improvement: *Provided further*, That none of the funds made available under this paragraph by this or any other appropriations Act may be used to provide technical assistance with respect to programs listed in section 1241(a) of the Food Security Act of 1985 (16 U.S.C. 3841(a)).

WATERSHED REHABILITATION PROGRAM

For necessary expenses to carry out rehabilitation of structural measures, in accordance with section 14 of the Watershed Protection and Flood Prevention Act, as amended, (16 U.S.C. 1012), and in accordance with the provisions of laws relating to the activities of the Department, $40,000,000, to remain available until expended: *Provided*, That none of the funds made available under this paragraph by this or any other appropriations Act may be used to provide technical assistance with respect to programs listed in section 1241(a) of the Food Security Act of 1985 (16 U.S.C. 3841(a)).

RESOURCE CONSERVATION AND DEVELOPMENT

For necessary expenses in planning and carrying out projects for resource conservation and development and for sound land use pursuant to the provisions of sections 31 and 32(l) of title III of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1010–1011; 76 Stat. 607); the Act of April 27, 1935 (16 U.S.C. 590a–f); and subtitle H of title XV of the Agriculture and Food Act of 1981 (16 U.S.C. 3451–3461), $52,894,000, to remain available until expended: *Provided*, That none of the funds made available under this paragraph by this or any other appropriations Act may be used to provide technical assistance with respect to programs listed in section 1241(a) of the Food Security Act of 1985 (16 U.S.C. 3841(a)): *Provided further*, That a cooperative or contribution agreement with a national association regarding a Resource Conservation and Development program shall contain the same matching, contribution requirements, and funding level, set forth in a similar cooperative or contribution agreement with a national association in fiscal year 2002: *Provided further*, That not to exceed $3,504,300, the same amount as in the budget, shall be available for national headquarters activities.

TITLE III

RURAL DEVELOPMENT PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

For necessary salaries and expenses of the Office of the Under Secretary for Rural Development to administer programs under the laws enacted by the Congress for the Rural Housing Service, the Rural Business-Cooperative Service, and the Rural Utilities Service of the Department of Agriculture, $636,000.

RURAL COMMUNITY ADVANCEMENT PROGRAM

For the cost of direct loans, loan guarantees, and grants, as authorized by 7 U.S.C. 1926, 1926a, 1926c, 1926d, and 1932, except for sections 381E–H and 381N of the Consolidated Farm and Rural Development Act, $706,006,000, to remain available until expended, of which $27,000,000 shall be for rural community programs described in section 381E(d)(1) of such Act; of which $605,006,000 shall be for the rural utilities programs described in sections 381E(d)(2), 306C(a)(2), and 306D of such Act, of which not to exceed $500,000 shall be available for the rural utilities program described in section 306(a)(2)(B) of such Act, and of which not to exceed $1,000,000 shall be available for the rural utilities program described in section 306E of such Act; and of which $74,000,000 shall be for the rural business and cooperative development programs described in sections 381E(d)(3) and 310B(f) of such Act: *Provided*, That of the total amount appropriated in this account, $13,000,000 shall be for loans and grants to benefit Federally Recognized Native American Tribes, including grants for drinking water and waste disposal systems pursuant to section 306C of such Act, of which $4,000,000 shall be available for community facilities grants to tribal colleges, as authorized by section 306(a)(19) of the Consolidated Farm and Rural Development Act, and of which $250,000 shall be available for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development: *Provided further*, That of the amount appropriated for rural community programs, $6,000,000 shall be available for a Rural Community Development Initiative: *Provided further*, That such funds shall be used solely to develop the capacity and ability of private, nonprofit community-based housing and community development organizations, low-income rural communities, and Federally Recognized Native American Tribes to undertake projects to improve housing, community facilities, community and economic development projects in rural areas: *Provided further*, That such funds shall be made available to qualified private, nonprofit and public intermediary organizations proposing to carry out a program of financial and technical assistance: *Provided further*, That such intermediary organizations shall provide matching funds from other sources, including Federal funds for related activities, in an amount not less than funds provided: *Provided further*, That of the amount appropriated for the rural business and cooperative development programs, not to exceed $500,000 shall be made available for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development: *Provided further*, That of the amount appropriated for rural utilities programs, not to exceed $25,000,000 shall be for water and waste disposal systems to benefit the Colonias along the United States/Mexico border, including grants pursuant to section 306C of such Act; not to exceed $17,465,000 shall be for technical assistance grants for rural water and waste systems pursuant to section 306(a)(14) of such Act, of which $5,513,000 shall be for Rural Community Assistance Programs and not to exceed $13,000,000 shall be for contracting with qualified national organizations for a circuit rider program to provide technical assistance for rural water systems: *Provided further*, That of the total amount appropriated, not to exceed $22,132,000 shall be available through June 30, 2004, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones; of which $1,000,000 shall be for the rural community programs described in section 381E(d)(1) of such Act, of which $12,582,000 shall be for the rural utilities programs described in section 381E(d)(2) of such Act, and of which $8,550,000 shall be for the rural business and cooperative development programs described in section 381E(d)(3) of such Act.

RURAL DEVELOPMENT SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for carrying out the administration and implementation of programs in the Rural Development mission area, including activities with institutions concerning the development and operation of agricultural cooperatives; and for cooperative agreements; $146,495,000: *Provided*, That not more than $10,000 may be expended to provide modest nonmonetary awards to non-USDA employees: *Provided further*, That any balances available from prior years for the Rural Utilities Service, Rural Housing Service, and the Rural Business-Cooperative Service salaries and expenses accounts shall be transferred to and merged with this appropriation.

RURAL HOUSING SERVICE

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed loans as authorized by title V of the Housing Act of 1949, to be available from funds in the rural housing insurance fund, as follows: $4,091,634,000 for loans to section 502 borrowers, as determined by the Secretary, of which $1,366,462,000 shall be for direct loans, and of which not more than $2,725,172,000 shall be for unsubsidized guaranteed loans; $35,003,000 for section 504 housing repair loans; $116,545,000 for section 515 rental housing; $100,000,000 for section 538 guaranteed multi-family housing loans; $5,045,000 for section 524 site loans; $11,500,000 for credit sales of acquired property, of which up to $1,500,000 may be for multi-family credit sales; and $5,000,000 for section 523 self-help housing land development loans.

For the cost of direct and guaranteed loans, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974, as follows: section 502 loans, $165,921,000, of which $126,018,000 shall be for direct loans, and of which $39,903,000, to remain available until expended, shall be for unsubsidized guaranteed loans; section 504 housing repair loans, $9,612,000; section 515 rental housing, $50,126,000 of which $20,086,400 shall be for repair and rehabilitation, and $30,039,600 shall be for new construction; section 538 multi-family housing guaranteed loans, $5,950,000; multi-family credit sales of acquired property, $663,000; and section 523 self-help housing land development loans, $154,000: *Provided*, That of the total amount appropriated in this paragraph, $7,100,000 shall be available through June 30, 2004, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, $447,151,000, which shall be transferred to and merged with the appropriation for ''Rural Development, Salaries and Expenses''.

RENTAL ASSISTANCE PROGRAM

For rental assistance agreements entered into or renewed pursuant to the authority under section 521(a)(2) or agreements entered into in lieu of debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Housing Act of 1949, $731,000,000; and, in addition, such sums as may be necessary, as authorized by section 521(c) of the Act, to liquidate debt incurred prior to fiscal year 1992 to carry out the rental assistance program under section 521(a)(2) of the Act: *Provided*, That of this amount, not more than $5,900,000 shall be available for debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Act, and not to exceed $10,000 per project for advances to nonprofit organizations or public agencies to cover direct costs (other than purchase price) incurred in purchasing projects pursuant to section 502(c)(5)(C) of the Act: *Provided further*, That agreements entered into or renewed during the current fiscal year shall be funded for a 5–year period, although the life of any such agreement may be extended to fully utilize amounts obligated.

MUTUAL AND SELF-HELP HOUSING GRANTS

For grants and contracts pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. 1490c), $34,772,000, to remain available until expended: *Provided*, That of the total amount appropriated, $1,000,000 shall be available through June 30, 2004, for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones.

RURAL HOUSING ASSISTANCE GRANTS

For grants and contracts for very low-income housing repair, supervisory and technical assistance, compensation for construction defects, and rural housing preservation made by the Rural Housing Service, as authorized by 42 U.S.C. 1474, 1479(c), 1490e, and 1490m, $42,222,000, to remain available until expended: *Provided*, That of the total amount appropriated, $1,800,000 shall be available through June 30, 2004, for authorized empowerment zones and enterprise communities and communities designated by the

Secretary of Agriculture as Rural Economic Area Partnership Zones.

FARM LABOR PROGRAM ACCOUNT

For the cost of direct loans, grants, and contracts, as authorized by 42 U.S.C. 1484 and 1486, $36,307,000, to remain available until expended, for direct farm labor housing loans and domestic farm labor housing grants and contracts.

RURAL BUSINESS—COOPERATIVE SERVICE

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the principal amount of direct loans, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812(a)), $40,000,000.

For the cost of direct loans, $17,308,000, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812(a)), of which $1,724,000 shall be available through June 30, 2004, for Federally Recognized Native American Tribes and of which $3,449,000 shall be available through June 30, 2004, for Mississippi Delta Region counties (as defined by Public Law 100–460): *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That of the total amount appropriated, $2,447,000 shall be available through June 30, 2004, for the cost of direct loans for authorized empowerment zones and enterprise communities and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones.

In addition, for administrative expenses to carry out the direct loan programs, $4,283,000 shall be transferred to and merged with the appropriation for ''Rural Development, Salaries and Expenses''.

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

(INCLUDING RESCISSION OF FUNDS)

For the principal amount of direct loans, as authorized under section 313 of the Rural Electrification Act, for the purpose of promoting rural economic development and job creation projects, $16,120,000.

For the cost of direct loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, $3,000,000.

Of the funds derived from interest on the cushion of credit payments in the current fiscal year, as authorized by section 313 of the Rural Electrification Act of 1936, $3,000,000 shall not be obligated and $3,000,000 are rescinded.

RURAL COOPERATIVE DEVELOPMENT GRANTS

For rural cooperative development grants authorized under section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932), $13,000,000, of which $2,500,000 shall be for cooperative agreements for the appropriate technology transfer for rural areas program: *Provided*, That not to exceed $1,500,000 shall be for cooperatives or associations of cooperatives whose primary focus is to provide assistance to small, minority producers, of which not to exceed $500,000 shall be for cooperative research agreements; and of which not to exceed $4,000,000, to remain available until expended, shall be for value-added agricultural product market development grants, as authorized by section 6401 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1621 note).

RURAL EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES GRANTS

For grants in connection with a second round of empowerment zones and enterprise communities, $10,967,000, to remain available until expended, for designated rural empowerment zones and rural enterprise communities, as authorized by the Taxpayer Relief Act of 1997 and the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105–277).

RENEWABLE ENERGY PROGRAM

For the cost of direct loans and grants, as authorized by section 9006 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8106), $3,000,000 for direct renewable energy loans and grants: *Provided*, That the cost of direct loans and loan guarantees, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974.

RURAL UTILITIES SERVICE

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

Insured loans pursuant to the authority of section 305 of the Rural Electrification Act of 1936 (7 U.S.C. 935) shall be made as follows: 5 percent rural electrification loans, $240,000,000; municipal rate rural electric loans, $1,000,000,000; loans made pursuant to section 306 of that Act, rural electric, $2,000,000,000; Treasury rate direct electric loans, $750,000,000; 5 percent rural telecommunication loans, $145,000,000; cost of money rural telecommunication loans, $300,000,000; and loans made pursuant to section 306 of that Act, rural telecommunication loans, $120,000,000.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct and guaranteed loans authorized by sections 305 and 306 of the Rural Electrification Act of 1936 (7 U.S.C. 935 and 936), as follows: cost of rural electric loans, $60,000, and the cost of telecommunication loans, $125,000: *Provided*, That notwithstanding section 305(d)(2) of the Rural Electrification Act of 1936, borrower interest rates may exceed 7 percent per year.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, $38,166,000 which shall be transferred to and merged with the appropriation for ''Rural Development, Salaries and Expenses''.

RURAL TELEPHONE BANK PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

The Rural Telephone Bank is hereby authorized to make such expenditures, within the limits of funds available to such corporation in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out its authorized programs.

For administrative expenses, including audits, necessary to carry out the loan programs and continue to service existing loans, $3,182,000, to be derived by transfer from the shareholder's equity, contained in the unobligated balances in the Rural Telephone Bank Liquidating Account, which shall be transferred to and merged with the appropriation for ''Rural Development, Salaries and Expenses''.

DISTANCE LEARNING, TELEMEDICINE, AND BROADBAND PROGRAM

For the principal amount of direct distance learning and telemedicine loans, $300,000,000; and for the principal amount of broadband telecommunication loans, $336,000,000.

For grants for telemedicine and distance learning services in rural areas, as authorized by 7 U.S.C. 950aaa et seq., $25,000,000, to remain available until expended.

For the cost of direct and guaranteed broadband loans, as authorized by 7 U.S.C. 901, et seq., $9,116,000: *Provided*, That the cost of direct loans shall be as defined in section 502 of the Congressional Budget Act of 1974.

In addition, $8,000,000, to remain available until expended, for a grant program to finance broadband transmission in areas that meet the definition of ''rural area'' used for the Broadband Loan Program authorized by 7 U.S.C. 901.

TITLE IV

DOMESTIC FOOD PROGRAMS

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

For necessary salaries and expenses of the Office of the Under Secretary for Food, Nutrition, and Consumer Services to administer the laws enacted by the Congress for the Food and Nutrition Service, $599,000.

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out the National School Lunch Act (42 U.S.C. 1751 et seq.), except section 21, and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), except sections 17 and 21; $11,418,441,000, to remain available through September 30, 2005, of which $6,718,780,000 is hereby appropriated and $4,699,661,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): *Provided*, that $6,000,000 shall be available for the Food and Nutrition Service to conduct a study of certification error and its effect on expenditures in the National School Lunch and School Breakfast Programs and an assessment of the feasibility of using income data matching in those Programs: *Provided further*, that except as specifically provided under this heading, none of the funds made available under this heading shall be used for studies and evaluations: *Provided further*, That up to $5,235,000 shall be available for independent verification of school food service claims.

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

For necessary expenses to carry out the special supplemental nutrition program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), $4,588,310,000, to remain available through September 30, 2005, of which $20,000,000 shall be for a breastfeeding support initiative in addition to the activities specified in section 17(h)(3)(A); $25,000,000 shall be for a management information system initiative; and $25,000,000, to remain available until expended, shall be placed in reserve for use in only such amounts, and in such manner, as the Secretary determines necessary, notwithstanding section 17(i) of the Child Nutrition Act, to provide funds to support participation, should costs or participation exceed budget estimates: *Provided*, That notwithstanding section 17(h)(10)(A) of such Act, $14,000,000 shall be available for the purposes specified in section 17(h)(10)(B): *Provided further*, That notwithstanding section 17(g)(5) of such Act, $4,000,000 shall be available for pilot projects to prevent childhood obesity: *Provided further*, That none of the funds made available under this heading shall be used for studies and evaluations: *Provided further*, That none of the funds in this Act shall be available to pay administrative expenses of WIC clinics except those that have an announced policy of prohibiting smoking within the space used to carry out the program: *Provided further*, That none of the funds provided in this account shall be available for the purchase of infant formula except in accordance with the cost containment and competitive bidding requirements specified in section 17 of such Act: *Provided further*, That none of the funds provided shall be available for activities that are not fully reimbursed by other Federal Government departments or agencies unless authorized by section 17 of such Act.

FOOD STAMP PROGRAM

For necessary expenses to carry out the Food Stamp Act (7 U.S.C. 2011 et seq.), $27,745,981,000, of which $2,000,000,000 shall be placed in reserve for use only in such amounts and at such times as may become necessary to carry out program operations: *Provided*, That none of the funds made available under this heading shall be used for studies and evaluations: *Provided further*, That funds provided herein shall be expended in accordance with section 16 of the Food Stamp Act: *Provided further*, That this appropriation shall be subject to any work registration or workfare requirements as may be required by law: *Provided further*, That funds made available for Employment and Training under this heading shall remain available until expended, as authorized by section 16(h)(1) of the Food Stamp Act.

COMMODITY ASSISTANCE PROGRAM

For necessary expenses to carry out disaster assistance and the commodity supplemental food program as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note); the Emergency Food Assistance Act of 1983; special assistance for the nuclear affected islands, as authorized by section 103(h)(2) of the Compacts of Free Association Act of 1985; and the Farmers' Market Nutrition Program, as authorized by section 17(m) of the Child Nutrition Act of 1966, $166,072,000, to remain available through September 30, 2005: *Provided*, That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program.

NUTRITION PROGRAMS ADMINISTRATION

For necessary administrative expenses of the domestic nutrition assistance programs funded under this Act, $140,512,000, of which $5,000,000 shall be available only for simplifying procedures, reducing overhead costs, tightening regulations, improving food stamp benefit delivery, and assisting in the prevention, identification, and prosecution of fraud and other violations of law and of which not less than $7,500,000 shall be available to improve integrity in the Food Stamp and Child Nutrition programs.

TITLE V

FOREIGN ASSISTANCE AND RELATED PROGRAMS

FOREIGN AGRICULTURAL SERVICE

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761–1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed $158,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), $133,924,000: *Provided*, That the Service may utilize advances of funds, or reimburse this appropriation for expenditures made on behalf of Federal agencies, public and private organizations and institutions under agreements executed pursuant to the agricultural food production assistance programs (7 U.S.C. 1737) and the foreign assistance programs of the United States Agency for International Development.

PUBLIC LAW 480 TITLE I PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of agreements under the Agricultural Trade Development and Assistance Act of 1954, and the Food for Progress Act of 1985, including the cost of modifying credit arrangements under said Acts, $103,887,000, to remain available until expended.

In addition, for administrative expenses to carry out the credit program of title I, Public Law 83–480, and the Food for Progress Act of 1985, to the extent funds appropriated for Public Law 83–480 are utilized, $4,041,000, of which $1,066,000 may be transferred to and merged with the appropriation for ''Foreign Agricultural Service, Salaries and Expenses'', and of which $2,975,000 may be transferred to and merged with the appropriation for ''Farm Service Agency, Salaries and Expenses''.

PUBLIC LAW 480 TITLE I OCEAN FREIGHT DIFFERENTIAL GRANTS

(INCLUDING TRANSFER OF FUNDS)

For ocean freight differential costs for the shipment of agricultural commodities under title I of the Agricultural Trade Development and Assistance Act of 1954 and under the Food for Progress Act of 1985, $28,000,000, to remain available until expended: *Provided*, That funds made available for the cost of agreements under title I of the Agricultural Trade Development and Assistance Act of 1954 and for title I ocean freight differential may be used interchangeably between the two accounts with prior notice to the Committees on Appropriations of both Houses of Congress.

PUBLIC LAW 480 TITLE II GRANTS

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, for commodities supplied in connection with dispositions abroad under title II of said Act, $1,192,000,000, to remain available until expended.

MCGOVERN-DOLE INTERNATIONAL FOOD FOR EDUCATION AND CHILD NUTRITION PROGRAM GRANTS

For necessary expenses to carry out the provisions of section 3107 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1736o–1), $56,874,000, to remain available until expended.

COMMODITY CREDIT CORPORATION EXPORT LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For administrative expenses to carry out the Commodity Credit Corporation's export guarantee program, GSM 102 and GSM 103, $4,312,000; to cover common overhead expenses as permitted by section 11 of the Commodity Credit Corporation Charter Act and in conformity with the Federal Credit Reform Act of 1990, of which $3,327,000 may be transferred to and merged with the appropriation for ''Foreign Agricultural Service, Salaries and Expenses'', and of which $985,000 may be transferred to and merged with the appropriation for ''Farm Service Agency, Salaries and Expenses''.

TITLE VI

RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Food and Drug Administration, including hire and purchase of passenger motor vehicles; for payment of space rental and related costs pursuant to Public Law 92–313 for programs and activities of the Food and Drug Administration which are included in this Act; for rental of special purpose space in the District of Columbia or elsewhere; for miscellaneous and emergency expenses of enforcement activities, authorized and approved by the Secretary and to be accounted for solely on the Secretary's certificate, not to exceed $25,000; and notwithstanding section 521 of Public Law 107–188; $1,668,249,000: *Provided*, That of the amount provided under this heading, $249,825,000 shall be derived from prescription drug user fees authorized by 21 U.S.C. 379h, and shall be credited to this account and remain available until expended, and $29,190,000 shall be derived from medical device user fees authorized by 21 U.S.C. 379j, and shall be credited to this account and remain available until expended: *Provided further*, That fees derived from prescription drug and medical device applications received during fiscal year 2004 shall be subject to the fiscal year 2004 limitation: *Provided further*, That any prescription drug or medical device user fee collected in fiscal year 2004 that exceeds this limitation shall be credited to this account and remain available until expended, in accordance with 21 U.S.C. 379h(g)(4) and 379j(h)(4): *Provided further*, That none of these funds shall be used to develop, establish, or operate any program of user fees authorized by 31 U.S.C. 9701: *Provided further*, That of the total amount appropriated: (1) $412,462,000 shall be for the Center for Food Safety and Applied Nutrition and related field activities in the Office of Regulatory Affairs; (2) $478,650,000 shall be for the Center for Drug Evaluation and Research and related field activities in the Office of Regulatory Affairs, of which no less than $13,357,000 shall be available for grants and contracts awarded under section 5 of the Orphan Drug Act (21 U.S.C. 360ee); (3) $168,836,000 shall be for the Center for Biologics Evaluation and Research and for related field activities in the Office of Regulatory Affairs; (4) $84,646,000 shall be for the Center for Veterinary Medicine and for related field activities in the Office of Regulatory Affairs; (5) $209,285,000 shall be for the Center for Devices and Radiological Health and for related field activities in the Office of Regulatory Affairs; (6) $39,887,000 shall be for the National Center for Toxicological Research; (7) $40,851,000 shall be for Rent and Related activities, other than the amounts paid to the General Services Administration for rent; (8) $119,795,000 shall be for payments to the General Services Administration for rent; and (9) $113,837,000 shall be for other activities, including the Office of the Commissioner; the Office of Management and Systems; the Office of External Relations; the Office of Policy and Planning; and central services for these offices: *Provided further*, That funds may be transferred from one specified activity to another with the prior approval of the Committees on Appropriations of both Houses of Congress.

In addition, mammography user fees authorized by 42 U.S.C. 263b may be credited to this account, to remain available until expended.

In addition, export certification user fees authorized by 21 U.S.C. 381 may be credited to this account, to remain available until expended.

BUILDINGS AND FACILITIES

For plans, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of or used by the Food and Drug Administration, where not otherwise provided, $6,000,000 to remain available until expended.

INDEPENDENT AGENCIES

COMMODITY FUTURES TRADING COMMISSION

For necessary expenses to carry out the provisions of the Commodity Exchange Act

(7 U.S.C. 1 et seq.), including the purchase and hire of passenger motor vehicles, and the rental of space (to include multiple year leases) in the District of Columbia and elsewhere, $88,435,000, including not to exceed $3,000 for official reception and representation expenses.

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed $40,900,000 (from assessments collected from farm credit institutions and from the Federal Agricultural Mortgage Corporation) shall be obligated during the current fiscal year for administrative expenses as authorized under 12 U.S.C. 2249: *Provided,* That this limitation shall not apply to expenses associated with receiverships.

TITLE VII—GENERAL PROVISIONS

SEC. 701. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture for the current fiscal year under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed 398 passenger motor vehicles, of which 396 shall be for replacement only, and for the hire of such vehicles.

SEC. 702. Funds in this Act available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901–5902).

SEC. 703. Funds appropriated by this Act shall be available for employment pursuant to the second sentence of section 706(a) of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2225) and 5 U.S.C. 3109.

SEC. 704. The Secretary of Agriculture may transfer unobligated balances of discretionary funds appropriated by this Act or other available unobligated discretionary balances of the Department of Agriculture to the Working Capital Fund for the acquisition of plant and capital equipment necessary for the delivery of financial, administrative, and information technology services of primary benefit to the agencies of the Department of Agriculture: *Provided,* That none of the funds made available by this Act or any other Act shall be transferred to the Working Capital Fund without the prior approval of the agency administrator: *Provided further,* That none of the funds transferred to the Working Capital Fund pursuant to this section shall be available for obligation without the prior approval of the Committees on Appropriations of both Houses of Congress.

SEC. 705. New obligational authority provided for the following appropriation items in this Act shall remain available until expended: Animal and Plant Health Inspection Service, the contingency fund to meet emergency conditions, information technology infrastructure, fruit fly program, emerging plant pests, boll weevil program, and up to 25 percent of the screwworm program; Food Safety and Inspection Service, field automation and information management project; Cooperative State Research, Education, and Extension Service, funds for competitive research grants (7 U.S.C. 450i(b)), funds for the Research, Education, and Economics Information System (REEIS), and funds for the Native American Institutions Endowment Fund; Farm Service Agency, salaries and expenses funds made available to county committees; Foreign Agricultural Service, middle-income country training program and up to $2,000,000 of the Foreign Agricultural Service appropriation solely for the purpose of offsetting fluctuations in international currency exchange rates, subject to documentation by the Foreign Agricultural Service.

SEC. 706. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 707. Not to exceed $50,000 of the appropriations available to the Department of Agriculture in this Act shall be available to provide appropriate orientation and language training pursuant to section 606C of the Act of August 28, 1954 (7 U.S.C. 1766b).

SEC. 708. No funds appropriated by this Act may be used to pay negotiated indirect cost rates on cooperative agreements or similar arrangements between the United States Department of Agriculture and nonprofit institutions in excess of 10 percent of the total direct cost of the agreement when the purpose of such cooperative arrangements is to carry out programs of mutual interest between the two parties. This does not preclude appropriate payment of indirect costs on grants and contracts with such institutions when such indirect costs are computed on a similar basis for all agencies for which appropriations are provided in this Act.

SEC. 709. None of the funds in this Act shall be available to restrict the authority of the Commodity Credit Corporation to lease space for its own use or to lease space on behalf of other agencies of the Department of Agriculture when such space will be jointly occupied.

SEC. 710. None of the funds in this Act shall be available to pay indirect costs charged against competitive agricultural research, education, or extension grant awards issued by the Cooperative State Research, Education, and Extension Service that exceed 20 percent of total Federal funds provided under each award: *Provided,* That notwithstanding section 1462 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3310), funds provided by this Act for grants awarded competitively by the Cooperative State Research, Education, and Extension Service shall be available to pay full allowable indirect costs for each grant awarded under section 9 of the Small Business Act (15 U.S.C. 638).

SEC. 711. Notwithstanding any other provision of this Act, all loan levels provided in this Act shall be considered estimates, not limitations.

SEC. 712. Appropriations to the Department of Agriculture for the cost of direct and guaranteed loans made available in the current fiscal year shall remain available until expended to cover obligations made in the current fiscal year for the following accounts: the Rural Development Loan Fund program account, the Rural Telephone Bank program account, the Rural Electrification and Telecommunication Loans program account, the Rural Housing Insurance Fund program account, and the Rural Economic Development Loans program account.

SEC. 713. None of the funds in this Act may be used to retire more than 5 percent of the Class A stock of the Rural Telephone Bank or to maintain any account or subaccount within the accounting records of the Rural Telephone Bank the creation of which has not specifically been authorized by statute: *Provided,* That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available in this Act may be used to transfer to the Treasury or to the Federal Financing Bank any unobligated balance of the Rural Telephone Bank telephone liquidating account which is in excess of current requirements and such balance shall receive interest as set forth for financial accounts in section 505(c) of the Federal Credit Reform Act of 1990.

SEC. 714. Of the funds made available by this Act, not more than $1,800,000 shall be used to cover necessary expenses of activities related to all advisory committees, panels, commissions, and task forces of the Department of Agriculture, except for panels used to comply with negotiated rule makings and panels used to evaluate competitively awarded grants.

SEC. 715. None of the funds appropriated by this Act may be used to carry out section 410 of the Federal Meat Inspection Act (21 U.S.C. 679a) or section 30 of the Poultry Products Inspection Act (21 U.S.C. 471).

SEC. 716. No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other agency or office of the Department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.

SEC. 717. None of the funds appropriated or otherwise made available to the Department of Agriculture shall be used to transmit or otherwise make available to any non-Department of Agriculture employee questions or responses to questions that are a result of information requested for the appropriations hearing process.

SEC. 718. None of the funds made available to the Department of Agriculture by this Act may be used to acquire new information technology systems or significant upgrades, as determined by the Office of the Chief Information Officer, without the approval of the Chief Information Officer and the concurrence of the Executive Information Technology Investment Review Board: *Provided,* That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available by this Act may be transferred to the Office of the Chief Information Officer without the prior approval of the Committees on Appropriations of both Houses of Congress.

SEC. 719. (a) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in the current fiscal year, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds which: (1) creates new programs; (2) eliminates a program, project, or activity; (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted; (4) relocates an office or employees; (5) reorganizes offices, programs, or activities; or (6) contracts out or privatizes any functions or activities presently performed by Federal employees; unless the Committees on Appropriations of both Houses of Congress are notified 15 days in advance of such reprogramming of funds.

(b) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in the current fiscal year, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming of funds in excess of $500,000 or 10 percent, whichever is less, that: (1) augments existing programs, projects, or activities; (2) reduces by 10 percent funding for any existing program, project, or activity, or numbers of personnel by 10 percent as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress; unless the Committees on Appropriations of both Houses of Congress are notified 15 days in advance of such reprogramming of funds.

(c) The Secretary of Agriculture, the Secretary of Health and Human Services, or the Chairman of the Commodity Futures Trading Commission shall notify the Committees

on Appropriations of both Houses of Congress before implementing a program or activity not carried out during the previous fiscal year unless the program or activity is funded by this Act or specifically funded by any other Act.

SEC. 720. With the exception of funds needed to administer and conduct oversight of grants awarded and obligations incurred in prior fiscal years, none of the funds appropriated or otherwise made available by this or any other Act may be used to pay the salaries and expenses of personnel to carry out the provisions of section 401 of Public Law 105–185, the Initiative for Future Agriculture and Food Systems (7 U.S.C. 7621).

SEC. 721. None of the funds appropriated by this Act or any other Act shall be used to pay the salaries and expenses of personnel who prepare or submit appropriations language as part of the President's Budget submission to the Congress of the United States for programs under the jurisdiction of the Appropriations Subcommittees on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies that assumes revenues or reflects a reduction from the previous year due to user fees proposals that have not been enacted into law prior to the submission of the Budget unless such Budget submission identifies which additional spending reductions should occur in the event the user fees proposals are not enacted prior to the date of the convening of a committee of conference for the fiscal year 2005 appropriations Act.

SEC. 722. None of the funds made available by this Act or any other Act may be used to close or relocate a state Rural Development office unless or until cost effectiveness and enhancement of program delivery have been determined.

SEC. 723. In addition to amounts otherwise appropriated or made available by this Act, $3,000,000 is appropriated for the purpose of providing Bill Emerson and Mickey Leland Hunger Fellowships, as authorized by section 4404 of Public Law 107–171 (2 U.S.C. 1161).

SEC. 724. Notwithstanding section 412 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1736f), any balances available to carry out title III of such Act as of the date of enactment of this Act, and any recoveries and reimbursements that become available to carry out title III of such Act, may be used to carry out title II of such Act.

SEC. 725. Section 375(e)(6)(B) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008j(e)(6)(B)) is amended by striking ''$26,499,000'' and inserting ''$26,998,000''.

SEC. 726. Notwithstanding any other provision of law, the Natural Resources Conservation Service may provide financial and technical assistance through the Watershed and Flood Prevention Operations program for the Ditch 26 project in Arkansas.

SEC. 727. Notwithstanding any other provision of law, the Secretary shall consider the County of Lawrence, Ohio; the City of Havelock, North Carolina; the City of Portsmouth, Ohio; the City of Atascadero, California; the City of Binghamton, New York; the Town of Vestal, New York; the City of Ithaca, New York; the City of Casa Grande, Arizona; and the City of Clarksdale, Mississippi, as meeting the eligibility requirements for loans and grants programs in the Rural Development mission area.

SEC. 728. Notwithstanding any other provision of law, the Natural Resources Conservation Service shall provide financial and technical assistance to the DuPage County, Illinois, Kress Creek Watershed Plan, from funds available for the Watershed and Flood Prevention Operations program, not to exceed $1,600,000 and Rockhouse Creek Watershed, Leslie County, Kentucky, not to exceed $1,000,000.

SEC. 729. None of the funds made available in this Act may be transferred to any department, agency, or instrumentality of the United States Government, except pursuant to a transfer made by, or transfer authority provided in, this Act or any other appropriation Act.

SEC. 730. Agencies and offices of the Department of Agriculture may utilize any unobligated salaries and expenses funds to reimburse the Office of the General Counsel for salaries and expenses of personnel, and for other related expenses, incurred in representing such agencies and offices in the resolution of complaints by employees or applicants for employment, and in cases and other matters pending before the Equal Employment Opportunity Commission, the Federal Labor Relations Authority, or the Merit Systems Protection Board with the prior approval of the Committees on Appropriations of both Houses of Congress.

SEC. 731. None of the funds appropriated or made available by this Act may be used to pay the salaries and expenses of personnel to carry out section 14(h)(1) of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1012(h)(1)).

SEC. 732. None of the funds appropriated or made available by this Act, or any other Act, may be used to pay the salaries and expenses of personnel to carry out the Rural Strategic Investment Program authorized by subtitle I of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009dd through dd–7) in excess of $2,000,000.

SEC. 733. None of the funds appropriated or made available by this Act may be used to pay the salaries and expenses of personnel to carry out the Rural Firefighters and Emergency Personnel Grant Program authorized by section 6405 of Public Law 107–171 (7 U.S.C. 2655).

SEC. 734. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel to carry out the provisions of sections 7404(a)(1) and 7404(c)(1) of Public Law 107–171.

SEC. 735. The Agricultural Marketing Service and the Grain Inspection, Packers and Stockyards Administration, that have statutory authority to purchase interest bearing investments outside of Treasury, are not required to establish obligations and outlays for those investments, provided those investments are insured by FDIC or are collateralized at the Federal Reserve with securities approved by the Federal Reserve, operating under the guidelines of the U.S. Treasury.

SEC. 736. Of the funds made available under section 27(a) of the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), the Secretary may use up to $10,000,000 for costs associated with the distribution of commodities.

SEC. 737. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel to enroll in excess of 200,000 acres in the calendar year 2004 wetlands reserve program as authorized by 16 U.S.C. 3837.

SEC. 738. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel who carry out an environmental quality incentives program authorized by chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) in excess of $975,000,000.

SEC. 739. The Administrator of the Agricultural Research Service may make available by outlease agreements with other Federal agencies or non-Federal public or private entities any unused or underused portion or interest of or interest in any agency real and related personal property, and may retain and use the proceeds of such agreements in carrying out the programs of the agency. Property proposed for outlease must not be property otherwise required to be reported excess under the Federal Property and Administrative Services Act of 1949, as amended. Outleases shall be made competitively, and be based on the fair market value of the property.

SEC. 740. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel to carry out section 9006 of Public Law 107–171, the Farm Security and Rural Investment Act of 2002.

SEC. 741. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to carry out section 6103 of Public Law 107–171.

SEC. 742. None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to carry out section 6401 of Public Law 107–171, the Farm Security and Rural Investment Act of 2002.

SEC. 743. None of the funds appropriated or otherwise made available by this Act shall be used for the implementation of Country of Origin Labeling for meat or meat products.

SEC. 744. Any unobligated balances in the Alternative Agricultural Research and Commercialization Revolving Fund are hereby rescinded.

SEC. 745. None of the funds appropriated or otherwise made available by this Act shall be used to carry out a Conservation Security Program authorized in section 1241(a)(3) of the Food Security Act of 1985 (16 U.S.C. 3841(a)(3)).

SEC. 746. Section 726 of Division A of Public Law 108–7 is amended by striking '', as authorized by section 4404 of Public Law 107–171 (2 U.S.C. 1161)'' and inserting ''through the Congressional Hunger Center''.

SEC. 747. (a) ASSISTANCE FOR COMMERCIAL TREE LOSSES.—The Secretary of Agriculture shall use $5,000,000 of the funds of the Commodity Credit Corporation to provide assistance under the Tree Assistance Program, subtitle C of title X of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8201 et seq.), to tree-fruit growers located in a federally declared disaster area in the State of New York who suffered tree losses in 2003 as a result of an April 4–6, 2003, icestorm.

(b) OFFSET.—The amount appropriated by this Act under the heading ''RURAL COMMUNITY ADVANCEMENT PROGRAM'' is hereby reduced by $5,000,000.

SEC. 748. Section 204(a)(3) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1724(a)(3)) is amended by striking ''and Committee'' and inserting '', the Committee on Appropriations, and the Committee''.

SEC. 749. None of the funds appropriated or otherwise made available by this Act for the Food and Drug Administration may be used under section 801 of the Federal Food, Drug, and Cosmetic Act to prevent an individual not in the business of importing a prescription drug within the meaning of section 801(g) of such Act, wholesalers, or pharmacists from importing a prescription drug which complies with sections 501, 502, and 505.

Mr. BONILLA (during the reading). Mr. Chairman, I ask unanimous consent that the bill through page 72, line 23, be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. Are there any points of order against provisions in this portion of the bill?

Mr. BONILLA. Mr. Chairman, I move to strike the last word.

(Mr. BONILLA asked and was given permission to revise and extend his remarks.)

Mr. BONILLA. Mr. Chairman, as we all know, we are proceeding with this bill under regular order. I would like to thank the gentlewoman from Ohio (Ms. KAPTUR), my ranking member, for once again helping to produce the best bill we possibly could under the circumstances. We were working under some incredible fiscal limitations this year versus last year, and this is a bill that was produced by a subcommittee that has a history of working together.

The last time we had our bill on the floor, we had over 400 votes in support of the bill; and I am very proud of that. I think every member of the subcommittee understands that we try to work with every last person and try to honor every request that they have. We cannot always do everything that everybody wants, but we certainly give it our best shot. This is the year, as many Members know, that we also had to deal with over 2,300 individual requests. That is a lot of requests that our good staff has to keep track of day in and day out as we moved toward this day; and I would like to commend the staff, both the majority and the minority, as they have worked so diligently especially in the last few days around the clock to try to get us to this point on the floor so we could have a good bill to present to the folks.

So I am very proud of this product. Again, nobody always gets everything they want in bills like this, but we certainly have done the best we can.

Mr. KUCINICH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in strong opposition to this bill. It fails to fully protect farmers and consumers. The legislation permits big corporate agriculture to reap massive profits while small family farmers struggle to make a dollar. With respect to meatpacker audits, the administration has asked for $1 million for the Grain-Inspection, Packers and Stockyards Administration to audit the four largest steer and heifer meatpackers, for compliance with the Packers and Stockyards Act. This might sound like a routine request, but it is not. This will be the first time in the 82-year history of the Packers and Stockyards Act that the agency has audited a large packer, but the bill does not provide this funding. Republicans must know that such an audit would show significant problems with the meatpackers, thus their refusal to fund it. At a time when the four largest meatpackers control 80 percent of the market, the American public should at least know the truth.

I want to indicate my agreement with the minority committee report that was so ably represented by the distinguished gentlewoman from Ohio (Ms. KAPTUR). The report pointed out that with respect to the Conservation Security Program that this bill eliminates all funding for this program. This is despite the fact that this program will provide assistance to farmers to adopt conservation methods on working farms. This is unlike a number of other programs that take land out of production for conservation; and assistance for conservation on working farms has been sorely neglected in the past, and this program represents an essential attempt that would remedy that problem.

The Wetlands Reserve Program, in a recent publication, the committee has pointed out that the USDA referred to this program as the ''premier wetland restoration program,'' but the bill cuts new enrollment in this program by 20 percent in 2004. The program has a backlog of over 736,000 acres. That is why the farm conferees increased allowable acreage, and this amendment unfortunately will thwart that effort.

The Environmental Quality Incentive program is one that has gained a lot of discussion in this country. The bill reduces this program by $25 million in 2004. This will mean there will be a cut of 1,450 producers who will not be able to get equipped funding in 2004. And in addition, the backlog last year for the program was $1.5 billion, which caused many producers to give up on the program. Another limit will discourage those who still want to participate.

The guides to renewable energy, the minority report has correctly pointed out that the bill zeroes out funding for this program. This program would provide grants and loans to farmers and ranchers and small rural businesses to buy renewable energy systems and to make energy efficiency improvements. Now, here we are at a time when we are seeing sharp increases in electric prices. We have seen spikes in natural gas prices, and we are expecting more increases. These increases could devastate small farmers, ranchers, and businesses. Any bill that would zero out renewable energy, therefore, is not advisable.

With respect to country-of-origin labeling, the minority committee report has appropriately pointed out that the bill prevents the implementation of country-of-origin labels for meat and meat products. We have to understand that it is really basically a consumer's right to know where the goods they are consuming come from.

□ 1245

The House unanimously supported this idea when it instructed its conferees on the farm bill to support country of origin labeling for both meat and perishable products. All Americans are concerned about food safety and inspection. The bill provides about $12 million less than requested for food safety and inspection.

The minority committee report points out that under the budget request these funds would not have gone directly into inspection activities, but, given the large number of recalls in 2002 and the ongoing concern about the agency's performance, the $12 million should have been provided for increased inspection and sampling.

There are very few areas where the American public has a greater interest than the area of food safety and inspection. People really want to be assured that our government is doing what it can to make sure that the food which people are consuming has in fact been inspected and is in fact safe. This is another deficiency in this bill.

AMENDMENT OFFERED BY MR. BALLANCE

Mr. BALLANCE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BALLANCE:

Under the heading ''COMMON COMPUTING ENVIRONMENT'', insert after the dollar amount on page 3, line 9, the following: ''(reduced by $8,656,000)''.

Under the heading ''OFFICE OF THE ASSISTANT SECRETARY FOR CIVIL RIGHTS'', insert after the dollar amount on page 4, line 6, the following: ''(increased by $411,000)''.

Under the heading ''DEPARTMENTAL ADMINISTRATION'', insert after the dollar amount on page 6, line 3, the following: ''(increased by $2,005,000)''.

Under the heading ''CSREES-RESEARCH AND EDUCATION ACTIVITIES'', insert after the dollar amounts on page 11, line 13, and page 12, line 16, the following: ''(increased by $600,000)''.

Under the heading ''OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS'', insert after the dollar amount on page 16, line 12, the following: ''(increased by $5,000,000)''.

Mr. BALLANCE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BALLANCE. Mr. Chairman, I would like to thank the floor leaders of this bill on both sides. I appreciate this opportunity on behalf of myself and my colleagues, the gentleman from California (Mr. BACA) and the gentleman from Mississippi (Mr. THOMPSON).

Mr. Chairman, I am deeply concerned about the state of minority affairs at USDA. We know that on April 1 of last year, Mr. Vernon Parker, the first USDA Assistant Secretary for Civil Rights, was sworn in and given the enormous task of improving how minorities are currently treated at USDA, preempting future civil rights problems at USDA and righting past wrongs.

I applaud the President for his efforts in creating this Office of Civil Rights, but I urge my colleagues, and the reason I am standing with this amendment, is to not let this office be only window dressing for this very serious matter.

In the 1994 report commissioned by USDA, it was pointed out that minority participation in Farm Service Agency programs is particularly low; and minorities receive less than their

fair share of USDA funding for crop payments, disaster payments and loans. The report found gross deficiencies in USDA data collection and handling that helped these minority farmers.

Mr. Chairman, there are currently 11 class action lawsuits pending against USDA, all of which allege discrimination by USDA. There is a Latino farmer lawsuit, a Native American farm lawsuit and others, and the famous case of Pickford versus Glickman was settled in 1999. Since then we have spent over $800 million, but there are still 2,000 cases sitting around at USDA gathering dust waiting to be reviewed in connection with the Pickford case.

We are hemorrhaging money. We have an Office of Civil rights. It is underfunded. We met with Mr. Parker. He has a 90-day plan where he wants to attack this issue, but he has two staffers in addition to himself, and he has no money.

This amendment would allow that office to be properly funded. It would also allow about $2 million to go into the Office of Civil Rights so that they can review these old cases, and it would allow some funding to go for the benefit of Latino population education.

We think that this $8 million we are seeking here is meaningful to address all of these civil rights issues. We think it would not only serve the Department but it would serve this Congress and would serve this country. So I urge my colleagues to support this amendment.

Mr. BONILLA. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I will be brief and to the point. This has been a tough budget year. This is a tough bill, but it is a fair bill, and the gentleman brings up some very good points that need to be addressed. But, again, having done the best we can possibly do under the circumstances, I hope that people understand that we wished we could have done more but we were just not able to.

Certainly the accounts that this amendment would increase were not treated unfairly in any way, and this is how they are funded in the bill. For example, the Office of Civil Rights is at last year's level plus increased pay cost. Departmental Administration is at last year's level plus increased pay cost. Hispanic-Serving Institutions is held at last year's level, so there is no cut there, which in this day and age I believe people should be pleased with an outcome like that. The Outreach Program is also at last year's level.

The gentleman's amendment would do the following: It would more than double the Office of Civil Rights, giving that office a 104 percent increase; increase the Departmental Administration account by 5 percent; increase Hispanic-Service Institutions programs by 15 percent; and increase the Outreach Program by a whooping 144 percent.

Let me emphasize that if we had the money to do this we would be doing cartwheels in supporting these kinds of increases, but we are doing the best we can under the limitations we have in putting this bill together.

The money that would be taken from the USDA's Common Computing Environment Account, and while that does not sound like a grand program, let me emphasize that this takes care of the way that a lot of these programs are processed, like the work at the Farm Service Agency, the Natural Resources Conservation Service and the Rural Economic and Community Development Programs. This amendment would take $8.6 million away from USDA's ability to meet those needs, and that would indeed create a lot of hardship out in the heartland.

Mr. Chairman, we worked very hard to present a well-considered and fair bill to the House. I ask Members to stick with the committee and defeat this amendment.

Mr. KUCINICH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment. I think it is important for the House to understand that what we are talking about here is trying to assist minority farmers to be able to get experts in the field to help them obtain the best technology and environmental improvements in farming, to be able to be more competitive.

We know that, historically, whenever family farmers are having difficulties, it is always the minority farmers who find it most troubling to be able to survive.

This bill, when the work was being done, discovered a disturbing discrepancy for funding our Nation's land grant colleges of agriculture between funding for those land grant institutions established in 1890, all of which are historically black colleges and universities, and those established in 1962, which are predominantly non-minority.

I think the sponsors of this are trying to do the right thing in making sure that the inequities that have been long-standing and historic are addressed and that efforts are made in these difficult times to be able to establish fairness. Because this really is a question of fairness, whether or not we are going to be able to have an agricultural program that is going to make sure that minorities who have worked very hard to try to establish a place in agriculture will have available to them the kind of expertise that is available to many farmers generally.

So I rise in support of this amendment, and I urge Members to do likewise.

Mr. BACA. Mr. Chairman, I rise in favor of this amendment that I helped develop in collaboration with Representatives THOMPSON and BALLANCE. This amendment is important because it restores funding to help end discrimination and prioritizes other significant funding to help minorities in the field of agriculture.

The U.S. Department of Agriculture has institutional problems that must be resolved.

The problems within the USDA are so severe that the civil rights complaints have cost the federal government hundreds of millions of dollars in settlements and awards.

Fixing the civil rights complaint process and properly funding minority initiatives are necessary to permanently end a history of discrimination.

The USDA Inspector General, General Accounting Office, and the USDA Civil Rights Action Team have all written numerous reports documenting the problems at the Office of Civil Rights. Yet, employees responsible for discrimination settlements remain employed and the system as a whole remains unchanged.

In attempt to reform the problems at the USDA, we created the office of the Assistant Secretary for Civil Rights to oversee reform at the agency. But sadly, we have failed to fully fund this office.

Investing in the elimination of discrimination at the USDA will not only help save the federal government money in the long run, but it will help save employees and farmers the heartache and humiliation associated with discrimination.

Discrimination is morally reprehensible, and an unnecessary expense to the federal government. We must invest in the agency in order to correct the wrongs.

This amendment is also crucial to help end discrimination because it increases funding for Hispanic Serving Institutions by $600,000. These institutions are great sources of innovation and deserve funding to continue generating advances in agricultural science. We must stop the long-standing practice of under funding these institutions.

Mr. Chairman, I urge my colleagues to support these modest investments that will yield greater savings from discrimination lawsuits and earn goodwill with the minority agriculture community.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina (Mr. BALLANCE).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BLUMENAUER

Mr. BLUMENAUER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BLUMENAUER:

Under the heading ''AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS'', insert after the dollar amount on page 5, line 1, the following: ''(reduced by $800,000)''.

Under the heading ''OFFICE OF THE INSPECTOR GENERAL'', insert after the dollar amount on page 7, line 18, the following: ''(increased by $800,000)''.

Mr. BLUMENAUER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. BLUMENAUER. Mr. Chairman, I offer this amendment this afternoon together with the gentleman from Colorado (Mr. TANCREDO) to provide $800,000 for improved enforcement for the Federal animal fighting law. It is not just enough to fight a law, Mr. Chairman. It must be enforced.

In May, 160 Representatives and Senators requested this $800,000 increase for animal fighting enforcement in letters to the Committee on Appropriation's Subcommittee on Agriculture. The broad, bipartisan support reflects our constituents' concern for meaningful enforcement of the Federal animal fighting law.

Fifty-five State and local sheriff's offices, State police departments from around the country, including Kansas, my home State of Oregon, Colorado, Texas, West Virginia, Michigan, Wisconsin and others, have called on Congress to provide this money so that USDA will improve its enforcement for the animal fighting law and have a stronger partner in their efforts.

The increase we seek in our amendment would be offset by a cut of $800,000 in the agricultural building and facilities and rental payments account, only one-half of 1 percent, leaving over $156 million.

Mr. Chairman, in the 27 years since Congress first prohibited most interstate and foreign commerce of animals for fighting, USDA has pursued only a handful of cases, despite receiving a steady stream of tips from informants and requests for State and local police on illegal movement of fighting dogs and birds across State lines.

I was pleased to have the support of so many of our colleagues last year in enacting provisions to the farm bill to close loopholes in the Federal animal fighting law. Now it is time to ensure that the USDA take seriously its responsibilities and has the resources to enforce the law.

The amendment would provide the $800,000 for the Office of Inspector General to focus on animal fighting cases, working closely with State and local law enforcement personnel to complement their efforts.

While dogfighting is banned in all 50 States and cockfighting is banned in 48 States, the Federal Government must be involved, for participants in animal fights often come together from several States at a time and animals are moved across State lines.

This is not some innocent pastime. Dogfighting and cockfighting are barbaric activities in which animals are given drugs to make them hyper-aggressive and drugs to clot their blood more quickly so they can continue fighting. They are pushed by their handlers to fight even after they have suffered grievous injuries, such as pierced lungs and gouged eyes.

Dogfights and cockfights not only are deplorable animal abuse, but they are integrally involved with illegal gambling, drug traffic and violence to people who participate in these activities.

It is well documented that animal fighters often bring their children to these spectacles, sending a terrible message to them about animal cruelty and violence. Some dogfighters steal pets to use as bait for training their dogs. Some abandon fighting animals, leaving them to roam neighborhoods and wreak havoc. Any dog bred and trained to fight poses a public safety risk.

Mr. Chairman, in October of 2002, the Exotic Newcastle Disease began spreading rapidly across the Southwest United States. Exotic Newcastle Disease is a highly contagious viral disease that affects respiratory, digestive and nervous systems of all birds. This outbreak cost taxpayers upwards of $100 million in containment and compensation fees, and it is very probable the outbreak originated from cockfighting birds imported from Mexico.

According to the State Veterinarian and Director of Animal Health and Food Services in California, game fowl and their owners have played a major role in the dissemination of this virus due to their high mobility related to meetings, training, breeding and fighting activities on a regular basis.

The Texas Poultry Federation takes a similar position in its letter, stating that, cockfighting has spread Exotic Newcastle Disease as their birds travel extensively and come in close contact at fights. It makes no sense to allow illegal cockfighting operations to continue, putting our flocks and livelihood at risk.

Mr. Chairman, surely spending $800,000 to crack down on animal fighting is a smart investment to help prevent the spread of costly future diseases, especially when a significant portion of the eradication expenses the Federal Government has already incurred in the recent outbreak, $11.5 million, according to USDA records, went to compensate owners of birds believed to be illegal fighting cocks.

□ 1300

Why let this illegal industry continue to thrive unchecked?

Animal fighting is no longer simply an animal welfare issue, it is an epidemic that is costing taxpayers millions of dollars, threatening our food supply, and destroying the hard work of American farmers. It promotes illegal gambling and drug activities and puts the public at risk. I urge my colleagues to vote in support of this amendment.

Mr. BONILLA. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, there is not a Member of this body that does not believe in treating animals humanely. However, I oppose this amendment for several reasons:

First, the $800,000 that would go to the Inspector General would go to dogfighting and cockfighting enforcement, and it would cut buildings and facilities funding for rent and maintenance that are already underfunded.

The Inspector General's office has told us that enforcement of this will be done at a minimal level since this is a misdemeanor offense. Now, one could argue the pluses and minuses on whether it should be a more serious offense, but these are misdemeanors that are dealt with by local law enforcement agencies from around the country, and they cannot afford to devote their resources at the IG level because of this reason. The IG tells us that one case alone could cost $800,000.

Second, one of the reasons that we are debating this amendment today is that the Humane Society of the United States points out that this vote will be counted on the Humane Scorecard this year. The only reason that this item is even on their scorecard is that we have addressed all other of their concerns in this bill. We provided a $437,000 increase for animal welfare, $1.1 million more for regulatory enforcement in the Animal and Plant Health Inspection Service, and fully funded the enforcement of the Humane Methods of Slaughter Act in the Food Safety and Inspection Service.

If the sponsors of this amendment were serious about this, programs that the HSUS supported like the ones that I just mentioned are the ones that would be cut to pay for this amendment, but then that would force them to prioritize like the rest of us have to do.

If every Member of the House brought an amendment to the floor just because they did not get every last nickel that they wanted, we would be here all day and we could never get this bill done.

Finally, Mr. Chairman, I urge my colleagues to not vote against this amendment simply because I am suggesting that they do, but vote against this amendment because of the following statement by an HSUS Vice President who said, ''The life of an ant and that of any child should be granted equal consideration.''

Mr. KUCINICH. Mr. Chairman, I rise in support of the Blumenauer-Tancredo amendment. The amendment is designed to improve enforcement of the Animal Welfare Act.

I think that when we recognize that so many Americans are concerned about animal abuse, we look at this as being one of the most egregious areas where dogfighting and cockfighting takes place. As the gentleman from Oregon (Mr. BLUMENAUER) pointed out, it is not only a matter of animal abuse, it is a matter of illegal gambling, drug trafficking, and violence against other people. Violence breeds violence. I think that this amendment, in seeking to bring an appropriate Federal role through funding through the Inspector General, would help the local communities understand that a Federal focus means that more attention needs to be paid to local enforcement as well.

As somebody who served in municipal government over the years, this is something that came up in terms of activities that were taking place in some of the neighborhoods in my own community, and certainly people who heard about them and who were involved in the community understood that the level of violence and the level of animal cruelty was something that needed public attention.

We should have no tolerance for animal cruelty. We should have no tolerance for a system which degrades these creatures of God. And we also need to understand that, as the honorable chairman pointed out, the observation that was made by an official concerning the quality of ants and children, I do not think that he actually meant to equate the importance of an ant to a child, but what the statement meant to say was that all life here ought to be regarded with some degree of respect and that, in effect, when we try to come forward here and support animal welfare and support the rights of animals to not be treated cruelly, what we are doing here is, in effect, elevating our own humanity.

Mr. BLUMENAUER. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. Without objection, the gentleman is recognized for 5 minutes.

There was no objection.

Mr. BLUMENAUER. Mr. Chairman, I wanted to just respond very briefly to two points of the distinguished chairman of the subcommittee.

What he describes with the notion of this being a misdemeanor is part of the catch-22 that some of the people in this Congress who are fronting for the illegal fighting animal activities have produced for us. When we had an amendment on the floor that was approved in the farm bill last year, it was to increase the penalties so that it would be easier to pursue. But, sadly, in conference, contrary to the will of the House, these provisions were watered down. So now we can plead, well, it is only a misdemeanor so we should not be involved with it.

The fact is, as I mentioned in my statement, 55 local jurisdictions and State jurisdictions in law enforcement have asked us to come forward, because while these provisions may be misdemeanors, they are tied up in a network of illegal activity that breeds violence, drug, and other activities and is serious. It is not just animal cruelty, if somebody wants to dismiss that.

Second, the gentleman's argument that we cannot afford it I think is a false economy. First of all, I am taking from an account that they have already significantly reduced. It is an area that would already have $156 million. We are only speaking of one-half of 1 percent, but the $800,000 here has the opportunity to prevent vast losses to the Federal Government.

As I pointed out, Exotic Newcastle Disease and all the evidence suggests it is illegal game-fighting that has spread it throughout the Southwest. That is the conclusion from the gentleman's home State of Texas, from California, and has cost us upwards of $100 million that we have had to spend tracking these down, eradicating poultry and other birds and compensating people, including $11.5 million for what are probably illegal fighting cocks.

I would suggest that the gentleman, with all due respect, is not being responsive to the overall economic impact, and it is not simply that we just dismiss as something not worthy of more law enforcement attention. It does not get the attention because the interests that are sympathetic to animal fighting, illegal animal fighting, have deliberately fought to have strong enforcement provisions. The least we can do, the least we can do is provide the resources within the extent of the existing law to cut it back, stop the illegal activity, and prevent the waste of tens of millions of dollars of taxpayer money.

Ms. KAPTUR. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment. I wanted to say that I think the gentleman from Oregon (Mr. BLUMENAUER) has a very worthy amendment here. I was particularly struck by one of his arguments: the linkage between crime and the mistreatment of animals and the increasing spread of Exotic Newcastle Disease across our country which, by the way, also has a cost. It comes to us in the form of trying to remediate and to make whole those whose flocks have been devastated. I do not think that it is widely known that, as the gentleman mentioned, some of the animals might have come in from another country. We know how poorly our borders are inspected.

So I want to commend the gentleman for taking the offset for his amendment from the buildings accounts, as opposed to from our research accounts or our animal plant health inspection accounts, or our border inspections, et cetera. I think that the matter is that the people who are doing this are doing it illegally; and now there is a linkage to the spread of disease, serious disease.

I think that the gentleman's amendment is very reasonable. He is asking for $800,000 for the Office of the Inspector General who, when they are given the authority, do a great job, to try to remedy this animal fighting across our country and, I think importantly, to stem any disease that may spread as a result of it.

So I just wanted the speak on behalf of the gentleman's amendment and to thank him for the responsible manner in which he has found an offset to try to find the funds for the Inspector General.

I might say, one of the bad things about the way the laws concerning the Inspector General have been written, even if wrongdoers are found and fines are levied, under the laws of our country the Inspector General has to return those funds to the Department of Treasury. It does not go to the Department of Agriculture for further prosecution and further investigation. I have never liked that aspect of the law, because I think we ought to reward the Inspectors General that are doing a good job in apprehending wrongdoers across this country.

So I want to thank the gentleman for his very appropriate amendment here, and I urge my colleagues for their support.

Mr. BLUMENAUER. Mr. Chairman, attached is a letter signed by 122 members requesting this $800,000 increase, as well as a letter of support from the Humane Society of the United States.

CONGRESS OF THE UNITED STATES,
Washington, DC, May 23, 2003.

Hon. HENRY BONILLA,
Chairman, Appropriations Subcommittee on Agriculture, Rayburn House Office Bldg., Washington, DC.

Hon. MARCY KAPTUR,
Ranking Member, Appropriations Subcommittee on Agriculture, Longworth House Office Bldg., Washington, DC.

DEAR CHAIRMAN BONILLA AND RANKING MEMBER KAPTUR: We are writing to thank you for your outstanding support in FY 2003 for improved enforcement by the U.S. Department of Agriculture of key animal welfare laws, and to urge you to ''hold the line'' in FY 2004 so that this effort can be sustained. Your leadership is making a great difference in helping to protect the welfare of millions of animals across the country, including those at commercial breeding facilities, laboratories, zoos, circuses, airlines, and slaughterhouses. As you know, better enforcement will also benefit people by helping to prevent: (1) injuries to slaughterhouse workers from animals struggling in pain; (2) orchestrated dogfights and cockfights that often involve illegal gambling, drug traffic, and human violence; (3) the sale of unhealthy pets by commercial breeders commonly referred to as ''puppy mills''; (4) laboratory conditions that may impair the scientific integrity of animal based research; (5) risks of disease transmission from, and dangerous encounters with, wild animals in or during public exhibition; and (6) injuries and death of pets on commercial airline flights due to mishandling and exposure to adverse environmental conditions.

For FY 2004, we want to ensure that the important work made possible by the FY 2003 budget is continued, that newly hired and trained inspectors will be able to stay on the job, and that resources will be used in the most effective ways possible to carry out these key laws. Specific areas of concern are as follows:

OFFICE OF INSPECTOR GENERAL/$800,000 INCREASE FOR ANIMAL FIGHTING ENFORCEMENT

In last year's Farm Bill, Congress enacted provisions that were overwhelmingly supported in both chambers to close loopholes in the Animal Welfare Act (AWA) regarding cockfighting and dogfighting. Since 1976, when Congress first prohibited most interstate and foreign commerce in animals for fighting, USDA has pursued no cockfighting cases and only three dogfighting cases, despite rampant activity across the country. USDA has apparently received innumerable tips from informants and requests to assist with state and local prosecutors, but routinely ignored or declined such requests. It is time for USDA to take seriously its responsibility to enforce the portion of the AWA dealing with animal fighting ventures. Dogfighting and cockfighting are barbaric activities in which animals are drugged to heighten their aggression and forced to keep fighting even after they've suffered grievous injuries, such as pierced lungs and gouged eyes. Animal fighting is almost always associated with illegal gambling, and also often involves illegal drug traffic and violence toward people. Dogs bred and trained to fight endanger public safety. Cockfighting has

been linked with the recent outbreak of Exotic Newcastle Disease that has already destroyed many poultry flocks and cost taxpayers more than $40 million for containment and compensation, with costs estimated to rise as high as $250–$500 million.

Given the dangerous nature of animal fighting enforcement work, we believe that the department's chief law enforcement arm—the Office of Inspector General (OIG)—is best suited to lead this effort. We therefore respectfully request an increase of $800,000 for the OIG to focus on animal fighting cases and inclusion of bill language directing the Secretary to coordinate intelligence gathering, investigation, and prosecution of animal fighting cases, pursuant to Section 26 of the AWA, through the OIG, working with local and state law enforcement personnel to complement their efforts, and drawing on other federal entities including the Attorney General, the Animal and Plant Health Inspection Services, and the Office of the General Counsel as needed.

FOOD SAFETY AND INSPECTION SERVICE/HUMANE METHODS OF SLAUGHTER ACT (HMSA) ENFORCEMENT

We greatly appreciate the inclusion of $5 million in the FY 2003 bill to hire at least 50 inspectors whose sole responsibility will be to ensure that livestock are treated humanely and rendered unconscious before they are hung upside down, skinned, dismembered, scalded, or killed. Having these new inspectors focus on unloading, handling, stunning, and killing of animals will bring much-needed attention to slaughter plant practices that have had little oversight in recent years. We also appreciate your inclusion of language specifying that the ongoing activities of 17 District Veterinary Medical Specialists hired as a result of $1 million provided in the FY 2001 Supplemental should be limited to HMSA enforcement rather than the various unrelated duties with which they had been charged. And we commend you for directing the General Accounting Office to review and report by July 1, 2003 on the scope and frequently of HMSA violations, with ''recommendations on the extent to which additional resources for inspection personnel, training, and other agency functions are needed to properly regulate slaughter facilities in the areas of HMSA enforcement.''

There are nearly 900 federally inspected slaughter plants in the U.S., handling millions of animals each day. In addition to requesting continued funds in FY 2004 to sustain at least 50 new inspectors and the 17 positions mentioned above, we hope you will give full consideration to any recommendations the GAO may have for enhancing enforcement of this important—and very basic—law.

APHIS/ANIMAL WELFARE ENFORCEMENT

Thanks to funding increases in the past four years, Congress has enabled USDA to begin to reverse a serious decline in the number of AWA compliance inspections. However, the President's FY 2004 budget proposal—which suggests $1.7 million less for the Animal Care division than in FY 2003—would fail to cover the salaries of recently-hired inspectors and substantially undo the gains Congress has made possible. Moreover, there is still much room for improvement. Many facilities continue to escape oversight for long periods of time, giving rise to situations that threaten both human and animal health and safety. Nearly half of the sites that do get inspected are found to have apparent violations of the minimum standards under the Act and, therefore, follow-up visits are badly needed. We urge you to sustain Animal Welfare funding at the FY 2003 appropriated level of $16.4 million, in order to keep the current number of inspectors (approximately 100 to oversee about 10,000 sites).

Again, we are very grateful for the Subcommittee's leadership in addressing enforcement needs for key animal welfare laws. We hope you will stay the course, so that funds necessary to administer these laws effectively will continue to be available and will be appropriately used. We look forward to working with you in the coming year, and thank you for your consideration.

Sincerely,

Christopher Smith, Earl Blumenauer, Thomas Tancredo, Robert Andrews, Mark Green, Elton Gallegly, Roscoe Bartlett, Gary Ackerman, David Wu, William Delahunt, James Moran, Louise Slaughter, Steven LaTourette, Frank LoBiondo, Dennis Kucinich, David Price, James McGovern, Steve Israel, Tammy Baldwin, Bob Filner, Barney Frank, Tim Ryan, Rush Holt, Rick Larsen, Jerry Costello, Jim Leach, Steven Rothman, Nancy Johnson, James Langevin, Michael Ferguson, Gary Ackerman, George Miller, Carolyn Maloney, Mark Udall, Vic Snyder, Jim Saxton, Rob Simmons, Anthony Weiner, Donald Payne, Johnny Isakson, Richard Neal, Frank Wolf,

Neil Abercrombie, Dennis Moore, Bill Pascrell, Jr., Ellen Tauscher, Judy Biggert, Luis Gutierrez, Michael Doyle, Karen McCarthy, Jerrold Nadler, Janice Schakowsky, Robert Wexler, Phil English, Mike Thompson, Peter DeFazio, Dale Kildee, Sherrod Brown, Frank Pallone, Elijah Cummings, Zoe Lofgren, Robert Menendez, Jay Inslee, Joseph Hoeffel III, Michael Bilirakis, Bernard Sanders, Chris Shays, Henry Waxman, Brad Sherman, Charles Rangel, Fred Upton, Tom Lantos, Hilda Solis, John Tierney, Peter Deutsch, Edward Whitfield, Lloyd Doggett, Edolphus Towns, Eleanor Holmes Norton, Barbara Lee, Major Owens, Adam Smith, Eliot Engel, Michael Honda, Lane Evans, Julia Carson, Corrine Brown, William Clay, Jr., Brian Baird, Adam Schiff, Grace Napolitano, Robert Matsui, Albert Wynn, Anthony Weiner, Martin Meehan, Nicholas Lampson, Thomas Allen, Nancy Pelosi, Patrick Kennedy, Sherwood Boehlert, Anna Eshoo, Sander Levin, Shelby Berkley, James Clyburn, Howard Berman, Jim McDermott, Nydia Velazquez, Gene Green, John Lewis, Lynn Woolsey, Sanford Bishop, Jr., Charles Gonzalez, Michael Capuano, Benjamin Cardin, Ed Case, Harold Ford, Jr., Pete Stark, Stephen Lynch, William Lipinski, Charles Bass, Clay Shaw, Jr., Jim Greenwood.

THE HUMANE SOCIETY
OF THE UNITED STATES,
Washington, DC, July 14, 2003.

DEAR REPRESENTATIVE: On behalf of The Humane Society of the United States (HSUS) and our more than 7.7 million supporters nationwide, we are writing to urge your support for the Blumenauer-Tancredo amendment to the Fiscal Year 2004 Agriculture Appropriation Act. The HSUS intends to score this vote on our annual Humane Scorecard,which is a joint project of several major national animal protection organizations.

Last year, Congress closed loopholes in the federal animal fighting law (Section 26 of the Animal Welfare Act). Now Congress needs to ensure that USDA enforces this law in a meaningful way. The Blumenauer-Tancredo amendment would provide $800,000 for the Office of Inspector General to focus on animal fighting cases, providing for collaborative opportunities for federal, state, and local law enforcement personnel on dogfighting and cockfighting activities that involve interstate transport or foreign commerce.

Dogfighting and cockfighting are barbaric activities in which animals are drugged to heighten their aggression, strapped with knives or gaffs on their legs, placed in a pit, and forced to fight to injury or death for amusement. During the instigated fights, the animals suffer grievous wounds. Animal fighting is often associated with illegal gambling, and also often involves illegal drug traffic and violence against people. Dogs bred and trained to fight endanger public safety.

Cockfighting has been linked with the recent outbreak of Exotic Newcastle Disease (END) that destroyed many poultry flocks and cost taxpayers more than $100 million for containment and compensation. Not only have law enforcement agencies and humane and veterinary groups called on Congress and USDA to deal with this growing problem, so have traditional agricultural organizations like the California Farm Bureau Federation and the Texas Poultry Federation, out of concern about cockfighters spreading END and other diseases.

Thank you for your consideration, and please vote ''yes'' on the Blumenauer-Tancredo amendment to the FY 04 Agriculture Appropriations Act.

Sincerely,

WAYNE PACELLE,
Senior Vice President, Communications & Government Affairs.

MIMI BRODY,
Director, Federal Legislation.

Mr. SHAYS. Mr. Chairman, last year, Congress enacted provisions to close loopholes in the federal animal fighting laws. We need to ensure the Department of Agriculture (USDA) has the resources it needs to enforce the law.

The Blumenauer-Tancredo amendment will provide a modest $800,000 for the USDA's Office of Inspector General to focus on animal fighting cases.

Dogfighting is banned in all 50 States and cockfighting is banned in 48 States. Dogfights and cockfights frequently involve not only deplorable animal abuse, but also illegal gambling, drug traffic, and violence to people. Additionally, cockfighting may be responsible for the spreading of diseases such as Exotic Newcastle Disease (END), a highly contagious virus that affects the respiratory, digestive, and nervous systems of birds. This disease has destroyed many poultry flocks throughout California, Arizona, New Mexico, and Texas and has cost taxpayers more than $100 million for containment and compensation.

As Co-Chair of the Congressional Friends of Animals Caucus, I urge my colleagues to vote in favor of the Blumenauer-Tancredo amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon (Mr. BLUMENAUER).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. BLUMENAUER. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of Rule XVIII, further proceedings on the amendment offered by the gentleman from Oregon (Mr. BLUMENAUER) will be postponed.

AMENDMENT OFFERED BY MR. DAVIS OF ALABAMA

Mr. DAVIS of Alabama. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Alabama:

Page 3, line 9, after the dollar amount, insert ''(reduced by $3,500,000)''.

Page 11, line 13, after the dollar amount, insert ''(increased by $2,000,000)''.

Page 13, line 5, after the dollar amount, insert ''(increased by $2,000,000)''.

Page 13, line 23, after the dollar amount, insert ''(increased by $1,500,000)''.

Page 14, line 14, after the dollar amount, insert ''(increased by $1,500,000)''.

Mr. DAVIS of Alabama (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. DAVIS of Alabama. Mr. Chairman, I rise today in support and to offer an amendment that will correct a discrepancy and a disparity that has been overlooked in this bill, Mr. Chairman.

Let me begin by, first of all, thanking the very able ranking member of this subcommittee, the gentlewoman from Ohio (Ms. KAPTUR) for her cooperation and her assistance. Let me thank my good friend, the gentleman from South Carolina (Mr. CLYBURN), as well and a number of my colleagues on both sides of the aisle who have worked on this issue during the last several months.

Mr. Chairman, 17 Members of this institution are honored to represent 1890 Land Grant Colleges. 1890 Land Grant Colleges are historically black colleges and universities that have played an enormously significant role in the life of the South, in particular in the last 100 years. These institutions, that include in my State Tuskegee Alabama University and Alabama A&M University, not only reach an underserved part of the population, but they have been vehicles for launching leadership all over this country.

In the President's budget that was submitted, there was a discrepancy in the way these schools are treated and the way that 1862 Land Grant Colleges are treated. While I certainly take the chairman's admonition that if all of us who wanted to add a dollar here and a dollar there were to come to the floor, we would be here all day, I think that all of us would recognize that we have some fundamental obligations to treat like institutions in the same manner.

This particular budget essentially leaves level funding for 1862 Land Grants, which happen to be predominantly white institutions. Funding is slashed by five times that amount for 1890 Land Grants. I am not here to point a finger, Mr. Chairman, or to cast aspersions. I simply identify this discrepancy as something that we should fix.

A number of people ask, what is the impact of a cut that seems relatively small, about 3 percent? That has to be measured I think in the individual life of these institutions. Seventeen of them stand to lose $200,000 to $300,000 a school. In Tuskegee, Alabama, a $200,000 cut at Tuskegee University weakens the ability of that school to do enormously important work. A $200,000 cut at Alabama A&M University weakens the ability of that school to do enormously important work.

While so many programs have had to bear the brunt of the budget ax, we ought to make sure that it is administered in a fair and evenhanded manner.

So I ask my colleagues to support this amendment and to restore $3.5 million, a fraction of a $3 trillion plus budget, to bring back these 1890s to parallel treatment with 1862s in this budget. This is an act of bipartisanship on our part.

I want to thank someone who is not here today, who is touring a base in his State, my good friend and one of the ablest colleagues that we have in this institution, the gentleman from Connecticut (Mr. SHAYS). He has worked on this issue since the budget process. I want to also thank the gentleman from Louisiana (Mr. VITTER), our colleague on the Committee on Appropriations.

So I urge my colleagues to support this amendment, to make a very important statement about the worth and the value of these colleges that play such a significant role.

□ 1315

Mr. BONILLA. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I yield myself such time as I may consume. Mr. Chairman, once again the gentleman brings up some very good points in his amendment, but we have done the best we possibly could under the limitations we have this year; and the offset the gentleman is looking at, again, would hurt the implementation of a lot of programs that we have discussed earlier. So for that reason I would oppose this amendment.

Ms. KAPTUR. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I wanted to rise in very strong support of the gentleman from Alabama's (Mr. DAVIS) amendment. I think it is a very important one to support our land grant institutions, and those that are historically black colleges and Tuskegee Institute. If you think about it, if you look at the budget the President presented to the Congress, the funding for the 1890 land grant institutions was actually cut three times as deeply as funding for the 1862 land grant institutions under the President's submittal. And so the cuts fall more harshly on those institutions that have an enormous load to carry in helping to bring up the talent to perform the research at those colleges which often gets shortchanged because people are spending so much of their time teaching.

I think only an administration that really does not understand what these institutions do could cut the funding three times as deeply as the other trims that were made in the budget. It has been very interesting to watch the President tour Africa. In having worked with our colleagues over the years to try to get linkages between our historically black colleges and Tuskegee Institute with African institutions to try to draw linkages halfway across the world, I know how difficult it has been. It has been hard to get those kinds of agreements to occur, to give these institutions a chance to embrace the 21st century and create the kind of global connections and specialized knowledge that rests in these institutions.

So I think the gentleman makes a very reasonable proposal here for $1.5 million to be directed to the institutions for facilities and $2 million for capacity building for the 1890s institutions, offsetting that $3.5 million from the common computing environment.

When I look at what happened over the weekend with all the news coming out about credit cards over at the Department of Agriculture and some of the internal problems that they are having, I know one thing: when you invest in the Historically Black Colleges and Universities and the Tuskegee Institute, you are investing in people; you are investing in the future where knowledge is so important to propel economic growth including in some of the most hollowed out parts of the country where agriculture has to be the lodestar industry. These institutions provide hope and opportunity for people who were traditionally excluded from other institutions of learning in this country.

So I think that the gentleman has correctly awakened this Congress and the administration to what is not just fair but appropriate and will help to provide opportunity in many quarters. So I want to strongly support the Davis amendment.

Mr. TOWNS. Mr. Chairman, I rise today in support of the gentleman from Alabama's amendment.

As a graduate of one of our nation's historically Black land-grant institutions, North Carolina A&T State University, I know how important these colleges and universities are to farmers in economically-distressed areas. To reduce the research and education activities by 17 percent and the expansion for extension activities by 10 percent imposes an onerous burden on these institutions and their ability to serve minority students and farmers. These cuts stand in marked contrast to the minimal reductions experienced by 1862 land-grant institutions.

Consequently, I would urge support for the gentleman's amendment which would restore $3.5 million for these colleges and universities. At a time when limited resource farmers are struggling for survival, we should not be undercutting their best educational resource, the extension arm of the 1890 colleges and universities.

Mr. SHAYS. Mr. Chairman, I rise in support of this amendment, which will restore funding to historically black 1890 land grant colleges,

and thank ARTUR DAVIS for bringing this disparity to our attention.

When the Budget Committee, of which I am Vice-Chairman, debated this year's Budget Resolution, Mr. DAVIS alerted us to a troubling discrepancy. Under the budget, historically black 1890 Colleges of Agriculture would have federal funds cut by 3.1 percent, while predominantly non-minority 1862 land grant colleges were only cut by .6 percent. The Budget Committee agreed to insert language into the Budget Resolution stating 1862 and 1890 colleges should be treated equitably.

Under the budget, Capacity Building grants for research and education activities at 1890 colleges were cut 17 percent, while Facilities Expansion funding for Extension Activities were cut by 10 percent. Our amendment restores this funding.

There are 1,890 extension offices working directly with minority farmers. Their activities are vital to the success of these primarily agricultural institutions, and provide critical support for farmers in the most economically-distressed areas.

Because so little funding already flows to these activities, cuts of this magnitude could cripple the ability of 1890 institutions to pursue their mission.

Again, I thank Mr. DAVIS for offering this amendment and urge its passage.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama (Mr. DAVIS).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. REHBERG

Mr. REHBERG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REHBERG:

Strike section 743 (page 71, lines 8 through 11), relating to country of origin labeling for meat and meat products.

Mr. Chairman, this is a very simple amendment, that is why I had it read. It is country-of-origin labeling.

A vote for this amendment is a vote in favor of country-of-origin labeling. A vote against this amendment is a vote to kill it. The proponents of what they did in the subcommittee and full committee will talk about the fact that they are delaying for 1 year, but that does not occur. Within this amendment, by delaying the implementation, you in fact delay country-of-origin labeling because the Department will spend no time on this very matter. We knew all along the administration did not support this. I have talked to the President personally about this. I do not know if they necessarily understand the issue.

The issue is very simple. Do we want to give our producers in America the opportunity to tout the fact that their product was born, raised, and processed in America? Country-of-origin labeling offers shoppers a choice, but also provides farmers and ranchers fairness. The issue has been fully debated. It was debated in the House farm bill. It was debated in the Senate farm bill. It passed both bodies. It was signed by the President; and, in fact, the administration has had twelve hearings around the country.

By taking the funding away from the implementation, you are cutting the legs out from under American farmers and ranchers and our ability to know where our product comes from, and it makes you wonder why somebody would be reluctant to put their name or their country on their product. Currently you can buy clothes, you can buy electronics, you can buy toys that label where they come from; but you cannot label meat mandatorily. You do not know where your meat is necessarily coming from. And yet you can buy Australian lamb chops, New Zealand apples, and Chilean sea bass.

Some will try to say that COOL violates the international trade agreements. And that is not true. In fact, in an article just today, the Japanese officials have said that trade would be banned beginning September 1 if the United States cannot certify that exports contained no Canadian beef. Our number one importer of our beef is Japan. They want country-of-origin labeling. Our number three importer of our meat is Korea, and they want the same labeling. In fact, 60 countries around the world are asking for labeling.

I have brought along an article that was in the Great Falls paper yesterday, the Great Falls Tribune. Interesting: ''This spring after a case of mad cow disease was confirmed in Alberta, Montana's cattle industry found out just how valuable it is to know where cattle are all the time. In June, officials learned five bulls from a Canadian herd linked to the Alberta cow with the disease were sold to a Montana ranch in 1997. The paper trails created by the State's inspection process traced in less than 20 hours where the bulls had been and where they ended up. Montana's brand inspection laws are among the country's strictest. Every time branded livestock are moved across a county line, sold to another owner or brought to a livestock auction, an official inspection must take place; records of those inspections are kept in a State wide registry. Jack Wiseman, administrator of brand enforcement of the Montana Department of Livestock said, 'If a cow never left the State of Montana or was exported to State with a similar brand laws, we could trace the ownership of a cow from calf-hood to death.' ''

Do not listen to me as to why this is important. Listen to somebody who has some experience in enforcement of livestock laws. '' 'Montana's system is enviable,' says Larry Gray, the director of Law Enforcement for Texas and the Southwest Cattle Raisers. The Lone Star State does not require brand inspections for stock sales between private individuals. Brands are recorded at the county level but there is no state-wide registry. I wish our laws were more stringent. That is a problem in Texas, he said, and right there there is not a way for State officials to trace an individual animal's history. 'Perhaps with country-of-origin labeling which would show consumers where meat sold at the retail level is born, raised, and processed, there will be a way to trace cattle here.' ''

Does that not scare you to death? Cattle can be stolen in some States around this country and we have do not have the process set up to be able to tell, like Montana did within 20 hours, where cattle that had come from a State or a country that had a problem, where those livestock went. It is important that we pass this amendment. It is important that we carry forward with country-of-origin labeling for America, for farmers and ranchers, for consumers.

Mr. BONILLA. Mr. Chairman, I rise in opposition to this amendment.

Mr. Chairman, there is strong bipartisan opposition to this amendment in this body. It is interesting to note on this occasion when amendments are presented before this body how much misinformation is presented. For the proponents of this amendment to in any way indicate that you cannot put labels on any meat products at this time is absurd. This is a free country.

Any producer, any retailer right now can stick a label that says ''Made in America'' on any aisle in any frozen food section, in any section of the grocery store if they choose to do that.

The misinformation about whether or not this amendment affects mad cow disease is one of those fear-mongering arguments that is often times made in this town and around the country when you are trying to reach people at the emotional level and not at all talking about the truth in substance about the issue at hand.

This country-of-origin labeling on meat products that is in the bill, the prohibition on funding, has absolutely nothing to do with mad cow disease. But again, this argument is being pulled off the shelf to try to scare people into voting for this.

This prohibition that we have put in this bill simply says that USDA will not be able to work on enforcing, promulgating, developing any kind of regulation for a year until there can be more ample study and understanding of the bill.

This country-of-origin labeling provision that was put in the farm bill last year is controversial and costly. Many of our producers out there are shaking in their boots right now wondering about the liability that they would be faced with, the action that could be taken against them by people who would simply hold them accountable for not putting the proper label on their product. It could drive them out of business.

Grocery stores in this country, I do not care what part of the country you live in, if you have got a Safeway, if you have got a, like in Texas, an HEB Food Store or an Albertson's, all of the people who run those grocery stores are opposed to this amendment because they have a tremendous liability laying before them if that product is not labeled appropriately.

So if you are interested, any Member who votes for this amendment that is

being presented by my colleague today would in essence would be voting to increase the grocery bill and create sticker shock the next time Americans go through the meat section in a grocery store. So that is what you would have to face if you vote for this amendment.

The cost of this implementation of country-of-origin labeling has been estimated on the low end so far by those who have been working on this at USDA to be $2 billion. Overall most people agree that that is a very conservative cost estimate; and, in fact, the cost of implementing this would be much, much higher and guess who is going to pay for that, Mr. Chairman? That is why we are completely opposed to this amendment.

This has bipartisan support to be opposed to this amendment. The chairman of the authorizing committee, the ranking member, so many others that are part of the Hispanic Caucus, the Black Caucus, all across the board, again, members of the authorizing committee are also opposed to this. And they are working on this issue, having hearings, trying to deal with this country-of-origin labeling in the appropriate way. We are just asking with the provision in our bill to give them the time to do that.

Ms. HOOLEY of Oregon. Mr. Chairman, I move to strike the last word.

Mr. Chairman, our previous speaker talked about bipartisan effort to not pass this amendment. Let me state that last year there was a bipartisan effort to get this amendment in the bill, and it passed both the House and the Senate. It is also interesting when the gentleman says, well, you can just slap that sticker on a piece of meat or whatever. Well, guess what, we require that we know where our clothing is made, where our shoes are made. I think consumers need to know the meat, the produce they put in their mouths, where it comes from, where it is raised, and if it is safe.

I agree with the statements made by my colleague from Montana and thank him for the leadership on this issue. Over the past several days I received letters of support from the Oregon Farm Bureau and the Oregon Cattlemen's Association thanking me for helping to bring this amendment forward today.

Our amendment is supported by farmers in my district and across the country, which is why it is endorsed by the American Farm Bureau and the Farmers Union. Consumers Federation supports this as well as other consumer groups. Our farmers grow the best produce and raise the best livestock in the world, and American consumers know this. Studies have shown that Americans want to buy American commodities and are even willing to pay a premium to do so.

□ 1330

Yet while a consumer could go into a department store and know that their shirt is made in this country, they cannot go into the grocery store and have the same certainty about the food they are going to serve their families.

U.S. producers need mandatory labeling in order to compete in the marketplace. Product differentiation is the only way consumers can exercise their choice between purchasing either domestic beef or beef produced by foreign competitors.

In fact, according to a 2003 Colorado State University survey, 69 percent of consumers participating were willing to pay for more steaks clearly labeled ''USA Guaranteed: Born and Raised in the United States'' than for those without origin labels. Our Nation's farmers and ranchers produce the best and safest commodities in the world, and our Nation's consumers deserve the chance to determine where their food is born, raised and processed.

Recent events have also shown that the country of origin labeling is necessary for U.S. farmers to compete in international markets, and we keep talking about trade in international markets. Our number one beef importers, Japan and Korea, have both demanded assurances that beef they are buying is actually American beef.

For these reasons, we had country of origin labeling provisions added to the farm bill last Congress. The U.S. Department of Agriculture is formulating the rules to implement these provisions right now.

What the provision in the Agriculture appropriation bill would do would be to prevent the USDA from putting these rules together, short-circuiting a process that is currently in place, a process that Members of this body and the Senate voted to have in there last time.

Opponents of this amendment contend that the costs for industry, including retailers, to comply with country of origin labeling are too great, and the price of products will rise as a result. This is simply untrue. We already have a test case in place.

The fourth most populous State in this country, Florida, has had a country of origin labeling requirement for over 20 years. The Florida Department of Agriculture has estimated the annual cost of its mandatory produce labeling law is just a couple of pennies for a bag of groceries.

Country of origin labeling is good for American farmers, good for American consumers. I encourage my colleagues on both sides of the aisle to stand up today for their constituents and vote for the Rehberg-Hooley amendment.

Mr. KUCINICH. Mr. Chairman, I move to strike the requisite number of words.

I rise in support of this amendment. I think the American consumers have a right to know where the food they are consuming comes from and where it is made. I mean, think about this. Any of us here could look at the labels on our own clothes and know where the country of origin is. Why should we not be able to have that right when it comes to the food we consume?

This is not only a matter of right to know. It is a matter of assuring that American agriculture will be able to have the full impact and benefit from the American market because American consumers prefer American agriculture. We have got to make sure that American agriculture has the support that it needs.

Indeed, we are talking here about an agriculture bill. This idea of right-to-know and protection of the market are only some of the reasons why so many consumer groups and so many farmer groups across this country promote this country of origin labeling amendment.

I want to cite the following in the time that I have remaining as groups that are supportive of this legislation so there can be no mistake about it, notwithstanding the remarks that have been made here that there is plenty of support for country of origin labeling across the country: The Alabama Farmers Federation, the American Agriculture Movement, Incorporated, the American Agriculture Movement of Arkansas, the American Agriculture Movement of Oklahoma, the American Corn Growers Association, the American Corn Growers Association of Nebraska, the American Meat Goat Association, the Arkansas Farmers Union, the Baker County Livestock Association, the Beartooth Stock Association, the Bitter Root Stockgrowers Association, the Bull Mountain Land Alliance, the Burleigh County Farm Bureau, the Calaveras County Cattlemen's Association, the California Farmers Union, the California National Farmers Organization, the Campaign to Reclaim Rural America, the Carbon County Stockgrowers Association all support country of origin labeling.

The C.A.S.A. del Llano, the Catfish Farmers of America, the Center for Rural Affairs, the Cochise-Graham Cattle Growers Association, the Consumer Federation of America all support country of origin labeling.

Crazy Mountain Stockgrowers Association, Dakota Resource Council, Dakota Rural Action, Dawson Resource Council, Dunlap Livestock Auction, Eagle County Cattlemen's Association, Eastern Montana Angus Association, Fall River and Big Valley Cattlemen's Association, Fillmore County Cattlemen's Association, Florida Farm Bureau Federation, Florida Farmers, Incorporated, Florida Fruit and Vegetables Association, Florida Tomato Exchange, Georgia Peanut Commission, Georgia Poultry Justice, Glacial Ridge Cattlemen's Association all support country of origin labeling.

The Grant County Cattlemen's Association, Grant County Stockgrowers Association, Holy Cross Cattlemen's Association, Houston Company Cattlemen's Association, the Idaho Farmers Union, the Illinois Farmers Union all support country of origin labeling.

The Independent Cattlemen's Association of Texas, the Indiana Farmers

Union, the Indiana National Farmers Organization, the Institute for Agriculture and Trade Policy, the Iowa Farmers Union all support country of origin labeling.

Just Food, Kansas Cattlemen's Association, Kansas Farmers Union, Kansas Hereford Association, Kemper County Farm Bureau, Kern County Cattlemen's Association, Kit Carson County Cattlemen's Association, Land Stewardship Project, the Lincoln County Stockmans Association all support country of origin labeling.

The Livestock Marketing Association, the Madera County Cattlemen's Association, the Malheur County Cattlemen's Association, the McCone Agricultural Protection Organization, the Merced-Mariposa Cattlemen's Association, the Michigan Farmers Union, the Minnesota Farmers Union, the Missouri Farmers Union all support country of origin labeling.

The Missouri National Farmers Organization, the Missouri Rural Crisis Center, the Missouri Stockgrowers Association, the Modoc County Cattlemen's Association, the Montana Agri-Women, the Montana Cattlemen's Association, the Montana Farmers Union all support country of origin labeling.

The Montana National Farmers Organization, the Montana Stockgrowers' Association, the National Association of Farmer Elected Committees, the National Catholic Rural Life Conference, the National Consumers League all support country of origin labeling, and there is dozens and dozens more.

Support this amendment.

Mr. BONILLA. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto be limited to 50 minutes and that the time be equally divided.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. Would the gentleman from Texas (Mr. BONILLA) like to control the time?

Mr. BONILLA. The Chairman is correct.

The CHAIRMAN. The gentleman from Texas (Mr. BONILLA) will control 25 minutes in opposition to the amendment.

Mr. REHBERG. Mr. Chairman, I request to control the time for the proponent.

The CHAIRMAN. The gentleman from Montana (Mr. REHBERG) will control 25 minutes.

Mr. BONILLA. Mr. Chairman, I yield 6 minutes to the gentleman from Virginia (Mr. GOODLATTE), the distinguished chairman of the authorizing Committee on Agriculture.

Mr. GOODLATTE. Mr. Chairman, I want to thank the Chairman of the Committee on Appropriations, Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies for yielding me this time and for his leadership in making sure that we address the country of origin labeling issue correctly.

Many of my colleagues may not appreciate how hard the House Committee on Agriculture has worked on the country of origin labeling issue. Several years ago, the gentleman from California (Mr. POMBO), then Subcommittee on Livestock and Horticulture chairman, and some of his colleagues began a process to explore this subject. They started out with the hope that it could be accomplished in a way to provide an effective tool for producers to earn more in the marketplace. The subcommittee proceeded to meet with interested parties and the administration to develop the idea.

Subsequently, the fiscal year 1999 Agriculture appropriations directed the Secretary to conduct a comprehensive study on the potential effects of the idea. During an April 28, 1999, Subcommittee on Livestock and Horticulture hearing, the Clinton administration testified about the ''variety of regulatory regimes'' for labeling that could be adopted and further asserted that they ''believe there would probably have to be some kind of paperwork traceback system.'' The GAO pointed out that ''there is going to be significant costs associated with compliance and enforcement.''

Concerned that the costs outweighed the benefits for producers, the gentleman from California (Mr. POMBO) and others turned their attention to working with USDA to develop a credible voluntary program that allowed producers and processors to work together. Meanwhile, the GAO released its report in January of 2000 stating that mandatory labeling ''would necessitate change in the meat industry's current practices, create compliance costs across all sectors of the industry'' and asserting that ''U.S. packers, processors and grocers would, to the extent possible, pass their compliance costs back to suppliers, U.S. cattle and sheep ranchers, in the form of lower prices or forward to consumers in the form of higher retail prices.''

On September 8, 2000, interested parties submitted a petition to the USDA for a voluntary program and the Subcommittee on Livestock and Horticulture conducted another hearing on September 26, 2000, to review studies and the USDA's progress on the petition.

In early July, 2001, Under Secretary Hawks wrote industry to commit the Agriculture Marketing Service ''to begin action on the petition requesting a USDA voluntary, user-fee funded certification program that will enable a label for beef products.''

That same month, on July 26 and 27, the House Committee on Agriculture conducted its markup of the Farm Bill. The transcript of that markup has 12,463 lines of text, with 3,167 lines on amendments to create a mandatory country of origin labeling program. Fully 25 percent of the markup was devoted to this proposal, which was ultimately rejected because of concerns that the costs outweighed the benefits.

It has been mentioned by some that this has been passed on the floor of the House, and that is most certainly not correct. Mr. Chairman, an amendment was passed on the floor dealing with fruits and vegetables. The more complicated issue of beef and pork, which is the only subject covered by the provision in the Agriculture appropriations bill that delays implementation for a year, is the beef and pork provisions. The House has never taken a position on this, and this is far more complicated and costly for the producers than any of the other sectors, whether one likes the other ideas or not.

For those that attended the Farm Bill conference meetings, they know that labeling was a major topic of discussion there as well.

Despite a complete lack of any hearing record on the subject, the Senate insisted on its provision requiring labeling for beef, pork, lamb, fruits, vegetables, peanuts and fish.

Just weeks ago, on June 26, the Committee on Agriculture conducted an extensive hearing on the implementation of mandatory country of origin labeling. We learned a number of troubling things. We learned that most of the problems associated with implementation were a result of the law and not the administration's interpretation. We learned that while some groups still support mandatory country of origin labeling, the two largest livestock producer groups in America, the National Cattlemen's Beef Association and the National Pork Producers Council, both oppose it.

We learned that this new law will open everyone up and down the food production system to third party lawsuits with the potential of creating havoc for producers, packers, processors and retailers. We learned that because of the way the law is drafted, no matter what the administration does in writing the implementing regulations, because the retailers have been made ultimately liable for this labeling system, that they will set up their own regime to protect themselves against mislabeled products, and that regime is going to be very costly to producers.

□ 1345

If you are a domestic producer of beef or pork, you are going to have to comply with an enormous amount of record keeping, a great deal of cost which you are going to have to bear yourself. Lower prices for your product are going to be passed down to you by the processors, by the distributors, by the wholesalers, by the retailers; and that foreign competition, whether it is fine Argentinian Black Angus beef or Australian beef, they are simply going to slap it on the label and say we are guilty. It will cost them little, if anything, to comply; it will cost the U.S. producers more. Therefore, this is going to be a major competitive disadvantage for American agriculture. I would urge Members to support the

original Bonilla language in the appropriations bill to delay implementation for 1 year and oppose the amendment which has just been offered to strike that language. We need time to sort out the problems with this legislation before Congress ends up doing a lot more harm than good.

Mr. REHBERG. Mr. Chairman, I yield 5 minutes to the gentlewoman from Ohio (Ms. KAPTUR).

Ms. KAPTUR. Mr. Chairman, I rise in strong support of the Rehberg-Hooley amendment to say that the Committee bill provision indeed subverts the law. This Rehberg-Hooley provision was included in the farm bill. But when the opponents of that law found an opening in the subcommittee of agriculture appropriations to try to subvert the law, they took that opportunity. And so what we are talking about here is changing the law of our country that was passed here, as well as passed in the other body, and signed into law. We surely had plenty of consideration. That is number one.

My second point is this amendment is being offered at a time when we have the highest number of meat recalls in the country's history. God forbid you are the parent of someone who just died from eating contaminated meat. I find it very interesting that those who oppose this say there are going to be all these high costs and all these problems. Do Members know that not one producer in Ohio has complained to me about this law? I represent cattlemen and cattlewomen. They raise a lot of different kinds of animals in our region. Producers want the labeling. In fact, the Ohio producers, the Great Lakes producers, are working on their own electronic ear tags because they do not want their meat mixed with other stuff that they do not know where it comes from. They want to be able to offer a quality product at a competitive price and get it on the shelves of the supermarket. The problem is that the supermarkets deny shelf space to independent producers.

We know who wants this law subverted. It is not the ranchers; it is not the farmers. It is the people who want to make money off them. Any decent business person wants labeling of their product. Our father operated a family grocery and when he made his meatloafs, when he made his sausages, we had our own label tape that we pealed and put right on the package. We were so proud of his products. Our market was called Supreme Market, and to this day it sold the best meat I ever ate, the best sausage I ever ate. We were proud to label it. Good producers want labels on their quality products.

In Ohio, the Great Lakes Family Farms has a special verification program. They eartag animals with all relevant information. They know what shots the animal got. They know which feed lot it was on and how much it weighed at 6 months, at 8 months. They know everything because they know their customers want to know, and that local label gives them a niche in the market to be able to offer quality meat.

Mr. Chairman, in an era when the consumer wants to know, why is the Republican leadership trying to subvert the law and not give us as consumers the right to know where our meat comes from? It is simply because if you are going to mix in Argentinian beef or mix in some other kind of meat at the store, you do not want your customers to know. If you have some Uruguayan skinny steer that was wandering somewhere around Latin America, and then you are going to take some of that meat and blend it in with Ohio beef, you do not want anybody to know because you are going to make just as much money on that package.

But the farmers know how to label. They are doing it already. They are doing it in our region, and those electronic ear tags are so complete and with technology being what it is today, we can know everything about an animal, even who its mother and father were.

Do not give me this baloney it is going to be so much more expensive. Our farmers are already doing it. Ohio farmers can lead the way. In fact, the American Farm Bureau supports the law. It does not support subverting the law. They support country-of-origin labeling. In the letter that they have sent to us, they say those products should be labeled at the retail level. With increased trade, more products are being imported into the United States and the farm bureau is working with the agricultural marketing services to implement a program with the least amount of burden and cost to producers.

So in addition to all of the names that the gentleman from Ohio (Mr. KUCINICH) read into the RECORD, I will include a letter from the American Farm Bureau.

Mr. Chairman, Members might have noticed the recent stories about mad cow disease, BSE, bovine spongiform encephalopathy, that is up in Canada now. We have to know where our meat comes from, and people who raise meat should be responsible for it, just like my father was responsible for his products. They ought to be proud of what they are producing and not ashamed, and not try to hide something on a package that when you take the hamburger out, it looks red on the outside and it is all brown on the inside. We all know what they are doing. We understand what that is all about.

I think it is a worthy amendment. We have the technology to do it. I will place in the RECORD what the 4–H requires of our students as one of its projects to have labeling of beef. This is not rocket science. It can be done.

AMERICAN FARM BUREAU FEDERATION,
Washington, DC, June 24, 2003.

Hon. MARCY KAPTUR,
House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR REPRESENTATIVE KAPTUR: The American Farm Bureau Federation commends the Appropriations Committee for timely action on the FY04 agriculture spending bill. We ask that you consider the following information as the Appropriations Committee acts on the bill this week.

We support full funding for the Farm Security and Rural Investment Act of 2002 (FSRIA). Unfavorable weather conditions, uncertainties involved with international trade, the value of the dollar and record high input costs have converged to produce a turbulent and difficult time for agriculture. The industry has suffered through several consecutive years of historic low market prices and weather disasters. The new farm law helps address problems faced by American farmers and ranchers and it provides unprecedented funds for our nation's conservation needs. Changes in farm bill programs would be devastating not only to farmers and ranchers but the rural economy as well. Consequently, the Farm Bureau strongly encourages you to avoid making changes to FSRIA in the FY04 appropriations process.

We commend the Committee for maintaining full funding of farm bill commodity programs. It is imperative that counter-cyclical payment rates, loan rates and direct payments be preserved as adopted in FSRIA. We are opposed to any changes in current payment limitations for direct payments, counter-cyclical payments, loan deficiency payments (LDP) and marketing loan gains (MLG), including a separate payment limitation for the peanut program. Current rules on spouses, three-entities, generic certificates and actively engaged requirements should be retained.

AFBF supports country-of-origin labeling (COOL) as passed in the 2002 farm bill. Many farmers and ranchers believe that the products they grow in the United States should be labeled a product of the United States at the retail sales level. With increased trade, more products are being imported into the United States, giving the consumers greater choices at the marketplace. Farm Bureau is working with the Agricultural Marketing Service (AMS) at USDA to implement the program with the least amount of burden and costs to producers. We are disappointed the legislation blocks further work by USDA to implement country-of-origin labeling for meat and poultry products. We ask that you support the restoration of funding for this important program.

Farm bill conservation programs should be fully funded. Full implementation of the Environmental Quality Incentive Program (EQIP) and Conservation Security Program (CSP) is key to assisting agricultural producers in complying with environmental regulations and addressing important conservation issues nationwide. Program funding for technical assistance is essential if conservation programs are to be successful. While we are pleased that the bill increases funding for conservation operations activities, we are disappointed that funding for CSP is blocked and limits have been placed on EQIP.

The development of alternative energy sources is not only significant to the advancement of American agriculture but also is vital to enhancing our nation's energy security. The 2002 farm bill contained an energy title that includes provisions for federal procurement of bio-based products, bio-refinery development grants, a biodiesel fuel education program, renewable energy development program, renewable energy systems, a bioenergy program and biomass research and development. These programs will assist rural economic development as well as increase our nation's energy independence. We are disappointed that the bill under consideration does not include funding for key programs that promote alternative energy sources.

Thank you for your consideration of these issues of importance to farmers and ranchers.

Sincerely,

BOB STALLMAN,
President.

Mr. BONILLA. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. STENHOLM) as a demonstration of strong bipartisan support in opposition to this amendment.

Mr. STENHOLM. Mr. Chairman, many of us have spent countless hours on country-of-origin labeling on the authorizing committee both during the discussion on the farm bill and since. The Committee on Agriculture has conducted a series of briefings on country-of-origin labeling to educate staff on the implementation of the requirements, and recently held a full committee hearing on the issue. The gentleman from North Carolina (Mr. HAYES), chairman of the subcommittee, has indicated that he will hold additional hearings on this issue in the near future.

It is not my purpose to stand in opposition to the amendment to subvert the law. I am standing here saying we want this to work; and for it to work, it will take an additional 1 year of time to make it work.

I question the wisdom of a mandate to include on labels every piece of information that a random consumer survey identifies as something consumers want to know. Current U.S. food labeling requirements are based on the attributes of the food itself, such as nutritional composition, ingredients, special safety considerations such as presence of allergens and requirements of handling and safe use.

This was pointed out by the previous administration in a letter to the EU concerning biotechnology. Every additional piece of information we require on a label by government mandate diminishes slightly the information that is already there.

I have heard that Americans know where their shirts are made, Americans know where their cars are made, but not what they are putting in their mouth. I say what is wrong with this picture? Those who say that are right, we do not know where these things are made, but these items do not have to participate under guidelines even remotely similar to those included in the current COOL law. Members will notice their shirt may say ''Made in the USA,'' but it does not say where the cotton came from or where the dye that went into the shirt came from.

Be careful what we ask for when we stand on this floor and say we want to mandate something, just in case we get what we are asking for. Every single beef producer group that testified in front of the Committee on Agriculture testified very clearly that this is a marketing issue and not a food safety issue. Too many of us in this body right now tend to mix the two together in saying that meat that does not come from the United States is not safe. Please do not send that message to the consumer because the consumer today in America has the most abundant food supply, the best quality of food, the safest at the lowest cost to our people of any other country in the world; and when we begin to suggest that unless there is a certain label there will be a problem with the safety of the food, it is dangerous for producers. That is why most producers do not support the full intent of this law, and that is to mandate something that no one has yet figured out how to do.

We exempt most meat from even the applications of the law. Restaurants are exempted, for example. So let us be careful as we vote on this amendment today. And again I point out, this is not a food-safety issue. This is a marketing issue. If we are going to deal with the food safety, and I fully concur and fully intend to be back on this floor very, very soon with a food safety component, trace back. Our producers today are beginning to look at how can we truly certify where our meat comes from from a BSE standpoint. In Canada, they have a trace-back system. We do not have a trace-back system yet, but we will have one soon because producers all over the country recognize that we must have a way of tracing. We do not have it yet, but we will have one that will be supported by a majority of our producers.

This is one of those things that gets very emotional because there are those that tend to mix this up with food safety. I want to repeat for the third time, this is not a food-safety question. I absolutely support identifying where all food products come from to the best of our ability. I happen to believe, for example, that American lamb identified as such and Australian lamb identified as such is something that the consumer ought to know. We are working to get that kind of agreement and do it in a way that makes sense.

But if we implement this in the way that those who support this amendment are suggesting today, we are going to create some tremendous uncertainty. This has all kinds of trade implications. It has all kinds of food-safety implications. With all due respect to those offering this amendment, it is interesting that most of the producers supporting this do not deal with Canadian or Mexican cattle. If we want to ban all Canadian cattle, all Mexican cattle into the United States, then be prepared to have all United States cattle banned from country after country after country, because under trade agreements, reciprocation is something that we truly agree to. I urge Members to oppose this amendment and support the delay, not circumvention of the law, but a delay to get this right.

Mr. REHBERG. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I just want to observe one thing. The history of this country has demonstrated that every time there is an effort to provide additional regulation or additional oversight in order to help workers or help farmers, or to help little guys against the big guys, somehow it is always too costly. We cannot provide the minimum wage, we cannot provide wage and hour protection, or this or that because it is going to cost too much.

Well, I would bet if we conducted a poll of consumers, that they would, by overwhelming numbers, say that they want this provision to go forward. We have a tremendous debate in this country going on about the virtues of globalization. As far as I am concerned, globalization is inevitable; it is going to happen, and we need to figure out how to adjust to it. But I also note that in that debate you have numerous forces in this country who under the rubric of globalization would lead you to believe that there is still no legitimate amount of room for discussing the virtues and values of home-grown products, whether it is automobiles or farm products.

I suggest to Members that even if we take the assertion of the gentleman from Texas at face value, and I do, let us say that this is not a consumer health issue, let us say this is not a food-safety issue, let us say it is simply a marketing issue.

□ 1400

This is a marketing tool that our producers have a right to have. This is a marketing tool that I assume is the reason that the Farm Bureau and the Farmers Union both have indicated their support for this provision. Our consumers want to know where the stuff that they eat comes from and our farmers want to know that they can demonstrate pride that it is their home grown product. This amendment is the only way that we are going to let them exercise that right.

Mr. BONILLA. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Iowa (Mr. LATHAM), vice chairman of the Subcommittee on Agriculture, Rural Development, Food and Drug Administration and Related Agencies.

Mr. LATHAM. Mr. Chairman, I thank the subcommittee chairman for the yielding me this time, and I rise in reluctant opposition to this amendment.

First of all, I want to say, no one through the whole process on this issue has ever contended that this is a food safety issue. As the ranking member of the authorizing committee said three or four times, it is very true, this is not an issue of food safety in any way, shape or form. The reason I oppose this amendment today is in support of our independent producers.

I would just like to give a little scenario about what is going to happen if this is enacted. All we are asking for here is a time-out to study the issue more closely before a mandatory system is enacted. But what we are going

to see is a system where independent producers are going to bear the cost of implementation of this law, and anyone who thinks that the packers really care about the cost on this are totally mistaken. The fact of the matter is, Mr. Chairman, any kind of cost that they would incur is going to result in reduced bids to the independent producers out there who do not control the price that they get for their products.

The situation in my State is that we have Canadian pigs coming into Iowa to be grown out primarily by independent producers. If this is enacted, we are going to see the large conglomerates start from raising, farrowing their own hogs, growing those hogs out, killing those hogs, putting them in their own labeling package, marketing themselves. Those are going to all say ''USA.'' The independent producers' animals are going to have to say that they were bred in Canada or wherever they came from and are going to be discriminated against.

The issue here is, do we preserve our independent producers? We talk about vertical integration in the livestock industry. Nothing is going to bring it on faster than provisions like this that will hold the independent producer accountable but not the major, multinational companies.

So I just stand here in support of the independent producers and look at the mandate that is going to be put on them and what it is going to cost them.

The one question I have asked producers, in what way, shape or form is this ever going to put one more cent in your pocket, in your bottom line? No one has been able to answer that question. So I think we have to step back, take a look at this, and understand all of the ramifications of this issue.

Also, Mr. Chairman, I have to look at the cost to the consumer out there when we talk about the additional costs that are going to be borne by the retailers. Who is going to pay the bill? The consumers who walk in and buy that at the counter are going to absorb the cost. So, in support of independent producers and consumers, I reluctantly say that we should oppose this amendment and support our independent producers.

Mr. REHBERG. Mr. Chairman, I yield 3 minutes to the gentleman from Oregon (Mr. WU).

Mr. WU. Mr. Chairman, I thank my colleague from Montana for yielding me this time. I rise in strong support of my colleague from Montana and my colleague from Oregon's amendment on meat origin labeling.

The opponents of this amendment argue complexity and delay. I want to offer simplicity and probably brevity here. We created the strongest securities and financial industry in the world by asking for disclosure, labeling and disclosure a few decades ago. That was opposed tremendously by the industry at that time. However, I believe that many segments of the industry would support that today because that disclosure has been helpful to the securities and financial industry.

As previously pointed out, I would like to make a point that labeling, I believe, is a good thing. I can look at the back of this tie and determine that it is made in America. I can look at the labeling in this suit and determine that it is made in America. If I go to the cloakroom right now and eat a hot dog, I cannot tell where that product came from. It comes down to this. I think it really is very, very simple. People ought to know and people ought to be able to choose. As your mothers and your grandmothers admonish you, you are what you eat. I ask this Congress to support this amendment so that people can eat American and be American.

Mr. BONILLA. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. DOOLEY), a Member who is considered an expert in this field.

Mr. DOOLEY of California. Mr. Chairman, I rise in opposition to this amendment. I think we need to reflect on why the National Beef Cattlemen's Association and why the National Pork Association, who represents the majority of producers of those livestock commodities which are subject to this mandatory labeling, why they oppose this. They oppose this legislation because they realize that it is going to result in additional cost to their producer, be they small or be they large.

They also understand that this also is not a health issue, and they make a distinction on what is the appropriate role of government in terms of placing mandates on producers and that we should have mandates when we have an issue that is related to the health of consumers, but we should not have a government mandate when it relates to a marketing issue. That is what this measure is all about.

We have had a number of my colleagues that have got up on the floor and said, we have labeling of our items of clothing that we wear. But we do not have labeling on our clothing that we wear that tells where the wool came from, where the cotton came from or any of the products that are part of this. We only know where this product, where this clothing, was actually manufactured. We are going far beyond that in this approach.

There is nothing in law today that precludes producers from having the opportunity to voluntarily label where their beef or pork or meat product came from. That is the appropriate tack I think that we should be taking today. We should once again I think back up and at least have another time-out, which is what the chairman's proposal does, to give the industry more time to understand how we can move forward in a more responsible manner.

This amendment that is on the floor today is one which will, unfortunately, cost producers the most. And what also I think is very apparent, it is going to create an unintended consequence of exposing producers to liability, exposing them to private rights of action by groups that might be motivated by welfare issues, by a whole host of issues that will now have an opportunity to seek legal and civil recourse against a lot of small and large livestock producers. That is not what we should be doing with this legislation.

Mr. REHBERG. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota (Mr. PETERSON).

Mr. PETERSON of Minnesota. I think the gentleman from Montana for yielding me this time.

Mr. Chairman, I rise today as the gentleman from Iowa (Mr. LATHAM) said he was reluctantly opposing, I am reluctantly supporting this amendment. I have kind of been back and forth on this. But I think it is the best way for us to resolve this issue if we can keep the mandatory provision in place.

The main reason I am supporting this is that we should not be dealing with this issue in the Committee on Appropriations. This issue should be dealt with in the authorizing committee. I was ranking member on the Subcommittee on Livestock and Horticulture for many years and worked on this issue on the voluntary and all the other things. I was on the farm bill conference. The big problem here is that the language that was put into the farm bill is bad language, and it needs to be fixed. It has got problems. The authorizing committee ought to do that.

I totally agree this is not a food safety issue. It gets mixed up. It is a marketing issue. But I think people need to understand that we are arguing something that we do not even know what it is going to be. The rule has not been developed. There are people out doing studies saying it is going to cost this much. We do not know what it is going to be because there has been nothing that has been put forward at this point.

I would just like to point out, people have brought up this issue of marketing versus food safety. In the food safety area, we have had this BSE issue in Canada and everybody has read about that, but I do not know if people understand how it is that we guarantee in this country that we are BSE-free. You talk about the complications of this system. What we are doing in the BSE area, the food safety area, we are asking producers to sign a self-certification that they have not fed animal parts to cattle in this country and that they have not used certain kinds of antibiotics. It is self-certified, very simple and does not cost anybody hardly anything. I am arguing that the same thing could be done with the marketing aspect of this COOL. In other words, if this is good enough to guarantee that we do not have BSE in our livestock, then why is it not good enough to certify that this is where the livestock came from?

My point is that this could be implemented in a way that is not very expensive to producers. These issues that

are there are caused by the way the law was written, and it was inserted into the farm bill, and, frankly, I do not think we took enough time at that point to go through that and fully understand the implications.

So I think that the Committee on Agriculture ought to be dealing with this. I think that there are problems with the law. There are potential problems with implementation. I do not think there has to be. But it ought to be dealt with in the Committee on Agriculture and not on the floor of the House and not in the Committee on Appropriations in my judgment. I think the administration ought to have been out there with some rulemaking at this point so that we had some better idea what they are intending to do.

I am going to support this amendment. I think if we keep this in the law it is going to make the committee move faster. We will then be able to resolve this. Because I think, in the end, people want to have the food labeled. It is just a question of how we get there. I think there are simple ways that this could be done that are not going to cost people a lot of money. I encourage the adoption of the amendment.

Mr. BONILLA. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Texas (Mr. THORNBERRY) who has a great expertise on this subject.

Mr. THORNBERRY. Mr. Chairman, I commend the chairman of this subcommittee for his leadership on this issue and trying to get a little common sense back into what has become a very difficult issue.

Mr. Chairman, this provision was added into the farm bill without a single hearing. Nobody actually in the business came and talked about how you do this and exactly what you do. It sounds good, that we all ought to have a label that says where our meat comes from. The problem is when you start working through how you implement it, it gets very complicated.

Let me just mention a couple of ways it gets complicated.

Number one, the underlying law exempts about 75 percent of the meat that is consumed in this country. If you eat it in a restaurant, it does not count. It is not labeled. If it is hamburger or other sort of processed meats, it does not count. It is not labeled. If it is chicken, if it is turkey, you do not get a label.

We have heard over and over that the consumers have a right to know. If the consumers have a right to know where their meat comes from, they have a right to know where 100 percent of their meat comes from rather than 25 percent of their meat; and so the effect of this is that we are adding a regulatory burden on 25 percent of the meat. That leaves 75 percent of the meat which is at a competitive advantage because of a government regulation. That is not right. It is time to step back and figure out how to do this thing right.

Number two, we hear over and over again how this is really going to be good for producers, that this is a market tool and they ought to be just loving having this opportunity. I would say that if producers see an opportunity to make money, they are going to take advantage of it. There are efforts in the beef industry today, the certified Angus program and other things have been very successful, but that is different than a government mandate that tells you what you must do.

It is not the big grocery stores that are going to pay this burden, it is not the big packers that are going to pay this burden and, in some ways, it is not even the largest cattle feeding operations. The people that are going to feel this burden are the cow-calf producers who have got to figure out some way to understand this regulation and then go comply with it before anybody will buy their calves, and then the stocker guys who take the calves and try to fatten them up before they go to the feed lot, those people on the low end of the production scale. So when we talk about big guys versus little guys, we ought to understand that this is a mandate that is going to be paid for by the little guys in the operation.

We have heard it over and over again that this is not a safety issue, this is a marketing tool, and we are going to make you do it whether you like it or not. That does not make sense. What makes a lot more sense is to take a time-out as the underlying bill does, give the Committee on Agriculture a chance to go and talk to producers as well as grocery stores and packers and consumers, people up and down the chain, and see how you can make something that works and actually makes sense.

□ 1415

This underlying law is not it, and I would say that anyone who wants to justify the underlying law has a very steep hill to climb.

Mr. REHBERG. Mr. Chairman, who controls the time as far as closing?

The CHAIRMAN pro tempore (Mr. RYAN of Wisconsin). The gentleman from Texas has the right to close.

Mr. REHBERG. Why would that be if it is my amendment?

The CHAIRMAN pro tempore. The gentleman from Texas is the manager of the underlying bill. He reserves the right to close.

Mr. REHBERG. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, there is a lot of talk about experts on this floor. I am a member of the National Cattlemen's Association not because I am a Member of the Congress but was because I am a cattle producer. Less than 3 years I was on the ranch, running 147 cows, seven bulls, 2,000 cashmere goats. In Montana we know where our product comes from, and we know where it goes. It may not be a safety issue until one needs it.

Let me read this article again: ''In June, officials learned five bulls from a Canadian herd linked to the Alberta cow with the disease were sold to a Montana ranch in 1997.'' 1997. ''The paper trails created by the State's inspection process traced in less than 20 hours where the bulls had been and where they ended up.'' That is not bad. We know where they came from. We know where they went. And if we had not had that opportunity, it would have shut our borders down too. It would have been devastating to our industry.

I am amazed that there would be any opposition from any party in this country to know where their cattle come from, where their meat comes from so that we have the ability to tell people where it has gone in case these kinds of situations occur. So one can say it is not a safety issue until such time as one needs to know where they came from and where they went.

This provision within the farm bill does not even take place, it does not become implemented until September of 2004. That is plenty of time. And to the gentleman from Texas when he talks about the fact that it is a delay of 1 year, no. If they had wanted it to say only a delay for 1 year, the amendment in the subcommittee would have said that, and it does not. If they want to put that in, we can talk about that; but we are not at that point because what this does do is if they do not vote for my amendment, they in fact will stop, they will kill because nobody within the administration will spend any money on it because it says they cannot implement it. So there is no ability to spend money on it. Trade implications, yes, there are trade implications to this. But not to the extent that they are talking about.

Again, I repeat, Japanese officials said that trade would be banned beginning September 1 if the United States cannot certify that exports contain no Canadian beef. How can we do that if we do not keep track of our country-of-origin labeling? Volunteerism, that is great; but that is smoke and mirrors. It is never going to happen because our retailers, our packing plants will not play with us little guys. I know because I felt the victim sitting back on my ranch with 147 calves wondering what my price was going to be. I was a price taker, not a price maker. Little guys like me do not make price. The big guys do, and an entire industry was created in Texas for the very purpose of taking advantage of importing cattle from foreign countries to mix with ours, to take advantage of our good products, entire industries.

So there is no doubt there is another State standing here on the opposite side. There is no doubt that they would be parochial as I would be parochial, but do the Members know what? I live along the border, and we do in fact have the Northwest Compact. We do business back and forth. But all we are trying to do is create an opportunity to

be proud of American beef, to give us the opportunity to take advantage of an opportunity to showcase what we do for the American consumer. We have had opposition against this all along the way, and it has not ended. And when our chairman of the subcommittee talks about appropriateness, the appropriate place to have killed this bill with this proposal would have been in the farm bill or introduced legislation, but not to take the funding out from underneath or the implementation because what they are in fact saying is we did not want it before, but we want to win it behind closed doors.

And I have come to the conclusion, and I have been in this business a few years both as a State legislator and as a lieutenant governor, people support reform as long as it does not change anything. And that is what we are seeing here right now. Nobody wants to change anything because they are kind of comfortable with their position in the marketplace. I do not market. True, I do the best that I can on my little 147-cow operation, but I will tell the Members who does the marketing. It is the big guys.

Mr. Chairman, I reserve the balance of my time.

Mr. BONILLA. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina (Mr. HAYES).

Mr. HAYES. Mr. Chairman, I thank the gentleman from Texas (Chairman BONILLA) for yielding me this time.

I rise today in opposition to the amendment offered by the gentleman from Montana (Mr. REHBERG) and the gentlewoman from Oregon (Ms. HOOLEY). I applaud the gentleman from Texas (Chairman BONILLA) for including a provision in the agriculture appropriations bill that would limit USDA funding for the implementing of the mandatory country-of-origin labeling for meat and meat products. The country-of-origin labeling law as written clearly requires more congressional attention before going into effect by September 30, 2004. I have friends on both sides of this issue, and I always support my friends. I support my friends with this amendment by cautioning them against the hasty implementation of unintended consequences that no one has yet fully researched, and I support my friends on the gentleman from Texas's (Chairman BONILLA) side by saying this is something that we do not need to do now. Recognizing there are many concerns among producers, processors, suppliers and retailers, the House Committee on Agriculture held a hearing on June 26 for witnesses to discuss how mandatory country-of-origin labeling will affect them and their respect to industry. The hearing raised many questions, and the livestock witnesses specifically pointed out that there is tremendous potential for unintended consequence.

As chairman of the Subcommittee on Livestock and Horticulture of the Committee on Agriculture, I intend to hold further hearings on this matter. The U.S. Department of Agriculture has held 12 listening sessions across the country from April to June of this year to allow those who will be affected by the law to voice their opinions. This was in addition to the numerous other producer and trade association meetings they have attended to discuss this law.

Country-of-origin labeling is not a new concept. The Subcommittee on Livestock and Horticulture held hearings on the issue during previous Congresses, and it was debated at some length during the House committee's consideration of the 2002 farm bill. The committee voted not to include the provision because there were too many unknowns about how this would affect producers. When the farm bill went to the floor, an amendment was added to label fruits and vegetables only.

As the Senate created their version of a farm bill, a provision was expanded to include beef, pork, lamb, fruits, vegetables, wild and farm-raised fish, and peanuts. I think it is important to note that the Senate held no hearings and had no debate on how producers and the industry would be affected by country-of-origin labeling.

I have heard concerns from many of my constituents about this issue, predominantly my livestock producers. I can tell the Members that not one of them has said this law will bring additional revenue or market advantages. They all express their deep concern that this law instead will bring them undue burdens and headaches in order to be in compliance. Unfortunately, a ''fire, ready, aim'' approach led to the creation of the country-of-origin labeling law. This issue clearly needs further attention, and delaying the implementation for meat and meat products is a step in the right direction. I would like to reiterate that this provision only affects meat and meat products. The current law will continue to go into effect for fruits, vegetables, wild and farm-raised fish, and peanuts. I urge my colleagues to support the appropriations bill and reject the Rehberg-Hooley amendment.

Mr. REHBERG. Mr. Chairman, I continue to reserve the balance of my time.

Mr. BONILLA. Mr. Chairman, I have no requests for time, and I continue to reserve the balance of my time.

Mr. REHBERG. Mr. Chairman, I yield myself such time as I consume.

I want to thank the chairman of the subcommittee for this good consideration today and my colleagues for speaking on behalf of my amendment.

I have not been around the Congress all that long. This is my second term. I was confronted with a brand-new farm bill. That is one way to get your feet wet, drinking out of the fire hydrant, stepping into the middle of that. When I hear the debate about the fact that there has not been enough conversation, enough debate, we do not know where this is taking us, I remind my colleagues that this does not get implemented until September of 2004. We have got well over a year to continue the hearings, to continue the work on it. Congress can continue to have hearings. We can help the process along the way and develop the right country-of-origin labeling.

During the farm bill discussion that I was confronted with as a freshman, the country-of-origin labeling debate consumed 25 percent of the markup dialogue, 25 percent. So why are certain people reluctant to want to have beef or other meats labeled? Because they want to have the ability to blend cheaper products from other places for the purposes of marketing themselves. But are we seeing the cheaper price at the consumer level? Not always.

It is interesting to watch the marketing of our meat products throughout this country. If the beef guys jump up and complain, somebody steps forward and pushes pork in front of them or they might push chicken in front of them. We at the local level, us small guys, do not control the marketing. We need this avenue. We are proud of our product. And at a time when we are in a recession, at a time when much of American agriculture is flat on its back, we need the opportunity to say America matters to us in agriculture, America matters to the consumer; and if we can marry the two, our agricultural producers throughout this country, the mom-and-pops in Iowa and Montana and Texas and California and Georgia and Connecticut will all know that they have done a good thing because we have said American products matter.

We are not banning anything from a foreign country. We are not trying to create a competitive disadvantage. All we are trying to do is say give us the opportunity, us small guys to have the opportunity to have mandatory country-of-origin labeling so we know where our product is coming from, so we can take great pride in the product that we produce.

The country-of-origin labeling gives American shoppers a choice. It gives American farmers and ranchers fairness. It gives us the opportunity to say buy America. Please support this amendment. Support the country-of-origin labeling.

Mr. Chairman, I yield back the balance of my time.

Mr. BONILLA. Mr. Chairman, I yield myself such time as I may consume.

Once again I want to reiterate that often times in this town, unfortunately, truth and substance are set aside and emotional pleas are made in order to advance a certain cause. The opposition to this amendment is supported strongly. The opposition is strongly supported by thousands, millions of red-blooded Americans out there who are either producers or they are part of the processing of meat. They are running grocery stores in neighborhoods all over the country. They do not want this provision implemented until it can be studied further

and analyzed and done the right way. And again ultimately if this is implemented, the bills at the grocery store, there will be sticker shock in many of the grocery aisles out there as Americans wonder what happened; how did Congress implement such a libelous costly regulation so quickly without even taking the time to do so.

And let us also understand that any producer out there can now put labels on whatever they would like. There is an implication here somehow that there is some prohibition now on putting a label on any meat product. They can do that now today anytime they want. Also the implication somehow that this is going to threaten our food supply, I am delighted that many of the authorizers have stepped forward today in a bipartisan way to state clearly this is about marketing, this is not about any kind of food-safety issue.

This is, again, a 1-year prohibition on implementation or promulgation or developing of any regulations. So, again, the misinformation that has been presented that this is somehow an effort to kill this permanently is misguided. This appropriations bill simply runs for 1 year.

Finally, I would like to state very clearly that the Bush administration, the administration has put out a statement saying that the administration supports the committee's position on country-of-origin labeling for meat or meat products. So there is strong bipartisan support for our position on this issue. Everyone, again, from the chairman of the authorizing committee; the ranking member; the gentleman from Texas (Mr. ORTIZ), of the Congressional Hispanic Caucus; the gentleman from Mississippi (Mr. THOMPSON) of the Congressional Black Caucus, again across the board the widespread support that we have on our side in taking a position I think is very clear.

And, again, if we would look at the substance in truth about what we are debating here, we would hope to defeat this amendment resoundingly.

Mr. Chairman, I yield back the balance of my time.

Ms. DELAURO. Mr. Chairman, I rise in support of the Rehberg-Hooley amendment, which strikes the provision in this bill that prohibits USDA from implementing mandatory country of origin labeling for meat and meat-products.

Country-of-origin labeling is about giving people the information they need to make an informed choice to protect the safety of their families. Thirty-five countries we trade with including Canada, Mexico and members of the European Union already have a country-of-origin labeling in place. And American families recognize the need for this labeling—7 out of 10 people say they are willing to pay more to know where their food is coming from. At a time when food imports are increasing, but the number of inspections of imported meat is actually decreasing, consumers deserve that right.

And given the record 57 million pounds of recalled meat last year, this effort is also about being able to trace back contaminated product in the event of a recall. Knowing the source of an outbreak is a critical part of that process so that we can quickly take action to prevent people from getting sick. This is critically important considering the 76 million sicknesses and 5,000 deaths that occur every year from foodborne illness.

Some have argued that halting implementation of country of origin labeling for meat is to allow more time to consider the impact of the program on the food industry. But Congress already gave the USDA more than 2 years to design a program that is fair to all parties, including industry and consumers. Under that timetable, labeling is not scheduled to become mandatory until fall of 2004.

Mr. Chairman, country of origin labeling will not violate trade agreements or lead to retaliation. It will not bankrupt the food industry. It will simply let consumers know where their food comes from. We owe the American people that. Support the Rehberg-Hooley amendment.

Mrs. LOWEY. Mr. Chairman, I rise today in support of Rehberg-Hooley amendment which would preserve country-of-origin labeling (COOL) requirements.

As many of my colleagues know, in 2002, provisions were added to the Farm Bill requiring grocery stores and similar businesses to provide country-of-origin information for all fresh and frozen fruits and vegetables, red meats, seafood and peanuts.

However, during the subcommittee markup of the Agriculture Appropriations bill, language was added barring implementation of these provisions.

Mr. Chairman, we were elected by the people of this country because they believe in our ability to represent their views. We passed the original legislation requiring country-of-origin labeling because our constituents want the information they deserve to make informed food purchase decisions for their families. We passed this legislation because our constituents want additional steps taken to prevent the potential spread of diseases such as mad cow, which we know was recently discovered in Canada. We passed this legislation because our constituents want special protective measures put in place to prevent tampering with respect to our food supply.

The provision currently in the bill would keep the American people in the dark by refusing to fund efforts to implement country-of-origin labeling for meat and meat products. We cannot let that happen. I encourage support of the Rehberg-Hooley Amendment.

□ 1430

The CHAIRMAN pro tempore (Mr. RYAN of Wisconsin). The question is on the amendment offered by the gentleman from Montana (Mr. REHBERG).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. REHBERG. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Montana (Mr. REHBERG) will be postponed.

AMENDMENT OFFERED BY MR. HEFLEY

Mr. HEFLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HEFLEY:

Add at the end (before the short title) the following new section:

SEC. ___. Each amount appropriated or otherwise made available by this Act that is not required to be appropriated or otherwise made available by a provision of law is hereby reduced by one percent.

Mr. HEFLEY. Mr. Chairman, I ask unanimous consent that we have 10 minutes for debate on this amendment, 5 minutes controlled by me and 5 minutes controlled by the gentleman from Texas (Chairman BONILLA).

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Colorado (Mr. HEFLEY) is recognized for 5 minutes.

Mr. HEFLEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today to offer an amendment that would cut discretionary spending in the Agriculture, Rural Development, and Food and Drug Administration spending bill by 1 percent. This bill, as it is currently written, appropriates $17 billion in discretionary spending, and reducing this funding by a mere 1 percent would leave us with a funding level of $16.83 billion.

I hasten to say to the gentleman from Texas (Chairman BONILLA) that I am not doing this as a recrimination of the job that he or his committee has done. It is my intention to offer this or similar amendments on almost all of the appropriations bills. I had an amendment such as this drafted for the labor bill last week, and somehow or other it got lost in the shuffle, and we did not get it on. But I intend to do this on most of the bills.

There are many good things in this bill, so I am not singling this bill out to attack. I do this in recognition of the fact that we should not be spending money that we simply do not have.

Current CBO projections indicate the Federal Government is likely to end fiscal year 2003 with a deficit of more than $400 billion. Instead of continuing to increase spending, I submit that we should exercise fiscal restraint and work to alleviate shortfalls. Yet we continue to pour money into programs with little concern for current economic considerations.

While I realize that some programs funded under this legislation are receiving a decrease from fiscal year 2003, there are still a number of programs receiving substantial increases, and let me just highlight a few of these programs. The rural housing loan authorization is funded at $4.4 billion, an increase of $208.7 million over last year and $45.7 million over the President's budget request.

Distance learning and telemedicine program loans are funded at $636 million, which is an increase of $256 million over last year and $250 million above the President's budget request.

Conservation operations funded at $850 million, an increase of $30.4 million over last year and $136.4 million over the President's budget request.

I am not attacking these individual programs. These are good programs. But I am simply asking, can we afford these kind of increases? Clearly, balancing the budget is no longer a priority in this Congress. I think it should be. So I ask Members to support the 1 percent modest reduction in this legislation.

Mr. Chairman, I reserve the balance of my time.

Mr. BONILLA. Mr. Chairman, I rise in opposition to the amendment and ask unanimous consent to control the 5 minutes in opposition.

The CHAIRMAN pro tempore. Without objection, the gentleman from Texas (Mr. BONILLA) is recognized for 5 minutes.

There was no objection.

Mr. BONILLA. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia (Mr. GOODLATTE), the chairman of the authorizing committee.

Mr. GOODLATTE. Mr. Chairman, I want to thank the chairman of the appropriations subcommittee for yielding me this time in strong opposition to the amendment offered by the gentleman from Colorado.

I would say to the gentleman that I have supported his amendments from time to time, but I do not believe he has looked at the facts here. We are $872 million less than last year right now. That is far greater than the 1 percent cut the gentleman is asking for. So we have already done the work that he has asked for in this case.

Secondly, because of the fact we are already taking that huge a cut, I can only say that the gentleman's amendment constitutes an assault on rural America. This is something that we simply cannot tolerate.

The gentleman cited the few areas where there have been some significant increases, one of those being telemedicine. As the gentleman knows, the telemedicine program is designed to link rural America, people in clinics and small hospitals and other rural outposts, where they can get some health care treatment, with the major university hospitals that get all the health care money in the first place.

So if you cut out the money that allows them to tap into really good health care provisions by being able to access them, and we held a hearing on this subject in the committee just a couple of weeks ago on the demonstration of the technology that can now reach rural America, if we are able to get these thousands of sites in small communities across America, which does cost a lot of money, and that is why I am pleased the chairman of the subcommittee has put an increase in there for this, if you cut that out, you are doing a lot more than just cutting out that money. You are cutting out the ability of folks in the smallest communities in the country from being able to finally get access to the kind of quality health care that people in large urban areas have, because they will be getting it from the same doctors with the same expertise drawing those same big salaries at those universities hospitals, and now they will be able to reach the smaller communities.

So I would encourage the gentleman to look elsewhere for the kind of savings that he is talking about here. I urge my colleagues to oppose the amendment.

Mr. HEFLEY. Mr. Chairman, I reserve the balance of my time.

Mr. BONILLA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would thank the gentleman from Virginia (Mr. GOODLATTE) for making some excellent points in opposition to this amendment. He is absolutely correct.

Over $872 million is the figure that we are under last year's budget. We are $136 million under the budget request. I would ask the gentleman proposing the amendment, is this not enough? We are learning to tighten the belt. We have cut the budget. We are lowering spending on this bill and still trying to deal with the needs in this country, that this country has in the areas of agriculture. So I cannot more firmly state my opposition to this amendment offered by the gentleman from Colorado and would respectfully ask him to withdraw the amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. HEFLEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would say to the gentleman from Virginia (Mr. GOODLATTE), I was not suggesting that telemedicine is not a good thing for rural America or some of these other things. I am simply saying there are many spots in the agriculture bill where you could find the 1 percent I think that would not hurt rural America. I certainly do not mean to make an assault on rural America.

For many years, every week I give a Porker of the Week Award for what I consider to be wasteful spending. There is no department in the Federal Government that has not received that award, and all of them have received it at one time or another, defense, which I am most interested in, and others have received it. There is no department that has received it more than the Department of Agriculture over the years.

There is 1 percent there. I would hope we would take that 1 percent out. I do commend the gentleman from Texas (Chairman BONILLA) and the committee on the cuts that have already been made. I just think we can go a little further.

Mr. Chairman, I yield back the balance of my time.

Mr. BONILLA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, at this time I would just once again state my strong opposition to this amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Colorado (Mr. HEFLEY).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. HEFLEY. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Colorado (Mr. HEFLEY) will be postponed.

AMENDMENT OFFERED BY MR. HOLT

Mr. HOLT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOLT:

Add at the end (before the short title) the following new section:

SEC. ____. For the program of public education regarding the use of biotechnology in producing food for human consumption, as authorized by section 10802 of the Farm Security and Rural Investment Act of 2002 (Public Law 107–171; 7 U.S.C. 5921a), $1,000,000, and the amount otherwise provided by this Act for ''AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS'' is hereby reduced by, $1,000,000.

Mr. HOLT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HOLT. Mr. Chairman, the amendment I am offering today will provide $1 million to establish and develop the food biotechnology public education program that was authorized in the Farm Act, H.R. 2646, during the 107th Congress, but was never funded.

The use of biotechnology, such as to produce genetically engineered foods, has the potential to improve yields of nutritionally enhanced foods with less land, reduced use of pesticides and herbicides, can benefit farmers, consumers and the environment.

The history of agriculture has indeed been a history of progress. Now there is an immediate and critical need for accurate information, both on food production systems that have provided the American consumer with a diversified and healthful food supply, and on the role of this new technology in food production. It is only based on clear, accurate, and scientific information that consumers can make sense of the often sensational risk and benefit claims reported and rumored.

In 1999, for example, the journal ''Nature'' published a study suggesting that pollen from genetically modified corn would harm the monarch butterfly population. This sparked a worldwide controversy. Follow-up studies have shown since that the pollen presents no significant danger to monarchs, but the foundation of fear based on emotion had been set, and soon other nonscience-based allegations about biotechnology emerged.

I have been asked if this amendment is an anti-biotechnology or a pro-biotechnology amendment. I would argue that it is an anti-ignorance amendment. It is not to say that biotechnology is always benign under all circumstances; but consumers, researchers, and farmers will benefit from a public that is well informed and engaged in the debate about food biotechnology.

Although food biotechnology has immense potential, consumers and farmers have legitimate concerns regarding the safety of genetically engineered foods. No one, however, is served by assertions from ignorance. It is appropriate for the government to provide the public with clear evidence-based information that helps consumers, policymakers and others make informed choices about food.

I urge my colleagues to support this amendment, so that the Department of Agriculture will have the necessary funding to carry out this authorized program and so that the public will be best informed.

Mr. BONILLA. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman raises some very legitimate points about the need for funding in this area. However, this amendment was presented to us at the 11th hour, and it is not even clear under the language of this amendment how this money would be administered. So we would be delighted to try to work with the gentleman down the road between here and conference to see if we can do something on this. However, at the 11th hour like this, when we are presented with an amendment, I must oppose it at this time.

Mr. HOLT. Mr. Chairman, will the gentleman yield?

Mr. BONILLA. I yield to the gentleman from New Jersey.

Mr. HOLT. Mr. Chairman, my amendment actually is silent on exactly how the money would be allocated within the Department. Perhaps it could be through the Food Safety and Inspection Service. But the point is, this is authorized, and it is provided for under the authorization; and I think it will be easy to fit into the Department's public education activities.

Mr. GOODLATTE. Mr. Chairman, will the gentleman yield?

Mr. BONILLA. I yield to the gentleman from Virginia.

Mr. GOODLATTE. Mr. Chairman, I would ask the gentleman from New Jersey, because I appreciated his comments about biotechnology and we certainly do want the public to be educated about this, if he would not take up the offer of the gentleman from Texas, the chairman of the subcommittee, to work with him. Withdraw the amendment, work with him, and see if there is not something that can be done as we move to conference, because not knowing exactly how this money would be spent is sort of like writing a blank check.

I think if we had a little more cooperation and a little more communication about what we intended, then the Congress could actually be the ones to specify that, and there might be some merit in the gentleman's position.

Mr. HOLT. Mr. Chairman, if the gentleman would yield further, let me ask the chairman of the authorizing committee if he did not have in mind how this would be administered in the Department of Agriculture.

Mr. GOODLATTE. Mr. Chairman, if the gentleman will yield further, let me say I was not the chairman at the time the farm bill was written, so I do not know the history of the intent in the language in the farm bill. But, again, this is something that has just been brought to my attention, and we would be happy to look into it and see what we can find in that regard and try to achieve some specificity in terms of how the dollars are going to be spent, if indeed we can do that. That, of course, is up to the chairman of the subcommittee, but I would certainly stand willing to work with the gentleman to try to find the right formula and the right dollars that he has to squeeze out of an already-tight process to do something in this area, because I think what the gentleman from New Jersey is proposing is worthwhile.

□ 1445

Mr. HOLT. Mr. Chairman, if the gentleman would yield again.

Mr. BONILLA. Mr. Chairman, I am happy to yield.

Mr. HOLT. With those assurances from both Chairs, recognizing that the public debate is raging on and the need for this public information is now, I would be willing to withdraw my amendment and to work with the chairman, with the expectation that we can work something out in the coming months in this session of Congress.

Mr. BONILLA. Mr. Chairman, reclaiming my time, we would be happy to have our staffs work together on that.

Again, just hearing about this amendment at this time, it is not realistic to say we are going to guarantee a solution, but I think that the history that we have on this subcommittee to try to work with Members to work through these problems is real, and we would be happy to do that.

Mr. HOLT. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN pro tempore. Without objection, the amendment is withdrawn.

There was no objection.

AMENDMENT OFFERED BY MR. BONILLA

Mr. BONILLA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BONILLA:

On page 29, line 15, strike all after the word ''Service'' through, and including, ''(16 U.S.C. 3841(a))'' on line 20.

Mr. BONILLA. Mr. Chairman, the purpose of my amendment is to strike a provision from the Conservation Operations account that prohibits the funds in this account from being used to pay for the salaries and expenses of personnel to provide technical assistance for several mandatory conservation programs.

This amendment is in keeping with an agreement that I made with the chairman of the Committee on Agriculture, the gentleman from Virginia (Mr. GOODLATTE), in hopes that we can ensure that there are adequate funds available for conservation technical assistance. I would point out that the 2002 Farm Bill included an increase of more than $17 billion for conservation programs, but I am committed to work with the chairman to try to come up with the solution to funding of conservation technical assistance.

Mr. GOODLATTE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I will not use the 5 minutes. I just want to say to the chairman of the Committee on Appropriations Subcommittee on Agriculture that this amendment is pursuant to discussions that we had and we very much appreciate his offering it. We think that this will be very helpful in making sure that conservation dollars actually reach the people who need it: America's farmers and ranchers. This will also help to resolve some of the issues regarding the allocation of those funds.

So I urge my colleagues to support this amendment.

The CHAIRMAN pro tempore (Mr. RYAN of Wisconsin). The question is on the amendment offered by the gentleman from Texas (Mr. BONILLA).

The amendment was agreed to.

Ms. BORDALLO. Mr. Chairman, I move to strike the last word. I rise for the purposes of entering into a colloquy with the gentleman from Texas (Chairman BONILLA) and the gentlewoman from Ohio (Ms. KAPTUR), the ranking member.

Mr. Chairman, last year's farm bill authorized the Resident Instruction and Distance Education Grants Program for the Insular Areas to address the critical agricultural research needs of the Land Grant Universities in the U.S. territories and Puerto Rico. We receive very little by way of formula funds, t-star grants, and other special grants.

Existing programs simply do not orient themselves toward the Land Grant Universities in the insular areas. Additionally, our universities have seen no money under the National Research Initiative, the flagship agricultural research program. While our institutions are 1862s by definition, they have only been established as Land Grant Universities for the past 3 decades. This, coupled with the decline in funds for the Cooperative State Research, Education, and Extension Service overall, makes competing with other institutions very difficult. So last year Congress authorized a new funding mechanism to provide competitively awarded grants to meet the unique needs of this underserved set of universities.

This new authorization is especially important to the Land Grant Universities in the insular areas because it will help them to develop education and training programs while working in collaboration with leading U.S. universities on the mainland, building on their expertise and helping us to make the best possible use of limited program dollars.

This year's appropriation bill has no funds whatsoever for this new program. As the Land Grant Universities in the insular areas face many critical agricultural research needs, including food safety and security, health and nutrition, and the environment, I am hopeful that this new program will be funded in the near future. Although my request to fund this account in this cycle has not been met, I am grateful for the inclusion of report language that speaks to this need. I know that the gentleman from Texas (Chairman BONILLA) and the gentlewoman from Ohio (Ms. KAPTUR), our ranking member, are supportive of the Land Grant Universities in the insular areas, and I urge them to utilize this new program to ensure the survival of these institutions.

Mr. BONILLA. Mr. Chairman, will the gentlewoman yield?

Ms. BORDALLO. I yield to the gentleman from Texas.

Mr. BONILLA. Mr. Chairman, I would like to thank the gentlewoman for bringing this matter to our attention. It is a very important issue. We recognize the needs of these institutions to be unique and deserving of additional support. The committee has included report language encouraging the Department to better assist the Land Grant Universities in the insular areas and provide us a report describing what steps the Department is currently taking to meet their unique needs.

I look forward to working with the gentlewoman and delegates to ensure that the needs of the Land Grant Universities in the insular areas are met the best way we possibly can.

Ms. KAPTUR. Mr. Chairman, will the gentlewoman yield?

Ms. BORDALLO. I yield to the gentlewoman from Ohio.

Ms. KAPTUR. Mr. Chairman, I just want to commend the gentlewoman from Guam for bringing these issues to our attention and to say what a great leader she is on agriculture for the insular areas. We really, without her leadership, would not have been made aware. I know both the chairman and I, as ranking member, are very grateful to her, and we look forward to working with her through conference and for a final bill to be produced.

Ms. BORDALLO. Mr. Chairman, I will place in the RECORD at this point a statement from my colleague, the gentleman from American Samoa (Mr. FALEOMAVAEGA), as well as a joint letter signed by myself, the Resident Commissioner of Puerto Rico, the delegate from the Virgin Islands, and the delegate from American Samoa.

U.S. CONGRESS,
Washington, DC, March 19, 2003.

Hon. HENRY BONILLA,
Chairman, Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies, House Committee on Appropriations, Rayburn House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: We are writing to request that $15 million be provided in the Fiscal Year 2004 agriculture appropriations bill for the Resident Instruction and Distance Education Grants Program for Insular Area Institutions of Higher Education. This program was authorized by last year's Farm Security and Rural Investment Act (Sec. 7501; Public Law 107–171) to strengthen instruction, curriculum and research in the food and agricultural sciences. With this funding the program would enhance the quality of teaching and learning at our nation's land-grant universities in the U.S. territories.

Collaboration between faculty and students at institutions of higher education in the U.S. territories with colleagues in the U.S. mainland is particularly challenging given the distance between them. Current fragile economic conditions in the U.S. territories also compound the challenges posed by their geographic isolation. Nevertheless, these institutions boast sound and reputable programs in agriculture, natural resources, forestry, veterinary medicine, home economics, and disciplines closely allied to the food and agriculture production and delivery systems. The primary and secondary science and agricultural teachers of these institutions often lack proper credentials though. A distance education program is desperately needed by these educators. Because of the high cost of shipping to the U.S. territories, food costs are high and families are often forced to make unhealthy choices. These unhealthy choices compound an already high incidence of chronic diseases such as diabetes, obesity and heart disease among the populations of the insular areas. Strengthening health and diet outreach education would help to prevent unnecessary trauma for many families. Expertise in environmental management is limited in the islands of insular areas. The insular area land grants are the primary source of higher education for the region and environmental education programs need to be created and strengthened. Building the capacity of the insular area land grants in the areas of distance education, agriculture, health and nutrition and environmental management will improve the overall quality of life and education for U.S. citizens who live in these areas.

Designating $15 million for this program through the Cooperative State Research, Education, and Extension Service's (CSREES) research and education activities account is vitally important if we are to support the learning communities of the U.S. territories and provide them the ability to partner with other institutions in the U.S. mainland. Harnessing technology in support of institutional capacity-building in this regard is essential for the success of the land-grant universities in the U.S. territories. Thank you for your consideration of this request. Please do not hesitate to contact us should you have any questions or should you be in need of further information.

Sincerely,

ANÍBAL ACEVEDO-VILÁ,
DONNA M. CHRISTENSEN,
MADELEINE Z. BORDALLO,
ENI F.H. FALEOMAVAEGA,
Members of Congress.

AMENDMENT OFFERED BY MR. ACKERMAN

Mr. ACKERMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ACKERMAN:

Add at the end (before the short title) the following new section:

SEC. ____. None of the funds appropriated or made available by this Act may be used to approve for human consumption pursuant to the Federal Meat Inspection Act any cattle, sheep, swine, goats, horses, mules, or other equines that are unable to stand or walk unassisted at a slaughtering, packing, meat-canning, rendering, or similar establishment subject to inspection at the point of examination and inspection, as required by section 3(a) of the Federal Meat Inspection Act (21 U.S.C. 603(a)).

Mr. BONILLA. Mr. Chairman, I ask unanimous consent that debate on the pending amendment offered by the gentleman from New York (Mr. ACKERMAN) and any amendments thereto be limited to 30 minutes, to be equally divided and controlled by the proponent and myself, the opponent.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ACKERMAN. Mr. Chairman, I yield myself such time as I may consume.

I rise today to introduce the Ackerman-LaTourette amendment which would prohibit the USDA from expending any funds to approve meat from downed animals for human foods.

This, Mr. Chairman, is a downed animal. Downed animals are livestock who collapse, often for unknown reasons. They are unable to walk, unable to stand. Animals such as these are inhumanely dragged, very often by ropes and by chains, into stockyards where they often spend days lying in their own feces. They are sometimes covered in E. coli and are at high risk for illnesses such as mad cow disease.

The smart and humane businesses in this country, such as McDonald's and Wendy's and Burger King, all refuse to accept the meat of downed animals. They recognize how harmful it could be to their industry and what a looming disaster it would be to this country if mad cow disease entered our food chain. The USDA, as a matter of fact, prohibits the use of downed animals in our own school lunch programs throughout this country; and yet these downed animals such as this find their way into our food supply and are on the shelves in our supermarkets, our butcher shops, and our restaurants. If these downed animals are not safe enough and not adequate enough for the fast food restaurants or for our children in school, why are they put on America's supermarket shelves?

The answer, Mr. Chairman, has nothing to do with cows. It has to do with pigs. It has to do with greed. For the sake of making a few bucks, getting us to eat a crippled cow such as this can cripple the entire industry. Less than 1 percent of all animals are downed animals, not a big dent in the industry.

Mr. Chairman, just a few months ago, a mad cow was discovered across our border in Alberta, Canada. Their meat standards are almost as good as ours, and that one mad cow was a downed

animal. That discovery is not a coincidence. Study after study after study shows that downed cows are much more predisposed to having mad cow disease than the general population. The USDA has conducted a study and has concluded that if mad cow disease ever did occur in the United States, it would most likely be found among downed cattle than the general cattle population.

Just one infected mad cow crippled all of Canada's meat industry. We do not buy cows from Canada anymore. They are absolutely devastated. Canada should be a lesson to us. We must pass this legislation.

The bipartisan amendment that the gentleman from Ohio (Mr. LATOURETTE) and I introduce today will improve the safety of our food supply and prevent animals such as these from entering our food chain. Last year, we passed this measure in Congress. This year, we have 115 sponsors of this legislation. It is absolutely imperative that we pass this. In the name of food safety, in the name of the humane treatment of animals, please pass the Ackerman-LaTourette amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. BONILLA. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Virginia (Mr. GOODLATTE), the chairman of the authorizing committee.

Mr. GOODLATTE. Mr. Chairman, I thank the gentleman for yielding me this time. I rise in strong opposition to this amendment.

Mr. Chairman, this amendment is a very bad idea from a public health safety standpoint. The way that we inspect animals to prevent animals with anything from BSE to a whole host of other diseases from getting into the food chain is through the process whereby the animals are slaughtered. When they show up at the slaughterhouses, that is where the veterinarians are on hand to inspect them and to make sure that animals that are not healthy do not get into the food chain. They are pulled off the line at that point in time and the public has that safety assurance.

If we require that downed animals are euthanized on the farm and never get to that point in the processing system, we are going to drive this whole process literally underground.

The problem that we have is that the animals will then be buried on the farm or disposed of in some other way, perhaps even put into the food chain illegitimately, because that farmer has absolutely no incentive to do anything otherwise. It is a cost to them, and there is no compensation to them whatsoever.

So if you have an animal that has BSE, and we certainly hope that that never occurs in this country, but if it does, we will never know it if this amendment passes because that animal will never get to the veterinarian to be inspected to determine whether or not it has that illness.

Therefore, this is a very, very bad idea. The humane thing to do for the animal, to have it euthanized at a place in the process where the veterinarians are on hand and can properly inspect it, is the way to go here. It is very important that when animals are downed we find out why they are downed. It might simply be a dislocated hip or something else that is no danger to human consumption, but if it is an animal that has a serious disease, we want to know if that animal has spread that disease to other animals in the area, whether other animals on that farm have the same problem.

□ 1500

If they never get to the veterinarian, we will never find that out; and, therefore, this will become a very serious human health problem if we adopt this amendment.

Mr. ACKERMAN. Mr. Chairman, will the gentleman yield?

Mr. GOODLATTE. I yield to the gentleman from New York.

Mr. ACKERMAN. Mr. Chairman, the gentleman makes a very, very important point. Unfortunately, he refers to previous legislation that the gentleman and I discussed.

What we are doing here is we are not preventing the animal from getting there. We are preventing it from entering the food supply so people do not eat these crippled, diseased, pathetic animals as part of their hamburger or steak that they unwittingly buy at the supermarket. This just prevents the use of any funds from approving this animal from entering the food supply. It does not prevent the animal from being tested. It does not prevent the animal from being researched.

Mr. GOODLATTE. Reclaiming my time, the gentleman's point does not cure the problem. And the reason it does not is that there is still a lack of incentive for that farmer to ship that animal to the veterinarian if he knows before it ever gets on his truck that he will not be able to get any compensation for it, any certification for it no matter what is wrong with the animal.

As I indicated, if the animal simply has a dislocated hip or some other ailment that does not make the animal unsound for human consumption, then the farmer has absolutely no incentive whatsoever to ever get it to the slaughter house.

Mr. BONILLA. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas (Mr. STENHOLM), the distinguished ranking member of the authorizing committee.

Mr. STENHOLM. Mr. Chairman, I thank the gentleman for yielding me time. I will be glad to yield to my friend from New York at any time on the point, but I think some of the points the gentleman from Virginia (Chairman GOODLATTE) made need to be reemphasized.

Existing statutes and regulations are sufficient to address the issue of preventing conscious, nonambulatory livestock from being inhumanely handled prior to slaughter.

Now, there are differences of opinion as to what is ''inhumanely handled,'' and I respect those who have a different opinion than I have. Now, Federal and State veterinarians at slaughter establishments are best capable of identifying and segregating suspect animals from entering the food chain. FSIS personnel verify that disabled livestock handling procedures are carried out to ensure that nonambulatory animals are set apart and humanely slaughtered. That is what the chairman was pointing out will no longer happen if the gentleman's amendment is passed.

In accordance with the Federal Meat Inspection Act and the Poultry Products Inspection Act, FSIS inspectors conduct anti-mortem inspection of livestock. Unconscious, disabled livestock cannot receive anti-mortem inspection and must be condemned and disposed of in accordance with FSIS regulations and the Humane Methods of Slaughter Act. Non-ambulatory, disabled livestock that have not received anti-mortem inspection and cannot be humanely moved must be humanely condemned before they may be transported from the slaughter establishment's premises.

Mr. ACKERMAN. Mr. Chairman, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from New York.

Mr. ACKERMAN. Mr. Chairman, I should point out that the gentleman, who is a distinguished leader and authority in this area and someone for whom I have the greatest respect, is absolutely right. However, what we are dealing here with is an amendment that does not disrupt this process whatsoever. All of those things can and should take place from the time the animal is grazing to the time it is in the yard to the time it is being shipped and even prior to slaughter.

The only thing that we prevent is the animal from being consumed by the American public. Every single one of us has constituents that eat meat. Some of us have the majority of our constituents. And the American people, 0 percent of them say they will not eat the product of a downed animal such as this.

Mr. STENHOLM. And that sick animal will never find its way into the food chain under the current law that we are enforcing today.

BSE was talked about. It is extremely critical that we do not create a situation in which downed animals which have very good food value, simply because they may have had a dislocated hip or a broken leg still have food value, not be discouraged from coming to the marketplace, which is exactly what the gentleman intends to do; and I respect his desire for doing that. But in the handling of livestock, it is extremely important that livestock continue to be handled as we are doing it under FSIS, particularly with the BSE question.

It is extremely important that BSE-suspect animals are tested; and, accordingly, right now USDA's aggressive BSE surveillance system targets these animals, the ones we are talking about for testing. During fiscal year 2001, USDA tested 5,272 head. In fiscal 2002, 19,990 head, more than 40 times the internationally recognized standard for appropriate surveillance for a country that has never detected BSE within its borders.

It is extremely important that the suspect animals get into the inspection system. But I fear because of those who believe that any animal that cannot walk should be immediately destroyed wherever it is, this will do some real harm potentially to the future of the very food safety issues that the gentleman is trying to correct.

Mr. ACKERMAN. Mr. Chairman, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from New York.

Mr. ACKERMAN. Mr. Chairman, the gentleman should know that we do not prevent the animal from being tested anywhere, including right up to the slaughter house. We do not deny funds for the testing of the animal. We want the animals to be tested. We want to make a determination as to where the animal came from if he does test positive for mad cow disease or any other kind of disease. What we are saying is that we are going to deny funds under this amendment to those animals, such as this one here, from entering the food chain and from being consumed by my constituents or your constituents.

Mr. STENHOLM. Reclaiming my time, the chairman has been overly generous in sharing of his limited time with me.

I repeat, the picture the gentleman is showing, that sick animal will never find its way into the food chain. Period.

It does no service to this institution to continue to show that.

This amendment would create a disincentive to producers. The gentleman does not understand the cattle business as many in this body do. I understand the sentiments in what you are trying to correct, but the amendment would have a totally different result.

I thank the chairman for his generosity.

Mr. BONILLA. Mr. Chairman, I reserve the balance of my time.

Mr. ACKERMAN. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN pro tempore (Mr. RYAN of Wisconsin). The gentleman from New York (Mr. ACKERMAN) has 12 minutes left.

Mr. ACKERMAN. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Ohio (Ms. KAPTUR).

Ms. KAPTUR. Mr. Chairman, I thank the gentleman for yielding me time.

I rise in strong support of the amendment by my very dedicated colleague from New York. His amendment would prohibit for human consumption any meat or meat food product derived from a downed animal.

I might say to my dear friend, the gentleman from Texas (Mr. STENHOLM), a recognized leader in agriculture, that the U.S. Department of Agriculture has already as part of its procedures adopted regulations that ban the purchase of meat from downed animals by its own procurement agencies. So let there be no mistake that our Department of Agriculture believes that it already has the authority to take that action internally.

Let me also say that the Department has estimated that nationally about 190,000 animals every year get so sick that they are unable to stand or walk and they are dragged to slaughter facilities and many of them end up in our food supply. But only about 5 percent of those animals are tested for serious diseases such as mad cow disease.

Now, many probably know that the recent mad cow found in Canada was a downed animal; that the president of the Alberta Beef Producers remarked about ''cows too sick to walk, too sick to stand have no business being part of the food system. This animal should have never left the farm.''

A 2001 study from Germany found that downed animals were anywhere from 10 to 240 times more likely to test positive for BSE than were ambulatory cows. And we all agree, I think we all know, that downed cattle have a higher risk of having BSE, and we should not be sending these animals to slaughter where they may ultimately end up on somebody's dinner table.

Farm Sanctuary used the Freedom of Information Act to analyze USDA slaughter house records for 938 facilities from 1999 through June 2001. They found 73 percent of downed animals passed for human consumption while 27 percent were condemned. But startlingly, among the downed animals approved for human consumption, included afflictions such as gangrene, malignant cancers and pneumonia. These were common.

I think the heart of the gentleman from New York's (Mr. ACKERMAN) proposal is, why are we sending these animals that should be euthanized and disposed of to auction markets and slaughter houses where they will contaminate healthy animals and, indeed, human health?

The August 2001 issue of ''Dairy Herd Management'' named downed animals as the most important area where the industry needs to clean up its act. So I want to rise in support of the Ackerman amendment. I think the gentleman is moving us all, moving the country toward a better standard, a higher standard. The USDA has already recognized that standard and adopted on its own meat procurement practices. I want to thank the gentleman for helping move America ahead. I think this amendment's consideration today will go a long way in helping to clean up this problem for the American people.

Mr. ACKERMAN. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN pro tempore. The gentleman from New York (Mr. ACKERMAN) has 8½ minutes remaining.

Mr. BONILLA. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN pro tempore. The gentleman from Texas has 6 minutes remaining.

Mr. BONILLA. Mr. Chairman, I yield 1 minute to the gentleman from Virginia (Mr. GOODLATTE), the chairman of the authorizing committee.

Mr. GOODLATTE. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I want to respond to the gentlewoman from Ohio (Ms. KAPTUR) because she is responding to exactly the same amendment that the gentleman from New York (Mr. ACKERMAN) has informed us he has modified from provisions that he has offered earlier as well.

The gentlewoman wants to keep the animals from ever being shipped to the slaughter house. The slaughter house is where the inspection takes place to determine whether or not the animal has BSE. So if the gentlewoman accomplishes her goal, she is defeating that purpose.

The gentleman from New York (Mr. ACKERMAN) has said he has modified his amendment so that only funds cannot be expended for the purpose of certifying the animal for processing. That has still the same problem. The farmer will have no incentive to get that animal to the place where the veterinarians are so that inspection can take place. If we had billions of dollars to have veterinarians go to every farm, maybe they could accomplish their goal; but we do not have that kind of money. The farmers do not have the money. They are not going to spend it. So they would be risking public health by refusing to have the process work the way it was designed. Have the animals go to the slaughter house, be inspected.

Mr. ACKERMAN. Mr. Chairman, I yield myself such time as I may consume.

Let me respond, first to the gentleman from Texas (Mr. STENHOLM), my good friend, I may not be in the cattle business; but I can tell a good steak when I see one. This does not a good steak make, and that is exactly the point.

And in answer to both questions to both the gentleman from Texas (Mr. STENHOLM) and the distinguished gentleman from Virginia (Mr. GOODLATTE), there is a greater picture that some might argue about testing anywhere along the process and euthanizing the animal prior to reaching the marketplace. That is all well and good, and we could argue those points; but that is not what this amendment is all about. This amendment does not prevent any of that from happening.

This specific amendment does not touch any of the testing procedures.

We want the animals tested. There are those who even have a greater picture; and they would say, let us not eat meat at all. That is not the purpose of this gentleman, and that is not the purpose of this amendment.

This amendment says after you go through all of these processes and all of these wonderful things that are in place right now, why jeopardize it all for the sake of making a few bucks and jeopardize the entire cattle industry, a major American industry, for the sake of making a few bucks off a couple of crippled animals, less than .63 percent of the entire population. It makes no sense.

One mad cow has closed them down in Canada. Do we want that to happen in the United States?

There is a humanitarian issue here for those of us who appreciate the inhumane treatment of animals, and there is a public-safety issue. And if nothing else, for goodness sake, look at the public-safety issue and look at what happened to Canada. Granted, we do a little bit better job, we think; but one mad cow is all it will take to shut down our industry.

□ 1515

Ms. KAPTUR. Mr. Chairman, will the gentleman yield?

Mr. ACKERMAN. I yield to the gentlewoman from Ohio.

Ms. KAPTUR. Mr. Chairman, I thank the gentleman for yielding to me.

I will not use the full time. I just wanted to say to my good friend from Virginia, the chairman of the authorizing committee, that the normal way, place the animal would be downed would be at the slaughterhouse anyway.

The point we are trying to make is do not put it in the food chain. That is the heart of the gentleman from New York's (Mr. ACKERMAN) amendment which he has not changed. So I just wanted to clarify that, and I also am concerned that at that slaughter facility that that diseased animal not contaminate the other animals. So there is a tremendous burden on that slaughterhouse, but the point of the gentleman from New York's (Mr. ACKERMAN) argument and amendment is do not put that sick animal in the food chain.

I support his amendment, and I thank the gentleman for offering it.

Mr. ACKERMAN. Mr. Chairman, I reserve the balance of my time.

Mr. BONILLA. Mr. Chairman, I yield myself as much time as I may consume.

Mr. Chairman, I simply want to say that I greatly appreciate the points that the authorizers have made today in opposition to this amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. ACKERMAN. Mr. Chairman, how much time do we have remaining?

The CHAIRMAN pro tempore (Mr. RYAN of Wisconsin). The gentleman from New York (Mr. ACKERMAN) has 6 minutes remaining.

Mr. STENHOLM. Mr. Chairman, will the gentleman yield?

Mr. ACKERMAN. I yield to the gentleman from Texas.

Mr. STENHOLM. Mr. Chairman, I thank the gentleman for yielding.

I think it is imperative that we distinguish between sick animals and downer animals. There is a big difference, and I think the author of the amendment and some of the arguments made, including by my good friend from Ohio, is tending to mix up downers and sick.

We all agree sick animals have no place in our food chain, period; and I would submit under current law that is a occurring 99.9999 percent of the time. No one can be perfect.

On the question of BSE, I worry about us continuing to be able to reassure the American public since in 2002 we tested 19,990 cattle, 40 times the international standard, but of those 19,990, 14,000 were downer animals. It is critical that we continue to look at downers to make sure they are not sick and remove them from the food chain, but when we read the gentleman's amendment today, I really respectfully say it would create a disincentive for producers to send downers to market.

We agree with the basic statement of keeping the animals out of the food chain that are sick. It is a question of how we best do it. Therefore, I respectfully oppose the gentleman's amendment in the belief that it will not accomplish what we all agree we need to do, and that is keep sick animals out but allow downer animals that can be humanely consumed to continue to be presented so we can make that determination as to whether they are sick or consumable.

Mr. ACKERMAN. Mr. Chairman, reclaiming my time, I appreciate the gentleman's sentiments and how articulately he presents them. We have a great deal of sympathy with what he is trying to accomplish, and one of the things the industry is trying to accomplish is to squeeze every nickel out of every head of cattle regardless of whether it is ambulatory, nonambulatory or anything else. There should be a disincentive for people bringing animals that are sick or diseased or nonambulatory to the market for the sake of making a couple of dollars on ½ of 1 percent of the entire cattle industry in America.

The fact that we do 40 times more testing and a better job than the average in the world, I am not impressed by that argument that we do better than places like Saudi Arabia and the Sudan and other places which bolster our numbers in how good we are.

Take a look at Canada. They do 40 percent better than the rest of the world, also. It took one mad cow who was a downed animal to shut down the entire industry. The industry here needs to be saved from itself. For the sake of that ½ of 1 percent, they are jeopardizing their entire business.

The humane aspect of this, I do not want to hold these pictures up continuously for the rest of this debate nor shall I, but the point is, the pictures are troubling. They are disturbing. Nobody likes to look at that. But if we think we go to the supermarket and buy some chopped meat and our own hamburger out of meat that McDonald's would not touch, out of meat that Wendy's would not touch, out of meat that Burger King would have no part of, out of meat that the USDA says, my goodness, keep this off the plates and tables of our schoolchildren as they have their lunches, it is unfair, it is unsafe, that the industry would say let us sneak this in and have these animals be put up for sale for the unsuspecting American public.

According to a Zogby poll, four out of every five Americans has said they would not touch this meat if they knew it came from a downed animal, but they do not know that it came from a downed animal, Mr. Chairman.

What we are doing here with this amendment is we are saying that the animal can be tested on the farm, it can be tested where it falls, it can be tested when it is in transit, it can be tested in the stockyards, it can be tested right up to the point of slaughter, do all the testing, make the determination, keep the statistics, but do not then put it into the food supply for the American people. Food safety demands better, and humanity to animals demands better.

Mr. SMITH of Michigan. Mr. Chairman, will the gentleman yield?

Mr. ACKERMAN. I yield to the gentleman from Michigan.

Mr. SMITH of Michigan. Mr. Chairman, just a very important point, I think bovine spongiform encephalitis, BSE, has never been found in the United States. We have the most strict meat inspection in the world, and if we pass this resolution the danger is that we complicate the inspection of those downed animals. Downed animals in this country do not go into the human food chain without a thorough health safety investigation.

Mr. ACKERMAN. Mr. Chairman, I thank the gentleman for his remarks.

We are not compromising the testing system at all. Test to your heart's content. Test and retest and double test. We agree with that. But, in the end, after all the tests, do not subject the American people to eating these downed animals.

On the gentleman's second point, that in the history of this country we have never found mad cow disease, I just want to point out that until one mad cow, who was a downed animal, came along, Canada had never found a mad cow in their country either. Look what has happened to them. Do not let it happen here in the name of food safety. In the name of the humane treatment of animals, do not allow that to happen here.

Mr. SMITH of New Jersey. Mr. Chairman, I rise in support of the Ackerman-LaTourette Amendment which would end the sale of "downed animal meat" for human consumption. Simply put, this Amendment would take

livestock that is too diseased, too weak, or too injured to even stand on its own feet out of our food chain.

American families do not want to put downed animal meat products on their dinner tables, and they do not want to worry about whether the meat products purchased from a restaurant contains meat from downed animals. As a matter of fact, new animal welfare standards followed by burger-giants McDonald's, Burger King, and Wendy's have ended the purchase of meat from downed animals in their food products. I applaud these moves and America's consumers applaud them as well.

Common sense, as well as scientific data, says that the meat taken from a downed animal is unfit for human consumption—its risk of bacterial contamination and other diseases is much much higher than the meat taken from a healthy animal. U.S. Department of Agriculture (USDA) records show that downed animals are often afflicted with gangrene, malignant lymphoma, pneumonia, and other serious illnesses. According to the Food and Drug Administration downed animals are responsible for half of the drug residue found in meat because these animals are often very sick animals, and therefore, are often receiving a variety of drug treatments. Why would anyone want to take a chance and eat this meat?

Not only would this legislation remove tainted meat from the American marketplace, it would help improve the treatment of animals at auctions and slaughterhouses. Most downed animals are old dairy cows, crippled veal calves, and sometimes injured beef cattle. These downed animals, too weak to stand up on their own, are often shocked with electricity, moved with bulldozers, kicked and dragged, all in the effort to move them along the assembly lines to be slaughtered.

Mr. Chairman, our Nation has made great strides in food processing and food production over many years. We've come a long way since the publication of Upton Sinclair's famous century-old work, ''The Jungle.'' But there's still a lot of needless cruelty that goes on in these places. Upton Sinclair wrote back then that the animals were strung up one by one in a ''cold-blooded, impersonal way, without a pretense of apology.'' This still occurs today.

For instance, cows with broken legs are often left for hours or even days without food and water, let alone veterinary care. There is no excuse for this cruel and inhumane treatment in a civilized society. For the sake of our society, our animals, and those who eat meat products, the practice of slaughtering and consuming downed animals must be brought to an end.

Americans rightly do not want to eat meat from downed animals nor do they want to see downed animals cruelly treated the way they are at our slaughterhouses and animal auctions. Five months after the publication of ''The Jungle,'' President Theodore Roosevelt and Congress took action by passing the first ''Pure Food and Drug Act'' and the first ''Meat Inspection Act.''

Mr. Chairman, Congress needs to act again. Americans want animals to be treated properly, and they want their food to be safe. I urge Members to support and vote for the Ackerman-LaTourette amendment.

Mr. SHAYS. Mr. Chairman, as Co-Chair of the Congressional Friends of Animals Caucus I urge my colleagues to vote in favor of the Ackerman Downed Animal Amendment.

Animals too weak, from sickness or injury, to stand or walk are routinely pushed, kicked, dragged, and prodded with electric shocks at auctions and intermediate markets, in an effort to move them to slaughter.

There is no excuse for this unnecessary torment.

The Ackerman amendment will protect these downed animals by discouraging their transport to livestock markets and requiring they be humanely euthanized.

Some greedy individuals know livestock sold for human consumption will bring a higher price than livestock sold for other purposes. To them, the money is more important than the suffering of the animals. In moving these animals to auctions and other markets, these individuals display a cruel disregard for the animals. They also ignore the fact that meat from these animals may be unfit for consumption.

Downed animals do not deserve this kind of cruel treatment, and consumers do not deserve to be subjected to the risk of buying contaminated meat products.

Mr. ACKERMAN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. All time having expired, the question is on the amendment offered by the gentleman from New York (Mr. ACKERMAN).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. ACKERMAN. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from New York (Mr. ACKERMAN) will be postponed.

Mr. BONILLA. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. GOODLATTE) having assumed the chair, Mr. RYAN of Wisconsin, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2673) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2004, and for other purposes, had come to no resolution thereon.

LIMITATION ON AMENDMENTS AND PROVIDING FOR FURTHER CONSIDERATION OF H.R. 2673, AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2004

Mr. BONILLA. Mr. Speaker, I ask unanimous consent that it be in order at any time for the Speaker, as though pursuant to clause 2(b) of rule XVIII, to declare the House resolved into the Committee of the Whole House on the State of the Union for further consideration of H.R. 2673, which shall proceed according to the following order:

No further amendment to the bill may be offered except pro forma amendments offered by the chairman and ranking minority member of the Committee on Appropriations or their designees for the purpose of debate and

An amendment by Ms. KAPTUR regarding biofuels, which will be debatable for 20 minutes;

An amendment by Ms. KAPTUR regarding APHIS;

An amendment by Ms. KAPTUR regarding credit cards;

An amendment by Ms. KAPTUR regarding the Website of the Department of Agriculture;

An amendment by Mr. BROWN of Ohio regarding food safety, which shall be debatable for 20 minutes.

Each such amendment may be offered only by the Member designated in this request, or a designee, shall not be subject to amendment, and shall not be subject to a demand for a division of the question in the House or in the Committee of the Whole.

Except as specified, each such amendment shall be debatable for 10 minutes, and debate on each amendment shall be equally divided and controlled by the proponent and an opponent.

All points of order against each of the amendments shall be considered as reserved pending completion of the debate thereon; and each of the amendments may be withdrawn by its proponent after debate thereon.

At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except for one motion to recommit, with or without instructions.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2004

Mr. BONILLA. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2673) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2004, and for other purposes.

The motion was agreed to.

□ 1525

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2673, with Mr. RYAN of Wisconsin in the chair.