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SENATE

{ REPORT
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AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIA- TIONS BILL, 2017

MAY 19, 2016—Ordered to be printed

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

REPORT

[To accompany S. 2956]

The Committee on Appropriations reports the bill (S. 2956) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2017, and for other purposes, reports favorably thereon and recommends that the bill do pass.

New obligatory authority

Total of bill as reported to the Senate	\$148,253,346,000
Amount of 2016 appropriations	140,965,695,000
Amount of 2017 budget estimate	169,876,786,000
Bill as recommended to Senate compared to—	
2016 appropriations	+ 7,287,651,000
2017 budget estimate	– 21,623,440,000

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BREAKDOWN BY TITLE

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

[In thousands of dollars]

	Fiscal year 2016 enacted	Committee recommendation
Title I: Agricultural programs	23,065,823	30,718,168
Title II: Conservation programs	863,754	1,015,375
Title III: Rural economic and community development programs	2,770,977	2,836,651
Title IV: Domestic food programs	109,796,981	109,721,128
Title V: Foreign assistance and related programs	1,868,468	2,006,883
Title VI: Related agencies and Food and Drug Administration	2,729,596	2,771,766
Title VII: General provisions	— 129,904	— 816,625
Total, new budget (obligational) authority	140,965,695	148,253,346

OVERVIEW AND SUMMARY OF THE BILL

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

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

The discretionary programs and activities of USDA and FDA that are supported by this bill include high priority responsibilities entrusted to the Federal Government and its partners to protect human health and safety, contribute to economic recovery, and achieve policy objectives strongly supported by the American people. The ability to provide for these measures is made difficult by growing pressure on available levels of discretionary spending as a consequence of the overall public debate on Federal spending, revenues, and size of the Federal debt.

Too often, the USDA programs funded by this bill are confused with farm subsidies and other mandatory spending more properly associated with multi-year farm bills. In contrast, this bill provides annual funding for programs familiar to all Americans such as protecting food safety through the Food Safety and Inspection Service and the Food and Drug Administration, which also plays a vital role in maintaining the safety of the Nation's blood supply and availability of safe and effective medical products and other components of our health system. This bill also provides funding to fight against the introduction and spread of noxious or infectious and often invasive pests and disease that threaten our plant and animal health environments, as well as funding for many other missions of dire importance to the American people.

In the context of overall pressures on spending and the competing priorities that the Committee faces, this bill as reported provides the proper amount of emphasis on agricultural, rural development, and other programs and activities funded by the bill. It is consistent with the subcommittee's allocation for fiscal year 2017.

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

REPORTS TO CONGRESS

The Committee has, throughout this report, requested agencies to provide studies and reports on various issues. The Committee utilizes these reports to evaluate program performance and make decisions on future appropriations. The Committee directs that all studies and reports be provided to the Committee as electronic documents in an agreed upon format within 120 days after the date of enactment, unless an alternative submission schedule is specifically stated in the report request.

TITLE I
 AGRICULTURAL PROGRAMS
 PRODUCTION, PROCESSING, AND MARKETING
 OFFICE OF THE SECRETARY

Appropriations, 2016	\$45,555,000
Budget estimate, 2017	64,403,000
Committee recommendation	54,150,000

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

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$54,150,000 for the Office of the Secretary. The Committee recommendation includes the following accounts under the Office of the Secretary: Office of the Secretary; Office of Tribal Relations; Office of Homeland Security and Emergency Coordination; Office of Advocacy and Outreach; Office of the Assistant Secretary for Administration; Departmental Administration; Office of Assistant Secretary for Congressional Relations; and Office of Communications. The following table reflects the amount provided by the Committee for each office and activity:

OFFICE OF THE SECRETARY

[In thousands of dollars]

	Fiscal year 2016 enacted	Fiscal year 2017 budget request	Committee recommendation
Office of the Secretary	5,051	10,178	10,178
Office of Tribal Relations	502	755	505
Office of Homeland Security and Emergency Coordination	1,496	1,592	1,592
Office of Advocacy and Outreach	1,209	11,220	4,220
Office of Assistance Secretary for Administration	804	807	807
Departmental Administration	25,124	27,420	25,396
Office of Assistant Secretary for Congressional Relations	3,869	3,919	3,919

OFFICE OF THE SECRETARY—Continued

[In thousands of dollars]

	Fiscal year 2016 enacted	Fiscal year 2017 budget request	Committee recommendation
Office of Communications	7,500	8,512	7,533
Total	45,555	64,403	54,150

Advertising Transparency.—The Committee is aware that agencies funded through this bill do a variety of different types of advertising. The Committee directs the agencies to clearly state within the text, audio, or video used for advertising or educational purposes, including emails or advertising/posting on the Internet, that the communications are printed, published, or produced and disseminated at U.S. taxpayer expense.

Biobased Products.—The Committee recognizes the opportunity that exists for biobased products to be used in food packaging and the food service industry. Bioplastics made from renewable resources such as canola can play an important role in this effort. The Committee encourages USDA to continue to work with companies bringing these types of products to market under the BioPreferred label.

Century Farms.—The Committee encourages the Secretary to recognize farms that have been in operation for 100 years, with prioritization for small, family farms, and encourages the establishment of a National Century Farms Designation.

Commodity Credit Corporation [CCC] Obligations and Commitments.—The Secretary is directed to notify the Committees on Appropriations of the House and Senate in writing 15 days prior to the obligation or commitment of any emergency funds from the CCC.

Cotton.—The Committee remains committed to ensuring a long-term and sustainable solution to problems facing American cotton farmers and commends the Secretary for exploring ways in which to provide relief with respect to the 2015 crop year. While the Committee is disappointed that the Secretary declined Congressional requests to designate cottonseed as an oilseed under the authority granted under the 2014 Farm Bill, the Committee encourages the Secretary to continue to work with Congress and industry to find a path forward on providing an adequate safety net for cottonseed.

Drought Relief.—The Committee continues its directive for USDA to provide quarterly reports to the Senate and House Committees on Appropriations detailing USDA's efforts to provide drought relief to States where all or the majority of counties are declared to be in a drought disaster, as well as any unmet needs or backlogs for USDA drought relief programs.

Multi-Agency Transparency.—The Committee expresses support for increasing transparency within all agencies of the Department of Agriculture. The agencies are encouraged to disclose costs associated with analyses required by the National Environmental Policy Act.

National Bio and Agro-Defense Facility [NBAF].—Upon its completion, NBAF will serve as the Nation's primary research facility to counter foreign animal diseases and will enable the phase out

of the Plum Island Animal Disease Center [PIADC]. As such, it is critical to develop a robust plan that ensures a qualified workforce, assesses the transition of existing research and development [R&D] efforts, and considers any new capabilities that may be necessary for future operations at NBAF. While the Department of Homeland Security [DHS] is responsible for the PIADC facilities, the R&D activities continue to be managed by USDA. Similarly, while DHS is responsible for building NBAF, the Committee understands that virtually all of the R&D activities will be under USDA auspices. Therefore, the Committee encourages DHS and USDA to work together on a plan for the future operation of NBAF, including consideration of the appropriate agency to manage the facility.

Outreach to Socially Disadvantaged and Veteran Farmers and Ranchers.—The Committee supports the efforts of the Office of Advocacy and Outreach to increase the accessibility of USDA programs to underserved constituents, and notes that \$10,000,000 in mandatory funds is available to assist socially disadvantaged and veteran farmers and ranchers in owning and operating farms and ranches to meet the growing need for financial, production, management, and other assistance to those communities and address workforce shortages. Additionally, the Committee recommendation includes an increase of \$3,000,000 in discretionary funding for these activities.

Resource Conservation and Development Councils.—Since 1964, the Resource Conservation and Development [RC&D] Councils have worked at the grassroots level with local leaders to plan, develop, and carry out programs for land and water conservation and management. The Committee encourages the Secretary to consider the maximum practical use of RC&D Councils, where such RC&D Councils meet agency performance requirements, in the delivery of USDA programs and services.

Transitional Tropical and Subtropical Agriculture.—The Department is encouraged to help maintain diversity in commercial agriculture by providing due support for significant-scale tropical and subtropical agricultural operations that are in transition due to economic hardship.

Vector Control.—The Department is encouraged to use its technical expertise in pest management to support Federal efforts to control *Aedes aegypti*, the primary vector for Zika, dengue, and chikungunya, all of which have now been reported in the United States. The Department may extend its technical support to include field trials, if appropriate, in physically isolated locales where cases of these diseases have already been reported.

Veteran Farming Career and Therapeutic Initiatives.—The Committee recognizes that nearly 40 percent of the Nation's farms are operated and owned by farmers over the age of 65, there will be a demand for 1 million new farmers over the next 15 years and 800,000 servicemembers are expected to transition out of the military in the coming years. Nearly half of Iraq and Afghanistan veterans return to rural communities and while many express a desire to have careers in farming or ranching, only 2 percent of these rural veterans currently work in agriculture. The Committee is encouraged by USDA's goal to develop and deepen the pipeline that will create paths for veterans transitioning from military service to

careers in agriculture. Funding for the Food and Agriculture Resilience Program for Military Veterans [FARM–Vets] affirms the Committee’s commitment to explore career opportunities, promote individual and community economic development, as well as, develop initiatives that engage veterans experiencing post-traumatic stress and traumatic brain injury with proven and promising agricultural, animal, environmental, and horticultural therapies. With as many as one in five veterans who served in Operations Iraqi Freedom or Enduring Freedom experiencing post-traumatic stress, the Committee urges the Department to seek opportunities that converge veteran agribusiness training and access to behavioral healthcare. The Committee recommendation provides \$5,000,000 within the Office of the Secretary and \$2,500,000 for FARM–Vets to advance initiatives and support programs that offer educational or vocational training in agriculture, provide behavioral health services by licensed providers and create pathways to employment in agribusiness.

EXECUTIVE OPERATIONS

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

OFFICE OF THE CHIEF ECONOMIST

Appropriations, 2016	\$17,777,000
Budget estimate, 2017	17,592,000
Committee recommendation	16,917,000

The Office of the Chief Economist advises the Secretary of Agriculture on the economic implications of Department policies and programs. The Office serves as the single focal point for the Nation’s economic intelligence and analysis, risk assessment, and cost-benefit analysis related to domestic and international food and agriculture issues, provides policy direction for renewable energy development, conducts analyses of climate change impacts on agriculture and forestry, and is responsible for coordination and review of all commodity and aggregate agricultural and food-related data used to develop outlook and situation material within the Department.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$16,917,000 for the Office of the Chief Economist.

Policy Research.—The Committee recommendation includes \$4,000,000 for policy research under 7 U.S.C. 3155 for entities with existing institutional capacity to conduct complex economic and policy analysis and a lengthy and well-documented record of conducting policy analysis for the benefit of the Department of Agriculture, the Congressional Budget Office, or the Congress. To maximize resources, the Committee expects the Department to focus efforts on entities that have developed models, databases, and staff

necessary to conduct in-depth analysis of impacts of agriculture or rural development policy proposals on rural communities, farmers, agribusiness, taxpayers, and consumers.

NATIONAL APPEALS DIVISION

Appropriations, 2016	\$13,317,000
Budget estimate, 2017	13,481,000
Committee recommendation	13,481,000

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$13,481,000 for the National Appeals Division.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

Appropriations, 2016	\$9,392,000
Budget estimate, 2017	9,525,000
Committee recommendation	9,525,000

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$9,525,000 for the Office of Budget and Program Analysis.

OFFICE OF THE CHIEF INFORMATION OFFICER

Appropriations, 2016	\$44,538,000
Budget estimate, 2017	65,716,000
Committee recommendation	49,917,000

The Office of the Chief Information Officer was established in August 1996 (40 U.S.C. 1401 et seq.), pursuant to the Clinger-Cohen Act of 1996, which required the establishment of a Chief Information Officer for major Federal agencies. This Office provides policy guidance, leadership, coordination, and direction to the Department's information management and information technology investment activities in support of USDA program delivery, and is the lead office in USDA e-gov efforts. The Office provides long-range planning guidance, implements measures to ensure that technology investments are economical and effective, coordinates

interagency information resources management projects, and implements standards to promote information exchange and technical interoperability. In addition, the Office of the Chief Information Officer is responsible for certain activities financed under the Department's Working Capital Fund (7 U.S.C. 2235). The Office also provides telecommunication and automated data processing [ADP] services to USDA agencies through the National Information Technology Center with locations in Fort Collins, Colorado, Kansas City, Missouri and Washington, DC. Direct ADP operational services are also provided to the Office of the Secretary, the Office of the General Counsel, the Office of Communications, the Office of the Chief Financial Officer, and Departmental Management.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$49,917,000 for the Office of the Chief Information Officer. This amount also includes not less than \$33,000,000 to support cybersecurity requirements of the Department, which is an increase of \$5,000,000 for increased cybersecurity tools to meet the growing demands of cybersecurity threats and known vulnerability risks.

Software Licenses.—The Committee encourages the Department's Chief Information Officer to perform periodic automated inventories of software licenses in use across the Department. The Department should compare those usage numbers to its purchased licenses and seek to increase efficiency wherever it identifies discrepancies. The Department is to consider using this information to obtain department-wide acquisitions as opposed to component-specific purchases of licenses.

OFFICE OF THE CHIEF FINANCIAL OFFICER

Appropriations, 2016	\$6,028,000
Budget estimate, 2017	9,119,000
Committee recommendation	8,119,000

The Office of the Chief Financial Officer is responsible for the dual roles of Chief Financial Management Policy Officer and Chief Financial Management Advisor to the Secretary and mission area heads. The Office provides leadership for all financial management, accounting, travel, Federal assistance, and strategic planning performance measurement activities within the Department. The Office is also responsible for the management and operation of the National Finance Center and the Departmental Working Capital Fund.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$8,119,000 for the Office of the Chief Financial Officer, including an increase of \$2,000,000 for implementation of the Digital Accountability and Transparency Reporting Act.

OFFICE OF THE ASSISTANT SECRETARY FOR CIVIL RIGHTS

Appropriations, 2016	\$898,000
Budget estimate, 2017	901,000
Committee recommendation	901,000

The Office of the Assistant Secretary for Civil Rights provides oversight of civil rights and related functions. This includes coordination of the administration of civil rights laws and regulations for employees of the Department of Agriculture and participants in programs of the Department, and ensuring compliance with civil rights laws.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$901,000 for the Office of the Assistant Secretary for Civil Rights.

OFFICE OF CIVIL RIGHTS

Appropriations, 2016	\$24,070,000
Budget estimate, 2017	24,750,000
Committee recommendation	24,342,000

The Office of Civil Rights provides overall leadership responsibility for all department-wide civil rights activities. These activities include employment opportunity as well as program nondiscrimination policy development, analysis, coordination, and compliance. The Office is responsible for providing leadership in facilitating the fair and equitable treatment of USDA employees, and for monitoring program activities to ensure that all USDA programs are delivered in a nondiscriminatory manner. The Office's outreach functions provide leadership, coordination, facilitation, and expertise to internal and external partners to ensure equal and timely access to USDA programs for all constituents, with emphasis on the underserved, through information sharing, technical assistance, and training.

COMMITTEE RECOMMENDATION

The Committee recommends an appropriation of \$24,342,000 for the Office of Civil Rights.

AGRICULTURE BUILDINGS AND FACILITIES

Appropriations, 2016	\$64,189,000
Budget estimate, 2017	84,365,000
Committee recommendation	74,365,000

Department headquarters presently operates in a two-building, Government-owned complex in downtown Washington, DC, the George Washington Carver Center in Beltsville, Maryland, and in leased buildings in the metropolitan Washington, DC, area. Under an arrangement with the General Services Administration, USDA operates, maintains, and repairs these facilities, in lieu of rental payments. For the last several years the Department has implemented a strategic space plan to locate staff more efficiently, renovate its buildings, and eliminate safety hazards, particularly in the Agriculture South Building.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$74,365,000 for Agriculture Buildings and Facilities.

HAZARDOUS MATERIALS MANAGEMENT

Appropriations, 2016	\$3,618,000
Budget estimate, 2017	3,633,000
Committee recommendation	3,633,000

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$3,633,000 for Hazardous Materials Management, including the requested increase for cleanup efforts at high-priority sites that pose the greatest threats to human life and safety.

OFFICE OF INSPECTOR GENERAL

Appropriations, 2016	\$95,738,000
Budget estimate, 2017	100,998,000
Committee recommendation	99,378,000

The Office of Inspector General [OIG] was established October 12, 1978, by the Inspector General Act of 1978 (Public Law 95-452). This act expanded and provided specific authorities for the activities of OIG which had previously been carried out under the general authorities of the Secretary of Agriculture.

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

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$99,378,000 for the Office of Inspector General. The recommendation also includes funding for OIG to address violations of section 26 of the Animal Welfare Act (7 U.S.C. 2156) and to coordinate with State and local law enforcement personnel in this effort.

OFFICE OF THE GENERAL COUNSEL

Appropriations, 2016	\$44,383,000
Budget estimate, 2017	49,599,000
Committee recommendation	45,010,000

The Office of the General Counsel provides all legal advice, counsel, and services to the Secretary and to all agencies, offices, and corporations of the Department. The Office represents the Department in administrative proceedings; nonlitigation debt collection proceedings; State water rights adjudications; proceedings before the Environmental Protection Agency, Interstate Commerce Commission, Federal Maritime Administration, and International Trade Commission; and, in conjunction with the Department of Justice, in judicial proceedings and litigation.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$45,010,000 for the Office of the General Counsel.

OFFICE OF ETHICS

Appropriations, 2016	\$3,654,000
Budget estimate, 2017	4,617,000
Committee recommendation	3,715,000

The Office of Ethics is the centralized and consolidated office implementing USDA's ethics program throughout the Department. The Office provides ethics services to all employees at the Department concerning advice, training, and guidance about compliance with conflict of interest and impartiality rules. This includes complying with the requirements of the Stop Trading on Congressional Knowledge Act, Public Law 112-105 (the STOCK Act), and the Office of Government Ethics regulatory requirements (5 CFR parts 2634 through 2641).

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$3,715,000 for the Office of Ethics.

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

Appropriations, 2016	\$893,000
Budget estimate, 2017	901,000
Committee recommendation	901,000

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$901,000 for the Office of the Under Secretary for Research, Education, and Economics.

Industrial Hemp.—The Committee urges the Secretary to clarify the Agency’s authority to award Federal funds to research projects deemed compliant with Section 7606 of the Agricultural Act of 2014.

Pollinators.—The Committee directs the Department to coordinate its research efforts and to institute longitudinal, in-the-field studies along major migratory bee routes, and to develop associated sensor and analytical technologies to identify the key factors causing honey bee loss.

ECONOMIC RESEARCH SERVICE

Appropriations, 2016	\$85,373,000
Budget estimate, 2017	91,278,000
Committee recommendation	86,757,000

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$86,757,000 for the Economic Research Service.

Organic Data Analysis.—The organic industry has grown at a tremendous rate over the past several years, and accurate data for the production, pricing and marketing of organic products is essential. Therefore, the Committee encourages ERS to continue and expand the efforts relating to organic data analysis.

NATIONAL AGRICULTURAL STATISTICS SERVICE

Appropriations, 2016	\$168,443,000
Budget estimate, 2017	176,639,000
Committee recommendation	169,639,000

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

NASS is also responsible for administration of the Census of Agriculture, which is taken every 5 years and provides comprehensive data on the agricultural economy including: data on the number of farms, land use, production expenses, farm product values, value of

land and buildings, farm size and characteristics of farm operators, market value of agricultural production sold, acreage of major crops, inventory of livestock and poultry, and farm irrigation practices.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$169,639,000 for the National Agricultural Statistics Service.

Chemical Use Data Series.—The Committee believes that the Chemical Use Data Series provides timely, valuable information on fertilizer and chemical use data on major field crops and selected specialty crops. The Committee encourages the National Agricultural Statistics Service to continue funding the collection and analysis of chemical use data as well as practices such as integrated pest management. The Committee directs the National Agricultural Statistics Service to continue collecting Fruit Chemical Use data and Vegetable Chemical Use data in alternating years.

Organic Data Collection.—The Committee believes the Organic Production Survey is essential to the growth of the organic industry, and should be conducted on a regular basis to properly assess the characteristics, trends, and changes in the sector. The Committee expects NASS to incorporate funding for an annual organic production survey into its internal budgeting process.

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

Appropriations, 2016	\$1,143,825,000
Budget estimate, 2017	1,161,340,000
Committee recommendation	1,177,938,000

The Agricultural Research Service [ARS] is responsible for conducting basic, applied, and developmental research through its major program areas of New Products/Product Quality/Value Added; Livestock/Crop Production; Food Safety; Livestock/Crop Protection; Human Nutrition; and Environmental Stewardship. The research applies to a wide range of goals; commodities; natural resources; fields of science; and geographic, climatic, and environmental conditions.

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

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

The mission of ARS research is to develop and transfer solutions to agricultural problems of high national priority and provide information access and dissemination to ensure high-quality, safe food

and other agricultural products; assess the nutritional needs of Americans; sustain a competitive agricultural economy; enhance the natural resource base and the environment; and provide economic opportunities for rural citizens, communities, and society as a whole.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$1,177,938,000 for salaries and expenses of the Agricultural Research Service. The Committee does not concur with the President's budget request regarding the termination of research programs. The Committee expects extramural research to be funded at no less than the fiscal year 2016 levels.

Aerial Application Research.—The Committee recognizes the importance of the ARS Aerial Application Technology Program. The program conducts innovative research making aerial applications more efficient, effective and precise. Research for aerial application serves the public good as a vital tool for the future, as agriculture strives to meet the food, fiber, and bio-energy demands of a growing population.

Agricultural Genomics.—The Committee provides \$1,500,000 for agricultural genomic research to expand the knowledge of public and private sector entities and persons concerning genomes for species of importance to the food and agriculture sectors in order to maximize the return on the investment in genomics of agriculturally important species.

Agroforestry.—Agroforestry can provide on-farm financial and environmental benefits while also addressing the regional and national-scale issues of clean water, wildlife habitat, and hypoxia. Agroforesters manage trees with crops, livestock, and pasture to combine the best of both agriculture and forestry. Recognizing the importance of agroforestry to farm practices and the environment, the Committee recommendation includes no less than the fiscal year 2016 level to develop integrated strategies to manage multifunctional agricultural landscapes that combine trees with agricultural and horticultural crops, forages and grazing livestock for optimal economic, environmental, and natural resources benefits.

Alfalfa Research.—The Committee notes that research into alfalfa seed and alfalfa forage systems holds the potential to increase yields, increase milk production, and improve genetics, and encourages ARS to support research focused on alfalfa improvement. Research should focus on using tools to accelerate and enhance existing breeding programs focused on improving yield and quality parameters; developing innovative harvesting and utilization systems; developing new markets for co-products; and quantifying environmental benefits from alfalfa-based systems.

ARS Field Stations.—The Committee recognizes the successful utilization of authorities granted previously in annual appropriations acts to further the cooperation between industry and the Canal Point, Florida, Sugarcane Field Station. However, the Committee is concerned that this partnership is jeopardized by requirements that have nothing to do with the functionality of facilities. The Committee directs ARS to resolve these issues, thus allowing this model partnership to continue.

Classical Plant Breeding.—The Committee is aware of the need to enhance classical plant breeding, and encourages ARS to invest in research to improve genetic resources and cultivars for the benefit of U.S. producers, seed companies, processors and consumers. This research should focus on breeding improved germplasm and varieties with higher yields, improved disease and pest resistance and resilience to weather extremes. Additionally, methods and tools should be developed to enable classical breeders to choose better breeding parents and speed up variety development.

Cotton Ginning.—The Committee recognizes the importance of pollution abatement, improving fiber quality, ginning efficiency, cotton seed and other byproducts, and provides an additional \$1,500,000 to expand research in cotton ginning and innovation by existing laboratories.

Cover Crops Research and Outreach.—The Committee recognizes the importance of developing profitable and practicable cover crop options for use in dairy, grain, and vegetable production systems, including for use in no-till organic systems and as forages. Therefore, the Committee recommendation includes \$750,000 for ARS to support research with the purposes of improving measures of soil health and resiliency, varietal development, optimizing dairy forage species combinations, timing and strategies for cover crop seeding and termination, forage integration into organic dairy systems, and mitigation of environmental and extreme rainfall impacts on water quality and soil security for diverse cover crop systems.

Emerging Cereal Rust Diseases.—The Committee is aware that emerging cereal rust diseases are a threat to domestic and world food supplies. Therefore, the Department should continue to dedicate funding to speed efforts to combat cereal rust disease, including development of Ug99-resistant wheat varieties.

Forage Production Systems.—The Committee recommendation includes no less than the fiscal year 2016 level to develop management practices that improve the production efficiency of grazing operations in temperate pastures.

Forest Products.—The Committee recognizes the important role of the forests products sector to the U.S. economy. The need to create new and improved value-added products and renewable energy from our Nation's wood supply is critical to the sustainability of the national economy. The Committee recommendation includes no less than the fiscal year 2016 level to support research on wood quality improvement and improvement in forest products evaluation standards and valuation techniques. ARS shall conduct this research in consultation with the Forest Products Laboratory.

Genomes to Fields.—The Committee encourages ARS to expand the Germplasm Enhancement of Maize [GEM] project and has provided \$1,250,000 to complement the existing USDA maize germplasm programs and support the emerging large-scale public sector effort to investigate the interaction of maize genome variation and environments, known as the Genomes to Fields project.

Human Nutrition Research.—The Committee remains concerned about the high rates of obesity in this country, and believes that research into human nutrition is important to help prevent childhood obesity and the medical issues obesity brings. The Committee recommendation includes no less than the fiscal year 2016 level to

expand research regarding the growth, health promotion, diet, immune function, and disease prevention of the developing child.

Leafy Green Vegetables.—The Committee encourages ARS to support the research and development of leafy green vegetables, including vertically stacked farming production at scale, with improved taste, texture, size, appearance and nutritional content in order to increase consumption, particularly by children and adolescents.

National Agricultural Library.—The Committee encourages the Agricultural Research Service to maintain its focus on agriculture-related legal issues within the National Agricultural Library. The Committee notes that as the agriculture sector faces increasing fiscal stress, there is a necessity that agriculture-related legal issues be addressed on an increasingly frequent basis. Further, agriculture-related legal issues are increasingly complex and the impact of these legal issues continues to broaden in scope. Therefore, the Committee recommends that the National Agricultural Library maintain the Agricultural Law Information Partnership.

National Bio and Agro-Defense Facility Workforce Development.—The Committee notes that significant resources have been invested in the new National Bio and Agro-Defense Facility [NBAF] and is concerned about the potential shortage of qualified scientists, including DVM-PhDs, when the facility opens in 2022. The Committee recommendation includes \$1,000,000 for ARS to develop the necessary mechanisms to ensure a viable and qualified scientific workforce is available, and to implement a program to recruit and train scientists, and other technical positions, focused on pathology, virology, immunology, entomology, epidemiology, microbiology, and computational biology for productive USDA careers at NBAF.

Nutrition Research and Aging.—Food and nutrition play a central role in U.S. health, environment, and economic development. In fact, diet-related disease has become America's largest single cause of premature death and disability. More research is needed to address the needs of all Americans, with a particular focus on the elderly, the fastest growing segment of the population. Therefore, the Agricultural Research Service is encouraged to prioritize human nutrition research to explore the relationship between nutrition, physical activity, and healthy and active aging.

Office of Pest Management Policy.—The Committee recognizes the critical role that the Office of Pest Management Policy [OPMP] plays in fulfilling USDA's statutory role in the interagency consultative process under the Federal Insecticide, Fungicide, and Rodenticide Act. The importance of OPMP's mission has increased commensurately with the increased actions undertaken by EPA, and the Committee provides \$3,000,000 for OPMP to fulfill its obligations on behalf of USDA.

Poultry Research.—The Committee recognizes the important role of the poultry sector to the U.S. economy. The Committee provides \$2,000,000 above the fiscal year 2016 funding level to expand the research capacity for poultry production and health.

Research Assistance.—The Committee encourages the Agricultural Research Service to provide direct, place-based assistance to 1862 Institutions in States that do not have Agricultural Research Service facilities to address the research priorities of such States,

such as invasive plant species and insects that cause significant impacts to agriculture, aquaculture, and communities in such States and to assist in the development of specialty and horticultural crops to increase food security and expand marketing opportunities for small farmers.

Research Facilities.—The Committee notes the delivery of the report pursuant to a provision in the report accompanying the Fiscal Year 2016 Consolidated and Further Continuing Appropriation Act, which directed ARS to submit a report containing recommendations to better utilize Federal labs in cooperation with land-grant universities. It is concerning, however, that the report contained no such recommendations and many issues regarding the underutilization of established labs remain unresolved. The Committee therefore directs ARS, in consultation with land-grant universities and Center Directors, to submit a report to the Committee by January 30, 2017, that includes an assessment of the current utilization of each ARS facility, the views of land-grant universities and/or Center Directors, and specific recommendations to better utilize Federal labs to explore new scientific opportunities that benefit the Nation's food and agriculture system.

Safe and Abundant Water Supplies.—The Committee recognizes the importance of a coordinated approach to the management of water supplies as water demands increase in drought prone areas and elsewhere. The Committee recommendation includes an increase of \$5,000,000 for research to enhance agricultural production despite increased competition for water resources and declining water availability.

Sage Steppe Restoration Science.—The Committee includes an increase of \$1,000,000 for ARS to advance sagebrush habitat restoration science in the Northern Great Basin including cooperative research, testing and deploying precision restoration methods to restore habitat impacted by significant disturbance such as wildfire and invasive species.

Sclerotinia.—The Committee is aware of the economic importance of controlling sclerotinia, which affects sunflowers, soybeans, canola, edible beans, peas, and lentils and encourages ARS to continue both core research and cooperative projects of the National Sclerotinia Initiative.

Shellfish Research.—The Committee encourages the Agricultural Research Service to increase its investment in partnerships with research institutions on research to improve shellfish survival and growth rates and to classify and preserve natural genetic variation.

Small Grains Genomic Initiative.—The Committee recognizes that ARS small grains genotypic research provides a critical resource to facilitate the application of genomic information and DNA marker technologies to the improvement and breeding of barley and wheat, with a current major need to update to next-generation genotypic to accelerate marker-assisted breeding. Adequate resources are also needed to enhance barley and wheat quality phenotyping, doubled haploid research and small grains genomic research, and the Committee supports the Small Grains Genomic Initiative.

Sorghum Genetic Database.—The Committee recognizes the importance of phenotyping and genotyping that allows breeders to un-

derstand which genes are responsible for improvements in drought tolerance and yield. The Committee recommends an increase of \$1,650,000 to further facilitate the partnership between ARS and the Department of Energy on sorghum genome mapping—particularly the creation of an easily-accessed database to house the information generated from the ongoing genetic sequencing research which will facilitate further crop development efforts.

Sustainable Water Use Research.—The alluvial plain within the Lower Mississippi River Basin is one of most productive agricultural regions in the United States. The Committee remains concerned with the unsustainable use of water in the Alluvial Aquifer as a result of increasing water withdrawals and stagnant recharging. The Committee provides an increase of \$4,500,000 million for research to improve the recharge capabilities of the Alluvial Aquifer and to develop new conservation and irrigation techniques to reduce water usage in agriculture production.

Tropical and Subtropical Research.—Research on Tropical and Subtropical crops is critical as the presence of and destruction by invasive pests such as fruit flies, coffee berry borer, and plant viruses increase and threaten crop security in the Pacific and Insular Areas, and the Committee encourages ARS to support this research.

U.S. Wheat and Barley Scab Initiative [USWBSI].—The Committee recognizes that fusarium head blight is a major threat to agriculture, inflicting substantial yield and quality losses throughout the U.S. The Committee supports research carried out through the USWBSI. The Committee recommendation includes an additional \$2,000,000 above the fiscal year 2016 level to conduct further research on reducing the impact of fusarium head blight on wheat and barley.

Wheat and Sorghum Research.—The Committee recognizes the potential impact heat and drought can have on the yield and quality of wheat and sorghum and the need for new cultivars to adapt to changing climatic conditions. The Committee provides an increase of \$1,000,000 for research to improve the productivity and quality of wheat and sorghum during uncertain growing seasons resulting from extended droughts and increased temperatures. Within this increase, funding is included to initiate gene flow research to advance the durability and sustainability of fitness traits in sorghum.

AGRICULTURAL RESEARCH SERVICE

BUILDINGS AND FACILITIES

Appropriations, 2016	\$212,101,000
Budget estimate, 2017	94,500,000
Committee recommendation	64,300,000

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$64,300,000 for Agricultural Research Service, Buildings and Facilities.

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE

Section 7511(f)(2) of the Food, Conservation, and Energy Act of 2008 amends the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6971) by establishing an agency to be known as the National Institute of Food and Agriculture [NIFA]. The Secretary transferred to the Director of NIFA, effective October 1, 2009, all authorities administered by the Administrator of the Cooperative State, Research, Education and Extension Service. The mission is to work with university partners and customers to advance research, extension, and higher education in the food and agricultural sciences and related environmental and human sciences to benefit people, communities, and the Nation.

RESEARCH AND EDUCATION ACTIVITIES

Appropriations, 2016	\$819,685,000
Budget estimate, 2017	836,915,000
Committee recommendation	851,496,000

Research and Education programs administered by NIFA are USDA's principal entrée to the university system of the United States for the purpose of conducting agricultural research and education programs as authorized by the Hatch Act of 1887, as amended (7 U.S.C. 361a–361i); the McIntire-Stennis Cooperative Forestry Act of 1962, as amended (16 U.S.C. 582a et seq.); the Competitive, Special, and Facilities Research Grant Act, as amended (7 U.S.C. 450i); the National Agricultural, Research, Extension, and Teaching Policy Act of 1977, as amended (7 U.S.C. 3101 et seq.); the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note); the Agricultural Research, Extension and Education Reform Act of 1998 (Public Law 105–185), as amended; the Food, Agriculture, Conservation and Trade Act of 1990 (Public Law 101–624); the Farm Security and Rural Investment Act of 2002 (Public Law 107–171); and the Food, Conservation and Energy Act of 2008 (Public Law 110–246). Through these authorities, USDA participates with State and other cooperators to encourage and assist the State institutions in the conduct of agricultural research and education through the State Agricultural Experiment Stations of the 50 States and the territories; by approved Schools of Forestry; the 1890 Land-Grant Institutions and Tuskegee University and West Virginia State University; 1994 Land-Grant Institutions; by Colleges of Veterinary Medicine; and other eligible institutions. The appropriated funds provide Federal support for research and education programs at these institutions.

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$851,496,000 for research and education activities of the National Institute of Food and Agriculture.

The following table summarizes the Committee's recommendations for research and education activities:

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE—RESEARCH AND EDUCATION ACTIVITIES

[Dollars in thousands]

Program/Activity	Authorization	Committee recommendation
Hatch Act	7 U.S.C. 361a-i	243,701
McIntire-Stennis Cooperative Forestry Act	16 U.S.C. 582a through a-7	33,961
Research at 1890 Institutions (Evans-Allen Program)	7 U.S.C. 3222	54,185
Payments to the 1994 Institutions	534(a)(1) of Public Law 103-382 ..	3,439
Education Grants for 1890 Institutions	7 U.S.C. 3152(b)	19,336
Education Grants for Hispanic-Serving Institutions	7 U.S.C. 3241	9,219
Education Grants for Alaska Native and Native Hawaiian-Serving Institutions.	7 U.S.C. 3156	3,194
Research Grants for 1994 Institutions	536 of Public Law 103-382	1,801
Capacity Building for Non Land-Grant Colleges of Agriculture	7 U.S.C. 3319i	5,000
Resident Instruction and Distance Education Grants for Insular Areas.	7 U.S.C. 3362 and 3363	2,000
Agriculture and Food Research Initiative	7 U.S.C. 450i(b)	375,000
Veterinary Medicine Loan Repayment	7 U.S.C. 3151a	5,000
Veterinary Services Grant Program	7 U.S.C. 3151b	2,500
Food and Agriculture Resiliency Program for Military Veterans	7 U.S.C. 2662(e)	2,500
Continuing Animal Health and Disease Research Program	7 U.S.C. 3195	4,000
Supplemental and Alternative Crops	7 U.S.C. 3319d	825
Multicultural Scholars, Graduate Fellowship and Institutions Challenge Grants.	7 U.S.C. 3152(b)	9,000
Secondary and 2-year Post-Secondary Education	7 U.S.C. 3152(j)	900
Aquaculture Centers	7 U.S.C. 3322	4,000
Sustainable Agriculture Research and Education	7 U.S.C. 5811, 5812, 5831, and 5832.	27,000
Farm Business Management	7 U.S.C. 5925f	1,450
Sun Grant Program	7 U.S.C. 8114	3,000
Improved Pest Control:		
Minor Crop Pest Management (IR-4)	7 U.S.C. 450i(c)	11,913
Alfalfa Forage and Research Program	7 U.S.C. 5925	2,250
Special Research Grants: 7 U.S.C. 450i(c):		
Global Change/UV Monitoring .....	.....	1,405
Potato Research .....	.....	2,250
Aquaculture Research .....	.....	1,350
Total, Special Research Grants .....	.....	5,005
Necessary Expenses of Research and Education Activities:		
Grants Management System .....	.....	7,830
Federal Administration—Other Necessary Expenses for Research and Education Activities.	.....	13,487
Total, Necessary Expenses .....	.....	21,317
Total, Research and Education Activities .....	.....	851,496

Agriculture and Food Research Initiative.—The Committee recommendation includes \$375,000,000 for the Agriculture and Food Research Initiative [AFRI].

Section 7406 of the Food, Conservation, and Energy Act of 2008 specifies priority areas with the Agriculture and Food Research Initiative [AFRI], including an emphasis on conventional (classical) plant and animal breeding. The Committee strongly concurs with the intent of this section, and continuing its fiscal year 2016 guidance, encourages the agency to create a distinct funding stream within the AFRI program for development of publically available, regionally adapted cultivars that are bred specifically to meet unique regional soil, climate, and cropping system conditions, for the benefit of U.S. producers, seed companies, processors and con-

sumers. The Committee further directs the agency to report its progress in meeting this requirement.

Agricultural Research Enhancement Awards.—The Committee remains determined to see that quality research and enhanced human resources development in the agricultural and related sciences be a nationwide commitment. Therefore, the Committee continues its direction that not less than 15 percent of the competitive research grant funds be used for USDA's agricultural research enhancement awards program, including USDA-EPSCoR.

Alfalfa and Forage Research.—The Committee notes that research into alfalfa seed and alfalfa forage systems holds the potential to increase yields, increase milk production, and improve genetics. The Committee recommendation includes \$2,250,000 to support research into the improvement of yields, water conservation, creation of new uses, and the development of new storage and harvest systems.

Aquaculture Disease Research.—The Committee encourages USDA to support aquaculture disease and vaccine research, including research on coldwater aquaculture vaccines. There is currently no national facility for pathogen testing. Research into finfish vaccines and pathogens has the potential to accelerate the growth of sustainable U.S. aquaculture, reduce the trade deficit attributable to imported seafood, and reduce the pressure on overfished species.

Aquaculture Research.—The Committee recognizes the importance of the domestic aquaculture industry to the U.S. economy. The Committee recommendation includes \$1,350,000 for aquaculture research to address issues related to genetics, disease, systems, and economics.

Cereal Crop Research.—Research on cereal crops has historically been conducted by USDA and public universities, and the Committee recognizes the importance of continuing investment in cereal crop research. The Committee strongly encourages USDA to provide funding for cereal crop research in the areas of genetic and genomic research, plant pest research, and improved production systems.

Countering Seafood Fraud.—The Committee remains concerned about countering economic fraud and improving food safety of the U.S. food supply. The Committee is concerned that adequate technology is not yet available to provide for appropriate sampling of the food supply. The Committee believes NIFA should conduct research to develop technologies that will provide rapid, portable and facile screening of fish species at port sites, wholesale, and retail centers.

Food Safety.—The Committee recommends that NIFA prioritize research on funding for new food safety technologies relating to the Nation's meat supply that helps researchers, producers, and manufacturers.

Lowbush Blueberries.—The Committee directs NIFA to work with research institutions to develop and refine predictive models and monitoring technologies for native and invasive pests for incorporation into integrated pest management programs for naturally seeded, native berry crops to increase the margin of food safety and product quality.

Organic Research.—USDA’s National Organic Standards Board [NOSB] has identified key organic research priorities, many of which would help to address challenges that have limited the growth in organic production in this country. The Committee encourages NIFA to give strong consideration to the NOSB organic research priorities when crafting the fiscal year 2017 RFAs for AFRI and the Organic Transition Program.

Regional Research Priorities.—The Committee encourages NIFA to consider providing funding within AFRI to assist with State and regional research priorities, with USDA oversight and review.

Seafood.—The Committee encourages USDA, in partnership with universities with established domestic shrimp farming programs, to support the development of a domestic industry that will help ensure the safety and quality of the Nation’s seafood supply, promote environmentally sustainable aquaculture, create new opportunities for U.S. agriculture, and forge new markets for U.S. grain and oil-seed products and technology services.

Specialty Crop Research Initiative.—The Committee emphasizes the important role of the Specialty Crop Research Initiative in addressing the critical needs of the specialty crop industry through research and extension activities, and encourages NIFA to prioritize proposals for and enhance its overall commitment to identifying and addressing threats to pollinators from pests and diseases.

Sustainable Agriculture Research and Education.—The Committee is strongly supportive of the SARE program and directs USDA to ensure that research, education and extension activities carried out within SARE remain intact.

Veterinary Corps.—Veterinarians fulfilling the terms of a contract under USDA’s Veterinary Medicine Loan Repayment Program, authorized by the National Veterinary Medical Services Act, shall be members of the National Veterinary Medical Services Corps and members who have fulfilled the terms of their contract shall be alumni of the Corps.

Zoonotic Disease Research.—Federal and State animal health officials have made eradicating livestock diseases with significant wildlife reservoirs a national animal health priority. This need is reflected in the Agricultural Act of 2014 which made the research and development of surveillance methods, vaccines, vaccination delivery systems or diagnostic tests a priority research area under the Competitive, Special, and Facilities Research Grant Act particularly for bovine brucellosis and bovine tuberculosis. The Committee recognizes the need for this research and encourages the agency to make competitive grants available to study improved management tools for zoonotic livestock diseases with significant wildlife reservoirs.

HISPANIC-SERVING AGRICULTURAL COLLEGES AND UNIVERSITIES ENDOWMENT FUND

Appropriations, 2016	
Budget estimate, 2017	\$10,000,000
Committee recommendation	10,000,000

Section 7129 of the Food, Conservation, and Energy Act of 2008, provides for the establishment of an endowment fund for the His-

panic-Serving Agricultural Colleges and Universities [HSACU]. The Hispanic/Latino community is the fastest-growing sector of the American population. This investment in the Hispanic-Serving Agricultural Colleges and Universities is needed to ensure institutions can effectively compete for NIFA competitive grants.

On the termination of each fiscal year, the Secretary shall withdraw the income from the endowment fund for the fiscal year, and after making adjustments for the cost of administering the endowment fund, shall distribute the adjusted income as follows: 60 percent of the adjusted income shall be distributed among the Hispanic-Serving Agricultural Colleges and Universities on a pro rata basis based on the Hispanic enrollment count of each institution; and 40 percent shall be distributed in equal shares to the Hispanic-Serving Agricultural Colleges and Universities.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$10,000,000 for the Hispanic-Serving Agricultural Colleges and Universities Endowment Fund.

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

Appropriations, 2016	\$11,880,000
Budget estimate, 2017	11,880,000
Committee recommendation	11,880,000

The Native American Institutions Endowment Fund authorized by Public Law 103–382, the Equity in Educational Land-Grant Status Act, provides an endowment for the 1994 land-grant institutions (34 tribally controlled colleges). This program will enhance educational opportunity for Native Americans by building educational capacity at these institutions in the areas of student recruitment and retention, curricula development, faculty preparation, instruction delivery systems, and scientific instrumentation for teaching. Income funds are also available for facility renovation, repair, construction, and maintenance. On the termination of each fiscal year, the Secretary shall withdraw the income from the endowment fund for the fiscal year, and after making adjustments for the cost of administering the endowment fund, distribute the adjusted income as follows: 60 percent of the adjusted income from these funds shall be distributed among the 1994 land-grant institutions on a pro rata basis, the proportionate share being based on the Indian student count; and 40 percent of the adjusted income shall be distributed in equal shares to the 1994 land-grant institutions.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$11,880,000 for the Native American Institutions Endowment Fund.

EXTENSION ACTIVITIES

Appropriations, 2016	\$475,891,000
Budget estimate, 2017	501,859,000
Committee recommendation	476,230,000

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

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$476,230,000 for extension activities of the National Institute of Food and Agriculture.

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

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE—EXTENSION ACTIVITIES

[Dollars in thousands]

Program/Activity	Authorization	Committee recommendation
Smith-Lever Act, Section 3(b) and (c) and Cooperative Extension ...	7 U.S.C. 343(b) and (c) and 208(c) of Public Law 93–471.	300,000
Extension Services at 1890 Institutions	7 U.S.C. 3221	45,620
Extension Services at 1994 Institutions	7 U.S.C. 343(b)(3)	4,446
Facility Improvements at 1890 Institutions	7 U.S.C. 3222b	19,730
Renewable Resources Extension Act.	16 U.S.C. 1671 et seq.	4,060
Rural Health and Safety Education Programs	7 U.S.C. 2662(i)	1,500
Food and Animal Residue Avoidance Database Program	7 U.S.C. 7642	1,250
Women and Minorities in STEM Fields	7 U.S.C. 5925	400
Food Safety Outreach Program	7 U.S.C. 7625	5,000
Smith-Lever Act, Section 3(d):		
Food and Nutrition Education	7 U.S.C. 343(d)	67,934
Farm Safety and Youth Farm Safety Education Programs	7 U.S.C. 343(d)	4,610
New Technologies for Agricultural Extension	7 U.S.C. 343(d)	1,550
Children, Youth, and Families at Risk	7 U.S.C. 343(d)	8,395
Federally Recognized Tribes Extension Program	7 U.S.C. 343(d)	3,039
Total, Section 3(d)		85,528
Necessary Expenses of Research and Education Activities:		
Agriculture in the K–12 Classroom		552
Federal Administration—Other Necessary Expenses for Research and Education Activities.		8,144
Total, Necessary Expenses		8,696
Total, Extension Activities		476,230

INTEGRATED ACTIVITIES

Appropriations, 2016	\$30,900,000
Budget estimate, 2017	35,200,000
Committee recommendation	36,000,000

Section 406, as amended, of the Agricultural Research, Extension, and Education Reform Act of 1998 authorizes an integrated research, education, and extension competitive grants program.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$36,000,000 for integrated activities of the National Institute of Food and Agriculture.

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

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE—INTEGRATED ACTIVITIES

[Dollars in thousands]

Program/Activity	Authorization	Committee recommendation
Methyl Bromide Transition Program	7 U.S.C. 7626	2,000
Organic Transition Program	7 U.S.C. 7626	4,000
Regional Rural Development Centers	7 U.S.C. 450i(c)	2,000
Food and Agriculture Defense Initiative	7 U.S.C. 3351	8,000
Crop Protection/Pest Management	7 U.S.C. 343(d)	20,000
Total, Integrated Activities .....	.....	36,000

Potato Research.—To minimize the application of pesticides and to maximize the yield and quality of harvested potatoes, the Committee directs the Secretary to support pest management programs in potato growing States. Such programs help scientists track potential pest outbreaks and provide growers and industry professionals with current information on specific and timely treatments. Additionally, the programs help identify serious diseases, such as late blight disease, in their early stages, allowing for preventive measure to be put into place quickly to avoid crop losses.

OFFICE OF THE UNDER SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

Appropriations, 2016	\$893,000
Budget estimate, 2017	901,000
Committee recommendation	901,000

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$901,000 for the Office of the Under Secretary for Marketing and Regulatory Programs.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE
SALARIES AND EXPENSES

Appropriations, 2016	\$894,415,000
Budget estimate, 2017	901,196,000
Committee recommendation	939,286,000

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

Safeguarding and Emergency Preparedness/Response.—The agency monitors plant and animal health worldwide, and sets import polices to prevent the introduction of foreign plant and animal pests and diseases. Domestically, the agency works cooperatively to conduct plant and animal health monitoring programs, pursue eradication, or limit the spread of the threat. The agency also conducts diagnostic laboratory activities that support disease prevention, detection, control, and eradication programs. In addition, the agency protects agriculture from detrimental animal predators, and through its regulatory structure helps advance genetic research while protecting against the release of harmful organisms.

Safe Trade and International Technical Assistance.—The agency helps resolve technical trade issues to ensure the smooth and safe movement of agricultural commodities into and out of the United States. The agency negotiates animal and plant health certification requirements and assists U.S. exporters meet foreign regulatory demands. In addition, the agency assists developing countries in improving their safeguarding systems, to protect the United States from emerging plant and animal pests and diseases.

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$939,286,000 for salaries and expenses of the Animal and Plant Health Inspection Service. The Committee does not concur with the proposed program reductions to absorb a percentage of statutory pay increases for agency employees and provides an additional \$7,245,000 to fully cover increases in pay.

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

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

[In thousands of dollars]

	Fiscal year 2016 enacted	Fiscal year 2017 budget request	Committee recommendation
Safeguarding and International Technical Assistance:			
Animal Health Technical Services	35,339	36,941	35,438
Aquatic Animal Health	2,253	2,282	2,287
Avian Health	55,340	55,597	55,642
Cattle Health	91,500	92,215	92,339
Equine, Cervid and Small Ruminant Health	19,500	19,658	19,685
National Veterinary Stockpile	3,973	5,723	5,723
Swine Health	24,800	24,971	25,001
Veterinary Biologics	16,417	16,560	16,585
Veterinary Diagnostics	36,540	31,843	39,832
Zoonotic Disease Management	9,523	19,523	14,622
Subtotal, Animal Health	295,185	305,313	307,154
Agricultural Quarantine Inspection (Appropriated)	27,900	29,827	29,913
Cotton Pests	11,520	8,270	11,520
Field Crop & Rangeland Ecosystems Pests	8,826	8,902	8,915
Pest Detection	27,446	27,636	27,669
Plant Protection Methods Development	20,686	20,870	20,902
Specialty Crop Pests	158,000	146,076	158,000
Tree & Wood Pests	54,000	45,933	54,000
Subtotal, Plant Health	308,378	287,514	310,919
Wildlife Damage Management	101,177	85,919	102,085
Wildlife Services Methods Development	18,856	19,070	19,107
Subtotal, Wildlife Services	120,033	104,989	121,192
Animal & Plant Health Regulatory Enforcement	16,224	16,410	16,442
Biotechnology Regulatory Services	18,875	18,996	19,017
Subtotal, Regulatory Services	35,099	35,406	35,459
Contingency Fund	470	476	477
Emergency Preparedness & Response	16,966	44,155	44,175
Subtotal, Emergency Management	17,436	44,631	44,652
Subtotal, Safeguarding and Emergency Preparedness/Response	776,131	777,853	819,376
Safe Trade and International Technical Assistance:			
Agriculture Import/Export	15,099	19,751	16,247
Overseas Technical & Trade Operations	22,114	22,227	22,247
Subtotal, Safe Trade	37,213	41,978	38,494
Animal Welfare:			
Animal Welfare	28,410	28,696	28,746
Horse Protection	697	705	706
Subtotal, Animal Welfare	29,107	29,401	29,452
Agency Management:			
APHIS Information Technology Infrastructure	4,251	4,251	4,251
Physical/Operational Security	5,146	5,146	5,146
Rent and DHS security payments	42,567	42,567	42,567
Subtotal, Agency Management	51,964	51,964	51,964

ANIMAL AND PLANT HEALTH INSPECTION SERVICE—Continued

[In thousands of dollars]

	Fiscal year 2016 enacted	Fiscal year 2017 budget request	Committee recommendation
Total, Direct Appropriation	894,415	901,196	939,286

Agricultural Quarantine Inspection.—The Committee recognizes that prevention of infestations of pests and diseases is much more cost effective than subsequent control or eradication. This is an important Federal responsibility and the Committee provides \$29,913,000 for the agricultural quarantine inspections [AQI] function, including pre-departure and interline inspections.

The Committee directs APHIS to consult with the Transportation Security Administration [TSA] and within 120 days of enactment prepare a report on the costs, benefits, and any security issues related to consolidating APHIS and TSA inspection stations, and requirements for collocating operations, including changes to statutory authorities and accommodations needed to maintain the integrity of both inspection operations.

Antibiotic Resistance.—The Committee provides a \$5,000,000 increase under Zoonotic Disease Management for data collection, sampling, surveillance, testing, and other activities associated with antibiotic resistant bacteria.

Bee Pests.—The Committee remains concerned with declining bee populations and the tragic implications for pollination of U.S. agriculture. The Committee directs the agency to continue priority work with other Federal and State agencies and the public to manage, suppress, and eradicate varroa mites, small hive beetles, and other pests and diseases contributing to colony collapse disorder.

Bovine Tuberculosis and Brucellosis.—Prior to finalizing the proposed rule on Brucellosis and Bovine Tuberculosis, Update to General Provisions (Docket No. APHIS–2011–0044), the Committee urges USDA–APHIS to develop and submit to the Committee a detailed report on the amount of Federal and state funding required to carry-out the various provisions of the proposed rule.

Brucellosis.—The Committee encourages APHIS to work with relevant local, State, and Federal agencies to improve communication and utilize sound science to develop effective strategies for managing brucellosis in the Greater Yellowstone area.

Ceratocystis Disease.—The Department is directed to study reported recent outbreaks of *Ceratocystis* in the State of Hawai'i and report within 90 days of enactment recommended actions for response and management.

Chronic Wasting Disease.—The national deer farming industry is adapting to a 2012 interim final rule that established a national, voluntary herd certification program [HCP] that provides uniform herd certification standards and will support the domestic and international marketability of U.S. cervid herds. The Committee believes the industry requires funding support to ensure that the newly implemented chronic wasting disease HCP is successful. Therefore, APHIS should spend no less than \$3,000,000 for cervid health activities. Within the funds provided, APHIS should give consideration to indemnity payments if warranted.

Citrus Imports.—The Committee is aware that APHIS has proposed a rule to allow the importation of lemons from Argentina into the United States. The Committee is concerned that the U.S. citrus industry is already facing significant threats from introduced diseases and pests and notes that citrus canker and black spot are two diseases of ongoing concern affecting Argentina’s citrus production. The Committee therefore directs APHIS to conduct a site visit in Argentina this fall in order to complete a comprehensive pest and disease risk assessment and provide an opportunity for the U.S. citrus industry to review the results of such visits. The Committee is also concerned that the proposed rule could result in an economic impact exceeding \$100,000,000 annually. If that is demonstrated to be the case based on comments made on the proposed rule, the Committee directs APHIS to conduct this rulemaking according to the procedures required for economic significance as referenced in section 6(a)(3)(C) of Executive Order 12866 before finalizing the rule.

Emergency Preparedness and Response.—The Committee provides an increase of \$27,209,000 to implement lessons learned from the recent avian influenza outbreak including increasing veterinarians and animal health technicians, health, safety and biosecurity officers and developing resources and technologies for the early detection of foreign animal diseases and improved response options.

Feral Swine Management.—The Committee recognizes the importance of the National Feral Swine Damage Management Program in reducing adverse ecological and economic impacts caused by feral swine. The Committee provides an additional \$5,400,000 in support of APHIS efforts to decrease these invasive pests’ damage and risk to agriculture, natural resources, and property.

Gypsy Moth Eradication.—The Committee recognizes the importance of supporting eradication and containment of the European and Asian gypsy moth in the Western United States. These pests pose a considerable threat to both deciduous and conifer forests, which are essential to the economic and environmental well-being of the region. If moth populations are allowed to establish themselves, it is costly and difficult to eliminate these pests and would devastate forests.

National Animal Health Laboratory Network [NAHLN].—Funding for the NAHLN shall be administered in consultation with the NAHLN Coordinating Council.

National Bio and Agro-Defense Human Capital Development.—The Committee notes that significant resources have been invested in the new National Bio and Agro-Defense Facility [NBAF] and is concerned about projected staffing shortages of qualified veterinary diagnosticians and scientists for the NBAF, which is slated for full operation in 2022. The Committee provides an additional \$3,000,000 to APHIS to ensure necessary steps are taken to develop a qualified workforce that are subject matter experts in foreign, emerging and zoonotic diseases capable of developing, validating and conducting needed diagnostics, performing epidemiologic studies, and completing bioinformatics analyses.

Pacific Ants Prevention Plan.—The Committee encourages APHIS to work with its partners to revise the Pacific Ants Preven-

tion Plan to effectively combat invasive ants throughout the Pacific Region.

Peer-Reviewed Accreditation.—The Committee notes APHIS's collaboration with accrediting organizations in the establishment and operation of the Zoo and Aquarium Hazards Preparedness, Response and Recovery Fusion Center. The Center's role in facilitating and enhancing collaboration between the emergency management community and the greater managed wildlife community will assist in emergency preparedness and response for a wide range of circumstances including natural disasters and animal disease outbreaks. This effort is commended and is expected and encouraged to continue.

West Nile Virus.—The Committee remains concerned with the threats to human and animal health posed by West Nile virus and recognizes that a critical strategy for addressing these threats is necessary to prevent the infection and transmission by known vectors, including farm-raised alligators. The Committee encourages APHIS to further investigate West Nile virus and other infectious diseases affecting farm raised alligators and develop treatments and methods to prevent infection and transmission.

Wildlife Damage Management.—APHIS is responsible for providing Federal leadership in managing problems caused by wildlife. The Committee provides \$102,085,000 for wildlife damage control to maintain priority initiatives, including preventing the transport of invasive snakes and other harmful species.

The Committee maintains support for assistance to aquaculture producers to help mitigate wildlife depredation, particularly as it pertains to fish-eating and disease-carrying birds. The Committee provides an additional \$1,000,000 for damage management efforts and the development of methods to assist producers in combatting the persistent threat and economic hardship caused by cormorants, pelicans, and other birds.

The Committee provides \$26,000,000 for the National Rabies Management Program to fortify existing barriers and advance prevention and eradication efforts.

The Committee is aware of the economic loss sunflower growers can incur due to blackbird infestations, and encourages Wildlife Services to do further research into the use of bird repellents to minimize blackbird depredation.

Wildlife Services Education and Training.—The Committee is aware of the wide range of hazardous procedures and materials utilized by APHIS personnel in the conduct of daily duties. In addition, a recent comprehensive study noted the critical need to provide standardized safety training, certification, and database management for tracking, to ensure the safest working environment possible. As such, the Committee provides \$2,000,000 within Wildlife Damage Management to maintain a National Training Academy focused on those areas of greatest concern such as pyrotechnics, firearms, hazardous materials, immobilization and euthanasia drugs, pesticides, animal care and handling, land vehicles, watercraft, and zoonotic diseases.

Wildlife Services Methods Development.—The Committee appreciates the important work done by the National Wildlife Research Center and its affiliated field locations to resolve problems caused

by the interaction of wild animals and society. The Committee provides \$19,107,000 to ensure continued development of technical and scientific information on wildlife damage management.

BUILDINGS AND FACILITIES

Appropriations, 2016	\$3,175,000
Budget estimate, 2017	3,175,000
Committee recommendation	3,175,000

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

COMMITTEE RECOMMENDATIONS

The Committee recommendation includes an appropriation of \$3,175,000 for buildings and facilities of the Animal and Plant Health Inspection Service. This funding is necessary to allow APHIS to maintain existing facilities, and perform critically needed repairs to and replacements of building components, such as heating, ventilation and air-conditioning on a prioritized basis at APHIS facilities. The Committee notes that due to the environmentally sensitive nature of many APHIS facilities, closure of a facility could result if APHIS is unable to complete the required repairs.

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

Appropriations, 2016	\$81,223,000
Budget estimate, 2017	81,933,000
Committee recommendation	82,933,000

The Agricultural Marketing Service [AMS] was established by the Secretary of Agriculture on April 2, 1972. AMS carries out programs authorized by more than 50 different statutory authorities, the primary ones being the Agricultural Marketing Act of 1946 (7 U.S.C. 1621–1627, 1635–1638); the U.S. Cotton Standards Act (7 U.S.C. 51–65); the Cotton Statistics and Estimates Act (7 U.S.C. 471–476); the Tobacco Inspection Act (7 U.S.C. 511–511q); the Perishable Agricultural Commodities Act (7 U.S.C. 499a–499t); the Egg Products Inspection Act (21 U.S.C. 1031–1056); and section 32 of the Act of 1935 (Public Law 74–320, 7 U.S.C. 612c).

Programs administered by this agency include the market news services, standardization, grading, classing, shell egg surveillance services, transportation services, wholesale farmers and alternative market development, grant payments to States for marketing activities, the Federal administration of marketing agreements and orders, commodity purchases, Perishable Agricultural Commodities Act, the Plant Variety Protection Act (7 U.S.C. 2321 et seq.), and market protection and promotion activities.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$82,933,000 for Marketing Services of the Agricultural Marketing Service.

National Organic Certification Cost-Share Program.—The Committee directs USDA to act to the full extent of its authority in administering the National Organic Certification Cost-Share Program, including reimbursing State organic program fees, as well as costs associated with transitional certification.

Organic Data Initiative.—The Committee encourages AMS and NASS to coordinate activities related to expanding organic price reporting and organic data collection.

Organic Livestock Proposed Rule.—The Committee is aware that USDA released a proposed rule on April 7, 2016, titled “National Organic Program: Organic Livestock and Poultry Practices.” The Committee directs the Secretary to ensure that all comments are taken into consideration, including those from producers adversely impacted by the proposal’s new compliance requirements, when finalizing the proposed rule.

Sunset Review Process.—The Committee is aware of the National Organic Standards Board sunset review process for reviewing substances on the National List. It is important that this process includes sound science and robust stakeholder participation. The Committee expects the National Organic Program and USDA to fully consider all currently available scientific information during the sunset review and rulemaking procedures.

LIMITATION ON ADMINISTRATIVE EXPENSES

Limitation, 2016	\$60,982,000
Budget limitation, 2017	61,227,000
Committee recommendation	61,227,000

The Omnibus Budget Reconciliation Act of 1981 (Public Law 97–35) initiated a system of user fees for the cost of grading and classing cotton, and tobacco. These activities, authorized under the U.S. Cotton Standards Act (7 U.S.C. 51 et seq.), the Tobacco Inspection Act (7 U.S.C. 511 et seq.), and other provisions of law are designed to facilitate commerce and protect participants in the industry.

COMMITTEE RECOMMENDATIONS

The Committee recommends a limitation of \$61,227,000 on administrative expenses of the Agricultural Marketing Service.

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

Appropriations, 2016	\$20,489,000
Budget estimate, 2017	20,705,000
Committee recommendation	20,705,000

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

The following table reflects the status of this fund for fiscal years 2016–2017:

ESTIMATED TOTAL FUNDS AVAILABLE AND BALANCE CARRIED FORWARD—
FISCAL YEARS 2016–2017

[In thousands of dollars]

	Fiscal year 2016 enacted	Fiscal year 2017 budget request	Committee recommendation
Appropriation (30% of Customs Receipts)	10,316,645	10,929,841	10,929,841
Less Transfers:			
Food and Nutrition Service	– 8,969,178	– 9,462,665	– 9,462,665
Commerce Department	– 145,811	– 145,175	– 145,175
Total, Transfers	– 9,114,989	– 9,607,840	– 9,607,840
Prior Year Appropriation Available, Start of Year	223,344	125,000	125,000
Transfer of Prior Year Funds to FNS (F&V)	– 122,000	– 125,000	– 125,000
Budget Authority, Farm Bill	1,303,000	1,322,001	1,322,001
Rescission of Current Year Funds	– 215,636	– 231,443	– 237,443
Appropriations Temporarily Reduced - Sequestration	– 77,384	– 79,557	– 79,557
Unavailable for Obligations (Fruit and Veg transfer to FNS)	– 125,000	– 125,000	– 125,000
Budget Authority, Appropriations Act	884,980	886,000	880,000
Less Obligations:			
Child Nutrition Programs (Entitlement Commodities)	465,000	465,000	465,000
State Option Contract	5,000	5,000	5,000
Removal of Defective Commodities	2,500	2,500	2,500
Emergency Surplus Removal	118,500	206,000	206,000
Disaster Relief	5,000	5,000	5,000
Additional Fruits, Vegetables, and Nuts Purchases	107,500	.....	.....
Fresh Fruit and Vegetable Program	40,000	44,000	44,000
Estimated Future Needs	87,192	102,355	98,355
Total, Commodity Procurement	830,692	829,855	825,855
Administrative Funds:			
Commodity Purchase Support	33,799	35,440	33,440
Marketing Agreements and Orders	20,489	20,705	20,705
Total, Administrative Funds	54,288	56,145	54,145
Total Obligations	884,980	886,000	880,000
Unobligated Balance, End of Year .....	.....	.....	.....
Unavailable for Obligations (Fruit and Veg transfer to FNS)	125,000	125,000	125,000
Balances, Collections and Recoveries Not Available .....	.....	.....	.....
Total End of Year Balances	125,000	125,000	125,000

COMMITTEE RECOMMENDATIONS

The Committee recommends a transfer from section 32 funds of \$20,705,000 for the formulation and administration of marketing agreements and orders.

Section 32 Authorities.—Under the authority described in clause 3 of 7 U.S.C. 612c, the Secretary is able to direct funds from the section 32 account to increase the purchasing power of producers. This practice has been used on various occasions to provide direct assistance to producers when market forces or natural conditions adversely affect the financial condition of farmers and ranchers. The Committee notes the importance of the ability of the Secretary

to utilize this authority, but believes that communication between the Department and the Congress should be improved when this practice is used. Therefore, the Committee directs the Secretary to provide notification to the Appropriations Committee in advance of any public announcement or release of section 32 funds under the specific authorities cited above.

PAYMENTS TO STATES AND POSSESSIONS

Appropriations, 2016	\$1,235,000
Budget estimate, 2017	1,235,000
Committee recommendation	1,235,000

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$1,235,000 for Payments to States and Possessions for Federal-State marketing projects and activities.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

Appropriations, 2016	\$43,057,000
Budget estimate, 2017	43,482,000
Committee recommendation	43,482,000

The Grain Inspection, Packers and Stockyards Administration [GIPSA] was established pursuant to the Secretary's 1994 reorganization. Grain inspection and weighing programs are carried out under the U.S. Grain Standards Act (7 U.S.C. 71 et seq.) and other programs under the authority of the Agricultural Marketing Act of 1946, including the inspection and grading of rice and grain-related products; conducting official weighing and grain inspection activities; and grading dry beans and peas, and processed grain products. Under the Packers and Stockyards Act (7 U.S.C. 181 et seq.), assurance of the financial integrity of the livestock, meat, and poultry markets is provided. The Administration monitors competition in order to protect producers, consumers, and industry from deceptive and fraudulent practices which affect meat and poultry prices.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$43,482,000 for salaries and expenses of the Grain Inspection, Packers and Stockyards Administration.

LIMITATION ON INSPECTION AND WEIGHING SERVICES EXPENSES

Limitation, 2016	\$55,000,000
Budget limitation, 2017	57,500,000
Committee recommendation	57,500,000

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

COMMITTEE RECOMMENDATIONS

The Committee recommends a limitation of \$57,500,000 on inspection and weighing services expenses.

OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

Appropriations, 2016	\$816,000
Budget estimate, 2017	819,000
Committee recommendation	819,000

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$819,000 for the Office of the Under Secretary for Food Safety.

FOOD SAFETY AND INSPECTION SERVICE

Appropriations, 2016	\$1,014,871,000
Budget estimate, 2017	1,030,405,000
Committee recommendation	1,033,806,000

The major objectives of the Food Safety and Inspection Service are to assure that meat and poultry products are wholesome, unadulterated, and properly labeled and packaged, as required by the Federal Meat Inspection Act (21 U.S.C. 601 et seq.) and the Poultry Products Inspection Act (21 U.S.C. 451 et seq.); and to provide continuous in-plant inspection to egg processing plants under the Egg Products Inspection Act.

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

The inspection program of the Food Safety and Inspection Service provides in-plant inspection of all domestic plants preparing meat, poultry or egg products for sale or distribution; reviews for-

eign inspection systems and establishments that prepare meat or poultry products for export to the United States; and provides technical and financial assistance to States which maintain meat and poultry inspection programs.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$1,033,806,000 for the Food Safety and Inspection Service [FSIS]. The Committee finds the implementation schedule set forth by FSIS for revised inspections processes unrealistically rapid and provides additional funds to accomplish this transition in a more feasible manner.

Game Birds.—The Committee directs the FSIS to provide a report on the impact of defining games birds, such as quail, as amendable in Federal code in regard to inspection.

Humane Slaughter.—The Committee directs FSIS to continue to provide annual reports to the Committee on the implementation of objective scoring methods undertaken by FSIS to enforce the Humane Methods of Slaughter Act.

The Committee also directs FSIS to ensure that personnel hired with funding previously provided specifically for Humane Methods of Slaughter Act enforcement focus their attention on overseeing compliance with humane handling rules for live animals as they arrive and are offloaded and handled in pens, chutes, and stunning areas and that all inspectors receive robust training.

Inspections.—Adequate import reinspection and foreign country equivalence are of great importance to food safety and fair trade. Upon the date of enactment of this act, the Committee directs FSIS to reinspect all imported Siluriformes fish and fish product shipments, just as all imported meat and poultry products from equivalent countries that export product to the United States are reinspected. The Committee further directs FSIS to complete a determination of equivalence for the Siluriformes inspection program in a foreign country exporting Siluriformes fish and fish products to the United States not later than 180 days after the end of the 18-month transition period described in the preamble of the final rule entitled “Mandatory Inspection of Fish of the Order Siluriformes and Products Derived From Such Fish” issued on December 2, 2015 (80 Fed. Reg. 75590 et seq.).

The following table represents the Committee’s specific recommendations for the Food Safety and Inspection Service as compared to the fiscal year 2016 and budget request levels:

FOOD SAFETY AND INSPECTION SERVICE SALARIES AND EXPENSES

[In thousands of dollars]

	Fiscal year 2016 enacted	Fiscal year 2017 budget request	Committee recommendation
Food safety inspection:			
Federal	898,795	914,098	917,499
State	60,976	61,568	61,568
International	16,744	16,487	16,487
Codex Alimentarius	3,776	3,672	3,672
PHDCIS	34,580	34,580	34,580
Total	1,014,871	1,030,405	1,033,806

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN
AGRICULTURAL SERVICES

Appropriations, 2016	\$898,000
Budget estimate, 2017	901,000
Committee recommendation	901,000

The Office of the Under Secretary for Farm and Foreign Agricultural Services provides direction and coordination in carrying out the laws enacted by the Congress with respect to the Department's international affairs (except for foreign economic development), commodity programs, farm loans, disaster assistance, crop insurance, and some conservation and energy programs. The Office has oversight and management responsibilities for the Farm Service Agency (including the Commodity Credit Corporation), Risk Management Agency, and the Foreign Agricultural Service.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$901,000 for the Office of the Under Secretary for Farm and Foreign Agricultural Services.

FARM SERVICE AGENCY

The Farm Service Agency [FSA] was established October 13, 1994, pursuant to the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994, Public Law 103-354. The FSA administers a variety of activities, such as the commodity price support and production adjustment programs financed by the Commodity Credit Corporation; the Conservation Reserve Program [CRP]; the Emergency Conservation Program; the Commodity Operation Programs including the warehouse examination function; farm ownership, farm operating, emergency disaster, and other loan programs; and the Noninsured Crop Disaster Assistance Program [NAP], which provides crop loss protection for growers of many crops for which crop insurance is not available. In addition, FSA currently provides certain administrative support services to the Foreign Agricultural Service [FAS] and to the Risk Management Agency [RMA].

SALARIES AND EXPENSES

[In thousands of dollars]

	Appropriations	Transfers from program accounts	Total, FSA, salaries and expenses
Appropriations, 2016	1,200,180	309,880	1,510,060
Budget estimate, 2017	1,209,751	309,610	1,519,361
Committee recommendation	1,210,412	309,610	1,520,022

The account Salaries and Expenses, Farm Service Agency, funds the administrative expenses of program administration and other functions assigned to FSA. The funds consist of appropriations and transfers from the CCC export credit guarantees, Food for Peace loans, and Agricultural Credit Insurance Fund program accounts, and miscellaneous advances from other sources. All administrative funds used by FSA are consolidated into one account. The consoli-

dation provides clarity and better management and control of funds, and facilitates accounting, fiscal, and budgetary work by eliminating the necessity for making individual allocations and allotments and maintaining and recording obligations and expenditures under numerous separate accounts.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$1,520,022,000 for salaries and expenses of the Farm Service Agency, including a direct appropriation of \$1,210,412,000. The Committee supports the mission of FSA and the important services that they provide across the country; therefore, the Committee does not accept the full decrease for information technology as proposed in the budget. The Committee also provides for pay costs for Federal and non-Federal employees, \$5,000,000 for personnel and physical security programs across county offices, \$2,000,000 for New Beginning and Veteran Farmers and Ranchers, and \$90,000 to support a certified training program for veteran farmers to be prequalified for FSA Direct Farm Ownership loans as proposed in the budget.

Continuous Conservation Reserve Program.—The Secretary is strongly encouraged to, within the total acreage made available for enrollment in the conservation reserve program and without reducing the periodic availability of general signup, enroll, to the maximum extent practicable, acreage for activities included in the State Acres for Wildlife Enhancement practice or other similar administratively established wetland and habitat practices that benefit priority fish and wildlife species identified in State, regional, and national conservation initiatives with a priority for initiatives that provide large blocks of cover ideal for wildlife nesting.

Information Technology.—The Committee remains dedicated to ensuring FSA has reliable and functioning IT systems because it is critical that farmers and ranchers have access to the tools they need to succeed. The Committee has invested significant taxpayer dollars to modernize outdated systems and continues to provide resources above the budget request. The Committee continues statutory language that allows funds for IT to be obligated only after the Secretary meets certain reporting requirements. The Committee understands a third-party analysis, required in the fiscal year 2016 bill, will be released soon and looks forward to working with the agency on those recommendations.

National Agriculture Imagery Program.—The Committee recommends that funding shall be allocated to purchase imagery products to meet programmatic requirements.

STATE MEDIATION GRANTS

Appropriations, 2016	\$3,404,000
Budget estimate, 2017	3,404,000
Committee recommendation	3,904,000

This program is authorized under title V of the Agricultural Credit Act of 1987 (7 U.S.C. 5101 et seq.). Originally designed to address agricultural credit disputes, the program was expanded by the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (Public Law 103–354) to include other agricultural issues such as wetland determinations, conservation

compliance, rural water loan programs, grazing on National Forest System lands, and pesticides. Grants are made to States whose mediation programs have been certified by the FSA. Grants will be solely for operation and administration of the State's agricultural mediation program.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$3,904,000 for State Mediation Grants.

The Committee recognizes the rapidly growing complexity of American agriculture and as agriculture practices, markets, and technologies continue to evolve, new challenges and potential conflicts arise. Accordingly, the Committee directs the Secretary to review ways that the State Mediation Programs can address new issues impacting agricultural producers, including issues involving agricultural leases, right-to-farm laws, and family farm transitions.

GRASSROOTS SOURCE WATER PROTECTION PROGRAM

Appropriations, 2016	\$6,500,000
Budget estimate, 2017	
Committee recommendation	6,500,000

This program is intended to assist in the protection of ground-water through State rural water associations.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$6,500,000 for Grassroots Source Water Protection.

DAIRY INDEMNITY PROGRAM

Appropriations, 2016	\$500,000
Budget estimate, 2017	500,000
Committee recommendation	500,000

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of such sums as may be necessary, estimated in fiscal year 2017 to be \$500,000, for indemnity payments to dairy farmers.

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

The Agricultural Credit Insurance Fund Program Account is used to provide direct and guaranteed farm ownership, farm operating, conservation, Indian highly fractioned land, and emergency loans to individuals, as well as the following types of loans to associations: irrigation and drainage, grazing, Indian tribe land acquisition, and boll weevil eradication.

FSA is also authorized to provide financial assistance to borrowers by guaranteeing loans made by private lenders having a contract of guarantee from FSA as approved by the Secretary of Agriculture and to establish Beginning Farmer and Rancher Individual Development grant accounts.

The following programs are financed through this fund:

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

Credit Sales of Acquired Property.—Property is sold out of inventory and is made available to an eligible buyer by providing FSA loans.

Emergency Loans.—Made to producers to aid recovery from production and physical losses due to drought, flooding, other natural disasters, or quarantine. The loans may be used to: restore or replace essential property; pay all or part of production costs associated with the disaster year; pay essential family living expenses; reorganize the farming operation; and refinance certain debts.

Farm Operating Loans.—Provide short-to-intermediate term production or chattel credit to farmers who cannot obtain credit elsewhere, to improve their farm and home operations, and to develop or maintain a reasonable standard of living. The term of the loan varies from 1 to 7 years.

Farm Ownership Loans.—Made to borrowers who cannot obtain credit elsewhere to restructure their debts, improve or purchase farms, refinance nonfarm enterprises which supplement but do not supplant farm income, or make additions to farms. Loans are made for 40 years or less.

Indian Tribe Land Acquisition Loans.—Made to any Indian tribe recognized by the Secretary of the Interior or tribal corporation established pursuant to the Indian Reorganization Act (Public Law 93-638) which does not have adequate uncommitted funds to acquire lands or interest in lands within the tribe's reservation or Alaskan Indian community, as determined by the Secretary of the Interior, for use of the tribe or the corporation or the members thereof.

Indian Highly Fractionated Land Loans.—Made to Indian tribal members to purchase highly fractionated lands, as authorized by the Food, Conservation, and Energy Act of 2008.

COMMITTEE RECOMMENDATIONS

The Committee recommends a total loan level of \$6,655,053,000 for programs within the Agricultural Credit Insurance Fund Program Account. The Committee includes funding to waive application fees for veteran farmers, as proposed in the budget.

Loan Programs.—The Committee continues to support FSA loan programs that ensure farmers and ranchers have access to credit to maintain and improve their operations. The Committee is aware of the heightened operating loan activity in fiscal year 2016 and notes the statutory authority allowing program level increases that do not require additional budget authority. The Committee will continue to monitor program demand in the coming months and directs FSA to provide timely estimates for future needs.

The following table reflects the program levels for farm credit programs administered by the Farm Service Agency recommended by the Committee, as compared to the fiscal year 2016 and the budget request levels:

AGRICULTURAL CREDIT PROGRAMS—LOAN LEVELS

[In thousands of dollars]

	Fiscal year 2016 enacted	Fiscal year 2017 budget request	Committee recommendation
Farm Ownership:			
Direct	1,500,000	1,500,000	1,500,000
Guaranteed	2,000,000	2,000,000	2,000,000
Farm Operating:			
Direct	1,252,004	1,460,047	1,460,047
Guaranteed unsubsidized	1,393,443	1,432,430	1,432,430
Emergency Loans	34,667	22,576	22,576
Indian Tribe Land Acquisition	2,000	20,000	20,000
Conservation Loans:			
Guaranteed	150,000	150,000	150,000
Indian Highly Fractionated Land Loans	10,000	10,000	10,000
Boll Weevil Eradication	60,000	60,000	60,000

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

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

[In thousands of dollars]

	Fiscal year 2016 enacted	Fiscal year 2017 budget request	Committee recommendation
Farm Operating:			
Direct	53,961	62,198	62,198
Guaranteed unsubsidized	14,352	15,327	15,327
Emergency Loans	1,262	1,262	1,262
Individual Development Account Grants		1,500	1,500
Indian Highly Fractionated Land Loans		2,550	2,550

RISK MANAGEMENT AGENCY

Appropriations, 2016	\$74,829,000
Budget estimate, 2017	66,615,000
Committee recommendation	75,750,000

The Risk Management Agency performs administrative functions relative to the Federal crop insurance program that is authorized by the Federal Crop Insurance Act (7 U.S.C. 1508), as amended by the Agricultural Risk Protection Act of 2000 [ARPA], Public Law 106–224, and the Agricultural Act of 2014 (Public Law 113–79).

ARPA authorized significant changes in the crop insurance program. This act provides higher government subsidies for producer premiums to make coverage more affordable; expands research and development for new insurance products and under-served areas through contracts with the private sector; and tightens compliance. Functional areas of risk management are: research and development; insurance services; and compliance, whose functions include policy formulation and procedures and regulations development.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$75,750,000 for the Risk Management Agency.

The Committee recognizes that there are many research priorities that competitive funding may be used to address, including the feasibility of insurance programs to cover business interruption due to integrator bankruptcy and catastrophic loss in the poultry industry. The Committee encourages RMA to support research into these priorities.

CORPORATIONS

FEDERAL CROP INSURANCE CORPORATION FUND

Appropriations, 2016	\$7,870,934,000
Budget estimate, 2017	8,849,090,000
Committee recommendation	8,849,090,000

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

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of such sums as may be necessary, estimated to be \$8,849,090,000 in fiscal year 2017 for the Federal Crop Insurance Corporation Fund.

COMMODITY CREDIT CORPORATION FUND

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

The Commodity Credit Corporation engages in buying, selling, lending, and other activities with respect to agricultural commodities, their products, food, feed, and fibers. Its purposes include stabilizing, supporting, and protecting farm income and prices; maintaining the balance and adequate supplies of selected commodities; and facilitating the orderly distribution of such commodities. In addition, the Corporation makes available materials and facilities required in connection with the storage and distribution of such commodities. The Corporation also disburses funds for sharing of costs with producers for the establishment of approved conservation practices on environmentally sensitive land and subsequent rental

payments for such land for the duration of Conservation Reserve Program contracts.

Corporation activities are primarily governed by the following statutes: the Commodity Credit Corporation Charter Act (Public Law 80–806), as amended; the Agricultural Act of 1949 (Public Law 81–439), as amended (1949 Act); the Agricultural Adjustment Act of 1938 (Public Law 75–430), as amended (the 1938 Act); the Food Security Act of 1985 (Public Law 99–198), as amended (1985 Act); the Food, Conservation, and Energy Act of 2008 (Public Law 110–246); and the Agricultural Act of 2014 (Public Law 113–79).

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

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

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

REIMBURSEMENT FOR NET REALIZED LOSSES

Appropriations, 2016	\$6,871,132,000
Budget estimate, 2017	13,476,854,000
Committee recommendation	13,476,854,000

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of such sums as may be necessary, estimated in fiscal year 2017 to be \$13,476,854,000, for the payment to reimburse the Commodity Credit Corporation for net realized losses.

HAZARDOUS WASTE MANAGEMENT

Limitation, 2016	\$5,000,000
Budget estimate, 2017	5,000,000
Committee recommendation	5,000,000

The Commodity Credit Corporation's [CCC] hazardous waste management program is intended to ensure compliance with the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601 et seq.) and the Resource Conservation and Recovery Act (42 U.S.C. 6901 et seq.). The CCC funds operations and maintenance costs as well as site investigation and cleanup expenses. Investigative and cleanup costs associated with

the management of CCC hazardous waste are also paid from USDA's hazardous waste management appropriation.

COMMITTEE RECOMMENDATIONS

The Committee recommends a limitation of \$5,000,000 for the Commodity Credit Corporation's hazardous waste management program.

TITLE II

CONSERVATION PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

Appropriations, 2016	\$898,000
Budget estimate, 2017	901,000
Committee recommendation	901,000

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$901,000 for the Office of the Under Secretary for Natural Resources and Environment.

Innovative Financing for Restoration Projects.—The Committee recognizes the challenge of managing millions of acres of land that increasingly need forest health restoration treatments to reduce wildfire, restore forest ecosystems and provide economic support to communities. The Committee further recognizes that Federal funding to address these needs is increasingly constrained. The Under Secretary for Natural Resources and Environment, in consultation with the Forest Service and National Conservation Resources Service and other affected agencies, is directed to evaluate the feasibility of innovative financing mechanisms that could leverage non-Federal investments in forest health restoration projects on private and public lands, and to provide a report on such mechanisms to the Committee within 60 days of enactment. Such mechanisms could include financing agreements that include contributions from entities benefiting from corollary benefits of forest health restoration such as water providers or hydropower electricity providers who benefit from increased water flows.

NATURAL RESOURCES CONSERVATION SERVICE

The Natural Resources Conservation Service [NRCS] was established pursuant to Public Law 103–354, the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6962). The NRCS works with conservation districts, watershed groups, and Federal and State agencies to bring about physical adjustments in land use that will conserve soil and water resources, provide for agricultural production on a sustained basis, and reduce flood damage and sedimentation.

CONSERVATION OPERATIONS

Appropriations, 2016	\$850,856,000
Budget estimate, 2017	860,374,000
Committee recommendation	864,474,000

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

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

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

Plant Materials Centers assemble, test, and encourage increased use of plant species which show promise for use in the treatment of conservation problem areas.

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

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$864,474,000 for Conservation Operations. The Committee recommendation includes \$759,211,000 for Conservation Technical Assistance, \$80,802,000 for Soil Surveys, \$9,380,000 for Snow Survey and Water Forecasting, and \$9,481,000 for Plant Materials Centers.

Acre-for-Acre Wetlands Mitigation.—The Secretary is encouraged to use mitigation with the conversion of a natural wetland and equivalent wetlands functions at a ratio not to exceed a ratio of 1-to-1 acreage.

Pollinator Health and Monarch Recovery.—The Committee reiterates its concern for the need to address threats posed to pollinator health, and urges the Department to continue to support the Fish and Wildlife Service's Monarch Conservation Strategy. The Committee directs NRCS to leverage resources, relationships and partnerships, including with non-governmental organizations that are perceived positively by the private land and agriculture communities and that possess experience working directly with agricultural producers and other conservation partners. The Committee recommends the Department continue to support monarch conservation on private lands in fiscal year 2017 and expects to see a multi-year recovery effort undertaken, focusing on the deployment of conservation practices.

Puget Sound Federal Caucus.—The Committee commends the Natural Resources Conservation Service for signing the Puget Sound Federal Caucus Memorandum of Understanding on February 28, 2014. The recovery and cleanup of Puget Sound is essential to our Nation’s economy and continued coordination and sharing of expertise among Federal partners is critical to furthering current efforts. The Committee directs the Natural Resources Conservation Service to work with its counterparts in the Puget Sound Federal Caucus to renew and strengthen the MOU prior to its expiration on March 27, 2017.

Salinity, Soil Health and Conservation Planning.—The Committee encourages the Natural Resources Conservation Service to work in partnership with one or more states, conservation districts, and, as appropriate, salinity control associations to investigate and address salinity issues to improve soil health and water quality. The Committee encourages NRCS to utilize existing programs to support producers’ voluntary implementation of conservation practices that directly address salinity control, including soil salinity investigations, producer assistance to implement saline soil reclamation methods, and implementation of soil salinity management systems and soil conservation practices.

Technical Assistance.—The Committee directs NRCS to maintain a record of total technical assistance dollars for the past 3 years and annually in the future, and provide the data to the Appropriations Subcommittee on Agriculture, and the Committee on Agriculture, Nutrition and Forestry. This report should differentiate mandatory and discretionary allocations.

WATERSHED AND FLOOD PREVENTION OPERATIONS

Appropriations, 2016	
Budget estimate, 2017	
Committee recommendation	\$150,000,000

The Watershed Protection and Flood Prevention Act (Public Law 566, 83d Cong.) (16 U.S.C. 1000–1005, 1007–1009) provides for cooperation between the Federal Government and the States and their political subdivisions in a program to prevent erosion, flood-water, and sediment damages in the watersheds or rivers and streams and to further the conservation, development, utilization, and disposal of water, and to further the conservation and proper utilization of land in authorized watersheds.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$150,000,000 for the Watershed and Flood Prevention Operations Program.

The Committee recognizes the critical challenges facing rural water resource management and protection and supports needed investments in watershed operations that have been absent since fiscal year 2010. These Federal-State-local partnerships are uniquely positioned to identify critical watershed protection and flood prevention needs in rural communities and implement projects that deliver multiple streams of benefits for homes, businesses, and transportation infrastructure and natural resources. In selecting projects for funding, the Committee expects the Agency to

balance the needs of addressing the project backlog, remediation of existing structures, and new projects.

WATERSHED REHABILITATION PROGRAM

Appropriations, 2016	\$12,000,000
Budget estimate, 2017	
Committee recommendation	

The watershed rehabilitation program account provides for technical and financial assistance to carry out rehabilitation of structural measures, in accordance with section 14 of the Watershed Protection and Flood Prevention Act, approved August 4, 1954 (16 U.S.C. 1012, U.S.C. 1001, et seq.), as amended by section 313 of Public Law 106-472, November 9, 2000, and by section 2803 of Public Law 110-246.

COMMITTEE RECOMMENDATIONS

The Committee does not recommend an appropriation for the Watershed Rehabilitation Program.

TITLE III

RURAL DEVELOPMENT PROGRAMS

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

OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

Appropriations, 2016	\$893,000
Budget estimate, 2017	896,000
Committee recommendation	896,000

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$896,000 for the Office of the Under Secretary for Rural Development.

Bioenergy Program for Advanced Biofuels.—The Committee is concerned with the interim rule proposed by the Department under the Bioenergy Program for Advanced Biofuels program (section 9005 of the Energy title of the farm bill, Public Law 113–79), which is intended to promote the development of different qualifying advanced fuel categories. The Committee is concerned that the allocation formula for distribution of section 9005 funds among the qualified fuel categories is inequitable, disproportionate, and inconsistent with the purpose and intent of the section 9005 program. The Committee urges the Department to administer the section 9005 program in a way that is fuel and technology-neutral. Consistent with these objectives, the Committee directs USDA to propose amendments to the interim rule to ensure that any final rule to implement section 9005 provides for a more equitable and proportional allocation of funding among the qualified advanced biofuels and the energy pathways they represent.

RURAL DEVELOPMENT SALARIES AND EXPENSES

[In thousands of dollars]

	Fiscal year 2016 enacted	Fiscal year 2017 budget request	Committee recommendation
Appropriation	225,835	230,679	226,283
Transfer from:			
Rural Housing Insurance Fund Loan Program Account	417,854	426,821	417,854
Rural Electrification and Telecommunications Program Account	34,707	36,451	34,707
Rural Development Loan Program Account	4,468	4,564	4,468
Total, Rural Development salaries and expenses	682,864	698,515	683,312

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

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

COMMITTEE RECOMMENDATIONS

The Committee recommends \$683,312,000 for salaries and expenses of Rural Development. The Committee maintains the fiscal year 2016 funding level for Strikeforce, but no resources are provided for the numerous new initiatives proposed.

RURAL HOUSING SERVICE

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

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

Appropriations, 2016 (budget authority)	\$505,567,000
Budget estimate, 2017 (budget authority)	517,120,000
Committee recommendation (budget authority)	510,203,000

This fund was established in 1965 (Public Law 89–117) pursuant to section 517 of title V of the Housing Act of 1949 (42 U.S.C. 517(d)), as amended. This fund may be used to insure or guarantee rural housing loans for single-family homes, rental and cooperative housing, farm labor housing, and rural housing sites. Rural housing loans are made to construct, improve, alter, repair, or replace dwellings and essential farm service buildings that are modest in size, design, and cost. Rental housing insured loans are made to individuals, corporations, associations, trusts, or partnerships to provide low-cost rental housing and related facilities in rural areas. These loans are repayable in terms up to 30 years.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$510,203,000 for the Rural Housing Insurance Fund Program Account [RHIF].

The Federal Credit Reform Act of 1990 (Public Law 101–508) established the RHIF program account. Appropriations to this account will be used to cover the lifetime subsidy costs associated with the direct loans obligated and loan guarantees committed in 2017, as well as for administrative expenses. The following table presents the loan subsidy levels as compared to the 2016 levels and the 2017 budget request:

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

[In thousands of dollars]

	Fiscal year 2016 enacted	Fiscal year 2017 budget request	Committee recommendation
Loan Levels:			
Single-Family Housing (sec. 502):			
Direct	900,000	900,000	900,000
Guaranteed	24,000,000	24,000,000	24,000,000
Housing repair (sec. 504)	26,278	26,277	26,278
Direct rental housing (sec. 515)	28,398	33,074	40,000
Guaranteed rental housing (sec. 538)	150,000	230,000	230,000
Site development loans (sec. 524)	5,000	5,000	5,000
Credit sales of acquired property	10,000	10,000	10,000
Self help land development loans (sec. 523)	5,000	5,000	5,000
Farm labor housing loans (sec. 514)	23,855	23,857	23,857
Total, loan levels	25,148,531	25,233,208	25,240,135
Loan Subsidies and Grants:			
Single-Family Housing (sec. 502):			
Direct	60,750	60,930	60,930
Housing repair (sec. 504)	3,424	3,663	3,663
Direct rental housing (sec. 515)	8,414	9,790	11,840
Site development (sec. 524)		111	111
Self help land development (sec. 523)		417	417
Farm labor housing loans (sec. 514)	6,789	7,052	7,052
Farm labor housing grants (sec. 516)	8,336	8,336	8,336
Total, loan subsidies and grants	87,713	90,299	92,349
Administrative expenses	417,854	426,821	417,854
Total, loan subsidies and administrative expenses	505,567	517,120	510,203

Energy Efficiency.—The Committee recognizes opportunities to reduce costs for rural housing and save taxpayer money by embracing energy efficiency standards in rural housing, with measures such as air sealing, and installing insulation, window films, and roofs.

Housing Repair Program.—The Committee commends the Rural Housing Service [RHS] for its efforts to reform the Section 504 Housing Repair program in order to serve more very-low income families in need. The Committee directs the RHS to report to the Committee within 120 days of enactment on recommendations to modernize the program, including updates to loan and grant limits which have not kept pace with modern home repair costs. The RHS should also include recommendations on how it can flexibly allocate Section 504 loans and grants on a need basis.

Maturing Mortgages.—The Committee is very concerned about the alarming number of multi-family housing mortgages scheduled to mature in the next few years. As these mortgages mature,

projects and units will be removed from USDA's affordable rural housing program, placing very low income rural residents in jeopardy of untenable rent increases and possible eviction. In spite of numerous requests from the Committee, the Department has failed to identify and develop potential solutions to this looming crisis.

The Secretary is directed to engage affordable housing advocates, project owners, tenants, and others as practicable, to find acceptable and effective long term solutions that will retain projects in the affordable rural housing program. The need for affordable rural housing is too great to allow the program to expire.

The Committee is providing short-term, stop gap assistance designed to delay the loss of affordable units pending development of comprehensive long-term solutions. This assistance has three components: increased direct section 515 loans; regulatory relief from onerous, self-imposed requirements; and a pilot project to provide technical assistance to facilitate transfers of projects to new owners. Section 515 loans are increased by \$11,602,000 to \$40,000,000. In addition to essential repairs and rehabilitation, this funding is to be used for transfers to new owners, and for re-amortizations and other servicing actions that will trigger new, extended restricted use agreements retaining the properties in the program. Regulatory relief involves allowing non-profit entities and public housing authorities to earn rates of return on investment [ROI] comparable to other entities, and to allow reimbursement of costs associated with asset management fees of up to \$7,500 per property annually. The Committee also includes \$1,000,000 for a pilot program to provide technical assistance to facilitate transfers of properties to non-profits and other new owners. Requirements to transfer these properties are cumbersome and onerous, so dedicated technical assistance will smooth and accelerate those transactions.

RENTAL ASSISTANCE PROGRAM

Appropriations, 2016	\$1,389,695,000
Budget estimate, 2017	1,405,033,000
Committee recommendation	1,405,033,000

Rental assistance is authorized under section 521(a)(2) of the Housing Act of 1949, as amended (42 U.S.C. 1490a). The objective of the program is to reduce rents paid by low-income families living in Rural Housing Service financed rental projects and farm labor housing projects. Under this program, low-income tenants will contribute the higher of: (1) 30 percent of monthly adjusted income; (2) 10 percent of monthly income; or (3) designated housing payments from a welfare agency.

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

The program is administered in tandem with the Rural Housing Service section 515 rural rental housing program and the farm labor loan and grant programs. Priority is given to existing projects for units occupied by rent over-burdened low-income families and projects experiencing financial difficulties beyond the control of the owner.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$1,405,033,000 for the Rental Assistance Program.

Rental Assistance.—The Committee remains very concerned with USDA’s ability to estimate accurately the needs to renew expiring Rental Assistance [RA] agreements that support very low and low income rural households. Crises stemming from inaccurate requests, as happened in fiscal year 2016, that put very-low income households in jeopardy of untenable rent increases and possible eviction, will not be tolerated. USDA is now relying on a new, project-based, forecasting tool to determine future RA needs. The Committee directs the Secretary, within 120 days of enactment, to perform a detailed analysis of the accuracy of this tool and to report its findings to the Committee. Any inadequacies found in the forecasting tool should be reported immediately.

MULTI-FAMILY HOUSING REVITALIZATION PROGRAM ACCOUNT

Appropriations, 2016	\$37,000,000
Budget estimate, 2017	37,362,000
Committee recommendation	40,000,000

The Rural Housing Voucher Program was authorized under the Housing Act of 1949 (42 U.S.C. 1940r) to assist very low income families and individuals who reside in rental housing in rural areas. Housing vouchers may be provided to residents of rental housing projects financed by section 515 loans that have been prepaid after September 30, 2005. Voucher amounts reflect the difference between comparable market rents and tenant-paid rent prior to loan prepayment. Vouchers allow tenants to remain in existing projects or move to other rental housing.

The Multi-family Housing Revitalization Program includes funding for housing vouchers and a demonstration program for the preservation and revitalization of affordable multi-family housing projects. Rural Development’s multi-family housing portfolio faces dual pressures for loan prepayments and repair/rehabilitation stemming from inadequate reserves resulting in deferred property maintenance.

Provision of affordable rental housing can be accomplished more economically by revitalizing existing housing stock rather than funding new construction. The Multi-family Housing Revitalization Program includes revitalization tools for maintenance of existing units and vouchers to protect tenants in those projects that prepay. Flexibility is provided to allow Rural Development to utilize funding to meet the most urgent local needs for tenant protection and project revitalization.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$40,000,000 for the Multi-family Housing Revitalization Program, including \$18,000,000 for vouchers and \$22,000,000 for a housing preservation demonstration program.

MUTUAL AND SELF-HELP HOUSING GRANTS

Appropriations, 2016	\$27,500,000
Budget estimate, 2017	18,493,000
Committee recommendation	27,500,000

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$27,500,000 for Mutual and Self-Help Housing Grants.

RURAL HOUSING ASSISTANCE GRANTS

Appropriations, 2016	\$32,239,000
Budget estimate, 2017	28,701,000
Committee recommendation	32,239,000

The Rural Housing Assistance Grants Program consolidates funding for rural housing grant programs. This consolidation of housing grant funding provides greater flexibility to tailor financial assistance to applicant needs.

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

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

No assistance can be extended to any one individual in the form of a loan, grant, or combined loans and grants in excess of \$27,500, and grant assistance is limited to persons, or families headed by persons who are 62 years of age or older.

Supervisory and Technical Assistance Grants.—Supervisory and technical assistance grants are made to public and private non-profit organizations for packaging loan applications for housing assistance under sections 502, 504, 514/516, 515, and 533 of the Housing Act of 1949. The assistance is directed to very low-income families in underserved areas where at least 20 percent of the population is below the poverty level and at least 10 percent or more of the population resides in substandard housing. In fiscal year 1994 a Homebuyer Education Program was implemented under

this authority. This program provides low-income individuals and families education and counseling on obtaining and/or maintaining occupancy of adequate housing and supervised credit assistance to become successful homeowners.

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

Rural Housing Preservation Grants.—Rural housing preservation grants (section 533) of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 1490m) authorizes the Rural Housing Service to administer a program of home repair directed at low- and very low-income people.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$32,239,000 for the Rural Housing Assistance Grants Program.

The following table compares the grant program levels recommended by the Committee to the fiscal year 2016 levels and the budget request:

RURAL HOUSING ASSISTANCE GRANTS

[In thousands of dollars]

	Fiscal year 2016 enacted	Fiscal year 2017 budget request	Committee recommendation
Very low-income housing repair grants	28,701	28,701	28,701
Housing preservation grants	3,538		3,538
Total	32,239	28,701	32,239

The Committee recommends that the Rural Housing Service prioritize funding for communities with unique weather patterns in need of replacing antiquated heating systems with more efficient technologies.

RURAL COMMUNITY FACILITIES PROGRAM ACCOUNT

Appropriations, 2016	\$42,278,000
Budget estimate, 2017	37,000,000
Committee recommendation	42,278,000

Community facility loans were created by the Rural Development Act of 1972 (7 U.S.C. 1926 et seq.) to finance a variety of rural community facilities. Loans are made to organizations, including certain Indian tribes and corporations not operated for profit and public and quasi-public agencies, to construct, enlarge, extend, or otherwise improve community facilities providing essential services to rural residents. Such facilities include those providing or supporting overall community development, such as fire and rescue services, healthcare, transportation, traffic control, and community, social, cultural, and recreational benefits. Loans are made for facili-

ties which primarily serve rural residents of open country and rural towns and villages of not more than 20,000 people. Healthcare, fire and rescue facilities, and educational facilities are the priorities of the program and receive the majority of available funds.

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$42,278,000 for the Rural Community Facilities Program Account.

The following table provides the Committee's recommendations, as compared to the fiscal year 2016 and budget request levels:

RURAL COMMUNITY FACILITIES PROGRAM ACCOUNT

[In thousands of dollars]

	Fiscal year 2016 enacted	Fiscal year 2017 budget request	Committee recommendation
Loan levels:			
Community facilities direct loans	2,200,000	2,200,000	2,200,000
Community facilities guaranteed loans	148,305	.....	156,250
Total loan levels	2,348,305	2,200,000	2,356,250
Budget authority:			
Community facilities guaranteed loans	3,500	.....	3,500
Community facilities grants	25,000	25,000	25,000
Economic initiative grants	5,778	.....	5,778
Rural community development initiative	4,000	4,000	4,000
Tribal college grants	4,000	8,000	4,000
Total budget authority	42,278	37,000	42,278

RURAL BUSINESS—COOPERATIVE SERVICE

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

RURAL BUSINESS PROGRAM ACCOUNT

Appropriations, 2016	\$62,687,000
Budget estimate, 2017	90,779,000
Committee recommendation	63,883,000

The Rural Business and Industry Loan Program was created by the Rural Development Act of 1972, and finances a variety of rural industrial development loans. Loans are made for rural industrial-

ization and rural community facilities under Rural Development Act amendments to the Consolidated Farm and Rural Development Act (7 U.S.C. 1932 et seq.) authorities. Business and industrial loans are made to public, private, or cooperative organizations organized for profit, to certain Indian tribes, or to individuals for the purpose of improving, developing or financing business, industry, and employment or improving the economic and environmental climate in rural areas. Such purposes include financing business and industrial acquisition, construction, enlargement, repair or modernization, financing the purchase and development of land, easements, rights-of-way, buildings, payment of startup costs, and supplying working capital.

Rural business development grants were authorized by the Agricultural Act of 2014 and can be made to governmental and non-profit entities, and Indian tribes. Up to 10 percent of appropriated funds may be used to: identify and analyze business opportunities; identify, train, and provide technical assistance to existing or prospective rural entrepreneurs and managers; assist in the establishment of new rural businesses and the maintenance of existing businesses; conduct economic development planning, coordination and leadership development; and establish centers for training, technology, and trade. The balance of appropriated funding may be used for projects that support the development of business enterprises that finance or facilitate: the development of small and emerging private business enterprise; the establishment, expansion, and operation of rural distance learning networks; the development of rural learning programs; and the provision of technical assistance and training to rural communities for the purpose of improving passenger transportation.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$63,883,000 for the Rural Business Program Account.

The following table provides the Committee's recommendations, as compared to the fiscal year 2016 and budget request levels:

RURAL BUSINESS PROGRAM ACCOUNT

[In thousands of dollars]

	Fiscal year 2016 enacted	Fiscal year 2017 budget request	Committee recommendation
Loan levels:			
Business and industry guaranteed loans loan levels	919,765	892,244	919,765
Budget authority:			
Business and industry guaranteed loans	35,687	35,779	36,883
Rural business development grants	24,000	30,000	24,000
Delta Regional Authority grants	3,000	.....	3,000
Rural child poverty demonstration .....	.....	25,000	.....
Total budget authority	62,687	90,779	63,883

Rural Business Program Account.—The Committee recommends \$500,000 for transportation technical assistance.

The Committee directs that of the \$4,000,000 recommended for grants to benefit Federally Recognized Native American Tribes, \$250,000 shall be used to implement an American Indian and Alas-

ka Native passenger transportation development and assistance initiative.

INTERMEDIARY RELENDING PROGRAM FUND

[In thousands of dollars]

	Fiscal year 2016 enacted	Fiscal year 2017 budget request	Committee recommendation
Estimated loan level	18,889	18,889	18,889
Direct loan subsidy	5,217	5,476	5,476
Administrative expenses	4,468	4,564	4,468
Total, loan subsidies and administrative expenses	9,685	10,040	9,944

The rural development intermediary relending loan program was originally authorized by the Economic Opportunity Act of 1964 (Public Law 88-452). The making of rural development loans by the Department of Agriculture was reauthorized by Public Law 113-79, the Agricultural Act of 2014.

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

The Federal Credit Reform Act of 1990 established the program account. Appropriations to this account will be used to cover the lifetime subsidy costs associated with the direct loans obligated in 2017, as well as for administrative expenses.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$9,944,000 for the Intermediary Relending Program Fund.

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

[In thousands of dollars]

	Estimated loan level
Fiscal year 2016 level	33,077
Fiscal year 2017 request	85,000
Committee recommendation	33,077

The Rural Economic Development Loans program was established by the Reconciliation Act of December 1987 (Public Law 100-203), which amended the Rural Electrification Act of 1936 (Act of May 20, 1936), by establishing a new section 313. This section of the Rural Electrification Act (7 U.S.C. 901) established a cushion of credit payment program and created the rural economic development subaccount. The Administrator of RUS is authorized under the act to utilize funds in this program to provide zero interest loans to electric and telecommunications borrowers for the purpose of promoting rural economic development and job creation projects, including funding for feasibility studies, startup costs, and other reasonable expenses for the purpose of fostering rural economic development.

COMMITTEE RECOMMENDATION

The Committee recommends a loan program level of \$33,077,000, to be funded from earnings on the Cushion of Credit and fees on guaranteed underwriting loans made pursuant to section 313A of the Rural Electrification Act of 1936.

RURAL COOPERATIVE DEVELOPMENT GRANTS

Appropriations, 2016	\$22,050,000
Budget estimate, 2017	22,250,000
Committee recommendation	22,300,000

Rural cooperative development grants are authorized under section 310B(e) of the Consolidated Farm and Rural Development Act, as amended. Grants are made to fund the establishment and operation of centers for rural cooperative development with their primary purpose being the improvement of economic conditions in rural areas. Grants may be made to nonprofit institutions or institutions of higher education. Grants may be used to pay up to 75 percent of the cost of the project and associated administrative costs. The applicant must contribute at least 25 percent from non-Federal sources, except 1994 institutions, which only need to provide 5 percent. Grants are competitive and are awarded based on specific selection criteria.

Cooperative research agreements are authorized by 7 U.S.C. 2204b. The funds are used for cooperative research agreements, primarily with colleges and universities, on critical operational, organizational, and structural issues facing cooperatives.

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

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$22,300,000 for Rural Cooperative Development Grants.

Of the funds recommended, \$2,750,000 is for the Appropriate Technology Transfer for Rural Areas program.

The Committee has included language in the bill that not more than \$3,000,000 shall be made available to cooperatives or associations of cooperatives whose primary focus is to provide assistance to small, minority producers.

Value Added.—The Committee recommends \$10,750,000 for value-added agricultural product market development grants.

RURAL MICROENTERPRISE INVESTMENT PROGRAM

Appropriations, 2016	
Budget estimate, 2017	\$4,904,000
Committee recommendation	

This program, authorized by section 379E of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981 et seq.), provides loans and grants to intermediaries that assist micro-entrepreneurs.

COMMITTEE RECOMMENDATIONS

The Committee recommendation does not include funding for the Rural Microenterprise Investment Program.

RURAL ENERGY FOR AMERICA PROGRAM

Appropriations, 2016	\$500,000
Budget estimate, 2017	18,515,000
Committee recommendation	352,000

The Rural Energy for America Program is authorized under section 9007 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107). This program may fund energy audits, direct loans, loan guarantees, and grants to farmers, ranchers, and small rural businesses for the purchase of renewable energy systems and for energy efficiency improvements.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$352,000 for the Rural Energy for America Program.

The following table provides the Committee's recommendation as compared to the fiscal year 2016 and budget request levels:

RURAL ENERGY FOR AMERICA PROGRAM

[In thousands of dollars]

	Fiscal year 2016 enacted	Fiscal year 2017 budget request	Committee recommendation
Estimated loan level	7,576	75,754	7,576
Guaranteed loan subsidy	500	3,515	352
Grants		15,000	

Energy Efficiency Coordination.—To better utilize the energy efficiency and renewable energy programs available through the Rural Energy for America Program, USDA is directed to submit a report to the Committee no later than 120 days after enactment of this act detailing how the Rural Development agencies make information about its energy programs accessible to rural communities and how U.S. funds are being leveraged for energy efficiency investments in rural areas.

HEALTHY FOOD FINANCING INITIATIVE

Appropriations, 2016	
Budget estimate, 2017	\$1,000,000
Committee recommendation	1,000,000

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$1,000,000 for the Healthy Food Financing Initiative.

RURAL BUSINESS INVESTMENT PROGRAM

Appropriations, 2016	
Budget estimate, 2017	\$6,577,000
Committee recommendation	

COMMITTEE RECOMMENDATIONS

The Committee recommendation does not include funding for the Rural Business Investment Program.

RURAL UTILITIES SERVICE

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

RURAL WATER AND WASTE DISPOSAL PROGRAM ACCOUNT

Appropriations, 2016	\$522,365,000
Budget estimate, 2017	461,593,000
Committee recommendation	546,090,000

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

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$546,090,000 for the Rural Water and Waste Disposal Program Account.

The Committee recommends \$66,500,000 for water and waste disposal systems grants for Native Americans, including Native Alaskans, and the Colonias. The Committee recognizes the special needs and problems for delivery of basic services to these populations, and encourages the Secretary to distribute these funds in line with the fiscal year 2014 distribution, to the degree prac-

licable. In addition, the Committee makes up to \$16,897,000 available for the circuit rider program.

The following table provides the Committee's recommendations, as compared to the fiscal year 2016 and budget request levels:

RURAL WATER AND WASTE DISPOSAL PROGRAM ACCOUNT

[In thousands of dollars]

	Fiscal year 2016 enacted	Fiscal year 2017 budget request	Committee recommendation
Loan levels:			
Water and waste disposal direct loans	1,200,000	803,802	1,200,000
Water and waste disposal guaranteed loans	50,000	.....	50,000
Total loan levels	1,250,000	803,802	1,250,000
Budget authority:			
Water and waste disposal direct loans	31,320	34,885	52,080
Water and waste disposal guaranteed loans	275	.....	240
Water and waste disposal grants	364,380	350,234	364,380
Solid waste management grants	4,000	1,000	4,000
Water well systems grants	993	500	993
Colonias and AK/HI/Native American grants	64,000	42,544	66,500
Water and waste water revolving funds	1,000	500	1,000
High energy cost grants	10,000	.....	10,000
Circuit rider	16,397	13,000	16,897
Emergency community water assistance grants	10,000	5,000	10,000
Technical assistance grants	20,000	13,930	20,000
Total, budget authority	522,365	461,593	546,090

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT

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

The Federal Credit Reform Act of 1990 (Public Law 101-508) established the program account. An appropriation to this account will be used to cover the lifetime subsidy costs associated with the direct loans obligated and loan guarantees committed in fiscal year 2017, as well as for administrative expenses.

COMMITTEE RECOMMENDATIONS

The following table reflects the Committee's recommendation for the Rural Electrification and Telecommunications Loans Program Account, the loan subsidy and administrative expenses, as compared to the fiscal year 2016 and budget request levels:

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT

[In thousands of dollars]

	Fiscal year 2016 enacted	Fiscal year 2017 budget request	Committee recommendation
Loan authorizations:			
Electric:			
Direct FFB	5,500,000	6,500,000	5,500,000
Guaranteed underwriting	750,000	.....	750,000
Telecommunications:			
Direct, Treasury Rate	346,667	345,056	345,000

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT—Continued

[In thousands of dollars]

	Fiscal year 2016 enacted	Fiscal year 2017 budget request	Committee recommendation
Direct, Treasury Rate—Modification .....	.....	11,000	.....
Direct, FFB	345,000	345,000	345,000
Total loan authorization	6,941,667	7,201,056	6,940,000
Total budget authority	104	14,071	3,071
Administrative expenses	34,707	36,451	34,707

Electric Loan Servicing Flexibility.—The Committee is concerned that the RUS may not have available a full range of loan servicing tools necessary to service effectively its electric loan portfolio that is now approaching \$45,000,000,000. Specifically, RUS's ability to refinance existing electric loans is severely limited. This loan portfolio is too important to rural electric cooperatives and their rural customers for RUS not to have accessible all of the servicing options that are needed and are typically available to a lender. The Secretary is directed to report to the Committee within 60 days of enactment on: current restrictions on electric loan refinancing; potential benefits to electric cooperatives and rural customers of refinancing loans; benefits to the program of expanding refinancing abilities; expected demands; and estimated costs of electric loan refinancing.

DISTANCE LEARNING, TELEMEDICINE, AND BROADBAND PROGRAM LOANS AND GRANTS

[In thousands of dollars]

	Fiscal year 2016 enacted	Fiscal year 2017 budget request	Committee recommendation
Loan and grant levels:			
Distance learning and Telemedicine Program:			
Grants	22,000	34,950	22,000
Broadband program:			
Treasury rate loans	20,576	.....	27,043
Treasury rate loans budget authority	4,500	.....	4,500
Grants	10,372	39,492	10,372
Total DLT and Broadband Program level	52,948	74,442	59,415
Total DLT and Broadband Budget authority	36,872	74,442	36,872

The Distance Learning, Telemedicine, and Broadband Program is authorized by the Food, Agriculture, Conservation and Trade Act of 1990 (7 U.S.C. 950aaa et seq.), as amended by the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104–127). This program provides incentives to improve the quality of phone services, to provide access to advanced telecommunications services and computer networks, and to improve rural opportunities.

This program provides the facilities and equipment to link rural education and medical facilities with more urban centers and other facilities providing rural residents access to better healthcare

through technology and increasing educational opportunities for rural students. These funds are available for loans and grants.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$36,872,000 for the Distance Learning, Telemedicine, and Broadband Program. Funds recommended for the RUS broadband program are intended to promote broadband availability in those areas where there is not otherwise a business case for private investment in a broadband network. The Committee encourages RUS to focus expenditures on projects that bring broadband service to currently unserved households.

The Committee is concerned about the longstanding, unmet health needs in the Mississippi River Delta. The Committee recommendation includes \$3,000,000 to address critical healthcare needs in the region, as authorized by section 379G of the Consolidated Farm and Rural Development Act.

Broadband Grants.—Of the funds recommended, \$10,372,000 in grants shall be made available to support broadband transmission for rural areas.

Broadband Program.—Recognizing the positive changes the Agricultural Act of 2014 made to the Rural Broadband Access Loans and Loan Guarantees programs, the Committee continues to encourage the Department to implement a comprehensive rural broadband strategy including investment in advanced networks that will meet the needs of a 21st century economy. However, the Committee is concerned that the Department of Agriculture has not prioritized funding on cost-effectiveness on a per-household basis or on the affordability of the service being provided to consumers as factors in the awards process. The Committee believes that the best way to ensure that funds under this program are spent to promote affordable broadband availability in those unserved and underserved areas, where there is not otherwise a business case for private investment, is to prioritize awards that reach as many unserved and underserved Americans as possible for each dollar spent and to ensure that affordable service is provided by award recipients. As such, the Committee directs the Department of Agriculture to develop criteria for the consideration of awards under this program that include the cost-effectiveness of award proposals on a per-household basis and the affordability of broadband service to potential subscribers.

Community Connect Service Definition.—The Committee is concerned that the Community Connect Program's Minimum Broadband Service benchmark is not in step with current needs and industry standards, and the Committee encourages USDA to increase the program's Minimum Broadband Service definition. These changes will enable more rural communities that lack adequate broadband service to engage with the Rural Utilities Service and will encourage providers to improve their connectivity.

TITLE IV

DOMESTIC FOOD PROGRAMS

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

Appropriations, 2016	\$811,000
Budget estimate, 2017	814,000
Committee recommendation	814,000

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$814,000 for the Office of the Under Secretary for Food, Nutrition and Consumer Services.

Food and Agriculture Service Learning Program.—Recognizing the widespread need for children and schools to access food and agriculture education, the Committee encourages USDA to provide funding, through existing resources, for the Food and Agriculture Service Learning Program, authorized under section 4209 of the Agricultural Act of 2014.

Interagency Partnerships.—The Committee commends USDA for its work to support access to combating hunger and eliminating barriers to healthy food access through innovative interagency partnerships. The Committee encourages USDA to continue these partnerships, particularly the new Summer VISTA partnership program.

Nutrition Program Efficiency.—The Committee encourages the Secretary to focus process and technology improvement grants within the Food and Nutrition Service [FNS] to expand public-private partnerships to increase food security in a cost-efficient and accountable manner.

Potable Water.—The Committee is aware of the statutory requirement to make potable water available to children free of charge during meal service. The Committee encourages USDA to provide guidance to schools in order to assure this requirement is being met and to report back to the Committee on these efforts.

FOOD AND NUTRITION SERVICE

The Food and Nutrition Service represents an organizational effort to eliminate hunger and malnutrition in this country. Nutrition assistance programs provide access to a nutritionally adequate diet for families and persons with low incomes and encourage bet-

ter eating patterns among the Nation's children. These programs include:

Child Nutrition Programs.—The National School Lunch and School Breakfast, Summer Food Service, and Child and Adult Care Food programs provide funding to the States, Puerto Rico, the Virgin Islands, American Samoa, and Guam for use in serving nutritious lunches and breakfasts to children attending schools of high school grades and under, to children of preschool age in child care centers, and to children in other institutions in order to improve the health and well-being of the Nation's children, and broaden the markets for agricultural food commodities. Through the Special Milk Program, assistance is provided to the States for making reimbursement payments to eligible schools and child care institutions which institute or expand milk service in order to increase the consumption of fluid milk by children. Funds for this program are provided by direct appropriation and transfer from section 32.

Special Supplemental Nutrition Program for Women, Infants, and Children [WIC].—This program safeguards the health of pregnant, postpartum, and breast-feeding women, infants, and children up to age 5 who are at nutritional risk because of inadequate nutrition and income by providing supplemental foods. The delivery of supplemental foods may be done through health clinics, vouchers redeemable at retail food stores, or other approved methods which a cooperating State health agency may select. Funds for this program are provided by direct appropriation.

Supplemental Nutrition Assistance Program.—This program seeks to improve nutritional standards of needy persons and families. Assistance is provided to eligible households to enable them to obtain a better diet by increasing their food purchasing capability, usually by furnishing benefits in the form of electronic access to funds. The program also includes Nutrition Assistance to Puerto Rico.

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

Commodity Assistance Program [CAP].—This program provides funding for the Commodity Supplemental Food Program [CSFP], the Farmers' Market Nutrition Program, Disaster Assistance, Pacific Island Assistance, and administrative expenses for TEFAP.

CSFP provides supplemental foods to low-income elderly persons age 60 and over.

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

Nutritious agricultural commodities are provided to residents of the Federated States of Micronesia and the Marshall Islands. Cash assistance is provided to distributing agencies to assist them in meeting administrative expenses incurred. It also provides funding for use in non-presidentially declared disasters, and for FNS' administrative costs in connection with relief for all disasters. Funds for this program are provided by direct appropriation.

Nutrition Programs Administration.—Most salaries and Federal operating expenses of the Food and Nutrition Service are funded from this account. Also included is the Center for Nutrition Policy and Promotion [CNPP] which oversees improvements in and revisions to the food guidance systems, and serves as the focal point for advancing and coordinating nutrition promotion and education policy to improve the health of all Americans.

CHILD NUTRITION PROGRAMS

Appropriations, 2016	\$22,149,746,000
Budget estimate, 2017	23,230,733,000
Committee recommendation	23,201,733,000

The Child Nutrition Programs, authorized by the Richard B. Russell National School Lunch Act (Public Law 79–396) and the Child Nutrition Act of 1966 (Public Law 89–642), provide Federal assistance to State agencies in the form of cash and commodities for use in preparing and serving nutritious meals to children while they are attending school, residing in service institutions, or participating in other organized activities away from home. The purpose of these programs is to help maintain the health and proper physical development of America’s children. Milk is provided to children either free or at a low cost, depending on their family income level. FNS provides cash subsidies to States for administering the programs and directly administers the program in the States which choose not to do so. Grants are also made for nutritional training and surveys and for State administrative expenses. Under current law, most of these payments are made on the basis of reimbursement rates established by law and applied to lunches and breakfasts actually served by the States. The reimbursement rates are adjusted annually to reflect changes in the Consumer Price Index for food away from home.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$23,201,733,000 for the Child Nutrition Programs.

Crediting System for Nutrition Programs.—The Committee recognizes that the current crediting system used by Food and Nutrition Service in administering the school lunch program and the School Breakfast Program is in need of reform. The crediting system has historically provided significant service to school food authorities and suppliers to the National School Lunch and the School Breakfast Program. However, the program has not been updated to keep pace with innovation in the marketplace. New products that provide additional nutrition to program participants have entered the marketplace but school food authorities are not receiving proper crediting due to the fact that the system is outdated. For example, Greek yogurt receives the same protein crediting as other products with less protein. Not later than 180 days after the date of enactment of this Act, the Secretary shall review the system of crediting and submit to the Committee on Appropriations and the Committee on Education and the Workforce of the House of Representatives and the Committee on Appropriations and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the review.

The Committee's recommendation provides for the following annual rates for the child nutrition programs.

TOTAL OBLIGATIONAL AUTHORITY

[In thousands of dollars]

Child nutrition programs	Fiscal year 2017 budget request	Committee recommendation
School Lunch Program	12,756,627	12,756,627
School Breakfast Program	4,486,347	4,486,347
Child and Adult Care Food Program	3,446,278	3,446,278
Summer Food Service Program	628,484	628,484
Special Milk Program	9,236	9,236
State Administrative Expenses	279,058	279,058
Commodity Procurement	1,428,089	1,428,089
Team Nutrition/HUSC/CMS	17,004	17,004
Food Safety Education	2,897	2,897
Coordinated Review	10,000	10,000
Computer Support	11,941	11,941
CACFP Training and Technical Assistance	34,129	34,129
CNP Studies and Evaluation	23,328	23,328
Farm to School Team	4,168	4,168
Payment Accuracy	11,147	11,147
School Meal Equipment Grants	35,000	30,000
Summer EBT Demonstration	26,000	23,000
SFSP Non-Congregate Feeding Demonstration	10,000	.....
Direct Certification Grants	10,000	.....
State Exchange Demonstration	1,000	.....

The Committee expects FNS to utilize the National Food Service Management Institute to carry out the food safety education program.

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

Appropriations, 2016	\$6,350,000,000
Budget estimate, 2017	6,350,000,000
Committee recommendation	6,350,000,000

The special supplemental nutrition program for women, infants, and children [WIC] is authorized by section 17 of the Child Nutrition Act of 1966. Its purpose is to safeguard the health of pregnant, breast-feeding and postpartum women and infants, and children up to age 5 who are at nutritional risk because of inadequate nutrition and inadequate income.

The WIC program food packages are designed to provide foods which studies have demonstrated are lacking in the diets of the WIC program target population. The authorized supplemental foods are iron-fortified breakfast cereal, fruit or vegetable juice which contains vitamin C, dry beans, peas, and peanut butter.

There are three general types of delivery systems for WIC foods: (1) retail purchase in which participants obtain supplemental foods through retail stores; (2) home delivery systems in which food is delivered to the participant's home; and (3) direct distribution systems in which participants pick up food from a distribution outlet. The food is free of charge to all participants.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$6,350,000,000 for the Special Supplemental Food Program for Women, Infants, and Children [WIC].

The Committee recommendation fully funds estimated WIC participation in fiscal year 2017. The Committee recommendation includes \$60,000,000 for breastfeeding support initiatives and \$13,600,000 for infrastructure.

WIC Food Package.—The Committee understands the Department continues to work with the Institute of Medicine to make recommendations to update the WIC food packages to reflect current science and cultural factors. The Committee maintains its interest in the recommendations that will be made regarding the fish species that scientific evidence shows to be low in mercury and are in other respects nutritious, including wild salmon, for inclusion in WIC Food Packages IV, V, VI, and VII that serve children age 1 to 4 years and pregnant, postpartum, and breastfeeding women. The Committee expects the Department to conduct a thorough and efficient review of this question and issue its final report as planned in 2017.

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Appropriations, 2016	\$80,849,383,000
Budget estimate, 2017	81,689,168,000
Committee recommendation	79,682,168,000

The Food Stamp Program was reauthorized through fiscal year 2012 and renamed the Supplemental Nutrition Assistance Program [SNAP] in the Food, Conservation, and Energy Act of 2008. The Supplemental Nutrition Assistance Program attempts to alleviate hunger and malnutrition among low-income persons by increasing their food purchasing power. Eligible households receive SNAP benefits with which they can purchase food through regular retail stores.

Other programs funded through SNAP include Nutrition Assistance to Puerto Rico and American Samoa, the Food Distribution Program on Indian Reservations, the Emergency Food Assistance Program, and the Community Food Projects program.

The Supplemental Nutrition Assistance Program is currently in operation in all 50 States, the District of Columbia, the Virgin Islands, and Guam. Participating households receive food benefits, the value of which is determined by household size and income. The cost of the benefits is paid by the Federal Government. As required by law, the Food and Nutrition Service annually revises household benefit allotments to reflect changes in the cost of the thrifty food plan.

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

State Antifraud Activities.—Under the provisions of the Food and Nutrition Act of 2008, States are eligible to be reimbursed for 50 percent of the costs of their fraud investigations and prosecutions.

States are required to implement an employment and training program for the purpose of assisting members of households participating in SNAP in gaining skills, training, or experience that will increase their ability to obtain regular employment. The Department of Agriculture has implemented a grant program to States to assist them in providing employment and training services.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$79,682,168,000 for the Supplemental Nutrition Assistance Program. Of the amount recommended, \$3,000,000,000 is made available as a contingency reserve.

Out-of-State Moves.—The Committee includes bill language to require SNAP participants to report, in a manner prescribed by the Secretary, if that participant no longer resides in the State in which they are certified.

State SNAP Implementation.—The Committee is concerned about implementation of the SNAP program in certain states where states are failing to meet the required deadlines for processing applications. USDA is encouraged to work closely with States to remedy program deficiency and be aggressive in combating any falsification of SNAP implementation data.

COMMODITY ASSISTANCE PROGRAM

Appropriations, 2016	\$296,217,000
Budget estimate, 2017	313,139,000
Committee recommendation	313,139,000

The Commodity Assistance Program includes funding for the Commodity Supplemental Food Program and funding to pay expenses associated with the storage and distribution of commodities through The Emergency Food Assistance Program.

The Commodity Supplemental Food Program [CSFP].—Authorized by section 4(a) of the Agricultural and Consumer Protection Act of 1973 (7 U.S.C. 612c note), as amended in 1981 by Public Law 97–98 and in 2014 by Public Law 113–79, this program provides supplemental food to low-income senior citizens and in some cases low-income infants and children up to age six, low-income pregnant and postpartum women. The Agricultural Act of 2014 discontinued the admission of new pregnant and postpartum women and children into the program. Those already in the program can continue to receive assistance until they are no longer eligible.

The foods for CSFP are provided by the Department of Agriculture for distribution through State agencies. The authorized commodities include: iron-fortified infant formula, rice cereal, cheese, canned juice, evaporated milk and/or nonfat dry milk, canned vegetables or fruits, canned meat or poultry, egg mix, dehydrated potatoes, farina, and peanut butter and dry beans. Elderly participants may receive all commodities except iron-fortified infant formula and rice cereal.

The Emergency Food Assistance Program [TEFAP].—Authorized by the Emergency Food Assistance Act of 1983 (7 U.S.C. 7501 et seq.), as amended, the program provides nutrition assistance to low-income people through prepared meals served on site and

through the distribution of commodities to low-income households for home consumption. The commodities are provided by USDA to State agencies for distribution through State-established networks. State agencies make the commodities available to local organizations, such as soup kitchens, food pantries, food banks, and community action agencies, for their use in providing nutrition assistance to those in need.

Funds are administered by FNS through grants to State agencies which operate commodity distribution programs. Allocation of the funds to States is based on a formula which considers the States' unemployment rate and the number of persons with income below the poverty level.

Farmers' Market Nutrition Program.—The Farmers' Market Nutrition Program [FMNP] provides WIC or WIC-eligible participants with coupons to purchase fresh, nutritious, unprepared foods, such as fruits and vegetables, from farmers' markets. This benefits both participants and local farmers by increasing the awareness and use of farmers' markets by low-income households.

Pacific Island and Disaster Assistance.—This program provides funding for assistance to the nuclear-affected islands in the form of commodities and administrative funds. It also provides funding for use in non-presidentially declared disasters and for FNS' administrative costs in connection with relief for all disasters.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$313,139,000 for the Commodity Assistance Program. The Committee continues to encourage the Department to distribute Commodity Assistance Program funds equitably among the States, based on an assessment of the needs and priorities of each State and the State's preference to receive commodity allocations through each of the programs funded under this account.

Commodity Supplemental Food Program.—The Committee recommends \$236,120,000 for the Commodity Supplemental Food Program. This amount fully funds participation in fiscal year 2017.

Farmers' Market Nutrition Program.—The Committee is aware that the Farmers' Market Nutrition Program provides fresh fruits and vegetables to low-income mothers and children, benefiting not only WIC participants, but local farmers as well. Therefore, the Committee recommends \$16,548,000 for the Farmers' Market Nutrition Program and directs the Secretary to obligate these funds within 45 days.

The Emergency Food Assistance Program.—The Agricultural Act of 2014 provides \$299,000,000 for TEFAP commodities to be purchased with Supplemental Nutrition Assistance Program funds. The Committee recommendation includes \$59,401,000 for TEFAP transportation, storage, and program integrity. In addition, the Committee recommendation grants the Secretary authority to transfer up to an additional 10 percent from TEFAP commodities for this purpose and urges the Secretary to use this authority.

The Committee encourages the Secretary to identify opportunities for increasing the supply of TEFAP commodities in the coming fiscal year through bonus and specialty crop purchases. The De-

partment shall make available to the States domestically produced catfish fillets for distribution to local agencies.

NUTRITION PROGRAMS ADMINISTRATION

Appropriations, 2016	\$150,824,000
Budget estimate, 2017	179,447,000
Committee recommendation	173,274,000

The Nutrition Programs Administration appropriation provides for most of the Federal operating expenses of the Food and Nutrition Service, which includes the Child Nutrition Programs; Special Milk Program; Special Supplemental Nutrition Program for Women, Infants, and Children [WIC]; Supplemental Nutrition Assistance Program; Nutrition Assistance for Puerto Rico; the Commodity Assistance Program, including the Commodity Supplemental Food Program and the Emergency Food Assistance Program; and Farmers' Market Nutrition Program and Pacific Island and Disaster Assistance.

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$173,274,000 for Nutrition Programs Administration. The Committee recommendation includes \$1,000,000 for Phase II of dietary guidance from birth to 24 months; \$17,700,000 for headquarters renovation or office relocation; and \$1,192,000 for GSA Rent/DHS Security Payments.

TITLE V
FOREIGN ASSISTANCE AND RELATED PROGRAMS
FOREIGN AGRICULTURAL SERVICE
SALARIES AND EXPENSES

[In thousands of dollars]

	Appropriations	Transfers from loan accounts	Total
Appropriations, 2016	191,566	6,394	197,960
Budget estimate, 2017	196,571	6,074	202,645
Committee recommendation	196,571	6,074	202,645

The Foreign Agricultural Service [FAS] was established March 10, 1953, by Secretary's Memorandum No. 1320, supplement 1. Public Law 83-690, approved August 28, 1954, transferred the agricultural attachés from the Department of State to the Foreign Agricultural Service.

The mission of FAS overseas is to represent U.S. agricultural interests, to promote export of domestic farm products, improve world trade conditions, and report on agricultural production and trade in foreign countries. FAS staff are stationed at 98 offices around the world where they provide expertise in agricultural economics and marketing, as well as provide attaché services.

FAS carries out several export assistance programs to counter the adverse effects of unfair trade practices by competitors on U.S. agricultural trade. The Market Access Program [MAP] conducts both generic and brand-identified promotional programs in conjunction with nonprofit agricultural associations and private firms financed through reimbursable CCC payments.

The General Sales Manager was established pursuant to section 5(f) of the charter of the Commodity Credit Corporation and 15 U.S.C. 714-714p. The funds allocated to the General Sales Manager are used for conducting the following programs: (1) CCC Export Credit Guarantee Program (GSM-102), including facilities financing guarantees; (2) Food for Peace; (3) section 416b Overseas Donations Program; (4) Market Access Program; and (5) programs authorized by the Commodity Credit Corporation Charter Act including barter, export sales of most CCC-owned commodities, export payments, and other programs as assigned to encourage and enhance the export of U.S. agricultural commodities.

COMMITTEE RECOMMENDATIONS

The Committee recommends \$202,645,000 for the Foreign Agricultural Service, including a direct appropriation of \$196,571,000. The Committee recommendation includes \$1,500,000, as requested in the budget, to establish an overseas post in Cuba.

Borlaug Fellows Program.—The Committee recommendation includes \$2,650,000 for the Borlaug International Agricultural Science and Technology Fellows Program. This program provides training for international scientists and policymakers from selected developing countries. The fellows work closely with U.S. specialists in their fields of expertise and apply that knowledge in their home countries. The Committee recognizes the importance of this program in helping developing countries strengthen their agricultural practices and food security.

Cochran Fellowship Program.—The Committee recommendation includes \$5,300,000 for the Cochran Fellowship Program. The Committee encourages the Secretary to continue to provide additional support for the program through the Commodity Credit Corporation Emerging Markets Program.

Foreign Market Development Cooperator Program.—The Committee expects the FAS to fund the Foreign Market Development Cooperator Program.

Fortified Poultry-Based Spread.—The Committee notes that the use of Fortified Poultry-Based Spread [FPBS] for distribution in food aid programs was recently approved. Developed as part of the Micronutrient-Fortified Food Aid Products Pilot Program, FPBS has been found to reduce school absences due to illness, while improving iron status and vitamins D and B12 levels. Additionally, the study demonstrated a larger than expected gain in cognition.

The Committee encourages USDA and USAID to utilize FPBS in future invitations for bids.

Market Access Program.—The Committee continues the full mandatory funding for the Market Access Program and expects the Department to administer the program as authorized in 7 U.S.C. 5623, without changing the eligibility requirements for participation of cooperative organizations, small businesses, trade associations, and other entities.

FOOD FOR PEACE TITLE I DIRECT CREDIT AND FOOD FOR PROGRESS PROGRAM ACCOUNT

Appropriations, 2016	\$2,528,000
Budget estimate, 2017	149,000
Committee recommendation	149,000

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$149,000 for administrative expenses to continue servicing existing Food for Peace title I agreements.

FOOD FOR PEACE TITLE II GRANTS

Appropriations, 2016	\$1,466,000,000
Budget estimate, 2017	1,350,000,000
Committee recommendation	1,600,000,000

Commodities Supplied in Connection With Dispositions Abroad (Title II) (7 U.S.C. 1721–1726).—Commodities are supplied without cost through foreign governments to combat malnutrition and to meet famine and other emergency requirements. Commodities are also supplied for nonemergencies through public and private agen-

cies, including intergovernmental organizations. The Commodity Credit Corporation pays ocean freight on shipments under this title, and may also pay overland transportation costs to a land-locked country, as well as internal distribution costs in emergency situations. The funds appropriated for title II are made available to private voluntary organizations and cooperatives to assist these organizations in meeting administrative and related costs.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$1,600,000,000 for Food for Peace title II grants.

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

Appropriations, 2016	\$201,626,000
Budget estimate, 2017	182,045,000
Committee recommendation	201,626,000

The McGovern-Dole International Food for Education and Child Nutrition Program helps support education, child development, and food security for some of the world's poorest children. The program provides for donations of U.S. agricultural products, as well as financial and technical assistance, for school feeding and maternal and child nutrition projects in low-income, food-deficit countries that are committed to universal education. Commodities made available for donation through agreements with private voluntary organizations, cooperatives, intergovernmental organizations, and foreign governments may be donated for direct feeding or for local sale to generate proceeds to support school feeding and nutrition projects.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$201,626,000 for the McGovern-Dole International Food for Education and Child Nutrition Program.

Local and Regional Procurement.—The Committee provides an appropriation of \$10,000,000 for efforts to build long-term agriculture sustainability and establish a local investment in school feeding programs. With direct U.S. commodity contributions, projects supported by the McGovern-Dole Food for Education Program have significantly improved the attendance, nourishment, and learning capacity of school-aged children in low-income countries throughout the impoverished world. New funding authorities would enable school feeding programs to proactively transition from direct commodity assistance to locally source agriculture products. The Committee directs the Secretary to conduct the Local and Regional Food Aid Procurement Project Program in accordance with the priorities of the McGovern-Dole International Food for Education and Child Nutrition Program.

LOCAL AND REGIONAL FOOD AID PROCUREMENT PROJECT PROGRAM

Appropriations, 2016	
Budget estimate, 2017	\$15,000,000
Committee recommendation	

COMMITTEE RECOMMENDATION

The Committee does not recommend an appropriation for the Local and Regional Food Aid Procurement Project Program, as requested in the budget. The Committee instead provides \$10,000,000 for this purpose through the McGovern-Dole International Food for Education Program.

COMMODITY CREDIT CORPORATION EXPORT LOANS PROGRAM ACCOUNT
(EXPORT CREDIT PROGRAMS AND GSM-102)

[In thousands of dollars]

	Guaranteed loan levels	Administrative expenses
Appropriations, 2016	5,500,000	6,748
Budget estimate, 2017	5,500,000	8,537
Committee recommendation	5,500,000	8,537

In 1980, the Commodity Credit Corporation [CCC] instituted the Export Credit Guarantee Program (GSM-102) under its charter authority. With this program, CCC guarantees, for a fee, payments due U.S. exporters under deferred payment sales contracts (up to 36 months) for defaults due to commercial as well as noncommercial risks. The risk to CCC extends from the date of export to the end of the deferred payment period covered in the export sales contract and covers only that portion of the payments agreed to in the assurance agreement. Operation of this program is based on criteria which will assure that it is used only where it is determined that it will develop new market opportunities and maintain and expand existing world markets for U.S. agricultural commodities. The program encourages U.S. financial institutions to provide financing to those areas where the institutions would be unwilling to provide financing in the absence of the CCC guarantees. CCC also provides facilities financing guarantees.

The Federal Credit Reform Act of 1990 establishes the program account. The subsidy costs of the CCC export guarantee programs are exempt from the requirement of advance appropriations of budget authority according to section 504(c)(2) of the Federal Credit Reform Act of 1990, Public Law 101-508. Appropriations to this account will be used for administrative expenses.

TITLE VI
RELATED AGENCY AND FOOD AND DRUG ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES
FOOD AND DRUG ADMINISTRATION

The Food and Drug Administration [FDA] is a scientific regulatory agency whose mission is to promote and protect the public health and safety of Americans. FDA's work is a blend of science and law. The Food and Drug Administration Amendments Act of 2007 [FDAAA] (Public Law 110–85) reaffirmed the responsibilities of the FDA: to ensure safe and effective products reach the market in a timely way, and to monitor products for continued safety while they are in use. In addition, FDA is entrusted with two critical functions in the Nation's war on terrorism: preventing willful contamination of all regulated products, including food, and improving the availability of medications to prevent or treat injuries caused by biological, chemical, radiological, or nuclear agents.

The FDA Foods program has the primary responsibility for assuring that the food supply, quality of foods, food ingredients and dietary supplements are safe, sanitary, nutritious, wholesome, and honestly labeled, and that cosmetic products are safe and properly labeled. The variety and complexity of the food supply has grown dramatically while new and more complex safety issues, such as emerging microbial pathogens, natural toxins, and technological innovations in production and processing, have developed. This program plays a major role in keeping the United States food supply among the safest in the world.

In January 2011, the Food Safety Modernization Act was signed into law. This law enables FDA to better protect public health by strengthening the food safety system. It enables FDA to focus more on preventing food safety and feed problems rather than relying primarily on reacting to problems after they occur. The law also provides FDA with new enforcement authorities designed to achieve higher rates of compliance with prevention- and risk-based food and feed safety standards and to better respond to and contain problems when they do occur. The law also gives FDA important new tools to hold imported food and feed to the same standards as domestic food and feed and directs FDA to build an integrated national food safety system in partnership with State and local authorities.

The FDA Drugs programs are comprised of four separate areas, Human Drugs, Animal Drugs, Medical Devices and Biologics. FDA is responsible for the lifecycle of products, including premarket review and postmarket surveillance of human and animal drugs, medical devices and biological products to ensure their safety and effectiveness. For Human Drugs this includes assuring that all

drug products used for the prevention, diagnosis and treatment of disease are safe and effective. Additional procedures include the review of investigational new drug applications; evaluation of market applications for new and generic drugs, labeling and composition of prescription and over-the-counter drugs; monitoring the quality and safety of products manufactured in, or imported into, the United States; and, regulating the advertising and promotion of prescription drugs. The Animal Drugs and Feeds Program ensures only safe and effective veterinary drugs, intended for the treatment and/or prevention of diseases in animals and the improved production of food-producing animals, are approved for marketing.

The FDA Biologics program assures that blood and blood products, blood test kits, vaccines, and therapeutics are pure, potent, safe, effective, and properly labeled. The program inspects blood banks and blood processors, licenses and inspects firms collecting human source plasma, evaluates and licenses biologics manufacturing firms and products; lot releases licensed products; and monitors adverse events associated with vaccine immunization, blood products, and other biologics.

The FDA Devices and Radiological program ensures the safety and effectiveness of medical devices and eliminates unnecessary human exposure to manmade radiation from medical, occupational, and consumer products. In addition, the program enforces quality standards under the Mammography Quality Standards Act (Public Law 108–365). Medical devices include thousands of products from thermometers and contact lenses to heart pacemakers, hearing aids, and MRIs. Radiological products include items such as microwave ovens and video display terminals.

FDA's National Center for Toxicological Research in Jefferson, Arkansas, serves as a specialized resource, conducting peer-review scientific research that provides the basis for FDA to make sound science-based regulatory decisions through its premarket review and postmarket surveillance. The research is designed to define and understand the biological mechanisms of action underlying the toxicity of products and lead to developing methods to improve assessment of human exposure, susceptibility and risk of those products regulated by FDA.

In 2009, Congress granted FDA new authority to regulate the manufacture, distribution, and marketing of tobacco products. FDA exercises this responsibility by protecting the public health from the health effects of tobacco, setting scientific standards and standards for tobacco product review, conducting compliance activities to enforce its authority over tobacco, and conducting public education and outreach about the health effects of tobacco products.

SALARIES AND EXPENSES

[In thousands of dollars]

	Appropriation	User fees	Total
Appropriations, 2016	2,720,808	1,960,584	4,681,392
Budget estimate, 2017	2,730,924	2,227,302	4,958,226
Committee recommendation	2,759,978	2,025,020	4,784,998

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$2,759,978,000 for FDA salaries and expenses. The Committee also recommends \$2,025,020,000 in definite user fees, including: \$865,653,000 in Prescription Drug User Fee Act user fee collections; \$144,859,000 in Medical Device User Fee and Modernization Act user fee collections; and \$22,977,000 in Animal Drug User Fee Act user fee collections; \$10,367,000 in Animal Generic Drug User Fee Act user fee collections; \$635,000,000 in Tobacco Product user fee collections; \$324,085,000 in Generic Drug User Fee Act user fee collections; and \$22,079,000 in Biosimilar User Fee Act user fee collections, as assumed in the President's budget. The Committee also recommends \$58,606,000 in permanent, indefinite user fees, including: \$5,300,000 in Voluntary Qualified Importer Program collections; \$1,434,000 in food and feed recall collections; \$6,414,000 in food reinspection collections; \$20,522,000 in Mammography Quality Standards Act fee collections; \$10,062,000 in color certification collections; \$7,686,000 in Pediatric Disease Priority Review Voucher collections; \$1,400,000 in third-party auditor collections; \$1,092,000 in outsourcing facility collections; and \$4,696,000 in export and certification fees, as assumed in the President's budget. The Committee recommendation includes bill language which prohibits FDA from developing, establishing, or operating any program of user fees authorized by 31 U.S.C. 9701.

The Committee recommendation does not include proposed user fees for food facility registration and inspection, food import, food contact substance notification, cosmetics, and international courier imports. None of these user fee proposals have been authorized by Congress. The Committee will continue to monitor any action by the appropriate authorizing Committees regarding these proposed user fees.

The Committee expects FDA to continue all projects, activities, laboratories, and programs as included in fiscal year 2016 unless otherwise specified. The Committee accepts \$13,016,000 in proposed administrative savings; however the Committee does not support the proposed \$3,054,000 reduction to the National Center for Toxicological Research or the proposed \$5,000,000 reduction to improving foreign high risk inspections.

The Committee recommendation includes an increase of \$40,275,000 for the implementation of FSMA, which is \$15,000,000 more than the budget request. This includes increases of \$18,762,000 for the National Integrated Food Safety System and \$21,513,000 for Import Safety. Additionally, the Committee recommendation includes increases of \$2,911,000 for animal drug and medical device reviews and \$2,000,000 for precision medicine, as requested in the budget. Increases of \$1,000,000 to evaluate biomarkers for drug development, \$3,000,000 for improved foreign high risk inspections, \$2,000,000 for pediatric device review, and \$1,000,000 for medical device postmarket safety activities are also provided.

The following table reflects the Committee's recommendations, as compared to the fiscal year 2016 and budget request levels:

FOOD AND DRUG ADMINISTRATION SALARIES AND EXPENSES

[In thousands of dollars]

	Fiscal year 2016 enacted	Fiscal year 2017 budget request	Committee recommendation
Centers and related field activities:			
Foods	987,328	1,012,603	1,027,103
Center for Food Safety and Applied Nutrition [CFSAN]	303,994	303,994	310,794
Field Activities	683,334	708,609	716,309
Human Drugs	491,503	491,503	492,503
Center for Drug Evaluation and Research [CDER]	355,296	354,856	356,296
Field Activities	136,207	136,647	136,207
Biologics	215,443	215,443	215,443
Center for Biologics Evaluation and Research [CBER]	174,052	174,052	174,052
Field Activities	41,391	41,391	41,391
Animal Drugs	158,652	161,852	161,352
Center for Veterinary Medicine [CVM]	94,005	97,205	96,705
Field Activities	64,647	64,647	64,647
Medical and radiological devices	323,253	325,764	328,764
Center for Devices and Radiological Health	240,808	243,319	246,319
Field Activities	82,445	82,445	82,445
National Center for Toxicological Research	63,331	60,277	63,331
Other Activities	183,087	178,287	186,287
Rent and related activities	121,528	114,987	114,987
Rental Payments to GSA	176,683	170,208	170,208
Total, FDA salaries and expenses, new budget authority	2,720,808	2,730,924	2,759,978

Active Pharmaceutical Ingredients.—The Committee is concerned that the FDA has not yet approved a list of active pharmaceutical ingredients [APIs] for use by compounding pharmacists pursuant to the Federal Food, Drug, and Cosmetic Act [FDCA]. Within 90 days of the enactment of this act, the FDA is directed to provide a timeline for when the remaining substances will be considered, and in the meantime re-consider its policy with regard to enforcement of the bulk drug substances provisions under section 503A.

Artisanal Cheese.—While the Committee appreciates the FDA's willingness to pause enforcement and reevaluate its standard regarding permissible levels of nontoxigenic *E. coli* in raw milk cheese, it remains concerned that this standard was developed in the absence of any published data from controlled studies describing either the process or rate of transfer of bacteria from the environment in the plant to the product. Therefore, the Committee directs the FDA to continue working with stakeholders to benefit from their expertise about safe cheese-making practices to achieve the mutual goal of food safety, and to provide to the Committee on Appropriations the results of the "Surveillance Sampling Program for Raw Milk Cheese."

Atypical Actives.—The Committee requests that the FDA provide an update on how it regulates "atypical actives."

Biosimilars.—The Committee directs the FDA to provide no later than 30 days after enactment an estimated timeline by which the agency will finalize pending draft biosimilars guidance documents and an estimated timeline by which the agency will issue draft guidance on biosimilars topics, including, interchangeability, for which the agency has not published draft guidance.

In addition, the Committee recognizes that biosimilars offer an important opportunity for expanding the market and reducing costs for patients. The Committee urges the FDA to conduct outreach to

external stakeholders including patient organizations on educating patients and professionals about biosimilars, with a focus on populations for which approved biosimilars are indicated.

Center for Safety and Nutrition Centers of Excellence.—The Committee is aware of the important contribution of the FDA Center for Food Safety and Applied Nutrition’s Centers of Excellence [COEs] program in supporting critical basic research as well as facilitating the implementation of the FDA Food Safety Modernization Act. The Committee encourages the Agency to continue to fully utilize the COEs to accomplish these goals, and instructs that it enhance its level of support for FDA Food Safety Modernization Act activities.

Centers of Excellence in Regulatory Science and Innovation.—The Committee is encouraged by the ongoing research and collaboration underway at the Centers of Excellence in Regulatory Science and Innovation program and commends the FDA for launching this program in 2011 and expanding it in 2014. As such, the Committee directs the Office of the Commissioner to use at least \$2,000,000 within existing funds to provide additional funding opportunities for the existing CERSI Centers to allow for the capitalization of ongoing studies and research.

Cosmetics.—The Committee provides not less than \$11,700,000 for cosmetics activities, including not less than \$7,200,000 for the Office of Colors and Cosmetics [OCAC]. Funding for OCAC is for the direct support of the operation, staffing, compliance, research and international activities performed by this office.

Cotton Ginning.—The Committee is concerned about the impact of the “Current Good Manufacturing Practice, Hazard Analysis, and Risk-Based Preventive Controls for Food for Animals” final rule (80 FR 56170; September 17, 2015) on the cotton industry. The Committee notes post-harvest activity of ginning cotton does not transform the resulting cottonseed into a “processed food,” and thus, cottonseed should fall within the definition of a “raw agricultural commodity” for purposes of rules promulgated pursuant to the FSMA. In addition, the Committee is concerned about the rationale for the definitions of “primary production farm” and “secondary activities farm” and how these definitions factor into the determination of operations either being exempt from or covered by certain requirements of the final rule. Therefore, the Committee directs the FDA to provide outreach and technical assistance to cotton ginning operations to assist them in complying with the final rule or subsequent guidance documents.

Diabetes.—The Committee applauds the FDA for working with the diabetes community on clinical outcomes beyond hemoglobin A1c [HbA1c]. While HbA1c remains a fundamental measurement to assess the benefit of therapy for diabetes mellitus, regulatory decisions should be reached using the full range of outcomes that are important to people with diabetes. The Committee is pleased that the FDA will be holding a workshop focused on this topic in 2016 and encourages the Agency to incorporate the scientific learnings from that workshop into their decision-making so that important new, safe, and effective medical therapies can be made available to people with diabetes.

In addition, the Committee recognizes that being able to identify people at risk of developing type 1 diabetes could provide an opportunity to delay and eventually prevent the disease altogether. The appearance of certain islet autoantibodies in the serum of individuals increases the chance of developing type 1 diabetes at some point in the future. Therefore the Committee encourages the FDA to work with the Type 1 diabetes community on the assessment of potential diabetes biomarkers related to islet autoimmunity, which might help inform the design of clinical studies.

Donor Milk Supply.—The Committee is aware of the growing commercial human milk industry, and its importance to, in particular, preterm infants. The Committee is also aware that the FDA has had discussions with the industry regarding the need for adequate safeguards to ensure the safety and nutritional quality of the donor human milk supply. The Committee directs FDA to report on its efforts to implement regulations to protect a safe and stable human milk supply.

Drug Shortages.—The Committee requests that the FDA report on how it works with manufacturers to facilitate timely communication to the field on the availability of drugs in shortage, as well as its processes for the completion of drug application reviews and facility inspections during times of or risk of critical drug shortage.

Duchenne Muscular Dystrophy.—The Committee is encouraged that the FDA has the tools, authorities, and latitude necessary to review and approve safe and effective treatments for rare diseases, such as Duchenne Muscular Dystrophy, as efficiently as possible. In particular, the Committee is aware that the use of intermediate clinical endpoints [ICE] may be an appropriate approach as they have been in similar deadly diseases with dire unmet need, such as HIV and cancer.

Drug Vial Sizes.—The Food and Drug Administration is responsible for approving vial sizes and fill volumes for injectable drug products before products come to market, in a manner that balances multiple considerations related to safe use and administration of the product. In 2015, the FDA issued guidance documents for industry on this matter. Given that many factors play a role in FDA's assessment of vial sizes for injectable drug products, the Committee directs the FDA to provide a report to Congress within 180 days of enactment with recommendations on how the FDA may assist in addressing concerns about appropriate vial sizes and fill volumes from a safety perspective, to ensure that patients are receiving the appropriate care.

Experimental Drugs for Terminally-Ill Patients.—The Committee directs the FDA to report on efforts to increase patient access to experimental drugs for terminally-ill patients.

FDA Food Mission.—The Committee requests information on FDA's current nutrition activities and resources.

Food Contact Notification User Fees.—The Committee recommendation does not include proposed user fees.

Food Packaging.—The Committee encourages FDA to increase the involvement of experts in endocrinology as FDA continues to evaluate the chemical BPA and similar alternatives such as BPS as it relates to health safety of human exposure through food pack-

aging. Evaluations shall include specific focus on the long-term low-dose exposure that these chemicals have on the endocrine system.

Food Traceability.—The FDA announced two pilot projects on September 7, 2011 pursuant to section 204 of the Food Safety Modernization Act, which required pilot projects for improving product tracing along the food supply system and establishment of record-keeping requirements for high-risk foods to help in tracing products. The pilots were conducted by the Institute of Food Technologists, in consultation with industry sectors, USDA, State agencies and consumer groups, and the resulting report was released on March 4, 2013. The Committee notes that industry and government continue to pursue their traceability goals on separate tracks and with little collaboration. The Committee further notes that no report has been issued pursuant to section 204(a) of the act, which directs the Secretary to report to Congress on the findings of the pilot projects, and the Committee directs the Secretary to issue such report. Furthermore, the Committee notes that the Secretary has failed to propose a rulemaking to establish the recordkeeping requirements as required by section 204(d) of the act. The Committee directs the FDA to collaborate with science-based international and industry-led food traceability initiatives of the type recommended by the pilot projects. In addition, the Committee directs the Commissioner to make publicly available information on FDA's efforts to encourage the work of science-based international and industry-led food traceability initiatives.

Foreign High Risk Inspections.—The bill provides an additional \$3,000,000 and a total of \$8,000,000 for the FDA's Office of Global Regulatory Operations and Policy to enhance the compliance of foreign manufacturers and exporters of food, medical devices and pharmaceuticals through on-site verification.

Human Tissue Models, Including 3D Models.—The Committee is aware that bioengineered human tissue models hold the promise of improving the drug discovery process by enhancing the ability to predict potential safety risks during preclinical testing and post market safety of pharmaceutical products, thereby minimizing the potential risk of adverse toxicological outcomes to patients during clinical trials and post-approval use. The Committee directs the Secretary to prepare a report, with input from the Office of Regulatory Science and Innovation and the National Center of Toxicology Research, on how to accelerate adoption of predictive bioengineered human tissue models when used in combination or in lieu of animal testing models pre and post market approval. The Committee directs the Secretary to report recommendations to the House and Senate Appropriations Committees within 180 days of enactment of this Act.

In Silico Clinical Trials.—In Silico clinical trials use computer models and simulations to develop and assess devices and drugs, including their potential risk to the public, before being tested in live clinical trials. Advanced computer modeling can also be used to predict how a drug or device will behave when deployed in the general population, thereby protecting the public from the unintended consequences of side effects and drug interactions. In Silico trials protect public health, advance personalized treatment and can be executed quickly and for a fraction of the cost of a full scale

live trial. The FDA has advocated the use of such systems and utilized them with success in the past. Therefore, the Committee strongly encourages the FDA to make greater use of In Silico trials for devices and drug therapies before they are released for live clinical trials.

In Vitro Clinical Trials.—In vitro clinical trials use specimens collected from patients to test how a particular cancer or disease will react to a specific therapy or combination of therapies. This personalized approach to treatment can improve a patient's quality of life by increasing the likelihood that physicians and researchers will find the proper combination of drugs uniquely suited to treat that individual's illness. An emerging new scientific methodology, In Vitro trials allow researchers to test therapeutics and treatment strategies on living human tissues without the risks posed by traditional whole patient clinical trials. Personalized treatment through In Vitro trials dismantles the "one size fits all" approach to care and enables medical professionals to diagnose and treat patients in a more efficient and effective way. Accordingly, the Committee strongly encourages the FDA to make greater use of In Vitro clinical trials for Investigational New Drug applications and general therapeutic indications, especially as it relates to complicated cancers and other common disease States.

Listeriosis.—Listeriosis is a serious illness that is usually caused by eating food contaminated with the bacterium *Listeria monocytogenes*. The disease primarily affects older adults, pregnant women, newborns, and adults with weakened immune systems. To better understand the risk of listeriosis associated with the consumption of certain foods, the FDA has conducted or is conducting risk assessments on ready-to-eat foods, soft ripened cheeses, smoked finfish, and retail delicatessens. These risk assessments have been used to protect and enhance the public health. The FDA uses risk analysis to ensure that regulatory decisions about foods are science-based and transparent. For the first time, the consumption of certain frozen vegetables has been linked to a multi-state outbreak of listeriosis. Because of this outbreak, the need to protect the public health, and to ensure science-based and transparent regulatory decisions, the Committee encourages the FDA to conduct a quantitative risk assessment of the relative risk to public health from foodborne *Listeria monocytogenes* among frozen vegetables and other frozen foods currently considered not ready-to-eat.

Mammography Quality Standards Act.—The Committee recommendation includes full funding as requested for implementation of the Mammography Quality Standards Act. This program sets national quality standards for mammography facilities, equipment, personnel and operating procedures, and has improved the quality of mammography and made mammograms a more reliable tool to detect breast cancers.

Medical Devices.—The Committee is concerned about the lack of transparency and consistency with the medical device facility inspection process. This often leads to inefficiencies and inconsistencies in the inspection process. The Committee urges the agency to work with stakeholders and Congress to improve the facility inspection process. Potential process improvements may include, but

are not necessarily limited to, more timely and frequent communications related to inspection observations and remediation plans, as well as changes to the way medical device Export Certificates (e.g., Certificate to Foreign Government, etc.) are affected by FDA Observational Findings following a facility inspection.

Medical Device Performance.—The Committee is aware that each year the FDA is required to submit a report to Congress regarding performance goals for user fees paid by medical device manufacturers. However, the Committee is concerned that FDA may not be providing information about how the FDA is meeting timelines established in law by Congress. The Committee directs the FDA to provide a report to the Committee within 90 days of the date of enactment including performance information for statutory timelines for medical devices, specifically: the number of de novo requests under 513(f)(2) for which FDA has met the 120 day statutory requirement, and the total number of de novo requests submitted; the number of requests for classification under 513(g) and the number for which FDA has met the 60 day statutory requirement; and, the number of orders for postmarket device surveillance under 522 for which the FDA has responded within 60 days of receipt of such plan.

Medical Foods.—The Committee urges the FDA to be more active in engaging external stakeholders on best practice standards for medical foods that are based upon the Generally Recognized as Safe [GRAS] status. The Committee requests the FDA work with external stakeholders in forming a framework for a distinct regulatory pathway for medical foods that does not encumber its progress towards approval for patient use.

Medical Gases.—The Committee is significantly concerned that FDA has not initiated rulemaking, nor listed such rulemaking as a priority in the Unified Agenda, to address numerous long-standing regulatory issues for medical gases despite the statutory requirement section 1112 in FDASIA (Public Law 112–144) to issue a final rulemaking addressing all necessary changes for medical gases by July 9, 2016. The Committee disagrees with the FDA report to Congress sent on June 29, 2015, and believes that FDA must address medical gas regulatory issues with a new rulemaking amending the Federal drug regulations. Therefore, FDA shall issue final medical gas regulations as required by FDASIA not later than July 9, 2016. If FDA determines that it is a more efficient use of resources, it should incorporate by reference a voluntary consensus standard by an ANSI-accredited standard development organization as required by the National Technology Transfer and Advancement Act of 1995 (Public Law 104–113), and the Office of Management and Budget [OMB] Circular A–119. If FDA fails to issue final regulations with respect to medical gases by the statutory deadline, the Agency shall incorporate by reference voluntary consensus safety and labeling standards developed by an ANSI-accredited standard development organization until such time as the Agency issues final regulations consistent with section 1112 of Public Law 112–144.

Nanotechnology.—The Committee recognizes the increased capabilities that FDA has developed to study environment, health, and safety of nanomaterials within FDA's Jefferson Laboratory Cam-

pus, including the National Center for Toxicological Research, and its consolidated headquarters at White Oak, Maryland. The Committee expects FDA to continue to support collaborative research with universities and industry on the toxicology of nanotechnology products and processes in accordance with the National Nanotechnology Initiative Environment, Health, and Safety Research Strategy as updated in October 2011.

National Antimicrobial Resistance Monitoring System.—The Committee recommendation includes \$10,800,000 for the National Antimicrobial Resistance Monitoring System, equal to the level provided in fiscal year 2016.

Olive Oil.—The Committee directs the FDA to take a sampling of off-the-shelf olive oil bottles offered for sale to consumers to determine if it is adulterated with seed oil, pursuant to Section 342 of the FDCA, and report to Congress within 270 days on its findings.

Opioid Overdose Prevention.—The Committee is very concerned about the ongoing prescription opioid abuse epidemic, and is additionally concerned by FDA's decision in August 2015 to approve OxyContin for pain management in children as young as 11 years old. As the Agency that oversees the approval of these drugs, the FDA has a responsibility to consider the public health impact of opioid abuse and overdose death. Therefore, the Committee directs FDA to continue implementing its opioids action plan announced in February 2016 to take concrete steps toward reducing the impact of opioid abuse on American families and communities, and to strongly consider the danger of addiction and overdose death associated with prescription opioid medications when approving and regulating the manufacturing, marketing and distribution of opioid medications. This plan should include policies aimed at reversing the epidemic while still providing patients access to effective pain relief. Finally, the FDA is directed to refer any new drug application for an opioid submitted under section 505(b) of the Federal Food, Drug and Cosmetic Act to an advisory committee for their recommendations prior to approval, unless the FDA finds that holding such advisory committee meeting is not in the interest of protecting and promoting public health.

Oversight Activities.—The Committee recommendation includes \$1,500,000 for the HHS Office of Inspector General specifically for oversight of FDA activities.

Over-the-Counter Drugs.—The Committee directs the FDA provide a report on the funding levels put to OTC Monograph issues for the past 10 years (fiscal year 2006–2016).

Parallel Review Pilot.—The Committee directs the FDA to report on plans to extend the pilot and steps the agency will take to encourage more manufacturers to utilize the pilot, including considerations for manufacturers choosing the 510(k) clearance pathway and for novel products deemed covered by CMS but that warrant evaluation to ensure the appropriate level of coverage.

Patient Focused Drug Development Initiative.—The Committee applauds FDA's efforts to engage external and patient stakeholders through FDA's Patient Focused Drug Development initiative which includes convening disease-specific public meetings, publication of Voice of the Patient reports for each meeting, and welcoming stake-

holders to conduct externally-led Patient Focused Drug Development Meetings. The Committee encourages FDA to continue working with external stakeholders to develop a strategic action plan in follow up to these activities.

Pediatric Device Consortia Grants.—The Committee is pleased that the nine FDA-funded Pediatric Device Consortia have assisted in the development of more than 650 proposed pediatric medical devices since its inception in 2009, as well as promoting job-growth in the healthcare sector, and as such, continues to support this critical effort. The program funds consortia to assist innovators in developing medical and surgical devices designed for the unique needs of children that often go unmet by devices currently available on the market. The Committee recommendation includes \$5,000,000 for Pediatric Device Consortia Grants.

Proprietary Information.—The Committee is concerned with requirements in the Nutrition Facts proposed rule that may cause some manufacturers to disclose proprietary records. Therefore, the Committee urges the FDA to ensure that steps are imposed to protect the security of trade secrets and commercial confidential information if it is provided to FDA.

Seafood Advisory.—The Committee directs the FDA ensure that pregnant women receive final guidance on nutrition advice for what seafood is safe and healthy to consume that is consistent, understandable, and based on the FDA's latest scientific review of the net effects of seafood consumption.

Shrimp Imports.—The Committee is concerned the FDA continues to detect an alarming amount of imported shrimp raised with hormones, antibiotics, or other drugs not approved for use in the United States. Therefore, the Committee directs the FDA to work with Customs and Border Protection [CBP] to establish a 2-year pilot program to better track shrimp imports and inspections by port of entry, in order to increase enforcement and improve food safety. In addition, the Committee directs the FDA to assist CBP to provide details on opportunities for enhancing FDA and CBP coordination on improving the safety of shrimp imports into the U.S., initial, both for a briefing required of CBP within 180 days and for the overall pilot program report.

Sodium Guidance.—The Committee is aware that the FDA is considering issuing guidance to food manufacturers in order to reduce sodium in various food categories. It is imperative that any guidance be issued using the latest sound science. The Centers for Disease Control and Prevention and the IOM are working together to update the Dietary Reference Intake [DRI] report on sodium. The FDA is encouraged to issue any voluntary or mandatory guidance based upon an updated DRI report.

Sunscreen Ingredients.—The Committee is significantly concerned that despite the increase in incidence of skin cancer in the United States, and the January 2016 Presidential Memorandum creating the White House Cancer Moonshot Task Force to prevent and cure cancer, FDA has still not approved a new over-the-counter sunscreen ingredient through the process created by the Sunscreen Innovation Act [SIA]. The Committee has, for multiple years, directed the FDA to clear the sunscreen backlog, and the agency has failed to do so. Therefore, the Committee directs the FDA to in-

clude it its report to Congress required by section 4(c) of the SIA by May 26, 2016, an update on how the agency plans to work with stakeholders to resolve the science-based concerns raised in public comments and describe how the agency is appropriately balancing the benefit of additional skin cancer prevention tools versus the hypothetical risk of OTC sunscreens that have been used around the world for decades. FDA is further directed to work with stakeholders to come to an agreement on an appropriate, science-based testing regimen by June 20, 2016. The Committee recommendation maintains the funding increase provided in fiscal year 2016 to address this public health threat. In addition, the Committee directs the FDA to finalize a rule limiting the maximum Sun Protection Factor [SPF] to “50” or “50+”, which was first proposed in 2011, within 90 days of enactment of this Act, and to issue a proposed rule to establish testing and labeling standards for sunscreen sprays within 90 days of enactment of this act.

Vibrio.—The Committee is aware of the public health challenge related to the naturally occurring bacteria called *Vibrio parahaemolyticus* that can accumulate in shellfish and believes that more scientific research is necessary to develop proper controls that will reduce the risk to consumers and sustain a healthy domestic shellfish industry. The Committee encourages the Food and Drug Administration [FDA] to increase funding for research into *Vibrio* illnesses associated with the consumption of raw molluscan shellfish, improve risk assessment models, and develop improved rapid detection methods for virulent *Vibrio* strains.

White Oak Expansion.—The Committee is aware of the need for FDA facilities to accommodate an anticipated expanded workforce due to broader missions related to food safety and other mandates in legislation over the last few years. Due to the challenging fiscal environment, the Committee encourages the FDA and GSA to consider innovative financing options to allow for the space allocation required. In particular, the Committee directs the FDA and GSA to consider partnership opportunities with non-Federal Government entities that provide reasonable cost options that will enable the FDA to maintain very close proximity to its campus headquarters in White Oak, including space contiguous to the White Oak campus.

BUILDINGS AND FACILITIES

Appropriations, 2016	\$8,788,000
Budget estimate, 2017	11,788,000
Committee recommendation	11,788,000

FDA maintains offices and staff in 49 States and in the District of Columbia and Puerto Rico, including field laboratories and specialized facilities, as well as the National Center for Toxicological Research complex. Repairs, modifications, improvements, and construction to FDA headquarters and field facilities must be made to preserve the properties, ensure employee safety, meet changing program requirements, and permit the agency to keep its laboratory methods up to date.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$11,788,000 for FDA buildings and facilities. This funding shall be used to upgrade FDA facilities and laboratories which are currently below public safety standards and incapable of performing agency requirements.

INDEPENDENT AGENCY

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

Appropriations, 2016	\$65,600,000
Budget estimate, 2017	69,800,000
Committee recommendation	65,600,000

The Farm Credit Administration [FCA] is the independent agency in the executive branch of the Government responsible for the examination and regulation of the banks, associations, and other institutions of the Farm Credit System.

Activities of the Farm Credit Administration include the planning and execution of examinations of Farm Credit System institutions and the preparation of examination reports. FCA also promulgates regulations, establishes standards, enforces rules and regulations, and approves certain actions of the institutions.

The administration and the institutions under its jurisdiction now operate under authorities contained in the Farm Credit Act of 1971, Public Law 92-181, effective December 10, 1971. Public Law 99-205, effective December 23, 1985, restructured FCA and gave the agency regulatory authorities and enforcement powers.

The act provides for the farmer-owned cooperative system to make sound, adequate, and constructive credit available to farmers and ranchers and their cooperatives, rural residences, and associations and other entities upon which farming operations are dependent, and to modernize existing farm credit law to meet current and future rural credit needs.

The Agricultural Credit Act of 1987 authorized the formation of the Federal Agricultural Mortgage Corporation [FAMC] to operate a secondary market for agricultural and rural housing mortgages. The Farm Credit Administration, under section 8.11 of the Farm Credit Act of 1971, as amended, is assigned the responsibility of regulating this entity and assuring its safe and sound operation.

Expenses of the Farm Credit Administration are paid by assessments collected from the Farm Credit System institutions and by assessments to the Federal Agricultural Mortgage Corporation.

COMMITTEE RECOMMENDATIONS

The Committee recommends a limitation of \$65,600,000 on administrative expenses of the Farm Credit Administration.

TITLE VII

GENERAL PROVISIONS

The Committee recommends the following provisions:

Section 701. This section makes funds available for the purchase, replacement, and hire of passenger motor vehicles.

Section 702. This section gives the Secretary of Agriculture authority to transfer unobligated balances to the Working Capital Fund and clarifies longstanding practices associated with the Fund.

Section 703. This section limits the funding provided in the bill to 1 year, unless otherwise specified.

Section 704. This section limits negotiated indirect costs on cooperative agreements between the Department of Agriculture and nonprofit organizations to 10 percent.

Section 705. This section makes appropriations to the Department of Agriculture for the cost of direct guaranteed loans available until expended to disburse obligations for certain Rural Development programs.

Section 706. This section prohibits the purchase of new information technology equipment in excess of \$25,000 without the prior approval of the Chief Information Officer.

Section 707. This section makes funds for certain conservation programs available until expended to disburse certain obligations made in the current fiscal year.

Section 708. This section makes certain former Rural Utilities Service borrowers eligible for the Rural Economic Development loan and grant program.

Section 709. This section provides funds for Rural Development and the Farm Service Agency information technology expenses.

Section 710. This section includes language regarding first-class travel.

Section 711. This section includes language regarding the Commodity Credit Corporation.

Section 712. This section makes funds available for the expenses and activities of certain advisory committees, panels, commissions, and task forces at the Department of Agriculture.

Section 713. This section includes language regarding the limitation on direct costs for grants awarded by the National Institute of Food and Agriculture.

Section 714. This section includes language regarding the availability of funds for certain Department of Agriculture programs.

Section 715. This section includes language regarding the availability of funds for certain Department of Agriculture programs.

Section 716. This section prohibits the use of funds for user fee proposals that fail to provide sufficient budget impact information.

Section 717. This section prohibits the reprogramming of funds for programs, projects, or activities in excess of \$500,000 or 10 per-

cent, whichever is less without the prior notification of the Committee on Appropriations.

Section 718. This section includes language for the establishment of a fee under the business and industry loan program.

Section 719. This section prohibits the Department of Agriculture and the Department of Health and Human Services from transmitting questions or responses as a result of the appropriations hearing process to non-Department employees.

Section 720. This section includes language regarding pre-packaged news.

Section 721. This section requires Department of Agriculture agencies to provide reimbursement to other Department of Agriculture agencies for employees detailed for longer than 60 days.

Section 722. This section includes language regarding industrial hemp.

Section 723. This section includes language regarding spending plans.

Section 724. This section provides funding for the Geographically Disadvantaged Farmers Program.

Section 725. This section includes language regarding section 502 single family direct loans.

Section 726. This section includes language regarding loans and loan guarantees.

Section 727. This section includes language regarding credit card refunds.

Section 728. This section includes language regarding Rural Economic Area Partnership Zones.

Section 729. This section includes language regarding the Emergency Community Water Assistance Grant Program.

Section 730. This section includes language regarding the Agriculture and Food Research Initiative.

Section 731. This section includes language regarding the Rural Utilities Service.

Section 732. This section provides funding to carry out a program for hardwood trees.

Section 733. This section includes language regarding the Rural Housing Service.

Section 734. This section includes language regarding disclosure of information for pharmaceuticals.

Section 735. This section includes language regarding menu labeling.

Section 736. This section includes language regarding research exemptions.

Section 737. This section includes language regarding dried spent grain products.

Section 738. This section includes language regarding the Water Bank Program.

Section 739. This section includes language regarding housing programs.

Section 740. This section includes language regarding partially hydrogenated oils.

Section 741. This section includes language regarding the Rural Housing Service.

Section 742. This section includes a rescission of funds.

Section 743. This section includes a rescission of funds.

Section 744. This section includes language regarding SNAP household reporting requirements.

Section 745. This section includes a rescission of unobligated balances.

Section 746. This section includes funding for the Healthy Food Financing Initiative.

Section 747. This section includes language regarding funding information technology activities.

Section 748. This section includes language regarding funding information technology activities.

Section 749. This section includes language regarding housing programs.

Section 750. This section includes language regarding agriculture research.

Section 751. This section includes language regarding the Agriculture Risk Coverage Program.

Section 752. This section includes language regarding the SNAP program.

Section 753. This section includes language regarding crab nomenclature.

Section 754. This section includes language regarding genetically engineered salmon.

Section 755. This section includes language regarding the use of funds for certain horse inspection activities.

PROGRAM, PROJECT, AND ACTIVITY

During fiscal year 2017, for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99–177) or the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100–119), the following information provides the definition of the term “program, project, and activity” for departments and agencies under the jurisdiction of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Subcommittee. The term “program, project, and activity” shall include the most specific level of budget items identified in the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2017, and the accompanying Senate Report.

If a sequestration order is necessary, in implementing the Presidential order, departments and agencies shall apply any percentage reduction required for fiscal year 2017 pursuant to the provisions of Public Law 99–177 or Public Law 100–119 to all items specified in the explanatory notes submitted to the Committees on Appropriations of the House and Senate in support of the fiscal year 2017 budget estimates, as amended, for such departments and agencies, as modified by congressional action, and in addition:

For the Agricultural Research Service the definition shall include specific research locations as identified in the explanatory notes.

For the Natural Resources Conservation Service the definition shall include individual flood prevention projects as identified in the explanatory notes and individual operational watershed projects as summarized in the notes.

For the Farm Service Agency the definition shall include individual, regional, State, district, and county offices.

COMPLIANCE WITH PARAGRAPH 7, RULE XVI OF THE STANDING RULES OF THE SENATE

Paragraph 7 of rule XVI requires that Committee reports accompanying general appropriations bills identify each recommended amendment which proposes an item of appropriation which is not made to carry out the provisions of an existing law, a treaty stipulation, or an act or resolution previously passed by the Senate during that session.

The Committee is filing an original bill, which is not covered under this rule, but reports this information in the spirit of full disclosure.

The Committee recommends funding for the following programs or activities which currently lack authorization for fiscal year 2017:

- Child Nutrition Program State Administrative Expenses
- Farmers Market Nutrition Program
- Grain Inspection Service
- Multi-family Housing Revitalization Program

Special Supplemental Nutrition Program for Women, Infants
and Children
Summer Food Service Program

COMPLIANCE WITH PARAGRAPH 7(c), RULE XXVI OF THE
STANDING RULES OF THE SENATE

Pursuant to paragraph 7(c) of rule XXVI, on May 19, 2016, the Committee ordered favorably reported an original bill (S. 2956) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2017, and for other purposes, provided, that the bill be subject to amendment and that the bill be consistent with its budget allocation, and provided that the Chairman of the Committee or the Chairman of the Subcommittee reporting the original bill be authorized to offer the substance of the original bill as a Committee amendment in the nature of a substitute to the House companion measure, by a recorded vote of 30–0, a quorum being present. The vote was as follows:

Yeas

Nays

Chairman Cochran
Mr. McConnell
Mr. Shelby
Mr. Alexander
Ms. Collins
Ms. Murkowski
Mr. Graham
Mr. Kirk
Mr. Blunt
Mr. Moran
Mr. Hoeven
Mr. Boozman
Mrs. Capito
Mr. Cassidy
Mr. Lankford
Mr. Daines
Ms. Mikulski
Mr. Leahy
Mrs. Murray
Mrs. Feinstein
Mr. Durbin
Mr. Reed
Mr. Tester
Mr. Udall
Mrs. Shaheen
Mr. Merkley
Mr. Coons
Mr. Schatz
Ms. Baldwin
Mr. Murphy

COMPLIANCE WITH PARAGRAPH 12, RULE XXVI OF THE
STANDING RULES OF THE SENATE

Paragraph 12 of rule XXVI requires that Committee reports on a bill or joint resolution repealing or amending any statute or part of any statute include “(a) the text of the statute or part thereof which is proposed to be repealed; and (b) a comparative print of that part of the bill or joint resolution making the amendment and of the statute or part thereof proposed to be amended, showing by stricken-through type and italics, parallel columns, or other appropriate typographical devices the omissions and insertions which would be made by the bill or joint resolution if enacted in the form recommended by the committee.”

In compliance with this rule, changes in existing law proposed to be made by the bill are shown as follows: existing law to be omitted is enclosed in black brackets; new matter is printed in italic; and existing law in which no change is proposed is shown in roman.

TITLE 42—THE PUBLIC HEALTH AND WELFARE

CHAPTER 1—SCHOOL LUNCH PROGRAMS

§ 1769g. Information clearinghouse

(a) In general

* * * * *

(d) Funding

Out of any moneys in the Treasury not otherwise appropriated, the Secretary of the Treasury shall pay to the Secretary to provide to the organization selected under this section, to establish and maintain the information clearinghouse, \$200,000 for each of fiscal years 1995 and 1996, \$150,000 for fiscal year 1997, \$100,000 for fiscal year 1998, \$166,000 for each of fiscal years 1999 through 2004, and \$250,000 for each of fiscal years **2010 through 2016** *2010 through 2017*. The Secretary shall be entitled to receive the funds and shall accept the funds, without further appropriation.

BUDGETARY IMPACT OF BILL

PREPARED IN CONSULTATION WITH THE CONGRESSIONAL BUDGET OFFICE PURSUANT TO SEC.
308(A), PUBLIC LAW 93-344, AS AMENDED

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount in bill	Committee allocation	Amount in bill
Comparison of amounts in the bill with the subcommittee allocation for 2017: Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies:				
Mandatory	116,316	116,316	104,824	¹ 104,824
Discretionary	21,250	21,250	22,103	¹ 22,102
Security				NA
Nonsecurity	21,250	21,250	NA	NA
Projections of outlays associated with the recommendation:				
2017				² 112,042
2018				5,146
2019				1,104
2020				425
2021 and future years				328
Financial assistance to State and local governments for 2017	NA	40,600	NA	² 33,574

¹ Includes outlays from prior-year budget authority.

² Excludes outlays from prior-year budget authority.

NA: Not applicable.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2016 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2017
[In thousands of dollars]

Item	2016 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2016 appropriation	Budget estimate
TITLE I—AGRICULTURAL PROGRAMS					
Production, Processing, and Marketing					
Office of the Secretary					
Office of the Secretary	5,051	10,178	10,178	+ 5,127	.....
Office of Tribal Relations	502	755	505	+ 3	— 250
Office of Homeland Security and Emergency Coordination	1,496	1,592	1,592	+ 96	.....
Office of Advocacy and Outreach	1,209	11,220	4,220	+ 3,011	— 7,000
Office of the Assistant Secretary for Administration	804	807	807	+ 3	.....
Departmental Administration	25,124	27,420	25,396	+ 272	— 2,024
Subtotal, Departmental Administration	25,928	28,227	26,203	+ 275	— 2,024
Office of the Assistant Secretary for Congressional Relations	3,869	3,919	3,919	+ 50	.....
Office of Communications	7,500	8,512	7,533	+ 33	— 979
Total, Office of the Secretary	45,555	64,403	54,150	+ 8,595	— 10,253
Executive Operations:					
Office of the Chief Economist	17,777	17,592	16,917	— 860	— 675
National Appeals Division	13,317	13,481	13,481	+ 164	.....
Office of Budget and Program Analysis	9,392	9,525	9,525	+ 133	.....
Subtotal, Executive Operations	40,486	40,598	39,923	— 563	— 675
Office of the Chief Information Officer	44,538	65,716	49,917	+ 5,379	— 15,799
Office of the Chief Financial Officer	6,028	9,119	8,119	+ 2,091	— 1,000
Office of the Assistant Secretary for Civil Rights	898	901	901	+ 3	.....
Office of Civil Rights	24,070	24,750	24,342	+ 272	— 408
Building and Facilities Agriculture buildings and facilities	64,189	84,365	74,365	+ 10,176	— 10,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2016 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2017—Continued
[In thousands of dollars]

Item	2016 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2016 appropriation	Budget estimate
Hazardous materials management	3,618	3,633	3,633	+ 15	.....
Office of Inspector General	95,738	100,998	99,378	+ 3,640	- 1,620
Office of the General Counsel	44,383	49,599	45,010	+ 627	- 4,589
Office of Ethics	3,654	4,617	3,715	+ 61	- 902
Total, Departmental Administration	373,157	448,699	403,453	+ 30,296	- 45,246
Office of the Under Secretary for Research, Education, and Economics	893	901	901	+ 8	.....
Economic Research Service	85,373	91,278	86,757	+ 1,384	- 4,521
National Agricultural Statistics Service	168,443	176,639	169,639	+ 1,196	- 7,000
Census of Agriculture	(42,177)	(42,177)	(42,177)	.....	.....
Agricultural Research Service:					
Salaries and expenses	1,143,825	1,161,340	1,177,938	+ 34,113	+ 16,598
Buildings and facilities	212,101	94,500	64,300	- 147,801	- 30,200
Total, Agricultural Research Service	1,355,926	1,255,840	1,242,238	- 113,688	- 13,602
National Institute of Food and Agriculture:					
National Institute of Food and Agriculture (Leg. proposal) .....	.....	1,373,974	.....	.....	- 1,373,974
Research and education activities	819,685	.....	851,496	+ 31,811	+ 851,496
Native American Institutions Endowment Fund	(11,880)	(11,880)	(11,880)	.....	.....
Hispanic-Serving Agricultural Colleges and Universities Endowment Fund .....	.....	(10,000)	(10,000)	(+ 10,000)	.....
Extension activities	475,891	.....	476,230	+ 339	+ 476,230
Integrated activities	30,900	.....	36,000	+ 5,100	+ 36,000
Total, National Institute of Food and Agriculture	1,326,476	1,373,974	1,363,726	+ 37,250	- 10,248
Office of the Under Secretary for Marketing and Regulatory Programs	893	901	901	+ 8	.....

Animal and Plant Health Inspection Service:						
Salaries and expenses	894,415	901,196	939,286	+ 44,871	+ 38,090	
Buildings and facilities	3,175	3,175	3,175			
Total, Animal and Plant Health Inspection Service	897,590	904,371	942,461	+ 44,871	+ 38,090	
Agricultural Marketing Service:						
Marketing Services	81,223	81,933	82,933	+ 1,710	+ 1,000	
Standardization activities (user fees)	(65,000)	(65,000)	(65,000)			
(Limitation on administrative expenses, from fees collected)	(60,982)	(61,227)	(61,227)	(+ 245)		
Funds for strengthening markets, income, and supply (Section 32):						
Permanent, Section 32	1,303,000	1,322,001	1,322,001	+ 19,001		
Marketing agreements and orders (transfer from section 32)	(20,489)	(20,705)	(20,705)	(+ 216)		
Payments to States and Possessions	1,235	1,235	1,235			
Total, Agricultural Marketing Service program	1,446,440	1,466,396	1,467,396	+ 20,956	+ 1,000	
Grain Inspection, Packers and Stockyards Administration:						
Salaries and expenses	43,057	43,482	43,482	+ 425		
(Limitation on inspection and weighing services)	(55,000)	(57,500)	(57,500)	(+ 2,500)		
Office of the Under Secretary for Food Safety	816	819	819	+ 3		
Food Safety and Inspection Service	1,014,871	1,030,405	1,033,806	+ 18,935	+ 3,401	
Lab accreditation fees	(1,000)	(1,000)	(1,000)			
Total, Production, Processing, and Marketing	6,652,953	6,732,478	6,694,352	+ 41,399	- 38,126	
Farm Assistance Programs						
Office of the Under Secretary for Farm and Foreign Agricultural Services	898	901	901	+ 3		
Farm Service Agency:						
Salaries and expenses	1,200,180	1,209,751	1,210,412	+ 10,232	+ 661	
(Transfer from Food for Peace (Public Law 480))	(2,528)	(149)	(149)	(- 2,379)		
(Transfer from export loans)	(354)	(2,463)	(2,463)	(+ 2,109)		
(Transfer from ACIF)	(306,998)	(306,998)	(306,998)			
Subtotal, transfers from program accounts	(309,880)	(309,610)	(309,610)	(- 270)		
Total, Salaries and expenses	(1,510,060)	(1,519,361)	(1,520,022)	(+ 9,962)	(+ 661)	

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2016 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2017—Continued
[In thousands of dollars]

Item	2016 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2016 appropriation	Budget estimate
State mediation grants	3,404	3,404	3,904	+ 500	+ 500
Grassroots source water protection program	6,500	.....	6,500	.....	+ 6,500
Dairy indemnity program	500	500	500	.....	.....
Subtotal, Farm Service Agency	1,210,584	1,213,655	1,221,316	+ 10,732	+ 7,661
Agricultural Credit Insurance Fund [ACIF] Program Account:					
Loan authorizations:					
Farm ownership loans:					
Direct	(1,500,000)	(1,500,000)	(1,500,000)	.....	.....
Guaranteed	(2,000,000)	(2,000,000)	(2,000,000)	.....	.....
Subtotal	(3,500,000)	(3,500,000)	(3,500,000)	.....	.....
Farm operating loans:					
Direct	(1,252,004)	(1,460,047)	(1,460,047)	(+ 208,043)	.....
Unsubsidized guaranteed	(1,393,443)	(1,432,430)	(1,432,430)	(+ 38,987)	.....
Subtotal	(2,645,447)	(2,892,477)	(2,892,477)	(+ 247,030)	.....
Emergency loans					
Indian tribe land acquisition loans	(34,667)	(22,576)	(22,576)	(- 12,091)	.....
Conservation loans:					
Guaranteed	(2,000)	(20,000)	(20,000)	(+ 18,000)	.....
Indian highly fractionated land loans	(150,000)	(150,000)	(150,000)	.....	.....
Boll weevil eradication loans	(10,000)	(10,000)	(10,000)	.....	.....
Boll weevil eradication loans	(60,000)	(60,000)	(60,000)	.....	.....
Total, Loan authorizations	(6,402,114)	(6,655,053)	(6,655,053)	(+ 252,939)	.....
Loan subsidies:					
Farm ownership loans:					
Direct .....	.....	.....	.....	.....	.....

Farm operating loans:						
Direct	53,961	62,198	62,198	+ 8,237	.....	.....
Unsubsidized guaranteed	14,352	15,327	15,327	+ 975	.....	.....
Subtotal						
Emergency loans	68,313	77,525	77,525	+ 9,212	.....	.....
Individual development account grants	1,262	1,262	1,262	.....	.....	.....
Indian highly fractionated land loans .....	.....	1,500	1,500	+ 1,500	.....	.....
.....	.....	2,550	2,550	+ 2,550	.....	.....
Total, Loan subsidies and grants	69,575	82,837	82,837	+ 13,262	.....	.....
ACIF administrative expenses:						
Salaries and expenses (transfer to FSA)	306,998	306,998	306,998	.....	.....	.....
Administrative expenses	7,920	10,070	10,070	+ 2,150	.....	.....
Total, ACIF expenses	314,918	317,068	317,068	+ 2,150	.....	.....
Total, Agricultural Credit Insurance Fund						
(Loan authorization)	384,493	399,905	399,905	+ 15,412	.....	.....
.....	(6,402,114)	(6,655,053)	(6,655,053)	(+ 252,939)	.....	.....
Total, Farm Service Agency	1,595,077	1,613,560	1,621,221	+ 26,144	.....	+ 7,661
Risk Management Agency:						
RMA Salaries and expenses	74,829	66,615	75,750	+ 921	.....	+ 9,135
FCIC user fee (transfer) (Leg. proposal) .....	.....	(20,000)	.....	.....	.....	(- 20,000)
Subtotal, Risk Management Agency	74,829	86,615	75,750	+ 921	.....	- 10,865
Total, Farm Assistance Programs						
.....	1,670,804	1,681,076	1,697,872	+ 27,068	.....	+ 16,796
Corporations						
Federal Crop Insurance Corporation:						
Federal Crop Insurance Corporation fund	7,870,934	8,849,090	8,849,090	+ 978,156	.....	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2016 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2017—Continued
[In thousands of dollars]

Item	2016 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2016 appropriation	Budget estimate
Commodity Credit Corporation Fund:					
Reimbursement for net realized losses	6,871,132	13,476,854	13,476,854	+ 6,605,722	.....
Hazardous waste management (limitation on expenses)	(5,000)	(5,000)	(5,000)	.....	.....
Total, Corporations	14,742,066	22,325,944	22,325,944	+ 7,583,878	.....
Total, Title I, Agricultural Programs	23,065,823	30,739,498	30,718,168	+ 7,652,345	- 21,330
(By transfer)	(330,369)	(330,315)	(330,315)	(- 54)	.....
(Loan authorization)	(6,402,114)	(6,655,053)	(6,655,053)	(+ 252,939)	.....
(Limitation on administrative expenses)	(120,982)	(123,727)	(123,727)	(+ 2,745)	.....
TITLE II—CONSERVATION PROGRAMS					
Office of the Under Secretary for Natural Resources and Environment	898	901	901	+ 3	.....
Natural Resources Conservation Service:					
Conservation Operations	850,856	860,374	864,474	+ 13,618	+ 4,100
Farm Security and Rural Investment program (transfer authority) .....	.....	(1,033,983)	.....	.....	(- 1,033,983)
Total, Conservation operations	850,856	1,894,357	864,474	+ 13,618	- 1,029,883
Watershed flood and prevention operations .....	.....	.....	150,000	+ 150,000	+ 150,000
Watershed rehabilitation program	12,000	.....	.....	- 12,000	.....
Total, Natural Resources Conservation Service	862,856	860,374	1,014,474	+ 151,618	+ 154,100
Total, Title II, Conservation Programs	863,754	861,275	1,015,375	+ 151,621	+ 154,100
TITLE III—RURAL DEVELOPMENT					
Office of the Under Secretary for Rural Development	893	896	896	+ 3	.....

Rural Development:					
Rural development expenses:					
Salaries and expenses	225,835	230,679	226,283	+ 448	-4,396
(Transfer from RHIF)	(417,854)	(426,821)	(417,854)	.....	(- 8,967)
(Transfer from RDLFP)	(4,468)	(4,564)	(4,468)	.....	(- 96)
(Transfer from RETLP)	(34,707)	(36,451)	(34,707)	.....	(- 1,744)
Subtotal, Transfers from program accounts	(457,029)	(467,836)	(457,029)	.....	(- 10,807)
Total, Rural development expenses	(682,864)	(698,515)	(683,312)	(+ 448)	(- 15,203)
Rural Housing Service:					
Rural Housing Insurance Fund Program Account:					
Loan authorizations:					
Single family direct (Sec. 502)	(900,000)	(900,000)	(900,000)	.....	.....
Unsubsidized guaranteed	(24,000,000)	(24,000,000)	(24,000,000)	.....	.....
Subtotal, Single family	(24,900,000)	(24,900,000)	(24,900,000)	.....	.....
Housing repair (Sec. 504)	(26,278)	(26,277)	(26,278)	.....	(+ 1)
Rental housing (Sec. 515)	(28,398)	(33,074)	(40,000)	(+ 11,602)	(+ 6,926)
Multi-family housing guarantees (Sec. 538)	(150,000)	(230,000)	(230,000)	(+ 80,000)	.....
Site development loans (Sec. 524)	(5,000)	(5,000)	(5,000)	.....	.....
Single family housing credit sales	(10,000)	(10,000)	(10,000)	.....	.....
Self-help housing land develop. (Sec. 523)	(5,000)	(5,000)	(5,000)	.....	.....
Farm Labor Housing (Sec.514)	(23,855)	(23,857)	(23,857)	(+ 2)	.....
Total, Loan authorizations	(25,148,531)	(25,233,208)	(25,240,135)	(+ 91,604)	(+ 6,927)
Loan subsidies:					
Single family direct (Sec. 502)	60,750	60,930	60,930	+ 180	.....
Housing repair (Sec. 504)	3,424	3,663	3,663	+ 239	.....
Rental housing (Sec. 515)	8,414	9,790	11,840	+ 3,426	+ 2,050
Site development loans (Sec. 524) (Leg. proposal) .....	.....	111	111	+ 111	.....
Farm labor housing (Sec.514)	6,789	7,052	7,052	+ 263	.....
Self-help land dev. housing loans (Sec. 523) (Leg. proposal) .....	.....	417	417	+ 417	.....
Total, Loan subsidies	79,377	81,963	84,013	+ 4,636	+ 2,050
Farm labor housing grants	8,336	8,336	8,336	.....	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2016 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2017—Continued
[In thousands of dollars]

Item	2016 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2016 appropriation	Budget estimate
RHIF administrative expenses (transfer to RD)	417,854	426,821	417,854	.....	- 8,967
Total, Rural Housing Insurance Fund program	505,567	517,120	510,203	+ 4,636	- 6,917
(Loan authorization)	(25,148,531)	(25,233,208)	(25,240,135)	(+ 91,604)	(+ 6,927)
Rental assistance program:					
Rental assistance (Sec. 521)	1,389,695	1,405,033	1,405,033	+ 15,338	.....
Multi-Family Housing Revitalization Program Account:					
Rural housing voucher program	15,000	18,000	18,000	+ 3,000	.....
Multi-family housing revitalization program	22,000	19,362	22,000	.....	+ 2,638
Total, Multi-family housing revitalization	37,000	37,362	40,000	+ 3,000	+ 2,638
Mutual and self-help housing grants	27,500	18,493	27,500	.....	+ 9,007
Rural housing assistance grants	32,239	28,701	32,239	.....	+ 3,538
Rural Community Facilities Program Account:					
Loan authorizations:					
Community facility:	(2,200,000)	(2,200,000)	(2,200,000)	.....	.....
Direct	(148,305)	.....	(156,250)	(+ 7,945)	(+ 156,250)
Guaranteed					
Total, Loan authorizations	(2,348,305)	(2,200,000)	(2,356,250)	(+ 7,945)	(+ 156,250)
Loan subsidies and grants:					
Community facility:					
Guaranteed	3,500	.....	3,500	.....	+ 3,500
Grants	25,000	25,000	25,000	.....	.....
Rural community development initiative	4,000	4,000	4,000	.....	.....
Economic impact initiative grants	5,778	.....	5,778	.....	+ 5,778

Tribal college grants	4,000	8,000	4,000	.....	— 4,000
Total, RCFP loan subsidies and grants	42,278	37,000	42,278	.....	+ 5,278
Subtotal, grants and payments	102,017	84,194	102,017	.....	+ 17,823
Total, Rural Housing Service (Loan authorization)	2,034,279 (27,496,836)	2,043,709 (27,433,208)	2,057,253 (27,596,385)	+ 22,974 (+ 99,549)	+ 13,544 (+ 163,177)
Rural Business--Cooperative Service:					
Rural Business Program Account:					
(Guaranteed business and industry loans)	(919,765)	(892,244)	(919,765)	.....	(+ 27,521)
Loan subsidies and grants:					
Guaranteed business and industry subsidy	35,687	35,779	36,883	+ 1,196	+ 1,104
Rural business development grants	24,000	30,000	24,000	.....	— 6,000
Demonstration Projects (rural child poverty) (Leg. proposal) .....	.....	20,000	.....	.....	— 20,000
Data Alignment (rural child poverty) (Leg. proposal) .....	.....	5,000	.....	.....	— 5,000
Delta regional authority	3,000	.....	3,000	.....	+ 3,000
Total, RBP loan subsidies and grants	62,687	90,779	63,883	+ 1,196	— 26,896
Intermediary Relending Program Fund Account:					
(Loan authorization)	(18,889)	(18,889)	(18,889)	.....	.....
Loan subsidy	5,217	5,476	5,476	+ 259	.....
Administrative expenses (transfer to RD)	4,468	4,564	4,468	.....	— 96
Total, IRP Fund	9,685	10,040	9,944	+ 259	— 96
Rural Economic Development Loans Program Account:					
(Loan authorization)	(33,077)	(85,000)	(33,077)	.....	(— 51,923)
Limit cushion of credit interest spending	(179,000)	(151,487)	(165,000)	(— 14,000)	(+ 13,513)
(Rescission)	— 179,000	— 151,487	— 165,000	+ 14,000	— 13,513
Rural Cooperative Development Grants:					
Cooperative development	5,800	6,000	5,800	.....	— 200
Appropriate technology transfer for rural areas	2,500	2,500	2,750	+ 250	+ 250
Grants to assist minority producers	3,000	3,000	3,000	.....	.....
Value-added agricultural product market development	10,750	10,750	10,750	.....	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2016 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2017—Continued
[In thousands of dollars]

Item	2016 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2016 appropriation	Budget estimate
Total, Rural Cooperative development grants	22,050	22,250	22,300	+ 250	+ 50
Rural Microenterprise Investment Program Account (Leg. proposal):					
(Loan authorization)		(23,419)			(- 23,419)
Loan subsidies and grants		4,904			- 4,904
Total, Rural Microenterprise Investment		4,904			- 4,904
Rural Energy for America Program (Loan authorization)	(7,576)	(75,754)	(7,576)		(- 68,178)
Loan subsidy and grants	500	3,515	352	- 148	- 3,163
Grants		15,000			- 15,000
Total, Rural Energy for America Program	500	18,515	352	- 148	- 18,163
Rural Business Investment Program Account (Leg. proposal):					
(Loan authorization)		(20,600)			(- 20,600)
Loan subsidy		2,577			- 2,577
Grants		4,000			- 4,000
Total, Rural Business Investment Program		6,577			- 6,577
Healthy Foods Financing Initiative (Leg. proposal):					
Grants		1,000			- 1,000
Total, Healthy Foods, Healthy Neighborhoods		1,000			- 1,000
Total, Rural Business—Cooperative Service	- 84,078	2,578	- 68,521	+ 15,557	- 71,099
(Loan authorization)	(979,307)	(1,115,906)	(979,307)		(- 136,599)

Rural Utilities Service:									
Rural Water and Waste Disposal Program Account:									
Loan authorizations:									
Direct	(1,200,000)	(803,802)	(1,200,000)						(+ 396,198)
Guaranteed	(50,000)		(50,000)						(+ 50,000)
Total, Loan authorization	1,250,000	803,802	1,250,000						+ 446,198
Loan subsidies and grants:									
Direct subsidy	31,320	34,885	52,080						+ 17,195
Guaranteed subsidy	275		240						+ 240
Water and waste revolving fund	1,000	500	1,000						+ 500
Water well system grants	993	500	993						+ 493
Colonias and AKHI grants	64,000	42,544	66,500						+ 23,956
Water and waste technical assistance	20,000	13,930	20,000						+ 6,070
Circuit rider program	16,397	13,000	16,897						+ 3,897
Solid waste management grants	4,000	1,000	4,000						+ 3,000
High energy cost grants	10,000		10,000						+ 10,000
Water and waste disposal grants	364,380	350,234	364,380						+ 14,146
306A(i)(2) grants	10,000	5,000	10,000						+ 5,000
Total, Loan subsidies and grants	522,365	461,593	546,090						+ 84,497
Rural Electrification and Telecommunications Loans Program Account:									
Loan authorizations:									
Electric:									
Direct, FFB	(5,500,000)	(6,500,000)	(5,500,000)						(- 1,000,000)
Guaranteed underwriting	(750,000)		(750,000)						(+ 750,000)
Subtotal, Electric	(6,250,000)	(6,500,000)	(6,250,000)						(- 250,000)
Telecommunications:									
Direct, Treasury rate	(346,667)	(345,056)	(345,000)						(- 56)
Direct, FFB	(345,000)	(345,000)	(345,000)						
Subtotal, Telecommunications	(691,667)	(690,056)	(690,000)						(- 56)
Total, Loan authorizations	(6,941,667)	(7,190,056)	(6,940,000)						(- 250,056)
Loan Subsidy:									
Telecommunications Direct, Treasury Rate	104	3,071	3,071						+ 2,967

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2016 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2017—Continued
[In thousands of dollars]

Item	2016 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2016 appropriation	Budget estimate
Loan modifications (Leg. proposal) .....	.....	11,000	.....	.....	-11,000
Total, Loan subsidies	104	14,071	3,071	+2,967	-11,000
RETLP administrative expenses (transfer to RD)	34,707	36,451	34,707	.....	-1,744
Total, Rural Electrification and Telecommunications Loans Program Account	34,811	50,522	37,778	+2,967	-12,744
(Loan authorization)	(6,941,667)	(7,190,056)	(6,940,000)	(-1,667)	(-250,056)
Distance Learning, Telemedicine, and Broadband Program:					
Loan authorizations:	(20,576)	.....	(27,043)	(+6,467)	(+27,043)
Broadband telecommunications					
Total, Loan authorizations	(20,576)	.....	(27,043)	(+6,467)	(+27,043)
Loan subsidies and grants:					
Distance learning and telemedicine:					
Grants	22,000	34,950	22,000	.....	-12,950
Broadband telecommunications:					
Direct	4,500	.....	4,500	.....	+4,500
Grants	10,372	39,492	10,372	.....	-29,120
Total, Loan subsidies and grants	36,872	74,442	36,872	.....	-37,570
Total, Rural Utilities Service	594,048	586,557	620,740	+26,692	+34,183
(Loan authorization)	(8,212,243)	(7,993,858)	(8,217,043)	(+4,800)	(+223,185)
Total, Title III, Rural Development Programs	2,770,977	2,864,419	2,836,651	+65,674	-27,768
(By transfer)	(457,029)	(467,836)	(457,029)	.....	(-10,807)
(Loan authorization)	(36,688,386)	(36,542,972)	(36,792,735)	(+104,349)	(+249,763)

TITLE IV—DOMESTIC FOOD PROGRAMS

Office of the Under Secretary for Food, Nutrition and Consumer Services	811	814	814	+ 3	.....
Food and Nutrition Service:					
Child nutrition programs					
School breakfast program equipment grants	22,108,746	23,148,733	23,148,733	+ 1,039,987	.....
Demonstration projects (Summer EBT)	25,000	35,000	30,000	+ 5,000	— 5,000
Summer Food Service Program (Leg. proposal)	16,000	26,000	23,000	+ 7,000	— 3,000
Direct Certification (Leg. proposal) .....	.....	10,000	.....	.....	— 10,000
Child Nutrition State Exchange Activities (Leg. proposal) .....	.....	10,000	.....	.....	— 10,000
Total, Child nutrition programs	22,149,746	23,230,733	23,201,733	+ 1,051,987	— 29,000
Special supplemental nutrition program for women, infants, and children (WIC)	6,350,000	6,350,000	6,350,000	.....	.....
Supplemental nutrition assistance program:					
(Food stamp program)	77,848,385	76,681,170	76,681,170	— 1,167,215	.....
Reserve	3,000,000	5,000,000	3,000,000	.....	— 2,000,000
FDPIR nutrition education services	998	998	998	.....	.....
National food consumption survey (Leg. proposal) .....	.....	5,000	.....	.....	— 5,000
Traditional and Local Foods Demonstration Project (Leg. proposal) .....	.....	2,000	.....	.....	— 2,000
Fiscal Year 2018 (first quarter) (Leg. proposal) .....	.....	19,647,500	.....	.....	— 19,647,500
Total, Food stamp program	80,849,383	101,336,668	79,682,168	— 1,167,215	— 21,654,500
Commodity Assistance Program:					
Commodity supplemental food program	222,198	236,120	236,120	+ 13,922	.....
Farmers market nutrition program	18,548	16,548	16,548	— 2,000	.....
Emergency food assistance program	54,401	59,401	59,401	+ 5,000	.....
Pacific island and disaster assistance	1,070	1,070	1,070	.....	.....
Total, Commodity assistance program	296,217	313,139	313,139	+ 16,922	.....
Nutrition programs administration	150,824	179,447	173,274	+ 22,450	— 6,173
Total, Food and Nutrition Service	109,796,170	131,409,987	109,720,314	— 75,856	— 21,689,673
Fiscal Year 2017	(109,796,170)	(111,762,487)	(109,720,314)	(— 75,856)	(— 2,042,173)

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FOR FISCAL YEAR 2017—Continued
[In thousands of dollars]

Item	2016 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2016 appropriation	Budget estimate
Total, Title IV, Domestic Food Programs	109,796,981	131,410,801	109,721,128	- 75,853	- 21,689,673
Fiscal Year 2017	(109,796,170)	(111,762,487)	(109,720,314)	(- 75,856)	(- 2,042,173)
TITLE V—FOREIGN ASSISTANCE AND RELATED PROGRAMS					
Foreign Agricultural Service					
Salaries and expenses	191,566	196,571	196,571	+ 5,005	.....
(Transfer from export loans)	(6,394)	(6,074)	(6,074)	(- 320)	.....
Total, Salaries and expenses	197,960	202,645	202,645	+ 4,685	.....
Food for Peace Title I Direct Credit and Food for Progress Program Account, Administrative Expenses:					
Farm Service Agency, Salaries and expenses (transfer to FSA)	2,528	149	149	- 2,379	.....
Food for Peace Title II Grants:					
Expenses	1,466,000	1,350,000	1,600,000	+ 134,000	+ 250,000
Commodity Credit Corporation Export Loans Program Account (administrative expenses):					
Salaries and expenses (Export Loans):	6,394	6,074	6,074	- 320	.....
Foreign Agriculture Service, S&E (transfer to FAS)	354	2,463	2,463	+ 2,109	.....
Farm Service Agency S&E (transfer to FSA)	6,748	8,537	8,537	+ 1,789	.....
Total, CCC Export Loans Program Account					
McGovern-Dole International Food for Education and Child Nutrition program grants					
Local and Regional Food Aid Procurement Program (Leg. proposal)	201,626	182,045	201,626	.....	+ 19,581
	.....	15,000	.....	.....	- 15,000
Total, Title V, Foreign Assistance and Related Programs	1,868,468	1,752,302	2,006,883	+ 138,415	+ 254,581
(By transfer)	(6,394)	(6,074)	(6,074)	(- 320)	.....

TITLE VI—RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

Salaries and expenses, direct appropriation					
Prescription drug user fees	2,720,808	2,730,924	2,759,978	+ 39,170	+ 29,054
Medical device user fees	(851,481)	(865,653)	(865,653)	(+ 14,172)	.....
Human generic drug user fees	(137,677)	(144,859)	(144,859)	(+ 7,182)	.....
Human generic drug user fees	(318,363)	(324,085)	(324,085)	(+ 5,722)	.....
Biosimilar biological products user fees	(21,540)	(22,079)	(22,079)	(+ 539)	.....
Animal drug user fees	(22,818)	(22,977)	(22,977)	(+ 159)	.....
Animal generic drug user fees	(9,705)	(10,367)	(10,367)	(+ 662)	.....
Tobacco product user fees	(599,000)	(635,000)	(635,000)	(+ 36,000)	.....
Subtotal, user fees, enacted and definite	(1,960,584)	(2,025,020)	(2,025,020)	(+ 64,436)	.....
Subtotal (including user fees)	(4,681,392)	(4,755,944)	(4,784,998)	(+ 103,606)	(+ 29,054)
Mammography user fees	(20,109)	(20,522)	(20,522)	(+ 413)	.....
Export and color certification user fees	(13,835)	(14,758)	(14,758)	(+ 923)	.....
Food and Feed Recall user fees	(1,434)	(1,434)	(1,434)	.....	.....
Food Reinspection fees	(6,414)	(6,414)	(6,414)	.....	.....
Voluntary qualified importer program fees	(5,300)	(5,300)	(5,300)	.....	.....
Pharmacy compounding fees (CBO estimate)	(1,000)	.....	.....	(- 1,000)	.....
Priority review vouchers (PRV) pediatric disease	(7,686)	(7,686)	(7,686)	.....	.....
Third party auditor	(1,400)	(1,400)	(1,400)	.....	.....
Subtotal, FDA user fees	(2,017,762)	(2,082,534)	(2,082,534)	(+ 64,772)	.....
Subtotal, FDA (including user fees)	(4,738,570)	(4,813,458)	(4,842,512)	(+ 103,942)	(+ 29,054)
FDA New User Fees (Leg. proposals):	.....	.....	.....	.....	(- 4,280)
Export and color certification user fees cap increase (Leg. proposal) .....	.....	(4,280)	.....	.....	(- 61,252)
Food Inspection and Facility Registration user fees .....	.....	(61,252)	.....	.....	(- 105,289)
Food import user fees .....	.....	(105,289)	.....	.....	(- 6,038)
International courier user fees .....	.....	(6,038)	.....	.....	(- 20,230)
Cosmetic user fees .....	.....	(20,230)	.....	.....	(- 5,193)
Food contact substance notification user fees .....	.....	(5,193)	.....	.....	(- 202,282)
Subtotal, FDA new user fees (Leg. Proposals) .....	.....	(202,282)	.....	.....	(- 202,282)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2016 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL
FOR FISCAL YEAR 2017—Continued
[In thousands of dollars]

Item	2016 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2016 appropriation	Budget estimate
Buildings and facilities	8,788	11,788	11,788	+ 3,000	.....
Total, FDA (w/user fees, including proposals)	(4,747,358)	(5,027,528)	(4,854,300)	(+ 106,942)	(- 173,228)
Total, FDA (w/enacted user fees only)	(4,747,358)	(4,829,526)	(4,854,300)	(+ 106,942)	(+ 24,774)
Total, FDA (excluding user fees)	2,729,596	2,742,712	2,771,766	+ 42,170	+ 29,054
INDEPENDENT AGENCIES					
Farm Credit Administration (limitation on administrative expenses)	(65,600)	(69,800)	(65,600)	.....	(- 4,200)
Total, Title VI, Related Agencies and Food and Drug Administration	2,729,596	2,742,712	2,771,766	+ 42,170	+ 29,054
TITLE VII—GENERAL PROVISIONS					
Limit Dam Rehab (Sec. 714(1))	-68,000	.....	-63,000	+ 5,000	-63,000
(rescission) .....	.....	-54,000	.....	.....	+ 54,000
Limit Environmental Quality Incentives Program (Sec. 714(2))	-209,000	.....	-189,000	+ 20,000	-189,000
Limit Environmental Quality Incentives Program Fiscal Year 2016 (Sec. 714 (2)) (rescission) .....	.....	.....	.....	.....	.....
Limit Biomass Crop Assistance Program (Sec. 714(3))	-20,000	.....	-20,000	.....	-20,000
Limit Biorefinery Assistance (Sec. 714(4))	-19,000	.....	.....	+ 19,000	.....
Limit Conservation Stewardship Program (Sec. 714 (5)) .....	.....	.....	.....	.....	.....
Limit Ag Management Assistance (Sec. 714 (6)) .....	.....	.....	.....	.....	.....
Limit fruit and vegetable program (Sec. 715)	-125,000	-125,000	-125,000	.....	.....
Section 32 (Sec. 715) (rescission)	-216,000	-311,000	-237,000	-21,000	+ 74,000
APHIS B&F—Fruit Fly Rearing (Sec. 743) .....	.....	.....	.....	.....	.....
WIC (rescission) (Sec. 745) .....	.....	.....	-200,000	-200,000	-200,000
TEFAP (Sec. 748) .....	.....	.....	.....	.....	.....
Ebola/Zika Funding (Sec. 752) .....	.....	.....	.....	.....	.....
Emergency Watershed Protection Program (Sec. 753)	120,000	.....	.....	.....	.....
Citrus Greening (Sec. 757)	5,500	.....	.....	-120,000	.....
RD balances (Sec. 758) (rescission) .....	.....	-4,221	-4,221	-5,500	.....
				-4,221	

[illegible]