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SENATE

{ REPORT  
113-46

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG  
ADMINISTRATION, AND RELATED AGENCIES APPROPRIA-  
TIONS BILL, 2014

JUNE 27, 2013.—Ordered to be printed

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

**REPORT**

[To accompany S. 1244]

The Committee on Appropriations reports the bill (S. 1244) mak-  
ing appropriations for Agriculture, Rural Development, Food and  
Drug Administration, and Related Agencies programs for the fiscal  
year ending September 30, 2014, and for other purposes, reports fa-  
vorably thereon and recommends that the bill do pass.

*New obligatory authority*

Total of bill as reported to the Senate .....	\$143,091,415,000
Amount of 2013 appropriations <sup>1</sup> .....	139,686,441,000
Amount of 2014 budget estimate .....	141,812,619,000
Bill as recommended to Senate compared to—	
2013 appropriations .....	+ 3,404,974,000
2014 budget estimate .....	+ 1,278,796,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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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]

	2013 <sup>1</sup>	2014 Committee recommendation
Title I: Agricultural programs .....	28,316,213	29,962,501
Title II: Conservation programs .....	823,666	819,274
Title III: Rural economic and community development programs .....	2,212,962	2,294,844
Title IV: Domestic food programs .....	104,448,977	106,359,865
Title V: Foreign assistance and related programs .....	1,798,216	1,839,430
Title VI: Related agencies and Food and Drug Administration .....	2,461,304	2,562,905
Title VII: General provisions .....	- 598,897	- 747,404
Other appropriations .....	224,000	.....
Total, new budget (obligational) authority .....	139,686,441	143,091,415

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

## 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 2014.

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, 2013 <sup>1</sup> .....	\$45,131,000
Budget estimate, 2014 .....	44,148,000
Committee recommendation .....	44,148,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 \$44,148,000 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]

	2013 enacted	2014 budget request	Committee recommendation
Office of the Secretary .....	4,914	5,086	5,086
Office of Tribal Relations .....	485	502	502
Office of Homeland Security and Emergency Coordination .....	1,455	1,507	1,507
Office of Advocacy and Outreach .....	1,383	1,217	1,217
Office of Assistant Secretary for Administration .....	782	809	809
Departmental Administration .....	23,586	22,993	22,993

OFFICE OF THE SECRETARY—Continued  
 [In thousands of dollars]

	2013 enacted	2014 budget request	Committee recommendation
Office of Assistant Secretary for Congressional Relations .....	3,764	3,897	3,897
Office of Communications .....	8,762	8,137	8,137
Total .....	45,131	44,148	44,148

*Animal Fighting.*—The Committee is very concerned about reports of illegal animal fighting activities and directs the Secretary to work with relevant agencies on the most effective and proper means for investigating and enforcing laws and regulations regarding these activities.

*Loan Servicing Center of Excellence.*—In order to leverage existing capacity and expertise within the Department, the Secretary is directed to explore the creation of a Center of Excellence for loan servicing support functions in order to provide consolidated customer service, field office support, and centralized loan services to USDA agencies and other Federal agencies. The Secretary shall consult with employee representatives and management in the Farm Service Agency Farm Loan Information Technology, Accounting, and Finance Office loan servicing support functions; the Rural Development Deputy Chief Financial Officer and Deputy Chief Information Officer functions; and the Rural Housing Centralized Servicing Center.

*Open Access to Federal Research.*—The Committee is concerned that despite significant Federal investments in scientific research, public access to the published results of this taxpayer-funded research is limited. Improved access to cutting-edge research will help individuals and commercial enterprises more rapidly translate these research results into new products and services. The Committee directs the Department of Agriculture to adopt a Federal research public access policy that is consistent with and advances the purposes of the Federal agency. To the extent practicable, the Department's public access policy shall follow common procedures for the collection and depositing of research papers; shall provide for submission and free online public access to an electronic version of the original research papers that have been accepted for publication in peer-reviewed journals and that result from research supported, in whole or in part, from funding by the Department's appropriations; shall provide for the long-term preservation of, and free public access to published research findings, no later than 12 months after publication in peer-reviewed journals; and shall provide that these research papers are archived in formats and under terms that enable productive reuse, including computational analysis by state-of-the-art technologies. The Department shall report to the Committee on Appropriations and the appropriate authorizing committees within 60 days of enactment of this Act regarding the appropriate efforts to adopt this Federal research public access policy.



## 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, 2013 <sup>1</sup> .....	\$15,575,000
Budget estimate, 2014 .....	12,854,000
Committee recommendation .....	16,854,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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 \$16,854,000 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, 2013 <sup>1</sup> .....	\$13,840,000
Budget estimate, 2014 .....	12,940,000
Committee recommendation .....	12,940,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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 \$12,940,000 for the National Appeals Division.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

Appropriations, 2013 <sup>1</sup> .....	\$8,804,000
Budget estimate, 2014 .....	11,129,000
Committee recommendation .....	9,129,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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 \$9,129,000 for the Office of Budget and Program Analysis. The Committee does not recommend an appropriation to establish the position of Chief Evaluation Officer.

OFFICE OF THE CHIEF INFORMATION OFFICER

Appropriations, 2013 <sup>1</sup> .....	\$42,839,000
Budget estimate, 2014 .....	44,159,000
Committee recommendation .....	44,159,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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.

On November 28, 2004, the information technology staffs of the Service Center Agencies [SCA] were converged into one IT organization within the office of the Chief Information Officer; this converged organization is named Information Technology Services and replaces a network of cross-agency teams used to coordinate IT infrastructure investment within the SCA and allows for unified management of the IT infrastructure.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$44,159,000 for the Office of the Chief Information Officer. This amount includes not less than \$28,000,000 to support cybersecurity requirements of the Department.

OFFICE OF THE CHIEF FINANCIAL OFFICER

Appropriations, 2013 <sup>1</sup> .....	\$6,078,000
Budget estimate, 2014 .....	6,243,000
Committee recommendation .....	6,243,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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 \$6,243,000 for the Office of the Chief Financial Officer.

OFFICE OF THE ASSISTANT SECRETARY FOR CIVIL RIGHTS

Appropriations, 2013 <sup>1</sup> .....	\$869,000
Budget estimate, 2014 .....	898,000
Committee recommendation .....	898,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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 \$898,000 for the Office of the Assistant Secretary for Civil Rights.

OFFICE OF CIVIL RIGHTS

Appropriations, 2013 <sup>1</sup> .....	\$22,078,000
Budget estimate, 2014 .....	21,550,000
Committee recommendation .....	21,550,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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 \$21,550,000 for the Office of Civil Rights.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

Appropriations, 2013 <sup>1</sup> .....	\$263,988,000
Budget estimate, 2014 .....	233,095,000
Committee recommendation .....	233,095,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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. Annual appropriations finance payments to the General Services Administration [GSA] for leased space and related payments are made to the Department of Homeland Security for perimeter security services at USDA occupied space. Under this arrangement USDA operates, maintains, and repairs the D.C. complex buildings, in lieu of rental payments for the two-building D.C. complex and the George Washington Carver Center. GSA charges commercial rent rates pursuant to the Public Buildings Amendments of 1972, and agencies may review rate procedures and exercise rights to appeal. 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 \$233,095,000 for Agriculture Buildings and Facilities and Rental Payments.

The following table reflects the Committee’s specific recommendations for this account as compared to the fiscal year 2013 and budget request levels:

[In thousands of dollars]

	2013 enacted	2014 budget request	Committee recommendation
Rental payments .....	170,936	164,470	164,470
DHS building security .....	13,108	13,800	13,800
Building operations/repairs and renovation .....	79,944	54,825	54,825
Total .....	263,988	233,095	233,095

**HAZARDOUS MATERIALS MANAGEMENT**

Appropriations, 2013 <sup>1</sup> .....	\$3,884,000
Budget estimate, 2014 .....	3,600,000
Committee recommendation .....	3,600,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 \$3,600,000 for Hazardous Materials Management.

**OFFICE OF INSPECTOR GENERAL**

Appropriations, 2013 <sup>1</sup> .....	\$86,605,000
Budget estimate, 2014 .....	89,902,000
Committee recommendation .....	89,902,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 \$89,902,000 for the Office of Inspector General. In addition, the recommendation 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, 2013 <sup>1 2</sup> .....	\$43,853,000
Budget estimate, 2014 .....	45,014,000
Committee recommendation .....	47,304,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

<sup>2</sup> This amount does not include \$3,313,000 for the Office of Ethics.

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 \$47,304,000 for the Office of the General Counsel. Included in this amount is \$3,451,000 for the Office of Ethics.

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

Appropriations, 2013 <sup>1</sup> .....	\$869,000
Budget estimate, 2014 .....	898,000
Committee recommendation .....	898,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 \$898,000 for the Office of the Under Secretary for Research, Education, and Economics.

*Colony Collapse Disorder.*—The Committee recognizes that Colony Collapse Disorder [CCD] has caused serious harm to bee colonies across the United States since at least 2005, causing the death of up to 90 percent of the bee colonies in affected apiaries. Failure to find a solution to CCD may prevent beekeepers from being able

to meet increasing demand for pollination services for crops that rely on managed pollination. The Committee directs the Secretary to utilize research resources to aggressively investigate the causes of and solutions to CCD, including by prioritizing extension grants to universities that have demonstrated particular promise in conducting such research.

ECONOMIC RESEARCH SERVICE

Appropriations, 2013 <sup>1</sup> .....	\$75,301,000
Budget estimate, 2014 .....	78,506,000
Committee recommendation .....	78,506,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 \$78,506,000 for the Economic Research Service.

*Honey Bee Research.*—The Committee directs the Economic Research Service, in consultation where appropriate with commercial beekeepers, to report to Congress on the economic value of honey bees within 180 days of enactment of this act. The report should consider all appropriate direct and indirect economic benefits, including the retail values of honey produced and crops pollinated, as well as identify whether sufficient data exists on crop yield increases resulting from honey bee pollination.

*Organic Data Analysis.*—The Committee encourages ERS to continue all ongoing efforts relating to organic data analysis.

NATIONAL AGRICULTURAL STATISTICS SERVICE

Appropriations, 2013 <sup>1</sup> .....	\$174,617,000
Budget estimate, 2014 .....	159,601,000
Committee recommendation .....	162,133,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 \$162,133,000 for the National Agricultural Statistics Service. Included in this amount is \$44,545,000 for the Census of Agriculture.

*Chemical Use Data Series.*—The Committee believes that the Chemical Use Data Series provides timely, valuable information on fertilizer and chemical use data and 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 also encourages the National Agricultural Statistics Service to resume collecting Fruit Chemical Use data and Vegetable Chemical Use data in alternating years.

*Organic Production Survey.*—In 2008, NASS conducted the first-ever comprehensive Organic Production Survey as a follow-on survey to the 2007 Census of Agriculture. Published in February 2010, the survey has provided information vital to the organic sector’s growth. The Committee believes the Organic Production Survey should be conducted on a regular basis to properly assess the characteristics, trends, and changes in the sector, and recommends an increase of \$2,250,000 within the Census of Agriculture for an Organic Production Survey.

*Suspended or Eliminated Reports.*—The Committee is aware that NASS has suspended or eliminated a number of reports since fiscal year 2012 due to budgetary constraints, and has been unable to carry out four Current Industrial Reports formerly compiled by the U.S. Census Bureau. The funded level provided will allow NASS to resume or begin compilation of these reports at the frequency levels assumed in fiscal year 2012, and NASS is directed to resume all of these reports immediately upon enactment of this act.

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

Appropriations, 2013 <sup>1</sup> .....	\$1,072,015,000
Budget estimate, 2014 .....	1,124,003,000
Committee recommendation .....	1,123,150,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 \$1,123,150,000 for salaries and expenses of the Agricultural Research Service. The Committee does not concur with the President's budget request regarding the termination of extramural research, reallocation of funds, or closure of six research locations. The Committee expects extramural research to be funded without the reductions assessed in fiscal years 2012 and 2013.

*Aerial Application Research.*—The Committee recognizes the importance of 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.

*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 \$1,500,000 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.

*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.

*Coffee Berry Borer.*—The Committee is aware of the threat that the coffee berry borer poses to the existence of the coffee industry, and believes that ARS should focus research into methods to control and eradicate the pest.

*Drought Mitigation Research.*—The Committee believes that drought mitigation research and strategies for dealing with drought continue to be of significant value to farmers, ranchers, food processors and other food-related industries, consumers, and State and Federal agencies. Consequently, the Committee encourages the Department to continue support for such research or to provide an explanation as to how they will otherwise obtain and distribute this information.

*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 an increase of \$500,000 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 \$1,650,000 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.

*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 an increase of \$1,000,000 to expand research regarding the growth, health promotion, and disease prevention of the developing child.

*Improved Scientific Capacity.*—The Committee recognizes the potential to accelerate the pace of scientific discovery through the development of research tools and infrastructure to handle large and complex data. The Committee recommendation includes \$13,647,000 to enhance ARS's ability to collect, manage, analyze, and share huge quantities of research data to improve crop and animal production and health, human nutrition, food safety and security, bioenergy, agricultural sustainability, and other issues as proposed in the budget.

*National Agricultural Library.*—The Committee encourages the Agricultural Research Service to maintain a focus on agriculture-related legal issues within the National Agricultural Library. The Committee notes that as the agriculture sector of the national economy evolves, there is a necessity that these 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 recommendation includes an increase of \$2,000,000 for the National Agricultural Library, and encourages ARS to resume and expand into new partnerships with law schools with expertise in agricultural law.

*Nutrition Research and Aging.*—The Committee is aware that research into nutrition can benefit aging Americans by keeping them active longer, delaying or reducing the effects of chronic illnesses and obesity, and reducing healthcare costs for such diseases. The Committee supports the investment in human nutrition research, especially as it affects the aging population, and encourages ARS to continue support for nutrition research and existing centers.

*Plant Science.*—The Committee supports infrastructure investments in support of high priority research in plant science, particularly programs that would develop small grain varieties, such as wheat and barley, that have improved end use quality, higher disease and insect resistance, and increased abiotic stress tolerance.

*Pollinator Research.*—The Committee is aware that pollinators are responsible for the production of one-third of the Nation's food supply, but the number of managed honeybee colonies in the United States has dropped in half since 1940. Because of the importance of pollinators in the production of the Nation's food supply and their impact on the stability of our agricultural economy, the Committee encourages ARS to increase resources dedicated to protecting the health of both honeybees and other native bees, including continued research into colony collapse disorder.

*Pulse Health Initiative.*—The Committee continues to recognize the need to investigate the ability of pulse crops—dry beans, dry peas, lentils, and chickpeas—to provide solutions to critical health issues including but not limited to obesity, diabetes, cardiovascular disease, and cancer; and to increase the consumption of pulse crops by improving their functionality in baked goods and end use as a food and food ingredient through the study of milling, extrusion, extraction, and cooking properties. The Committee also recognizes the potential to improve the sustainability of agricultural rotations and reduce green house gas emissions by improving the nitrogen fixing abilities of pulse crops. The Committee recommends ARS provide adequate funding to establish the Pulse Health Initiative.

*Research Facilities.*—The Committee encourages ARS to work cooperatively with universities to better utilize available state-of-the-art laboratory space to effectively address important agricultural research issues. The Committee directs ARS to study ways in which the Federal labs could be better utilized, in cooperation with universities, to explore new scientific opportunities that benefit the Nation's food and agriculture system, and to submit a report with recommendations to the Committee by January 30, 2014. The report should include information on the current utilization of ARS facilities by universities and other cooperators, as well as the extent in which ARS is housed in cooperator facilities.

*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 directs the Agricultural Research Service to continue to partner with research institutions on research to improve shellfish survival and growth rates and to classify and preserve natural genetic variation.

*Sustainable Water Use Research.*—The Committee recognizes the ongoing regional groundwater problems in the Lower Mississippi River Basin. The Committee recommendation includes an increase of \$1,000,000 for ARS to continue research on conservation practices and the incorporation of technology in farm management in order to quantify management impacts on water quality and quantity.

*Technology Transfer and Innovation.*—The Committee encourages the Agricultural Research Service to utilize existing Agricultural Technology Innovation Partnerships to establish a pilot program to provide regional collaborations, technology transfer and commercialization, and innovative venture development training.

BUILDINGS AND FACILITIES

Appropriations, 2013 .....	
Budget estimate, 2014 .....	\$155,000,000
Committee recommendation .....	

COMMITTEE RECOMMENDATIONS

The Committee recommendation does not include funding for the Agricultural Research Service, Buildings and Facilities account.

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, 2013 <sup>1</sup> .....	\$718,636,000
Budget estimate, 2014 .....	801,140,000
Committee recommendation .....	772,794,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 Eq-

uity 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 \$772,794,000 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 .....	U.S.C. 582a through a–7 .....	33,961
Research at 1890 Institutions (Evans-Allen Program) .....	7 U.S.C. 3222 .....	52,485
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 .....	7 U.S.C. 301 note .....	1,801
Capacity Building for Non Land-Grant Colleges of Agriculture .....	7 U.S.C. 3319i .....	4,500
Resident Instruction and Distance Education Grants for Insular Areas.	7 U.S.C. 3363 and 3362 .....	1,650
Agriculture and Food Research Initiative .....	7 U.S.C. 450i(b) .....	316,409
Veterinary Medicine Loan Repayment .....	7 U.S.C. 3151a .....	4,790
Continuing Animal Health and Disease Research Program .....	7 U.S.C. 3195 .....	4,000
Supplemental and Alternative Crops .....	7 U.S.C. 3319d .....	825
Critical Agricultural Materials Act .....	7 U.S.C. 178 et seq. ....	1,081
Multicultural Scholars, Graduate Fellowship and Institution 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, 7 U.S.C. 343(d), and 7 U.S.C. 5813.	22,667
Farm Business Management .....	7 U.S.C. 5925f .....	1,450
Sun Grant Program .....	7 U.S.C. 8114 .....	2,500
Minor Crop Pest Management [IR–4] .....	7 U.S.C. 450i(c) .....	11,913
Alfalfa Forage and Research Program .....	7 U.S.C. 5925 .....	1,500

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE—RESEARCH AND EDUCATION ACTIVITIES—  
Continued  
[Dollars in thousands]

Program/Activity	Authorization	Committee recommendation
Special Research Grants:		
Global Change/UV Monitoring .....	7 U.S.C. 450i(c) .....	1,405
Potato Research .....	7 U.S.C. 450i(c) .....	1,350
Aquaculture Research .....	7 U.S.C. 450i(c) .....	1,350
Total, Special Research Grants .....		4,105
Necessary Expenses of Research and Education Activities:		
Grants Management Systems .....		7,830
Other, Necessary Expenses .....		6,538
Total, Necessary Expenses .....		14,368
Total, Research and Education Activities .....		772,794

*Agriculture and Food Research Initiative.*—The Committee recommendation includes \$316,409,000 for the Agriculture and Food Research Initiative [AFRI].

Section 7406 of the Food, Conservation, and Energy Act of 2008 specifies priority areas within 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 requests a report from the agency as to its plans for implementing this important conventional/classical plant and animal breeding requirement. The Committee also encourages the agency to specifically focus on the development of public cultivars and breeds as part of the general classical breeding research program.

*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 10 percent of the competitive research grant funds be used for USDA's agricultural research enhancement awards program (including USDA-EPSCoR), in accordance with 7 U.S.C. 450i. The Committee recognizes that funding for EPSCoR has increased as a result of the growth in AFRI funding over the past several years. The Committee directs NIFA to report to the Committees on demand for this program over the past 3 fiscal years in relation to available funding and to increase funding for EPSCoR, if appropriate.

*Alfalfa and Forage Research.*—The Committee notes that research into alfalfa and forage holds the potential to increase alfalfa and forage yields, increase milk production, and improve forage genetics to increase biomass for the production of cellulosic ethanol. The Committee recommendation includes \$1,500,000 to support research into the improvement of yields, creation of new uses of alfalfa and forages for bioenergy, and the development of new storage and harvest systems.

*Aquaculture Disease Research.*—The Committee encourages USDA to support aquaculture disease and vaccine research, includ-

ing 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.

*Cranberry and Blueberry Research.*—The Committee encourages the NIFA to continue working with research institutions to develop resilient cranberry and blueberry breeds and establish effective and environmentally sound pest management technologies.

*Herbicide Resistance.*—Herbicide resistant weeds are a major threat to food, feed, and fiber production in the U.S. and the problem is expected to continue to increase in size and scope. Current funding for research and extension is woefully inadequate. The Committee is concerned that the lack of research based information significantly delays developing effective management strategies to address the herbicide resistance problem. The Committee encourages NIFA, in conjunction with ARS and land-grant institutions, to conduct research that will more comprehensively address herbicide resistance. Research may include: identification of herbicide resistant weed populations or those most likely to develop resistance, characterization of mechanisms of resistance, and development of innovative weed management strategies to overcome current resistance problems and delay or prevent future ones. In addition, effective and widespread dissemination of results to farmers, foresters, and rights of way land managers through extension and outreach will be critical to the success of this endeavor.

*Lowbush Blueberries.*—The Committee directs NIFA to continue working with research institutions to develop environmentally sound integrated pest management practices for invasive and native pests and processing techniques and technologies to increase the margin of food safety and product quality.

*Pest Management.*—As proposed in the budget request, funding for Expert IMP Decision Support System, Integrated Pest Management, and Pest Management Alternatives within Research, Education and Extension have been consolidated into the Crop Protection/Pest Management line within Integrated Activities. The Committee expects NIFA to continue full support for each of these activities.

*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.

*Sustainable Agriculture Research and Education.*—As proposed in the budget request, the Committee recommendation includes the consolidation of research, education and extension activities in the Sustainable Agriculture Research and Education [SARE] program. All three activities authorized in Subtitle B of the Food, Conservation, and Trade Act of 1990 are vital to the success of the SARE program, and the Committee directs the Department to ensure that each activity remain intact in the future.

HISPANIC-SERVING AGRICULTURAL COLLEGES AND UNIVERSITIES  
ENDOWMENT FUND

Appropriations, 2013 <sup>1</sup> .....	
Budget estimate, 2014 .....	\$10,000,000
Committee recommendation .....	10,000,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

Section 7129 of the Food, Conservation, and Energy Act of 2008, provides for the establishment of an endowment fund for the Hispanic-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, 2013 <sup>1</sup> .....	\$11,880,000
Budget estimate, 2014 .....	11,880,000
Committee recommendation .....	11,880,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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, 2013 <sup>1</sup> .....	\$462,968,000
Budget estimate, 2014 .....	459,037,000
Committee recommendation .....	469,399,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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 \$469,399,000 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) programs 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 .....	43,920
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 .....	U.S.C. 1671 et seq. ....	4,060
Rural Health and Safety Education Programs .....	7 U.S.C. 2662(i) .....	1,500
Food Animal Residue Avoidance Database Program .....	7 U.S.C. 7642 .....	1,000
Women and Minorities in STEM Fields .....	7 U.S.C. 5925 .....	400
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) .....	1,750
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) .....		85,728
Federal Administration—Other Necessary Expenses for Extension Activities.		8,615
Total, Extension Activities .....		469,399

*Federally Recognized Tribes Extension Program.*—The Committee is concerned that in fiscal year 2013, NIFA limited competition for the Federally Recognized Tribes Extension Program funding to current awardees effectively excluding eligible tribes not currently funded from extension funding. NIFA has assured the Committee that this practice is exclusive and unique to fiscal year 2013, does not set precedent, and will not be replicated in any other program.

*Pest Management.*—As proposed in the budget request, funding for Pest Management within Extension Activities has been consolidated into the Crop Protection/Pest Management line within Integrated Activities. The Committee expects NIFA to continue full support for this activity.

## INTEGRATED ACTIVITIES

Appropriations, 2013 <sup>1</sup> .....	\$20,900,000
Budget estimate, 2014 .....	28,129,000
Committee recommendation .....	35,317,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 \$35,317,000 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
Water Quality Program .....	7 U.S.C. 7626 .....	\$4,500
Methyl Bromide Transition Program .....	7 U.S.C. 7626 .....	1,996
Organic Transition Program .....	7 U.S.C. 7626 .....	4,000
Regional Rural Development Centers .....	7 U.S.C. 450i(c) .....	998
Food and Agriculture Defense Initiative .....	7 U.S.C. 3351 .....	5,988
Crop Protection/Pest Management .....	7 U.S.C. 450i(c), 7 U.S.C. 343(d) and 7 U.S.C. 7626.	17,835
Total, Integrated Activities .....	.....	35,317

*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.

*Regional Pest Management Centers.*—As proposed in the budget request, funding for Regional Pest Management Centers has been consolidated into the Crop Protection/Pest Management line. The Committee expects NIFA to continue full support for this activity.

## OFFICE OF THE UNDER SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

Appropriations, 2013 <sup>1</sup> .....	\$869,000
Budget estimate, 2014 .....	898,000
Committee recommendation .....	898,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 \$898,000 for the Office of the Under Secretary for Marketing and Regulatory Programs.

*Forest Products.*—The Committee supports allowing forest products to qualify for USDA’s Biobased Markets Programs. The Committee believes examples of innovation include sourcing fiber from non-controversial, responsible or certified sources; disclosing the environmental impact of the product; improving processing technologies; modifying manufacturing facilities to make them more en-

ergy efficient and enhancing their ability to use renewable energy sources.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

Appropriations, 2013 <sup>1</sup> .....	\$799,595,000
Budget estimate, 2014 .....	797,601,000
Committee recommendation .....	825,754,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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 \$825,754,000 for salaries and expenses of the Animal and Plant Health Inspection Service.

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 2013 enacted	Fiscal year 2014 budget request	Committee recommendation
<b>Safeguarding and International Technical Assistance:</b>			
Animal Health Technical Services .....	35,860	37,891	36,858
Aquatic Animal Health .....	2,200	2,272	2,272
Avian Health .....	50,592	49,840	49,840
Cattle Health .....	95,233	91,777	91,777
Equine and Cervid Health <sup>1</sup> .....	18,650	3,735	5,730
National Veterinary Stockpile .....	2,676	3,723	3,723
Sheep and Goat Health <sup>1</sup> .....	.....	14,259	14,259
Swine Health .....	22,377	20,393	21,500
Veterinary Biologics .....	16,011	16,513	16,513
Veterinary Diagnostics .....	30,755	31,708	31,708
Zoonotic Disease Management .....	10,093	9,023	10,023
Subtotal, Animal Health .....	284,447	281,134	284,203
Agricultural Quarantine Inspection .....	27,728	25,298	26,900
Cotton Pests .....	15,538	8,944	12,720
Field Crop and Rangeland Ecosystems Pests .....	8,822	8,877	8,877
Pest Detection .....	26,755	27,574	27,574
Plant Protection Methods Development .....	21,015	20,673	24,673
Specialty Crop Pests .....	149,781	147,419	151,500
Tree and Wood Pests .....	55,104	48,290	57,000
Subtotal, Plant Health .....	304,744	287,075	309,244
Wildlife Damage Management .....	71,510	85,428	87,428
Wildlife Services Methods Development .....	18,485	18,085	19,000
Subtotal, Wildlife Services .....	89,995	103,513	106,428
Animal and Plant Health Regulatory Enforcement .....	15,834	16,350	16,350
Biotechnology Regulatory Services .....	17,644	18,215	18,215
Subtotal, Regulatory Services .....	33,478	34,565	34,565
Contingency Fund .....	1,459	1,507	1,507
Emergency Preparedness and Response .....	16,540	17,045	17,045
Subtotal, Emergency Management .....	17,999	18,552	18,552
Subtotal, Safeguarding and Emergency Preparedness/ Response .....	730,663	724,839	752,992
<b>Safe Trade and International Technical Assistance:</b>			
Agriculture Import/Export .....	12,992	14,181	14,181
Overseas Technical and Trade Operations .....	19,472	19,785	19,785
Subtotal, Safe Trade .....	32,464	33,966	33,966
<b>Animal Welfare:</b>			
Animal Welfare .....	26,353	28,203	28,203
Horse Protection .....	677	893	893
Subtotal, Animal Welfare .....	27,031	29,096	29,096
<b>Agency Management:</b>			
APHIS Information Technology Infrastructure .....	4,218	4,335	4,335
Physical/Operational Security .....	5,220	5,365	5,365
Subtotal, Agency Management .....	9,437	9,700	9,700

ANIMAL AND PLANT HEALTH INSPECTION SERVICE—Continued  
[In thousands of dollars]

	Fiscal year 2013 enacted	Fiscal year 2014 budget request	Committee recommendation
Total .....	799,595	797,601	825,754

<sup>1</sup>Equine and Cervid Health, and Sheep and Goat Health were combined into "Equine, Cervid & Small Ruminant Health" in fiscal year 2013.

The Committee encourages the Secretary to continue use of contingency funding from the Commodity Credit Corporation, as in past fiscal years, to cover additional emergencies as the Secretary determines necessary. Furthermore, the Committee encourages the Secretary to employ cooperative agreements where appropriate to support activities related to animal health.

*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 \$26,900,000 for the agriculture quarantine inspections function, including pre-departure inspections.

*Animal Disease Traceability.*—The Committee provides \$13,000,000 to continue support for implementation of the new animal disease traceability system.

*APHIS Cargo Release.*—The Committee recommends that APHIS continue to work with the Department of Homeland Security's Custom and Border Protection [CBP] in order to facilitate the release of cargo at commercial import facilities by ensuring that CBP officials earn Cargo Release Authority certification for those species and groups of organisms listed in the Cargo Release Authority Plan. Such coordination will allow CBP officials to release cargo authorized by the Cargo Release Authority Plan while allowing APHIS entomologists, plant pathologists, and botanists to make release decisions upon discovery of those reportable organisms that may pose a threat to the Nation's agricultural security.

*Chronic Wasting Disease.*—The Committee is concerned about the persistent threat that Chronic Wasting Disease poses on cervid populations and the potential economic and ecological devastation caused by an outbreak. The Committee directs APHIS to maintain Federal contributions for addressing Chronic Wasting Disease.

*Feral Swine.*—The Committee is aware of the growing economic and ecological damage caused by feral swine across the United States. Conservative estimates indicate feral swine are present in 44 States, and agricultural losses and control efforts cost \$1,500,000,000 annually. The Committee understands that computer models have shown that lethal methods combined with contraception could significantly reduce feral swine populations over several years. In addition to the Committee's support for the Department's proposed increased funding of \$20,000,000 for feral swine management, the Committee encourages Wildlife Services to explore development and field testing of nonhormonal, species-specific oral contraceptives, such as phaged-peptide constructs.

*Geese Depredation.*—The Committee remains interested in efforts to manage geese depredation on crops. The Committee expects APHIS to use an appropriate portion of the funding to provide

technical support and equipment to farmers for hazing and other mitigation measures.

*Invasive Honey 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 and has provided increased funding for Plant Protection Methods Development for this purpose.

*National Clean Plant Network.*—The National Clean Plant Network is instrumental in ensuring that safe, virus-free plant materials are available to orchards, vineyards, and other growers. Clean plant materials are critical to keeping our agriculture industry competitive in a global marketplace. The Committee recognizes the value of the National Clean Plant Network to improve detection and eradication of viruses, encourages the Department to continue its work on this important program, and includes \$4,000,000 for these purposes in Plant Protection Methods Development.

*Peer-Reviewed Accreditation.*—The Committee recognizes the diversity of individuals and establishments regulated under APHIS' animal welfare programs and the commensurate diversity of violations of the animal protection statutes which APHIS is charged with enforcing. The Committee expects APHIS to prioritize its inspection resources and frequency of inspection to better address higher risk individuals and institutions. The Committee encourages APHIS to consider the merits of zoos and aquariums receiving peer-reviewed accreditation from a commissioned organization that heeds rigorous publicly available standards, utilizes notable experts in the field to conduct comprehensive inspection and review, and provides opportunity for public input. The Committee encourages APHIS to consider if a new, separate classification of inspected establishments would allow APHIS to conduct its animal welfare programs more efficiently.

*Sudden Oak Death.*—The Committee remains interested in APHIS' efforts to manage Sudden Oak Death while minimizing disruption to the interstate movement of plant materials and commercial trade. The Committee expects APHIS to use an appropriate portion of the funding provided for specialty crop pests to expeditiously implement the review of the Federal order governing shipment of plant materials from quarantined and regulated counties. The Committee further expects APHIS to continue its review of the efficacy of the pre-notification requirements for western nurseries and to continue efforts to partner with the regulated States to develop new best management practices regarding *P. ramorum* during the effective period of the order.

*Wildlife Damage Management.*—APHIS is responsible for providing Federal leadership in managing problems caused by wildlife. The Committee provides \$87,428,000 for wildlife damage control to maintain priority initiatives, including preventing the transport of invasive snakes and other harmful species.

The Committee is concerned about reductions in the level of service provided by APHIS in States impacted by wolf reintroduction. These areas have increasing needs for predator control services,

but have also seen significant decreases in USDA resources in recent years. The Committee urges the Department to utilize some of the Wildlife Damage Management funding to address shortfalls and reduced services in States that have been impacted by wolf re-introduction.

The Committee is concerned about the proposed elimination of assistance to aquaculture producers. Wildlife depredation, especially by fish-eating birds, significantly impacts aquaculture production, and Wildlife Damage Management efforts are essential in preventing substantial industry losses. The Committee rejects the proposed elimination of the aquaculture program and encourages USDA to continue providing tools and resources to assist aquaculture producers.

*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 directs APHIS to deliver a training program 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 \$19,000,000 to ensure continued development of technical and scientific information on wildlife damage management.

COMMITTEE DIRECTIVES

In complying with the Committee’s directives, the Committee expects APHIS not to redirect support for programs and activities without prior notification to and approval by the House and Senate Committees on Appropriations in accordance with the reprogramming procedures specified in the act. Unless otherwise directed, the Animal and Plant Health Inspection Service shall implement appropriations by programs, projects, and activities as specified by the Appropriations Committees of both Houses of Congress. Unspecified reductions necessary to carry out the provisions of this act are to be implemented in accordance with the definitions contained in the program, project, and activity section of this report.

BUILDINGS AND FACILITIES

Appropriations, 2013 <sup>1</sup> .....	\$3,089,000
Budget estimate, 2014 .....	3,175,000
Committee recommendation .....	3,175,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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, 2013 <sup>1</sup> .....	\$76,727,000
Budget estimate, 2014 .....	82,792,000
Committee recommendation .....	82,792,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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 \$82,792,000 for marketing services of the Agricultural Marketing Service.

*Organic Data Collection.*—The Committee encourages the Department to collect price data on organic commodities and other data relevant to the marketing of organic agricultural products.

## LIMITATION ON ADMINISTRATIVE EXPENSES

Limitation, 2013 .....	\$62,592,000
Budget limitation, 2014 .....	60,435,000
Committee recommendation .....	60,435,000

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 In-

spection 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 \$60,435,000 on administrative expenses of the Agricultural Marketing Service.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY

(SECTION 32)

Appropriations, 2013 <sup>1</sup> .....	\$1,090,000,000
Budget estimate, 2014 .....	1,107,000,000
Committee recommendation .....	1,107,000,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 2012–2014:

ESTIMATED TOTAL FUNDS AVAILABLE AND BALANCE CARRIED FORWARD—FISCAL YEARS 2012–2014

	Fiscal year 2012 actual	Fiscal year 2013 estimate	Fiscal year 2014 budget
Appropriation (30 percent of Customs Receipts) .....	\$7,947,045,940	\$8,990,116,825	\$9,211,182,713
Less Transfers:			
Food and Nutrition Service .....	– 6,749,900,970	– 7,697,030,541	– 7,815,038,277
Commerce Department .....	– 109,098,387	– 131,371,895	– 130,144,436
Total, Transfers .....	– 6,858,999,357	– 7,828,402,436	– 7,945,182,713
Prior Year Appropriation Available, Start of Year .....	259,953,417	219,285,611	117,000,000
Prior Year Collections and Recoveries .....	562,865	.....	.....
Unavailable for Obligations (recoveries and offsetting collections) .....	– 562,865	.....	.....
Transfer of Prior Year Funds to FNS [F&V] .....	– 117,000,000	– 133,000,000	– 117,000,000
Budget Authority, Farm Bill .....	1,231,000,000	1,248,000,000	1,266,000,000
Rescission of Current Year Funds .....	– 150,000,000	– 109,608,000	– 166,000,000
Appropriations Temporarily Reduced—5.1 percent Sequestration <sup>1</sup> .....	.....	– 40,392,000	.....
Unavailable for Obligations (Fruit and Veg transfer to FNS) .....	– 133,000,000	– 117,000,000	– 119,000,000
Budget Authority, Appropriations Act .....	948,000,000	981,000,000	981,000,000
Less Obligations:			
Child Nutrition Programs (Entitlement Commodities) .....	462,912,511	465,000,000	465,000,000
State Option Contract .....	.....	5,000,000	5,000,000
Removal of Defective Commodities .....	.....	2,500,000	2,500,000
Emergency Surplus Removal <sup>2</sup> .....	171,725,654	106,400,000	.....
Small Business Support .....	.....	.....	500,000
Disaster Relief .....	447,089	5,000,000	5,000,000

## ESTIMATED TOTAL FUNDS AVAILABLE AND BALANCE CARRIED FORWARD—FISCAL YEARS 2012–2014—Continued

	Fiscal year 2012 actual	Fiscal year 2013 estimate	Fiscal year 2014 budget
Additional Fruits, Vegetables, and Nuts Purchases .....	162,172,999	206,000,000	206,000,000
Fresh Fruit and Vegetable Program .....	20,000,000	41,000,000	40,000,000
Accounting Adjustment .....	– 1,981,059	.....	.....
Estimated Future Needs .....	.....	102,313,000	202,197,000
<b>Total, Commodity Procurement .....</b>	<b>815,277,194</b>	<b>933,213,000</b>	<b>926,197,000</b>
<b>Administrative Funds:</b>			
Commodity Purchase Support .....	27,151,129	27,731,000	34,622,000
Marketing Agreements and Orders .....	19,848,931	20,056,000	20,181,000
<b>Total, Administrative Funds .....</b>	<b>47,000,060</b>	<b>47,787,000</b>	<b>54,803,000</b>
<b>Total Obligations .....</b>	<b>862,277,254</b>	<b>981,000,000</b>	<b>981,000,000</b>
Unobligated Balance, End of Year .....	85,722,746	.....	.....
Unavailable for Obligations (Fruit and Vegetable transfer to FNS) .....	133,000,000	117,000,000	119,000,000
Balances, Collections and Recoveries Not Available .....	562,865	.....	.....
<b>Total End of Year Balances .....</b>	<b>219,285,611</b>	<b>117,000,000</b>	<b>119,000,000</b>

<sup>1</sup>The Budget Control Act of 2011 as amended by the American Taxpayer Relief Act of 2012 reduced all non-defense mandatory accounts by 5.1 percent.

<sup>2</sup>Fiscal year 2012: \$11,800,000 for lamb and lamb products, \$100,000,000 for pork and pork products, \$9,900,000 for catfish products, and \$50,000,000 for chicken products. Fiscal year 2013: \$35,000,000 for turkey products, \$16,000,000 for wild berries, \$25,000,000 for fresh and processed potatoes products, \$4,500,000 for fresh tomatoes, \$4,300,000 for grapefruit juice, \$5,000,000 for cranberry products, \$6,600,000 for frozen strawberries, and \$10,000,000 for catfish products.

## COMMITTEE RECOMMENDATIONS

The Committee recommends a transfer from section 32 funds of \$20,181,000 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, 2013 <sup>1</sup> .....	\$1,295,000
Budget estimate, 2014 .....	1,363,000
Committee recommendation .....	1,363,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 \$1,363,000 for Payments to States and Possessions for Federal-State marketing projects and activities.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

Appropriations, 2013 <sup>1</sup> .....	\$39,171,000
Budget estimate, 2014 .....	40,531,000
Committee recommendation .....	40,531,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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 \$40,531,000 for salaries and expenses of the Grain Inspection, Packers and Stockyards Administration.

LIMITATION ON INSPECTION AND WEIGHING SERVICES EXPENSES

Limitation, 2013 .....	\$50,000,000
Budget limitation, 2014 .....	50,000,000
Committee recommendation .....	50,000,000

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 \$50,000,000 on inspection and weighing services expenses.

OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

Appropriations, 2013 <sup>1</sup> .....	\$789,000
Budget estimate, 2014 .....	816,000
Committee recommendation .....	816,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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 \$816,000 for the Office of the Under Secretary for Food Safety.

FOOD SAFETY AND INSPECTION SERVICE

Appropriations, 2013 <sup>1</sup> .....	\$1,027,819,000
Budget estimate, 2014 .....	1,008,473,000
Committee recommendation .....	1,020,473,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$1,020,473,000 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.

*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.

*Inspections.*—The Committee supports implementation of section 11016 of Public Law 110–246, and directs USDA to meet its statutory obligation and promulgate final regulations to implement this section.

The following table represents the Committee’s specific recommendations for the Food Safety and Inspection Service as compared to the fiscal year 2013 and budget request levels:

FOOD SAFETY AND INSPECTION SERVICE SALARIES AND EXPENSES

[In thousands of dollars]

	Fiscal year 2013 enacted	Fiscal year 2014 budget request	Committee recommendation
Food safety inspection:			
Federal .....	904,949	888,929	900,929
State .....	65,934	65,168	65,168
International .....	16,649	16,031	16,031
Codex Alimentarius .....	3,943	3,765	3,765
PHDCIS .....	36,344	34,580	34,580
Total .....	1,027,819	1,008,473	1,020,473

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN  
AGRICULTURAL SERVICES

Appropriations, 2013 <sup>1</sup> .....	\$869,000
Budget estimate, 2014 .....	898,000
Committee recommendation .....	898,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 \$898,000 for the Office of the Under Secretary for Farm and Foreign Agricultural Services.

## FARM SERVICE AGENCY

The Farm Service Agency [FSA] was established October 3, 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, 2013 <sup>1</sup> .....	1,175,570	299,792	1,475,362
Budget estimate, 2014 .....	1,176,460	309,980	1,486,440
Committee recommendation .....	1,176,460	310,082	1,486,542

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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

## COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$1,486,542,000 for salaries and expenses of the Farm Service Agency, including a direct appropriation of \$1,176,460,000.

*Information Technology.*—The Committee remains aware of the unstable status of the Farm Service Agency computer system which is responsible for the calculation and tracking of the agency's payments to agricultural producers, and which has resulted in disruption of services to U.S. farmers and ranchers. The Committee recommendation includes resources to continue the progress made regarding information technology modernization.

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

## STATE MEDIATION GRANTS

Appropriations, 2013 <sup>1</sup> .....	\$4,251,000
Budget estimate, 2014 .....	3,782,000
Committee recommendation .....	3,782,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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 \$3,782,000 for State Mediation Grants.

## GRASSROOTS SOURCE WATER PROTECTION PROGRAM

Appropriations, 2013 <sup>1</sup> .....	\$5,351,000
Budget estimate, 2014 .....	6,500,000
Committee recommendation .....	6,500,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

This program is intended to assist in the protection of groundwater 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, 2013 <sup>1</sup> .....	\$100,000
Budget estimate, 2014 .....	250,000
Committee recommendation .....	250,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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 2014 to be \$250,000, 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 \$5,595,344,000 for programs within the Agricultural Credit Insurance Fund Program Account.

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 2013 and the budget request levels:

#### AGRICULTURAL CREDIT PROGRAMS—LOAN LEVELS

[In thousands of dollars]

	Fiscal year 2013 <sup>1</sup> enacted	Fiscal year 2014 budget	Committee recommendation
<b>Farm ownership:</b>			
Direct .....	462,137	575,000	575,000
Guaranteed .....	1,500,000	2,000,000	2,000,000
<b>Farm Operating:</b>			
Direct .....	1,021,654	1,223,686	1,223,686
Guaranteed unsubsidized .....	1,459,380	1,500,000	1,500,000
Emergency loans .....	22,800	34,658	34,658
Indian Tribe Land Acquisition .....	2,000	2,000	2,000
<b>Conservation Loans:</b>			
Guaranteed .....	150,000	150,000	150,000
Indian Highly Fractionated Land Loans .....	9,769	10,000	10,000
Boll Weevil Eradication .....	100,000	60,000	100,000
<b>Total, Farm loans .....</b>	<b>4,727,740</b>	<b>5,555,344</b>	<b>5,595,344</b>

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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]

	2013 <sup>1</sup> enacted	2014 budget	Committee recommendation
<b>Loan subsidies:</b>			
<b>Farm ownership:</b>			
Direct .....	19,595	4,428	4,428
<b>Farm operating:</b>			
Direct .....	56,906	67,058	67,058
Guaranteed unsubsidized .....	17,367	18,300	18,300
Emergency loans .....	1,281	1,698	1,698
Indian Highly Fractionated Land Loans .....	168	68	68
<b>Total, loan subsidies .....</b>	<b>95,317</b>	<b>91,552</b>	<b>91,552</b>
ACIF expenses .....	304,424	314,918	314,918

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

#### RISK MANAGEMENT AGENCY

Appropriations, 2013 <sup>1</sup> .....	\$72,872,000
Budget estimate, 2014 .....	71,496,000
Committee recommendation .....	71,496,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 Food, Conservation, and Energy Act of 2008 (Public Law 110–246).

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 \$71,496,000 for the Risk Management Agency.

*Organic Crop Insurance.*—The Committee is pleased that the Department intends to improve crop insurance for organic producers by eliminating premium surcharges, insuring crops at their actual organic value, and making organic crop insurance more actuarially sound. Department statements indicate that organic price elections for almonds, apples, pears, additional stonefruits, blueberries, table grapes, wheat, barley, and oats may be completed in crop year 2014 or 2015. As many of these changes were required in the 2008 Farm Bill, the Committee urges the Department to make every effort to complete these price elections as quickly as possible and believes these changes should be implemented by the 2015 crop year. The Committee further requests a report from the Department within 6 months detailing its strategic plan and timetable to implement organic price elections for all organic crops produced in compliance with the National Organic Program regulations under the Organic Foods Production Act of 1990 (7 U.S.C. 6501 et seq.).

*Prevented Planting.*—The Committee directs the Secretary to conduct a review of the special provisions of crop insurance policies related to the application of normal weather in determining prevented planting limitations affecting crops in the Prairie Pothole Region and where appropriate make changes to simplify these provisions to make their application more predicable to producers and reflective of local conditions.

CORPORATIONS

FEDERAL CROP INSURANCE CORPORATION FUND

Appropriations, 2013 <sup>1</sup> .....	\$9,517,433,000
Budget estimate, 2014 .....	9,502,944,000
Committee recommendation .....	9,502,944,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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.

Producers of insurable crops are eligible to receive a basic level of protection against catastrophic losses, which cover 50 percent of

the normal yield at 55 percent of the expected price. The only cost to the producer is an administrative fee of \$300 per crop per county.

#### COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of such sums as may be necessary, estimated to be \$9,502,944,000 in fiscal year 2014 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); and the Food, Conservation, and Energy Act of 2008 (Public Law 110-246).

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, 2013 <sup>1</sup> .....	\$11,018,509,000
Budget estimate, 2014 .....	12,538,880,000
Committee recommendation .....	12,538,880,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of such sums as may be necessary, estimated in fiscal year 2014 to be \$12,538,880,000, for the payment to reimburse the Commodity Credit Corporation for net realized losses.

HAZARDOUS WASTE MANAGEMENT

Limitation, 2013 .....	\$5,000,000
Budget estimate, 2014 .....	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, 2013 <sup>1</sup> .....	\$869,000
Budget estimate, 2014 .....	898,000
Committee recommendation .....	898,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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 \$898,000 for the Office of the Under Secretary for Natural Resources and Environment.

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, 2013 <sup>1</sup> .....	\$808,495,000
Budget estimate, 2014 .....	807,937,000
Committee recommendation .....	818,376,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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 \$818,376,000 for Conservation Operations.

*Herbicide Resistance.*—The Committee directs NRCS to ensure agency staff, partners, and producers are aware of new and interim conservation practice standards and conservation activity plans to address herbicide-resistant weeds, and that financial assistance through certain conservation programs is available to assist producers in their efforts to control these weeds.

*Watershed Projects.*—The Committee notes that there are currently authorized ongoing watershed projects with a primary purpose of providing water to rural communities. The Committee recommendation includes \$3,500,000 for NRCS to continue providing assistance to these projects, including, but not limited to, environmental assessments.

WATERSHED REHABILITATION PROGRAM

Appropriations, 2013 <sup>1</sup> .....	\$14,302,000
Budget estimate, 2014 .....	
Committee recommendation .....	

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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, district, and county offices.

OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

Appropriations, 2013 <sup>1</sup> .....	\$869,000
Budget estimate, 2014 .....	898,000
Committee recommendation .....	898,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 \$898,000 for the Office of the Under Secretary for Rural Development.

RURAL DEVELOPMENT SALARIES AND EXPENSES

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	2013 <sup>1</sup> appropriation	2014 budget request	
Appropriation .....	201,255	204,695	204,695
Transfer from:			
Rural Housing Insurance Fund Loan Program Account .....	399,507	417,692	417,692
Rural Electrification and Telecommunications Program Account .....	33,534	34,694	34,694
Rural Development Loan Fund Program Account .....	4,318	4,467	4,467
Total Rural Development salaries and expenses .....	638,614	661,548	661,548

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.



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 \$661,548,000 for salaries and expenses of Rural Development.

The Committee expects the Secretary to consider innovative ways to leverage the administrative funding provided in this bill. In that regard, the Secretary is reminded of his authorities to utilize knowledgeable third parties to assist in program outreach, technical assistance, and certain application underwriting, bundling, and loan servicing, as long as the activities are not inherently governmental functions. The Secretary is directed to engage program partners in discussions, and to report to the Committee on new ways to more effectively leverage Rural Development funding with the resources of knowledgeable third parties to deliver programs, with special emphasis on the Community Facilities and Water and Waste Water programs.

*Frontier Communities.*—The Committee notes that across the Nation there are many very small, very rural communities, or Frontier Communities (as defined by the Economic Research Service), that lack established infrastructure and that have difficulty competing for Rural Development loans and grants because of lack of personnel, sufficient communications infrastructure, access to credit and limited ability to generate revenue. The Committee encourages Rural Development to focus efforts and investment on these Frontier Communities, to the degree practicable.

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, 2013 <sup>1</sup> (budget authority) .....	\$482,281,000
Budget estimate, 2014 (budget authority) .....	450,308,000
Committee recommendation (budget authority) .....	464,996,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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. Loan programs are limited to rural areas, which include towns, villages, and other places of not more than 10,000 population, which are not part of an urban area. Loans may also be made in areas with a population in excess of 10,000, but less than 20,000, if the area is not included in a standard metropolitan statistical area and has a serious lack of mortgage credit for low- and moderate-income borrowers.

#### COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$464,996,000 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 2013, as well as for administrative expenses. The following table presents the loan subsidy levels as compared to the 2013 levels and the 2014 budget request:

#### RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

[In thousands of dollars]

	Fiscal year 2013 <sup>1</sup> appropriation	2014 budget request	Committee recommendation
<b>Loan Levels:</b>			
Single-Family Housing (sec. 502):			
Direct .....	875,628	360,000	900,000
Guaranteed .....	24,000,000	24,000,000	24,000,000
Housing Repair (sec. 504) .....	27,195	26,280	26,280
Direct rental housing (sec. 515) .....	30,428	28,432	28,432
Guaranteed rental housing (sec. 538) .....	150,000	150,000	150,000
Site development loans (sec. 524) .....	.....	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
Farm labor housing loans (sec. 514) .....	22,347	23,855	23,855
Total, loan levels .....	25,120,598	24,603,567	25,148,567
<b>Loan Subsidies and Grants:</b>			
Single-Family Housing (sec. 502):			
Direct .....	52,275	9,792	24,480
Housing Repair (sec. 504) .....	3,718	2,176	2,176
Direct rental housing (sec. 515) .....	10,702	6,656	6,656
Farm labor housing loans (sec. 514) .....	7,451	5,656	5,656
Farm labor housing grants (sec. 516) .....	8,628	8,336	8,336
Total, loan subsidies and grants .....	82,774	32,616	47,304
Administrative expenses .....	399,507	417,692	417,692
Total, loan subsidies, grants and administrative expenses .....	482,281	450,308	464,996

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

*Application Bundling Pilot Program.*—The Committee is aware of and appreciates the successful pilot program that leverages support provided by non-profit partners in outreach and bundling of

section 502 single family housing loans. This pilot allows the agency to maximize the effectiveness of the administrative support provided in this bill. Given the demonstrated success of this initiative, the Committee encourages the Department to expand the pilot program to the degree practicable.

*Centralized Servicing Center.*—The Secretary is encouraged to explore opportunities to provide services to other Federal agencies, through Economy Act Agreements, and thereby leverage existing capacity and expertise at Rural Development’s Centralized Servicing Center.

*Section 502 Direct Loan Program.*—The Committee is encouraged by the Department’s efforts to assemble a task force to examine the current administrative procedures regarding the section 502 direct loan program and efforts to meet legislative mandates to serve the very low income population. The Committee encourages the Department and the task force to examine regional tax burdens and cost of housing when determining the impact of administrative procedures and alternative options to avoid unnecessary delays or denials regarding low income applicants. The Secretary shall report to the Committee on the findings of the task force and recommendations for the program no later than 120 days after enactment.

RENTAL ASSISTANCE PROGRAM

Appropriations, 2013 <sup>1</sup> .....	\$882,563,000
Budget estimate, 2014 .....	1,015,050,000
Committee recommendation .....	1,015,050,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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; any remaining authority will be used for projects receiving new construction commitments under sections 514, 515, or 516 for very low-income families with certain limitations.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$1,015,050,000 for the Rental Assistance Program.

*Rental Assistance.*—The Committee includes statutory language requiring rental assistance to be held in 514/516 projects for a min-

imum period of time. Rental assistance contracts are funded for 1-year durations.

The Committee directs the Secretary to provide a report detailing: the total number of households served by rental assistance [RA]; the average per unit RA cost per State; the number of RA contracts expiring in fiscal year 2013 that were not renewed; the extraordinary servicing actions undertaken by Rural Development [RD] in fiscal year 2013 to address the RA shortfall; the costs of those servicing actions (i.e. reductions in project reserve accounts, etc.); the implications of these servicing actions on the credit quality of the loan portfolio and on the physical maintenance of the properties; the implications of these servicing actions on the project owners; a revised estimate of RA needs in fiscal year 2014, to cover the original estimate of expiring units and those not renewed in fiscal year 2013; the fiscal year 2014 inflation factor included in the estimate above; and in addition to the servicing actions undertaken by RD, what additional actions could and did property owners take to protect the financial integrity of the projects while also protecting current occupants from untenable rent increases.

MULTI-FAMILY HOUSING REVITALIZATION PROGRAM ACCOUNT

Appropriations, 2013 <sup>1</sup> .....	\$27,030,000
Budget estimate, 2014 .....	32,575,000
Committee recommendation .....	32,575,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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 \$32,575,000 for the Multi-family Housing Revitalization Program, including

\$12,575,000 for vouchers and \$20,000,000 for a housing preservation demonstration program.

#### MUTUAL AND SELF-HELP HOUSING GRANTS

Appropriations, 2013 <sup>1</sup> .....	\$29,188,000
Budget estimate, 2014 .....	10,000,000
Committee recommendation .....	25,000,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 \$25,000,000 for Mutual and Self-Help Housing Grants.

#### RURAL HOUSING ASSISTANCE GRANTS

Appropriations, 2013 <sup>1</sup> .....	\$32,239,000
Budget estimate, 2014 .....	25,000,000
Committee recommendation .....	32,239,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 2013 levels and the budget request:

#### RURAL HOUSING ASSISTANCE GRANTS

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	2013 level	2014 request	
Very low-income housing repair grants .....	28,701	25,000	28,701
Housing preservation grants .....	3,538	.....	3,538
Total .....	32,239	25,000	32,239

#### RURAL COMMUNITY FACILITIES PROGRAM ACCOUNT

Appropriations, 2013 <sup>1</sup> .....	\$31,434,000
Budget estimate, 2014 .....	17,000,000
Committee recommendation .....	32,508,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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 sup-

porting overall community development, such as fire and rescue services, healthcare, transportation, traffic control, and community, social, cultural, and recreational benefits. Loans are made for facilities which primarily serve rural residents of open country and rural towns and villages of not more than 20,000 people. Healthcare and fire and rescue facilities are the priorities of the program and receive the majority of available funds.

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

#### COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$32,508,000 for the Rural Community Facilities Program Account.

The following table provides the Committee's recommendations, as compared to the fiscal year 2013 and budget request levels:

#### RURAL COMMUNITY FACILITIES PROGRAM ACCOUNT

[Loan levels and budget authority in thousands of dollars]

	Fiscal year 2013 <sup>1</sup> appropriation	2014 budget request	Committee recommendations
<b>Loan levels:</b>			
Community facilities direct loans .....	2,200,000	1,500,000	1,500,000
Community facilities guaranteed loans .....	55,926	.....	59,543
Total loan levels .....	2,255,926	1,500,000	1,559,543
<b>Budget authority:</b>			
Community facility guaranteed loans .....	3,775	.....	3,775
Community facility grants .....	12,648	13,000	13,000
Economic impact initiative grants .....	5,778	.....	5,778
Rural community development initiative .....	5,955	.....	5,955
Tribal college grants .....	3,278	4,000	4,000
Total budget authority .....	31,434	17,000	32,508

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

*Day Care Facilities.*—The Committee directs the Secretary to increase efforts to provide assistance for day care facilities through the Community Facilities program. Availability of proper day care facilities is limited in rural areas, making it difficult for many parents to work and sometimes resulting in children receiving sub-standard care.

#### 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, 2013 <sup>1</sup> .....	\$83,578,000
Budget estimate, 2014 .....	51,777,000
Committee recommendation .....	98,539,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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

Rural business opportunity grants are authorized under section 306(a)(11) of the Consolidated Farm and Rural Development Act, as amended. Grants may be made to public bodies and private nonprofit community development corporations or entities. Grants are made to identify and analyze business opportunities that will use local rural economic and human resources: to identify, train, and provide technical assistance to rural entrepreneurs and managers; to establish business support centers; to conduct economic development planning and coordination, and leadership development; and to establish centers for training, technology, and trade that will provide training to rural businesses in the utilization of interactive communications technologies.

COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$98,539,000 for the Rural Business Program Account.

The following table provides the Committee's recommendations, as compared to the fiscal year 2013 and budget request levels:



**RURAL BUSINESS PROGRAM ACCOUNT**  
[Loan levels and budget authority in thousands of dollars]

	Fiscal year 2013 <sup>1</sup> appropriation	2014 budget request	Committee recommendations
Loan levels:			
Business and Industry guaranteed loans loan levels .....	932,145	740,730	958,097
Budget authority:			
Business and industry guaranteed loans .....	54,810	51,777	66,971
Business enterprise grants .....	23,660	.....	24,318
Business opportunity grants .....	2,189	.....	2,250
Delta Regional Authority grants .....	2,919	.....	5,000
Total budget authority .....	83,578	51,777	98,539

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

*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 Alaska Native passenger transportation development and assistance initiative.

**RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT**

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	2013 level <sup>1</sup>	2014 request	
Estimated loan level .....	18,377	18,889	18,889
Direct loan subsidy .....	5,888	4,082	4,082
Administrative expenses .....	4,318	4,467	4,467
Total, loan subsidies and administrative expenses .....	10,206	8,549	8,549

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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

Loans are made to intermediary borrowers (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 2013, as well as for administrative expenses.

**COMMITTEE RECOMMENDATIONS**

The Committee recommends an appropriation of \$8,549,000 for the Rural Development Loan Fund Program Account.

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

[In thousands of dollars]

	Estimated loan level
Fiscal year 2013 level .....	33,077
Fiscal year 2014 request .....	33,077
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 credits payment program and created the rural economic development subaccount. The Administrator of RUS is authorized under the act to utilize funds in this program to provide zero interest loans to electric and telecommunications borrowers for the purpose of promoting rural economic development and job creation projects, including funding for feasibility studies, startup costs, and other reasonable expenses for the purpose of fostering rural economic development.

COMMITTEE RECOMMENDATION

The Committee recommends a 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, 2013 <sup>1</sup> .....	\$26,956,000
Budget estimate, 2014 .....	17,250,000
Committee recommendation .....	26,050,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 en-

hance 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 \$26,050,000 for Rural Cooperative Development Grants.

Of the funds recommended, \$2,250,000 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 \$15,000,000 for value-added agricultural product market development grants.

RURAL MICROENTERPRISE INVESTMENT PROGRAM

Appropriations, 2013 <sup>1</sup> .....	
Budget estimate, 2014 .....	\$1,405,000
Committee recommendation .....	1,405,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 recommends an appropriation of \$1,405,000 for the Rural Microenterprise Investment Program.

RURAL ENERGY FOR AMERICA PROGRAM

Appropriations, 2013 <sup>1</sup> .....	\$3,308,000
Budget estimate, 2014 .....	19,741,000
Committee recommendation .....	4,000,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 \$4,000,000 for the Rural Energy for America Program.

The following table provides the Committee’s recommendation as compared to the fiscal year 2013 and budget request levels:

## RURAL ENERGY FOR AMERICA PROGRAM

[In thousands of dollars]

	Fiscal year 2013 <sup>1</sup> level	2014 request	Committee recommendation
Estimated loan level .....	13,778	44,987	14,583
Guaranteed loan subsidy .....	3,308	12,340	4,000
Grants .....		7,401	

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

## 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, 2013 <sup>1</sup> .....	\$510,265,000
Budget estimate, 2014 .....	304,000,000
Committee recommendation .....	455,000,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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 \$455,000,000 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, the Colonias, and residents of Hawaiian Home Lands. The Committee recognizes the special needs and problems for delivery of basic services to these populations. In addition, the Committee makes up to \$15,000,000 available for the circuit rider program.

The following table provides the Committee's recommendations, as compared to the fiscal year 2013 and budget request levels:

RURAL WATER AND WASTE DISPOSAL PROGRAM ACCOUNT

[Loan levels and budget authority in thousands of dollars]

	Fiscal year 2013 <sup>1</sup> appropriation	2014 budget request	Committee recommendation
Loan levels:			
Water and waste disposal direct loans .....	972,912	1,200,000	1,200,000
Direct loans authorized by Public Law 83-566 .....	40,000	.....	40,000
Water and waste disposal guaranteed loans .....	59,660	.....	50,000
Total loan levels .....	1,072,572	1,200,000	1,290,000
Budget authority:			
Water and waste disposal direct loans .....	78,514	.....	.....
Direct loans authorized by Public Law 83-566 .....	.....	.....	284
Water and waste disposal guaranteed loans .....	632	.....	355
Water and waste disposal grants .....	318,364	246,800	337,868
Solid waste management grants .....	3,308	4,000	4,000
Water well system grants .....	966	.....	993
Colonias and AK/HI/Native American grants .....	64,699	36,480	66,500
Water and waste water revolving funds .....	973	.....	1,000
High-energy cost grants .....	9,730	.....	10,000
Circuit Rider .....	14,594	7,600	15,000
Technical assistance grants .....	18,485	9,120	19,000
Total, budget authority .....	510,263	304,000	455,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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 2013, 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 2013 and budget request levels:

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	2013 <sup>1</sup> level	2014 request	
Loan authorizations:			
Electric:			
Direct, 5 percent .....	100,000	.....	.....
Direct FFB .....	6,500,000	4,000,000	5,000,000
Guaranteed underwriting .....	500,000	.....	500,000

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT—Continued  
[In thousands of dollars]

	Fiscal year—		Committee recommendation
	2013 <sup>1</sup> level	2014 request	
Subtotal .....	7,100,000	4,000,000	5,500,000
Telecommunications—Direct, Treasury rate .....	690,000	690,000	690,000
Total, loan authorizations .....	7,790,000	4,690,000	6,190,000
Administrative expenses .....	33,534	34,694	34,694

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

The Committee expects that the RUS Energy Efficiency and Conservation loan program will be under way by October 1, 2013, and will significantly increase demand. The Committee encourages RUS to utilize a significant portion of the electric loan program for this initiative.

DISTANCE LEARNING, TELEMEDICINE, AND BROADBAND PROGRAM  
LOANS AND GRANTS  
[In thousands of dollars]

	Fiscal year—		Committee recommendation
	2013 <sup>1</sup> level	2014 request	
Loan and grant levels:			
Distance Learning and Telemedicine Program:			
Grants .....	24,274	24,950	24,274
Broadband program:			
Treasury rate loans .....	41,095	63,356	30,651
Treasury rate loans budget authority .....	3,892	8,268	4,000
Grants .....	10,091	10,372	10,372
Total DLT and Broadband program level .....	65,369	88,306	65,297
Total DLT and Broadband budget authority .....	38,257	43,590	38,646

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 \$38,646,000 for the Distance Learning, Telemedicine, and Broadband Program. The Committee recommendation includes \$2,750,000 for public broad-

casting systems grants to allow noncommercial educational television broadcast stations that serve rural areas to convert from analog to digital operations. 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 and local dial-up Internet services for rural areas.

TITLE IV  
DOMESTIC FOOD PROGRAMS

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

Appropriations, 2013 <sup>1</sup> .....	\$789,000
Budget estimate, 2014 .....	816,000
Committee recommendation .....	816,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 \$816,000 for the Office of the Under Secretary for Food, Nutrition and Consumer Services.

*Direct Certification.*—The Healthy, Hunger-Free Kids Act of 2010 requires States to meet federally set thresholds for direct certification of 80 percent in school year 2011; 90 percent in school year 2012; and 95 percent in school year 2013 and each year thereafter. States that do not meet these benchmarks must submit continuous improvement plans to the Secretary for approval. Recognizing the importance of ensuring that all eligible children participate in school meal programs, the Committee directs the Secretary to immediately provide all States with rigorous technical assistance, including direct consultation and intensive training, to help States meet these ambitious thresholds. Additionally, the Committee directs the Secretary to involve the Nation’s Governors by accumulating and disseminating State best practices on direct certification.

*Identity Theft.*—The Committee is concerned that beneficiaries of the numerous nutrition programs funded by this bill may be exposed to identity theft. The Committee directs the Secretary to provide a report detailing capabilities currently deployed to detect and prevent identity based fraud; the prevalence of identity theft incidents perpetrated against USDA nutrition program beneficiaries; steps the Department is undertaking to protect program beneficiaries’ personally identifiable information against unauthorized disclosure; and what if any actions are being taken to educate beneficiaries on the threat of identity theft.

FOOD AND NUTRITION SERVICE

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



tion assistance programs provide access to a nutritionally adequate diet for families and persons with low incomes and encourage better eating patterns among the Nation's children. These programs include:

*Child Nutrition Programs.*—The National School Lunch and School Breakfast, Summer Food Service, and Child and Adult Care Food programs provide funding to the States, Puerto Rico, the Virgin Islands, 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 infants and children up to age 6, and to pregnant, postpartum, and breast-feeding women with low incomes, and who reside in approved project areas. In addition, this program operates commodity distribution projects directed at low-income elderly persons.

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

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, 2013 <sup>1</sup> .....	\$19,916,165,000
Budget estimate, 2014 .....	20,487,229,000
Committee recommendation .....	20,487,229,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 \$20,487,229,000 for the Child Nutrition Programs.

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	2014 budget	Committee recommendation
School Lunch Program .....	11,647,505	11,647,505
School Breakfast Program .....	3,842,895	3,842,895
Child and Adult Care Food Program .....	3,052,176	3,052,176
Summer Food Service Program .....	467,932	467,932
Special Milk Program .....	10,778	10,778
State administrative expenses .....	247,544	247,544
Commodity procurement .....	1,103,244	1,103,244

TOTAL OBLIGATIONAL AUTHORITY—Continued  
[In thousands of dollars]

Child nutrition programs	2014 budget	Committee recommendation
Team Nutrition/HUSSC .....	17,004	17,004
Food safety education .....	2,649	2,649
Coordinated review .....	10,000	10,000
Computer support .....	11,002	11,002
CACFP training and technical assistance .....	8,016	8,016
Child Nutrition Program Studies and Evaluations .....	19,697	19,697
Farm to school tactical team .....	2,170	2,170
Payment Accuracy .....	9,617	9,617
School Meals Equipment Grants .....	35,000	35,000

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

*Income Determinations.*—The Committee is concerned about a perceived disparity in the eligibility of military families for the National School Lunch Program and the School Breakfast Program based on whether they live in military housing or receive Basic Allowance for Housing. Within 180 days of enactment, the Secretary of Agriculture is directed to submit a report to the Committee on the process for calculating incomes for these programs.

*School Meals.*—The Committee is concerned that the Department has not made the elimination of weekly maximum limits on grains and meats/meat alternates served in the school lunch program permanent. Given that school food authorities are beginning to consider their menus for the 2014–2015 school year, the Committee urges the Department to take action to make this exemption permanent as soon as possible.

*Summer Food Service Program [SFSP].*—The Committee recognizes the importance of SFSP to promote year-round child nutrition. The Committee encourages FNS to work with nonprofit national youth mentoring organizations in administering this program. When working with these organizations, FNS should consider organizations with national headquarters that already provide services to the community and have well defined management practices.

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

Appropriations, 2013 <sup>1</sup> .....	\$6,855,196,000
Budget estimate, 2014 .....	7,141,625,000
Committee recommendation .....	7,070,415,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 \$7,070,415,000 for the Special Supplemental Food Program for Women, Infants, and Children [WIC].

The Committee recommendation fully funds estimated WIC participation in fiscal year 2014. The Committee recommendation includes \$50,000,000 for breastfeeding support initiatives, \$14,000,000 for infrastructure, and \$30,000,000 for management information systems.

*Cost Containment.*—The Committee supports efforts to evaluate cost containment measures in the WIC program. The Committee encourages FNS, when considering options for cost containment, to closely monitor this process to ensure there are no unintended consequences for participants, vendors, or product manufacturers.

*Eligible Foods.*—The Committee encourages the Secretary to amend 7 CFR 246.10 in order for State agencies to include all varieties of fresh, whole, or cut vegetables, except for vegetables with added sugars, fats, oils; provided that inclusion of such vegetables contribute towards meeting the special nutritional needs of program participants and increases the availability of low-cost, high-nutrient alternatives for participants throughout the year.

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Appropriations, 2013 .....	\$77,290,133,000
Budget estimate, 2014 .....	78,389,610,000
Committee recommendation .....	78,383,112,000

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 \$78,383,112,000 for the Supplemental Nutrition Assistance Program. Of the amount recommended, \$5,000,000,000 is made available as a contingency reserve.

*Food Distribution Program on Indian Reservations.*—The Committee encourages the Secretary to continue the purchase of bison from producer-owned and Native American owned cooperatives for the Food Distribution Program on Indian Reservations. Although funding is not provided specifically for bison purchase, historically these purchases have been important for the Native American population both economically and nutritionally.

#### COMMODITY ASSISTANCE PROGRAM

Appropriations, 2013 <sup>1 2</sup> .....	\$253,075,000
Budget estimate, 2014 .....	271,701,000
Committee recommendation .....	271,701,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

<sup>2</sup> Includes emergency funding of \$6,000,000 in the Disaster Relief Appropriations Act, 2013 (division A of Public Law 113–2).

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, this program provides supplemental food to infants and children up to age 6, and to pregnant, post partum, and breastfeeding women who have low incomes, and reside in approved project areas. In addition, the program operates commodity distribution projects directed at low-income elderly persons 60 years of age or older.

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 \$271,701,000 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 \$202,682,000 for the Commodity Supplemental Food Program. This amount fully funds participation in fiscal year 2014. The Committee is aware that there are additional States that have approved applications to participate in the Commodity Supplemental Food Program, and encourages USDA to work to provide sufficient funding for these States in future budget requests.

*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 Food, Conservation, and Energy Act of 2008 provides \$268,500,000 for TEFAP commodities to be purchased with Supplemental Nutrition Assistance Program funds. The Committee recommendation includes \$51,401,000 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.

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.

#### NUTRITION PROGRAMS ADMINISTRATION

Appropriations, 2013 <sup>1</sup> .....	\$139,619,000
Budget estimate, 2014 .....	146,592,000
Committee recommendation .....	146,592,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 \$146,592,000 for Nutrition Programs Administration.

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

[In thousands of dollars]

	Appropriations	Transfers from loan accounts	Total
Appropriations, 2013 <sup>1</sup> .....	172,002	6,277	178,279
Budget estimate, 2014 .....	178,826	6,394	185,220
Committee recommendation .....	178,826	6,394	185,220

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112-25.

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 Export Enhancement Program uses CCC-owned commodities as export bonuses to provide export enhancements to U.S. producers. The Market Access Program [MAP] conducts both generic and brand-identified promotional programs in conjunction with nonprofit agricultural associations and private firms financed through reimbursable CCC payments.

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 \$185,220,000 for the Foreign Agricultural Service, including a direct appropriation of \$178,826,000. While the Committee has a history of supporting USDA reconstruction and stabilization activities, the Committee expects appropriated funds to be used for established FAS trade promotion, trade policy, trade capacity building, and food security efforts.

*Borlaug Fellows Program.*—The Committee recommendation includes \$1,000,000 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 \$5,000,000 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.

*Food for Progress.*—The Committee supports the work of the Food for Progress program, which increases rural incomes and enhances food security by improving agricultural productivity, supporting agribusiness development, and expanding the availability of financial services. The Committee encourages USDA to consider the work of nongovernmental organizations that are involved in small-scale agricultural biomass projects when issuing awards in the program. These types of projects may offer numerous benefits, from the production of biomass crops to the processing and marketing of crop and animal products.

*Foreign Market Development Cooperator Program.*—Subject to authorization, the Committee expects the FAS to fund the Foreign Market Development Cooperator Program.

*Market Access Program.*—Subject to authorization, 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, 2013 <sup>1</sup> .....	\$2,730,000
Budget estimate, 2014 .....	2,628,000
Committee recommendation .....	2,730,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

## COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$2,730,000 for administrative expenses to continue servicing existing Food for Peace title I agreements.

## FOOD FOR PEACE TITLE II GRANTS

Appropriations, 2013 <sup>1</sup> .....	\$1,433,106,000
Budget estimate, 2014 .....	
Committee recommendation .....	1,466,000,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

*Commodities Supplied in Connection With Dispositions Abroad (Title II) (7 U.S.C. 1721–1726).*—Commodities are supplied without cost through foreign governments to combat malnutrition and to meet famine and other emergency requirements. Commodities are also supplied for nonemergencies through public and private agencies, including intergovernmental organizations. The Commodity Credit Corporation pays ocean freight on shipments under this title, and may also pay overland transportation costs to a landlocked country, as well as internal distribution costs in emergency situations. The funds appropriated for title II are made available to private voluntary organizations and cooperatives to assist these organizations in meeting administrative and related costs.

## COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$1,466,000,000 for Food for Peace title II grants.

The Committee recognizes the important mission of the Food for Peace Program to combat hunger and malnutrition; promote broad-based equitable and sustainable development; and to foster and encourage the development of private enterprise and democratic participation in developing countries. The Committee maintains that the Food for Peace program shall continue to bear the primary responsibility of the United States government for international food aid activities. The Committee recognizes that the practice of monetization contains programmatic inefficiencies for non-emergency assistance. The fiscal year 2014 bill provides an additional \$35,000,000 for administrative activities that allows non-governmental organizations greater flexibility for development activities. This represents a significant initial step in phasing out the practice of monetization over the next several years to ensure government resources are efficiently utilized. The Committee rejects the elimination of the Food for Peace Program in the President's budget request and strongly supports the continued operation of this important program.

The Committee directs the Administrator to submit semiannual reports listing the organizations that have received funding for development activities under Public Law 480 title II; the amount each organization received; a list of the development projects; the methods used for determining funding recipients; and oversight activities undertaken by USAID.

## MC GOVERN-DOLE INTERNATIONAL FOOD FOR EDUCATION AND CHILD NUTRITION PROGRAM GRANTS

Appropriations, 2013 <sup>1</sup> .....	\$183,757,000
Budget estimate, 2014 .....	185,126,000
Committee recommendation .....	185,126,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 \$185,126,000 for the McGovern-Dole International Food for Education and Child Nutrition Program.

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

[In thousands of dollars]

	Guaranteed loan levels <sup>1</sup>	Administrative expenses
Appropriations, 2013 .....	5,500,000	6,621
Budget estimate, 2014 .....	5,500,000	6,748
Committee recommendation .....	5,500,000	6,748

<sup>1</sup> No appropriation required since export credit authorizations are permanent authority.

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

animal and biological products to ensure their safety and efficacy. 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 beneficial veterinary drugs, intended for the treatment and/or prevention of diseases in animals and the improved production of food-producing animals, are approved for marketing.

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, 2013 .....	2,456,128	1,730,569	4,186,697
Budget estimate, 2014 .....	2,548,905	1,826,530	4,375,435
Committee recommendation .....	2,551,905	1,826,530	4,378,435

## COMMITTEE RECOMMENDATIONS

The Committee recommends an appropriation of \$2,551,905,000 for FDA salaries and expenses. The Committee also recommends \$760,000,000 in Prescription Drug User Fee Act user fee collections; \$114,833,000 in Medical Device User Fee and Modernization Act user fee collections; \$23,600,000 in Animal Drug User Fee Act user fee collections; \$7,328,000 in Animal Generic Drug User Fee Act user fee collections; \$534,000,000 in Tobacco Product user fee collections; \$15,367,000 for food reinspection user fee collections; \$12,925,000 for recall user fee collections; \$19,318,000 in Mammography Quality Standards Act fee collections; and \$12,447,000 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 notes that ADUFA and AGDUFA user fees need to be reauthorized for fiscal year 2014. ADUFA and AGDUFA legislation is currently being negotiated by the appropriate authorizing committees. The Committee recommendation includes amounts that represent the current budget request for these fees. The Committee will follow the reauthorization of these fees and adjust the fee collection amounts if necessary.

The Committee recommendation does not include proposed user fees for food establishment registration and inspection, food import, food contact notification, medical product re-inspection, 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 following table reflects the Committee's recommendations, as compared to the fiscal year 2013 and budget request levels:

## FOOD AND DRUG ADMINISTRATION SALARIES AND EXPENSES

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	2013 enacted	2014 request	
Centers and related field activities:			
Foods .....	838,422	882,817	882,817
Center for Food Safety and Applied Nutrition [CFSAN] .....	258,767	266,408	266,408
Field Activities .....	579,655	616,409	616,409
Human Drugs .....	461,326	465,950	465,950
Center for Drug Evaluation and Research [CDER] .....	336,091	339,414	339,414
Field Activities .....	125,235	126,536	126,536
Biologics .....	204,784	210,759	210,759
Center for Biologics Evaluation and Research [CBER] .....	165,755	170,575	170,575
Field Activities .....	39,029	40,184	40,184
Animal Drugs .....	132,562	141,566	141,566
Center for Veterinary Medicine [CVM] .....	81,305	87,846	87,846

## FOOD AND DRUG ADMINISTRATION SALARIES AND EXPENSES—Continued

[In thousands of dollars]

	Fiscal year—		Committee recommendation
	2013 enacted	2014 request	
Field Activities .....	51,257	53,720	53,720
Medical and radiological devices .....	311,627	320,544	320,544
Center for Devices and Radiological Health [CDRH] .....	233,405	240,064	240,064
Field Activities .....	78,222	80,480	80,480
National Center for Toxicological Research [NCTR] .....	57,820	59,494	62,494
Other Activities .....	167,970	173,111	173,111
Rent and related activities .....	123,857	132,650	132,650
Rental payments to GSA .....	157,759	162,014	162,014
Total, FDA salaries and expenses, new budget authority .....	2,456,128	2,548,905	2,551,905

The Committee recommendation includes the following increases: \$53,451,000 for implementation of the Food Safety Modernization Act; \$19,479,000 for medical product safety; \$1,572,000 for consolidation of FDA facilities on the White Oak campus; and \$21,276,000 for necessary expenses and mandatory rental payments.

The Committee expects FDA to continue all projects, activities, laboratories, and programs as included in fiscal year 2013 unless otherwise specified.

*Antimicrobial Drugs.*—The Commissioner is directed to develop enhancements to FDA's annual summary of data reported under Section 105 of the Animal Drug User Fee Act. To the extent possible, enhanced summaries should include information about the weight of antimicrobial active ingredient sold, categorized by medical importance, dosage form, marketing status, and target animals, and may include other cross-tabulations.

*Artificial Pancreas.*—The Committee applauds the FDA for its final guidance for artificial pancreas device systems, released in November 2012, which provides clear and reasonable guidance for research and premarket reviews of such systems, which could transform the lives of those living with type one diabetes. The Committee urges the FDA to ensure that the flexible, science-based approach reflected in its guidance is implemented consistently in the Investigational Device Exemption and Premarket Approval review process and to ensure that safety and effectiveness of innovative systems can be tested without delay and improved devices can become available to those with type one diabetes in the near future.

*Dietary Supplements.*—The Committee is aware that U.S. consumers widely use plant-derived dietary supplements, and that FDA inspects manufacturers and distributors that are responsible for ensuring that such products are not adulterated or contaminated, and do no cause harm to the consumer. The Committee believes that methods and standards are needed to verify source plants and ingredients and to detect toxic contaminants. The Committee encourages FDA to develop guidance for industry on such

methods and standards, which would enhance FDA's ability to inspect and assess industry practices for manufacturing botanical dietary supplements.

*Drug Shortages.*—The Committee is concerned with the significant number of drug shortages occurring in the U.S. and the impact it is having on patient access to needed life-saving treatments. Recent shortages have included sterile injectable forms of simple but essential nutritional elements such as calcium chloride, calcium gluconate, sodium phosphate, potassium phosphate, and zinc sulfate. These products are essential to providing nutrition particularly to children with serious medical conditions and a lack of supply can result in severe harm and death.

By Executive Order, the President has instructed FDA to broaden its reporting of potential shortages and speed reviews of applications to begin or alter production of drugs in short supply. As part of this enhanced activity, the Committee encourages FDA to increase its communication with medical practitioners through specialty-specific list-serves and other means of targeted communications to provide information on potential shortages, the anticipated length time of the shortage, and options for obtaining therapies while drugs are in short supply.

Additionally, the Committee directs the Food and Drug Administration [FDA] to continue the work of the FDA intra-agency Task Force to address drug shortages. The Task Force should continue to seek input from other government agencies and external stakeholders, including pediatric and other specialists, whenever necessary to more fully analyze the sources and potential responses to drugs shortages.

Further, the Committee directs the Food and Drug Administration to continue to consult with the Secretary of HHS and other relevant agencies, including international regulatory agencies, about drug shortages. Important aspects of these discussions should include the steps international regulatory counterparts can take to mitigate or prevent such shortages, and relevant differences in regulations between those countries and the United States, and how those differences may impact shortages.

*Energy Drinks.*—The Committee is aware that FDA has declared an intent to review any risks associated with consumption of energy drinks. The Committee expects FDA to conclude the review and report findings to the Senate Committee on Appropriations as soon as practicable.

*Food Safety Outreach and Technical Assistance.*—The Committee applauds the FDA's decision to extend the comment period for regulations under the Food Safety Modernization Act [FSMA]. It is critical that FDA work with USDA to perform outreach and technical assistance to farmers and small businesses to help them understand the Food Safety Modernization Act and resources available to help with FSMA compliance as rules are developed and implemented.

*Food Traceability.*—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 prod-



ucts. 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 directs the Commissioner, in consultation with the Secretary of Agriculture, to create a science-based international food traceability initiative through a public-private partnership model. The initiative should include public and private sector stakeholders from the food industry, government, academia, solution providers and consumer groups. Furthermore, the Committee directs the Commissioner to provide a report within 180 days of enactment of this Act detailing the structure, goals, and implementation status of the initiative.

*Global Health.*—The Committee encourages FDA, as resources allow, to expand its capacity building programs abroad to help build strong regulatory authorities in other nations, including regulators, industry, and other relevant stakeholders to support the development of safe and effective global health tools. Additionally, the Committee is aware that Chagas disease is not on the list of neglected diseases as currently defined by the FDA. The Committee encourages FDA to make the necessary modifications to include Chagas disease in its list of neglected diseases.

*Honey Labeling and Production Standards.*—The Committee recognizes that honey is produced in the United States, traded internally and consumed as both a packaged food and as a food ingredient. However, there have been instances where manufacturers have been marketing products illegally as “honey” or “pure honey” that contained other ingredients. The Committee believes that guidance about the composition and labeling of honey is needed to protect consumers from misbranded honey and honey-derived products that are currently entering the U.S. market and to remind manufacturers of honey about the misbranding and adulteration provisions of the Federal Food, Drug and Cosmetic Act. Further, the Committee directs the FDA to expedite the publication of the draft guidance for industry on the proper labeling of honey and honey products.

*Hydrocodone.*—The Committee strongly encourages the Food and Drug Administration to act without delay to complete their scientific and medical evaluation of a 14-year-old petition to reschedule hydrocodone combination products from Schedule III to Schedule II of the Controlled Substances Act.

*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.

*Nanotechnology.*—The Committee recognizes that FDA possesses the facilities and expertise to study nanotechnology at the National Center for Toxicological Research [NCTR] and its consolidated headquarters at White Oak. The Nanotechnology Regulatory Science Program was established within the Food and Drug Admin-

istration Safety and Innovation Act (Public Law 112–144). The Committee directs the FDA to carry out the activities described in section 1126 of Public Law 112–144 to address issues relevant to the regulation of nano-enabled products, including the potential toxicology of such nanomaterials, the potential benefit of new therapies derived from nanotechnology, the effects of such nanomaterials on biological systems and the interaction of such nanomaterials with biological systems, at these facilities. Additionally, the Committee encourages FDA 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, including ensuring appropriate technology is available to facilitate this research.

In connection with the expenditure of funds to upgrade the facilities at NCTR, FDA is directed to permit NCTR to enter into agreements with adjacent facilities for connection to its utilities and infrastructure at its NCTR facility such as gas, electrical, potable water, waste, and sewage as necessary; use or expansion of FDA's infrastructure, including secure access, roadways, or parking as necessary; and FDA is directed to provide utility easements as necessary.

*National Agriculture and Food Defense Strategy.*—The Committee remains concerned over the safety of our nation's food supply and recognizes the importance of revising and updating the National Agriculture and Food Defense Strategy Plan. To that end, FDA is encouraged to fund research that would develop in-field tools that can provide differential detection and accurate identification tests, including those applicable to seafood, which will assist in advancing food safety efforts and help provide a more secure food supply chain.

*Office of Cosmetics and Colors.*—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 provided for OCAC is for direct support of the operation, staffing, compliance, research and international activities performed by this office. The Committee further directs the Office of Colors and Cosmetics to respond by March 7, 2014, to a citizen petition setting safety levels for trace amounts of lead in cosmetics. Additionally, the Committee understands China has become the source of an increasing number of cosmetic products and ingredients being marketed to U.S. consumers. In light of China's importance to U.S.-based manufacturers and consumers, the Committee recommends FDA establish a bilateral technical dialogue with Chinese regulators on cosmetic safety issues.

*Pediatric Device Grants.*—The Committee is pleased with the success of the Pediatric Device Consortia Grant Program, authorized under section 620 of the Food and Drug Administration Safety and Innovation Act of 2012 (Public Law 112–144). The program funds consortia to assist innovators in developing medical and surgical devices designed for the unique needs of children, needs that often go unmet by devices currently available on the market. The consortia funded by this program have assisted in the development of over 227 pediatric device ideas since its inception in 2009. The

Committee urges the FDA's continued support of this important program, as the development of children's medical devices continues to lag those manufactured for adults by several years.

*Seafood Advisory.*—The Committee is concerned that despite repeated direction from Congress over the past several years, the FDA 2004 seafood advisory still has not been updated and made available to the public. The Committee understands that the advisory is now undergoing further intra-departmental review. It has been well over 2 years since HHS and USDA jointly released new dietary guidelines that communicated the nutritional benefits of healthy seafood consumption for pregnant women and mothers of young children. Commitments from the Secretary of the Department of Health and Human Services and the FDA Commissioner that the revised seafood advisory would be completed in 2011 and 2012 have been missed. As a result, pregnant women are presented with conflicting advice between the 2004 seafood advisory and the 2010 dietary guidelines. The Committee directs the Commissioner and Secretary to personally engage to resolve all pending issues and authorize FDA to issue its seafood advice to pregnant women consistent with the latest science as soon as possible thereafter.

*Seafood Economic Integrity.*—The Committee recognizes the importance of seafood to a healthy diet, but is concerned that the FDA does not focus sufficient attention on economic integrity issues, particularly with respect to mislabeling of species, weights, and treatment. The Committee encourages the FDA to work with states and the Department of Commerce to more aggressively combat fraud in parts of the seafood industry.

*Sodium.*—In 2011, FDA and USDA's Food Safety and Inspection Service [FSIS] issued a Federal Register notice requesting comments, research, data, and other information to better inform both Agencies about current and emerging practices by the private sector regarding sodium consumption practices; motivation and barriers in reducing sodium in consumers' food intakes; and issues associated with the development of targets for sodium reduction in foods to promote reduction in excess sodium intake. The Committee directs that FDA, in coordination with FSIS, submit an analysis of the significance of the 2013 Institutes of Medicine [IOM] report on "Sodium Intake in Populations" for broad, gradual sodium reduction efforts, within 120 days.

*Sunscreen Labeling.*—The Committee is pleased that the FDA finalized regulations establishing labeling and testing requirements for products marketed under FDA's monograph for over-the-counter sunscreen drug products. The Committee directs the FDA to work expeditiously to evaluate the data and information, including proposed testing protocols, submitted in response to its proposed rule to limit the maximum Sun Protection Factor [SPF] to "50" or "50+". Additionally, the Committee encourages FDA to issue a proposed rule to establish appropriate conditions of use for various formulations of over-the-counter sunscreen drug products, including spray formulations.

*Trade Facilitation and Interagency Cooperation.*—The FDA Safety and Innovation Act provided FDA several new tools to meet the challenges of globalization. Section 713 of the Act allows FDA to require, as a condition of granting admission to a drug imported or

offered for import into the United States, that an importer electronically submit information demonstrating that the drug complies with applicable requirements of the Federal Food, Drug, and Cosmetic Act. Section 713 of the Act also authorizes FDA to establish a partnership program for highly compliant importers. Such a program would enable FDA to know more about highly compliant drug importers, incentivize greater compliance with FDA regulations, and facilitate entry of low risk products. The Committee strongly encourages FDA to expeditiously implement section 713 and to keep the Committee advised on its efforts and progress in this regard.

*User Fees.*—The Committee is aware that FDA user fee programs have been subjected to sequester, and is concerned because these user fees are not normal tax revenue. The Committee believes that it is important to maintain industry support for user fee programs, and for FDA to continue to meet negotiated performance standards. Therefore, the Committee encourages the Administration to reconsider the inclusion of FDA user fees when calculating sequester.

#### BUILDINGS AND FACILITIES

Appropriations, 2013 <sup>1</sup> .....	\$5,176,000
Budget estimate, 2014 .....	8,788,000
Committee recommendation .....	11,000,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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 \$11,000,000 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, 2013 <sup>1</sup> .....	\$63,300,000
Budget estimate, 2014 .....	63,300,000
Committee recommendation .....	63,300,000

<sup>1</sup> Does not reflect the March 1, 2013, sequester of funds under Public Law 112–25.

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

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

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

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

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

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

#### COMMITTEE RECOMMENDATIONS

The Committee recommends a limitation of \$63,300,000 on administrative expenses of the Farm Credit Administration.

*Annual Report.*—The Committee recognizes the importance of the Farm Credit System in agricultural finance, including lending to beginning farmers and ranchers and to farmers and ranchers utilizing local and regional food markets. The Committee encourages the Farm Credit Administration to provide to the Committee an annual report with data and analysis of the operations and achievements of the Farm Credit System in providing financial and other forms of support for farms and ranches serving emerging local and regional food markets, including but not limited to beginning farmers and ranchers.

## 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 modifies matching requirements for certain research grants.

Section 710. This section provides funds for Rural Development and the Farm Service Agency information technology expenses.

Section 711. This section includes language regarding reconstituted infant formula.

Section 712. This section includes language regarding first-class travel.

Section 713. This section includes language regarding the Commodity Credit Corporation.

Section 714. This section limits the amount of funding available to reimburse the Commodity Credit Corporation for the release of commodities under the Bill Emerson Humanitarian Trust.

Section 715. 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 716. This section includes language regarding the limitation on direct costs for grants awarded by the National Institute of Food and Agriculture.

Section 717. This section includes language regarding loan levels.

Section 718. This section includes language regarding the availability of funds for certain Department of Agriculture programs.

Section 719. This section includes language regarding the availability of funds for certain Department of Agriculture programs.

Section 720. This section prohibits the use of funds for user fee proposals that fail to provide sufficient budget impact information.

Section 721. This section prohibits the reprogramming of funds for programs, projects, or activities in excess of \$500,000 or 10 percent, whichever is less without the prior notification of the Committee on Appropriations.

Section 722. This section includes language for the establishment of a fee under the business and industry loan program.

Section 723. 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 724. This section includes language regarding pre-packaged news.

Section 725. This section requires Department of Agriculture agencies to provide reimbursement to other Department of Agriculture agencies for employees detailed for longer than 30 days.

Section 726. This section provides funding for the Geographically Disadvantaged Farmers Program as authorized in the Food, Conservation, and Energy Act of 2008.

Section 727. This section provides funding to carry out a program for hardwood trees.

Section 728. This section includes language regarding spending plans.

Section 729. This section includes language regarding unobligated balances.

Section 730. This section includes language regarding rural housing programs.

Section 731. This section includes language regarding servicing of Rural Housing Service loans.

Section 732. This section includes language regarding the guaranteed single family housing program.

Section 733. This section includes language regarding the Water Bank Program.

Section 734. This section includes language regarding conferences.

Section 735. This section includes language regarding the Pacific Basin Agricultural Research Center.

Section 736. This section includes language regarding the Food Safety and Inspection Service.

## PROGRAM, PROJECT, AND ACTIVITY

During fiscal year 2014, 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, 2014, 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 2014 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 2014 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 2014:

- Dairy Indemnity Program
- Grassroots Source Water Protection Program
- Geographically Disadvantaged Farmers and Ranchers
- Reforestation Program



Supplemental Nutrition Assistance Program, Commodity Supplemental Food Program  
 The Emergency Food Assistance Program  
 McGovern-Dole International Food for Education Program  
 1994 institution research grants  
 Agriculture and Food Research Initiative  
 Education grants for Hispanic-serving institutions  
 Extension service  
 Grants for insular areas  
 Grants to upgrade facilities at 1890 institutions  
 Integrated research, education and extension competitive grants program  
 Value-added Agricultural Product Market Development Grants  
 Rural Cooperative Development Grants  
 Appropriate Technology Transfer for Rural Areas  
 Rural Microentrepreneur Assistance Program  
 Rural Energy for America Program  
 Rural Business Opportunity Grants  
 Delta Regional Authority Grants  
 Health Care Services Grant Program  
 Tribal College and University Essential Community Facilities  
 Multi-family Housing Revitalization Program  
 Distance Learning and Telemedicine  
 Access to Broadband Telecommunications Services in Rural Areas  
 Broadband Telecommunications Grants  
 Guaranteed Water and Waste Loans  
 Water and Waste Revolving Loan Fund Grants  
 Public Broadcasting System Grants

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

Pursuant to paragraph 7(c) of rule XXVI, on June 27, 2013, the Committee ordered favorably reported an original bill (S. 1244) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2014, and for other purposes, provided, that the bill be subject to amendment and that the bill be consistent with the subcommittee funding guidance, by a recorded vote of 23–6, a quorum being present. The vote was as follows:

Yeas	Nays
Chairwoman Mikulski	Mr. Shelby
Mr. Leahy	Mr. McConnell
Mr. Harkin	Mr. Alexander
Mrs. Murray	Mr. Graham
Mrs. Feinstein	Mr. Coats
Mr. Durbin	Mr. Johanns
Mr. Johnson	
Ms. Landrieu	
Mr. Reed	
Mr. Pryor	

Mr. Tester  
 Mr. Udall  
 Mrs. Shaheen  
 Mr. Merkley  
 Mr. Begich  
 Mr. Cochran  
 Ms. Collins  
 Ms. Murkowski  
 Mr. Kirk  
 Mr. Blunt  
 Mr. Moran  
 Mr. Hoeven  
 Mr. Boozman

**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.”

The Committee bill as recommended contains no such provisions.

**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 guidance <sup>1</sup>	Amount in bill	Committee guidance	Amount in bill
Comparison of amounts in the bill with Committee guidance to its subcommittees of amounts for 2014: Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies:				
Mandatory .....	NA	122,905	NA	<sup>2</sup> 107,615
Discretionary .....	20,930	20,930	NA	<sup>2</sup> 22,140
Security .....			NA	NA
Nonsecurity .....	20,930	20,930	NA	NA
Projections of outlays associated with the recommendation:				
2014 .....				<sup>3</sup> 118,987
2015 .....				4,338
2016 .....				890
2017 .....				92
2018 and future years .....				-1,418
Financial assistance to State and local governments for 2014 .....	NA	38,796	NA	36,712

<sup>1</sup> There is no section 302(a) allocation to the Committee on Appropriations for fiscal year 2014.

<sup>2</sup> Includes outlays from prior-year budget authority.

<sup>3</sup> Excludes outlays from prior-year budget authority.

NA: Not applicable.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2013 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL  
FOR FISCAL YEAR 2014  
[In thousands of dollars]

Item	2013 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2013 appropriation	Budget estimate
<b>TITLE I—AGRICULTURAL PROGRAMS</b>					
Production, Processing, and Marketing					
Office of the Secretary					
Office of the Secretary .....	4,914	5,086	5,086	+ 172	.....
Office of Tribal Relations .....	485	502	502	+ 17	.....
Office of Homeland Security and Emergency Coordination .....	1,455	1,507	1,507	+ 52	.....
Office of Advocacy and Outreach .....	1,383	1,217	1,217	- 166	.....
Office of the Assistant Secretary for Administration .....	782	809	809	+ 27	.....
Departmental Administration .....	23,586	22,993	22,993	- 593	.....
Office of the Assistant Secretary for Congressional Relations .....	3,764	3,897	3,897	+ 133	.....
Office of Communications .....	8,762	8,137	8,137	- 625	.....
Total, Office of the Secretary .....	45,131	44,148	44,148	- 983	.....
Executive Operations:					
Office of the Chief Economist .....	15,575	12,854	16,854	+ 1,279	+ 4,000
National Appeals Division .....	13,840	12,940	12,940	- 900	.....
Office of Budget and Program Analysis .....	8,804	11,129	9,129	+ 325	- 2,000
Subtotal, Executive Operations .....	38,219	36,923	38,923	+ 704	+ 2,000
Office of the Chief Information Officer .....	42,839	44,159	44,159	+ 1,320	.....
Office of the Chief Financial Officer .....	6,078	6,243	6,243	+ 165	.....
Office of the Assistant Secretary for Civil Rights .....	869	898	898	+ 29	.....
Office of Civil Rights .....	22,078	21,550	21,550	- 528	.....
Agriculture buildings and facilities and rental payments .....	(263,988)	(233,095)	(233,095)	(- 30,893)	.....
Payments to GSA .....	170,936	164,470	164,470	- 6,466	.....
Department of Homeland Security .....	13,108	13,800	13,800	+ 692	.....
Building operations and maintenance .....	50,756	54,825	54,825	+ 4,069	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2013 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL  
FOR FISCAL YEAR 2014—Continued

[In thousands of dollars]

Item	2013 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2013 appropriation	Budget estimate
Repair and renovation .....	29,188	.....	.....	-29,188	.....
Hazardous materials management .....	3,884	3,600	3,600	-284	.....
Office of Inspector General .....	86,605	89,902	89,902	+3,297	.....
Office of the General Counsel .....	43,853	45,014	47,304	+3,451	+2,290
Office of Ethics .....	.....	(3,451)	(3,451)	(+3,451)	.....
Office of Ethics .....	3,313	.....	.....	-3,313	.....
Total, Departmental Administration .....	556,857	525,532	529,822	-27,035	+4,290
Office of the Under Secretary for Research, Education, and Economics .....	869	898	898	+29	.....
Economic Research Service .....	75,301	78,506	78,506	+3,205	.....
National Agricultural Statistics Service .....	174,617	159,601	162,133	-12,484	+2,532
Census of Agriculture .....	(60,808)	(42,295)	(44,545)	(-16,263)	(+2,250)
Agricultural Research Service:	1,072,015	1,124,003	1,123,150	+51,135	-853
Salaries and expenses .....	.....	155,000	.....	.....	-155,000
Buildings and facilities .....	.....	.....	.....	.....	.....
National Institute of Food and Agriculture:	718,636	801,140	772,794	+54,158	-28,346
Research and education activities .....	(11,880)	(11,880)	(11,880)	.....	.....
Native American Institutions Endowment Fund .....	462,968	459,037	469,399	+6,431	+10,362
Extension activities .....	20,900	28,129	35,317	+14,417	+7,188
Integrated activities .....	.....	(10,000)	(10,000)	(+10,000)	.....
Hispanic-Serving Agricultural Colleges and Universities Endowment Fund .....	.....	.....	.....	.....	.....
Total, National Institute of Food and Agriculture .....	1,202,504	1,288,306	1,277,510	+75,006	-10,796
Office of the Under Secretary for Marketing and Regulatory Programs .....	869	898	898	+29	.....
Animal and Plant Health Inspection Service:	799,595	797,601	825,754	+26,159	+28,153
Salaries and expenses .....	.....	.....	.....	.....	.....

	3,089	3,175	3,175	+ 86	
Buildings and facilities .....					.....
Total, Animal and Plant Health Inspection Service .....	802,684	800,776	828,929	+ 26,245	+ 28,153
Agricultural Marketing Service:					
Marketing Services .....	76,727	82,792	82,792	+ 6,065	.....
Standardization activities (user fees) NA .....		(64,000)	(64,000)	(+ 64,000)	.....
(Limitation on administrative expenses, from fees collected) .....	(62,592)	(60,435)	(60,435)	(- 2,157)	.....
Funds for strengthening markets, income, and supply (Section 32): .....					
Permanent, Section 32 .....	1,090,000	1,107,000	1,107,000	+ 17,000	.....
Marketing agreements and orders (transfer from section 32) .....	(20,056)	(20,181)	(20,181)	(+ 125)	.....
Payments to States and Possessions .....	1,295	1,363	1,363	+ 68	.....
Total, Agricultural Marketing Service program .....	1,230,614	1,251,590	1,251,590	+ 20,976	.....
Grain Inspection, Packers and Stockyards Administration:					
Salaries and expenses .....	39,171	40,531	40,531	+ 1,360	.....
Limitation on inspection and weighing services .....	(50,000)	(50,000)	(50,000)		.....
Office of the Under Secretary for Food Safety .....	789	816	816	+ 27	.....
Food Safety and Inspection Service .....	1,027,819	1,008,473	1,020,473	- 7,346	+ 12,000
Lab accreditation fees .....	(1,000)	(1,000)	(1,000)		.....
Total, Production, Processing, and Marketing .....	6,121,517	6,374,495	6,254,821	+ 133,304	- 119,674
Office of the Under Secretary for Farm and Foreign Agricultural Services .....					
Farm Assistance Programs .....					
Farm Service Agency:	869	898	898	+ 29	.....
Salaries and expenses .....	1,175,570	1,176,460	1,176,460	+ 890	.....
(Transfer from Food for Peace (Public Law 480)) .....	(2,730)	(2,628)	(2,730)		(+ 102)
(Transfer from export loans) .....	(344)	(354)	(354)	(+ 10)	.....
(Transfer from ACF) .....	(296,718)	(306,998)	(306,998)	(+ 10,280)	.....
Subtotal, transfers from program accounts .....	(299,792)	(309,980)	(310,082)	(+ 10,290)	(+ 102)
Total, Salaries and expenses .....	(1,475,362)	(1,486,440)	(1,486,542)	(+ 11,180)	(+ 102)
State mediation grants .....	4,251	3,782	3,782	- 469	.....
Grassroot source water protection program .....	5,351	.....	6,500	+ 1,149	+ 6,500

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2013 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL  
FOR FISCAL YEAR 2014—Continued  
(In thousands of dollars)

Item	2013 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2013 appropriation	Budget estimate
Dairy indemnity program .....	100	250	250	+ 150	.....
Subtotal, Farm Service Agency .....	1,185,272	1,180,492	1,186,992	+ 1,720	+ 6,500
Agricultural Credit Insurance Fund [ACIF] Program Account:					
Loan authorizations:					
Farm ownership loans:					
Direct .....	(462,137)	(575,000)	(575,000)	(+ 112,863)	.....
Guaranteed .....	(1,500,000)	(2,000,000)	(2,000,000)	(+ 500,000)	.....
Subtotal .....	(1,962,137)	(2,575,000)	(2,575,000)	(+ 612,863)	.....
Farm operating loans:					
Direct .....	(1,021,654)	(1,223,686)	(1,223,686)	(+ 202,032)	.....
Unsubsidized guaranteed .....	(1,459,380)	(1,500,000)	(1,500,000)	(+ 40,620)	.....
Subtotal .....	(2,481,034)	(2,723,686)	(2,723,686)	(+ 242,652)	.....
Emergency loans .....	(22,800)	(34,658)	(34,658)	(+ 11,858)	.....
Indian tribe land acquisition loans .....	(2,000)	(2,000)	(2,000)	.....	.....
Conservation loans:					
Guaranteed .....	(150,000)	(150,000)	(150,000)	.....	.....
Indian Highly Fractionated Land Loans .....	(9,769)	(10,000)	(10,000)	(+ 231)	.....
Boll weevil eradication loans .....	(100,000)	(60,000)	(100,000)	.....	(+ 40,000)
Total, loan authorizations .....	(4,727,740)	(5,555,344)	(5,595,344)	(+ 867,604)	(+ 40,000)
Loan subsidies:					
Farm ownership loans:					
Direct .....	19,595	4,428	4,428	- 15,167	.....
Farm operating loans:					
Direct .....	56,906	67,058	67,058	+ 10,152	.....

Unsubsidized guaranteed .....	17,367	18,300	18,300	+ 933	.....
Subtotal .....					.....
Emergency Loans .....	74,273	85,358	85,358	+ 11,085	.....
Indian Highly Fractionated Land Loans .....	1,281	1,698	1,698	+ 417	.....
Individual Development Account grants .....	168	68	68	- 100	.....
Total, Loan subsidies .....	95,317	91,552	91,552	- 3,765	.....
ACF administrative expenses:					.....
Salaries and expense (transfer to FSA) .....	296,718	306,998	306,998	+ 10,280	.....
Administrative expenses .....	7,706	7,920	7,920	+ 214	.....
Total, ACF expenses .....	304,424	314,918	314,918	+ 10,494	.....
Total, Agricultural Credit Insurance Fund .....	399,741	406,470	406,470	+ 6,729	.....
(Loan authorization) .....	(4,727,740)	(5,555,344)	(5,595,344)	(+ 867,604)	(+ 40,000)
Total, Farm Service Agency .....	1,585,013	1,586,962	1,593,462	+ 8,449	+ 6,500
Risk Management Agency, Administrative and operating expenses .....	72,872	71,496	71,496	- 1,376	.....
Total, Farm Assistance Programs .....	1,658,754	1,659,356	1,665,856	+ 7,102	+ 6,500
Corporations					
Federal Crop Insurance Corporation:					
Federal crop insurance corporation fund .....	9,517,433	9,502,944	9,502,944	- 14,489	.....
Commodity Credit Corporation Fund:					
Reimbursement for net realized losses .....	11,018,509	12,538,880	12,538,880	+ 1,520,371	.....
Hazardous waste management (limitation on expenses) .....	(5,000)	(5,000)	(5,000)	.....	.....
Total, Corporations .....	20,535,942	22,041,824	22,041,824	+ 1,505,882	.....
Total, Title I, Agricultural Programs .....	28,316,213	30,075,675	29,962,501	+ 1,646,288	- 113,174
(By transfer) .....	(319,848)	(330,161)	(330,263)	(+ 10,415)	(+ 102)
(Loan authorization) .....	(4,727,740)	(5,555,344)	(5,595,344)	(+ 867,604)	(+ 40,000)
(Limitation on administrative expenses) .....	(117,592)	(115,435)	(115,435)	(- 2,157)	.....

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2013 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL  
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[In thousands of dollars]

Item	2013 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2013 appropriation	Budget estimate
<b>TITLE II—CONSERVATION PROGRAMS</b>					
Office of the Under Secretary for Natural Resources and Environment .....	869	898	898	+29	.....
Natural Resources Conservation Service:					
Conservation operations .....	808,495	807,937	818,376	+9,881	+10,439
Farm Security and Rural Investment program (transfer authority) .....	.....	(695,000)	.....	.....	(-695,000)
Total, Public Lands Conservation operations .....	808,495	1,502,937	818,376	+9,881	-684,561
Watershed rehabilitation program .....	14,302	.....	.....	-14,302	.....
Total, Natural Resources Conservation Service .....	822,797	807,937	818,376	-4,421	+10,439
Total, Title II, Conservation Programs .....	823,666	808,835	819,274	-4,392	+10,439
<b>TITLE III—RURAL DEVELOPMENT</b>					
Office of the Under Secretary for Rural Development .....	869	898	898	+29	.....
Rural Development:					
Rural development expenses:					
Salaries and expenses .....	201,255	204,695	204,695	+3,440	.....
(Transfer from RHF) .....	(399,507)	(417,692)	(417,692)	(+18,185)	.....
(Transfer from RDLFP) .....	(4,318)	(4,467)	(4,467)	(+149)	.....
(Transfer from RETLP) .....	(33,534)	(34,694)	(34,694)	(+1,160)	.....
Subtotal, Transfers from program accounts .....	(437,359)	(456,853)	(456,853)	(+19,494)	.....
Total, Rural development expenses .....	(638,614)	(661,548)	(661,548)	(+22,934)	.....



Rural Housing Service:						
Rural Housing Insurance Fund Program Account:						
Loan authorizations:						
Single family direct (Sec. 502)	(875,628)	(360,000)	(900,000)	(+ 24,372)	(+ 540,000)	
Unsubsidized guaranteed	(24,000,000)	(24,000,000)	(24,000,000)			
Subtotal, Single family	(24,875,628)	(24,360,000)	(24,900,000)	(+ 24,372)	(+ 540,000)	
Housing repair (Sec. 504)	(27,195)	(26,280)	(26,280)	(- 915)		
Rental housing (Sec. 515)	(30,428)	(28,432)	(28,432)	(- 1,996)		
Multi-family housing guarantees (Sec. 538)	(150,000)	(150,000)	(150,000)			
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)	(22,347)	(23,855)	(23,855)	(+ 1,508)		
Total, Loan authorizations	(25,120,598)	(24,603,567)	(25,148,567)	(+ 27,969)	(+ 545,000)	
Loan subsidies:						
Single family direct (Sec. 502)	52,275	9,792	24,480	- 27,795	+ 14,688	
Housing repair (Sec. 504)	3,718	2,176	2,176	- 1,542		
Rental housing (Sec. 515)	10,702	6,656	6,656	- 4,046		
Farm labor housing (Sec.514)	7,451	5,656	5,656	- 1,795		
Total, Loan subsidies	74,146	24,280	38,968	- 35,178	+ 14,688	
Farm labor housing grants	8,628	8,336	8,336	- 292		
RHIF administrative expenses (transfer to RD)	399,507	417,692	417,692	+ 18,185		
Total, Rural Housing Insurance Fund program (Loan authorization)	482,281	450,308	464,996	- 17,285	+ 14,688	
Total, Loan authorizations	(25,120,598)	(24,603,567)	(25,148,567)	(+ 27,969)	(+ 545,000)	
Rental assistance program:						
Rental assistance (Sec. 521)	879,644	1,012,050	1,015,050	+ 135,406	+ 3,000	
New construction (Sec. 515)						
New construction (Farm Labor Housing)	2,919	3,000		- 2,919	- 3,000	
Total, Rental assistance program	882,563	1,015,050	1,015,050	+ 132,487		
Multi-Family Housing Revitalization Program Account:						
Rural housing voucher program	9,729	12,575	12,575	+ 2,846		

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(In thousands of dollars)

Item	2013 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2013 appropriation	Budget estimate
Multi-family housing revitalization program .....	17,301	20,000	20,000	+ 2,699	
Total, Multi-family housing revitalization .....	27,030	32,575	32,575	+ 5,545	
Mutual and self-help housing grants .....	29,188	10,000	25,000	- 4,188	+ 15,000
Rural housing assistance grants .....	32,239	25,000	32,239		+ 7,239
Rural community facilities program account:					
Loan authorizations:					
Community facility:					
Direct .....	(2,200,000)	(1,500,000)	(1,500,000)	(- 700,000)	
Guaranteed .....	(55,926)		(59,543)	(+ 3,617)	(- 59,543)
Total, Loan authorizations .....	(2,255,926)	(1,500,000)	(1,559,543)	(- 696,383)	(+ 59,543)
Loan subsidies and grants:					
Community facility:					
Guaranteed .....	3,775		3,775		+ 3,775
Grants .....	12,648	13,000	13,000	+ 352	
Rural community development initiative .....	5,955		5,955		+ 5,955
Economic impact initiative grants .....	5,778		5,778		+ 5,778
Tribal college grants .....	3,278	4,000	4,000	+ 722	
Total, RCFP Loan subsidies and grants .....	31,434	17,000	32,508	+ 1,074	+ 15,508
Subtotal, grants and payments .....	92,861	52,000	89,747	- 3,114	+ 37,747
Total, Rural Housing Service .....	1,484,735	1,549,933	1,602,368	+ 117,633	+ 52,435
(Loan authorization) .....	(27,376,524)	(26,103,567)	(26,708,110)	(- 668,414)	(+ 604,543)

Rural Business-Cooperative Service:							
Rural Business Program Account:							
(Guaranteed business and industry loans)	(932,145)	(740,700)	(958,097)	(+ 25,952)	(+ 217,397)		
Loan subsidies and grants:							
Guaranteed business and industry subsidy	54,810	51,777	66,971	+ 12,161	+ 15,194		
Grants:							
Rural business enterprise	23,660		24,318	+ 658	+ 24,318		
Rural business opportunity	2,189		2,250	+ 61	+ 2,250		
Delta regional authority	2,919		5,000	+ 2,081	+ 5,000		
Total, RBP loan subsidies and grants	83,578	51,777	98,539	+ 14,961	+ 46,762		
Rural Business and Cooperative Grants		55,000					- 55,000
Rural Development Loan Fund Program Account:							
(Loan authorization)	(18,377)	(18,889)	(18,889)	(- 512)			
Loan subsidy	5,888	4,082	4,082	- 1,806			
Administrative expenses (transfer to RD)	4,318	4,467	4,467	+ 149			
Total, Rural Development Loan Fund	10,206	63,549	8,549	- 1,657			- 55,000
Rural Economic Development Loans Program Account:							
(Loan authorization)	(33,077)	(33,077)	(33,077)				
Limit cushion of credit interest spending	(180,000)	(155,000)	(180,000)				(+ 25,000)
(Rescission)	- 180,000	- 155,000	- 180,000				- 25,000
Rural cooperative development grants:							
Cooperative development	6,810		5,800	- 1,010			+ 5,800
Appropriate technology transfer for rural areas	2,189	2,250	2,250	+ 61			
Grants to assist minority producers	3,362		3,000	- 362			+ 3,000
Value-added agricultural product market development	14,595	15,000	15,000	+ 405			
Total, Rural Cooperative development grants	26,956	17,250	26,050	- 906			+ 8,800
Rural Microenterprise Investment Program Account:							
(Loan authorization)		(22,444)	(22,444)	(+ 22,444)			
Loan subsidy		1,405	1,405	+ 1,405			
Total, Rural Microenterprise Investment		1,405	1,405	+ 1,405			
Rural Energy for America Program (Loan authorization)	(13,778)	(44,987)	(14,583)	(+ 805)			(- 30,404)

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Item	2013 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2013 appropriation	Budget estimate
Loan subsidy .....	3,308	12,340	4,000	+ 692	- 8,340
Grants .....		7,401			- 7,401
Total, Rural Energy for America Program .....	3,308	19,741	4,000	+ 692	- 15,741
Total, Rural Business-Cooperative Service .....	-55,952	-1,278	-41,457	+ 14,495	-40,179
(Loan authorization) .....	(997,377)	(860,097)	(1,047,090)	(+ 49,713)	(+ 186,993)
Rural Utilities Service:					
Rural water and waste disposal program account:					
Loan authorizations:					
Direct .....	(972,912)	(1,200,000)	(1,200,000)	(+ 227,088)	
Guaranteed .....	(59,660)		(50,000)	(- 9,660)	(+ 50,000)
Direct loans authorized by Public Law 83-566 .....	(40,000)		(40,000)		(+ 40,000)
Total, Loan authorization .....	1,072,572	1,200,000	1,290,000	+ 217,428	+ 90,000
Loan subsidies and grants:					
Direct subsidy .....	78,514			- 78,514	+ 284
Direct loans authorized by Public Law 83-566 .....			284	+ 284	+ 355
Guaranteed subsidy .....	632		355	- 277	+ 1,000
Water and waste revolving fund .....	973		1,000	+ 27	+ 993
Water well system grants .....	966		993	+ 27	+ 30,020
Colonia's and AK/HI/Native Americans grants .....	64,699	36,480	66,500	+ 1,801	+ 9,880
Water and waste technical assistance .....	18,485	9,120	19,000	+ 515	+ 7,400
Circuit rider program .....	14,594	7,600	15,000	+ 406	
Solid waste management grants .....	3,308	4,000	4,000	+ 692	
High energy cost grants .....	9,730		10,000	+ 270	+ 10,000
Water and waste disposal grants .....	318,364	246,800	337,868	+ 19,504	+ 91,068

Total, Loan subsidies and grants .....	510,265	304,000	455,000	- 55,265	+ 151,000
Rural Electrification and Telecommunications Loans Program Account:					
Loan authorizations:					
Electric:					
Direct, 5 percent .....	(100,000)			(- 100,000)	
Direct, FFB .....	(6,500,000)	(4,000,000)	(5,000,000)	(- 1,500,000)	(+ 1,000,000)
Guaranteed underwriting .....	(500,000)		(500,000)		(+ 500,000)
Subtotal, Electric .....	(7,100,000)	(4,000,000)	(5,500,000)	(- 1,600,000)	(+ 1,500,000)
Telecommunications:					
Direct, 5 percent .....	(690,000)				
Direct, Treasury rate .....	(690,000)	(690,000)	(690,000)		
Direct, FFB .....					
Subtotal, Telecommunications .....	(690,000)	(690,000)	(690,000)		
Total, Loan authorizations .....	(7,790,000)	(4,690,000)	(6,190,000)	(- 1,600,000)	(+ 1,500,000)
Loan subsidies:					
Electric:					
Guaranteed underwriting .....					
RETLP administrative expenses (transfer to RD) .....	33,534	34,694	34,694	+ 1,160	
Total, Rural Electrification and Telecommunications Loans Program Account .....	33,534	34,694	34,694	+ 1,160	
(Loan authorization) .....	(7,790,000)	(4,690,000)	(6,190,000)	(- 1,600,000)	(+ 1,500,000)
Distance learning, telemedicine, and broadband program:					
Loan authorizations:					
Broadband telecommunications .....	(41,095)	(63,356)	(30,651)	(- 10,444)	(- 32,705)
Total, Loan authorizations .....	(41,095)	(63,356)	(30,651)	(- 10,444)	(- 32,705)
Loan subsidies and grants:					
Distance learning and telemedicine:					
Grants .....	24,274	24,950	24,274		- 676
Broadband telecommunications:					
Direct .....	3,892	8,268	4,000	+ 108	- 4,268
Grants .....	10,090	10,372	10,372	+ 282	

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Item	2013 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2013 appropriation	Budget estimate
Total, Loan subsidies and grants .....	38,256	43,590	38,646	+ 390	- 4,944
Total, Rural Utilities Service .....	582,055	382,284	528,340	- 53,715	+ 146,056
(Loan authorization) .....	(8,903,667)	(5,953,356)	(7,510,651)	(- 1,393,016)	(+ 1,557,295)
Total, Title III, Rural Development Programs .....	2,212,962	2,136,532	2,294,844	+ 81,882	+ 158,312
(By transfer) .....	(437,359)	(456,853)	(456,853)	(+ 19,494)	.....
(Loan authorization) .....	(37,277,568)	(32,917,020)	(35,265,851)	(- 2,011,717)	(+ 2,348,831)
TITLE IV—DOMESTIC FOOD PROGRAMS					
Office of the Under Secretary for Food, Nutrition and Consumer Services .....	789	816	816	+ 27	.....
Food and Nutrition Service:					
Child nutrition programs .....	19,906,436	20,452,229	20,452,229	+ 545,793	.....
School breakfast program grants .....	.....	.....	.....	.....	.....
School breakfast program equipment grants .....	9,729	35,000	35,000	+ 25,271	.....
Hunger-free communities grants .....	.....	.....	.....	.....	.....
Total, Child nutrition programs .....	19,916,165	20,487,229	20,487,229	+ 571,064	.....
Special supplemental nutrition program for women, infants, and children (WIC) .....	6,855,196	7,141,625	7,070,415	+ 215,219	- 71,210
Supplemental nutrition assistance program:					
(Food stamp program) .....	74,289,135	73,382,114	73,382,114	- 907,021	.....
Reserve .....	3,000,000	5,000,000	5,000,000	+ 2,000,000	.....
FDP/IR nutrition education .....	998	998	998	.....	.....
Center for Nutrition Policy and Promotion .....	.....	1,498	.....	.....	- 1,498
National food consumption survey .....	.....	5,000	.....	.....	- 5,000

Total, Food stamp program .....	77,290,133	78,383,610	78,383,112	+ 1,092,979	- 6,498
Commodity assistance program:					
Commodity supplemental food program .....	181,873	202,682	202,682	+ 20,809	
Farmers market nutrition program .....	16,100	16,548	16,548	+ 448	
Emergency food assistance program .....	48,063	51,401	51,401	+ 3,338	
Pacific Island and disaster assistance .....	1,039	1,070	1,070	+ 31	
Total, Commodity assistance program .....	247,075	271,701	271,701	+ 24,626	
Nutrition programs administration .....	139,619	146,592	146,592	+ 6,973	
Total, Food and Nutrition Service .....	104,448,188	106,436,757	106,359,049	+ 1,910,861	- 77,708
Total, Title IV, Domestic Food Programs .....	104,448,977	106,437,573	106,359,865	+ 1,910,888	- 77,708
TITLE V—FOREIGN ASSISTANCE AND RELATED PROGRAMS					
Foreign Agricultural Service					
Salaries and expenses .....	172,002	178,826	178,826	+ 6,824	
(Transfer from export loans) .....	(6,277)	(6,394)	(6,394)	(+ 117)	
(Transfer from Commodity Credit Corporation Fund) .....					
Total, Salaries and expenses .....	178,279	185,220	185,220	+ 6,941	
Food for Peace Title I Direct Credit and Food for Progress Program Account, Administrative Expenses Farm Service Agency, Salaries and expenses (transfer to FSA) .....	2,730	2,628	2,730		+ 102
Food for Peace Title II Grants:					
Expenses .....	1,433,106		1,466,000	+ 32,894	+ 1,466,000
Commodity Credit Corporation Export Loans Program Account (administrative expenses):					
Salaries and expenses (Export Loans):					
General Sales Manager (transfer to FAS) .....	6,277	6,394	6,394	+ 117	
Farm Service Agency S&E (transfer to FSA) .....	344	354	354	+ 10	
Total, CCC Export Loans Program Account .....	6,621	6,748	6,748	+ 127	
McGovern-Dole International Food for Education and Child Nutrition program grants .....	183,757	185,126	185,126	+ 1,369	
Total, Title V, Foreign Assistance and Related Programs .....	1,798,216	373,328	1,839,430	+ 41,214	+ 1,466,102

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Item	2013 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2013 appropriation	Budget estimate
(By transfer) .....	(6,277)	(6,394)	(6,394)	(+ 117)	
TITLE VI—RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION					
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Food and Drug Administration					
Salaries and expenses, direct appropriation .....	2,456,128	2,548,905	2,551,905	+ 95,777	+ 3,000
Prescription drug user fees .....	(718,669)	(760,000)	(760,000)	(+ 41,331)	
Medical device user fees .....	(97,722)	(114,833)	(114,833)	(+ 17,111)	
Animal drug user fees .....	(23,848)	(23,600)	(23,600)	(- 248)	
Animal generic drug user fees .....	(6,031)	(7,328)	(7,328)	(+ 1,297)	
Tobacco product user fees .....	(505,000)	(534,000)	(534,000)	(+ 29,000)	
Food and Feed recall user fees .....	(12,925)	(12,925)	(12,925)		
Food Reinspection fees .....	(15,367)	(15,367)	(15,367)		
Human generic drug user fees .....	(299,000)	(305,996)	(305,996)	(+ 6,996)	
Biosimilar biological products user fees .....	(20,242)	(20,716)	(20,716)	(+ 474)	
Subtotal (including user fees) .....	(4,154,932)	(4,343,670)	(4,346,670)	(+ 191,738)	(+ 3,000)
Mammography user fees .....	(19,318)	(19,318)	(19,318)		
Export certification/color certification user fees .....	(12,447)	(12,447)	(12,447)		
Voluntary qualified importer program fees .....					
Subtotal, FDA (with user fees) .....	(4,186,697)	(4,375,435)	(4,378,435)	(+ 191,738)	(+ 3,000)
FDA New User Fees (Leg. proposals):					
Food import user fees .....		(165,690)			(- 165,690)
Food inspections/food facility user fees .....		(58,936)			(- 58,936)
Food contact notification user fees .....		(4,999)			(- 4,999)
Reinspection fees .....		(15,043)			(- 15,043)
Cosmetic activities fees .....		(19,074)			(- 19,074)



International express courier import fees .....						(- 5,692)			
Subtotal, FDA new user fees (Leg Proposals) .....						(269,434)			(- 269,434)
Buildings and facilities .....	5,176		8,788	11,000			5,824		2,212
Total, FDA (w/user fees, including proposals) .....	(4,191,873)		(4,653,657)	(4,389,435)			(+ 197,562)		(- 264,222)
Total, FDA (w/enacted user fees only) .....	(4,191,873)		(4,384,223)	(4,389,435)			(+ 197,562)		(+ 5,212)
Total, FDA (excluding user fees) .....	2,461,304		2,557,693	2,562,905			+ 101,601		+ 5,212
<b>INDEPENDENT AGENCIES</b>									
Farm Credit Administration (limitation on administrative expenses) .....	(63,300)		(63,300)	(63,300)					
Total, Title VI, Related Agencies and Food and Drug Administration .....	2,461,304		2,557,693	2,562,905			+ 101,601		+ 5,212
<b>TITLE VII—GENERAL PROVISIONS</b>									
CCC use of permanent indefinite authority .....	48,646		50,000						- 50,000
FDA, Salaries and expenses (Sec. 719) .....	1,942			1,996					+ 1,996
Geographic Disadvantaged farmers (Sec. 720) .....	- 165,000		- 165,000	- 153,000			+ 12,000		+ 12,000
Limit Dam Rehab (Sec. 721(1)) .....	- 279,000		- 272,000	- 272,000			+ 7,000		+ 35,000
Limit Environmental Quality Incentives program (Sec. 721(2)) .....			- 35,000						+ 25,000
Limit Farmland Protection program .....	- 9,000		- 34,000	- 9,000					
Limit Wildlife habitat incentives (Sec. 721(3)) .....	- 5,000		- 5,000	- 5,000					
Limit Agriculture management assistance (section 1524) (Sec. 721(4)) .....	- 117,000		- 119,000	- 119,000					
Limit fruit and vegetable program (Sec. 722) .....	- 110,000		- 119,000	- 166,000			- 56,000		- 166,000
Section 32 (rescission) (Sec. 722) .....	584			600			+ 16		+ 600
Hardwood Trees (Reforestation Pilot Program) (Sec. 724) .....				4,000			+ 4,000		+ 4,000
Water Bank Program .....									
Voluntary Public Access and Habitat Incentive Program .....			5,000						- 5,000
Resource Conservation and Development (rescission) .....			- 2,017						+ 2,017
Broadband Loans (rescission) (Sec. 737) .....	- 25,320								
Repowering Assistance (rescission) (Sec. 738) .....	- 28,045								
Agriculture B&F (rescission) .....									
Emergency Conservation Program (Sec. 741) .....	10,799			- 30,000			- 30,000		- 30,000
Emergency Forest Restoration (Sec. 741) .....	13,815								
Emergency Watershed Protection (Sec. 741) .....	63,682								
Total, Title VII, General provisions .....	- 598,897		- 577,017	- 747,404			- 148,507		- 170,387

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 2013 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL  
 FOR FISCAL YEAR 2014—Continued  
 [In thousands of dollars]

Item	2013 appropriation	Budget estimate	Committee recommendation	Senate Committee recommendation compared with (+ or -)	
				2013 appropriation	Budget estimate
Other Appropriations					
DISASTER RELIEF APPROPRIATIONS 2013 (PUBLIC LAW 113-2)					
DEPARTMENT OF AGRICULTURE					
DOMESTIC FOOD PROGRAMS					
Food and Nutrition Service					
Commodity assistance program	6,000	.....	.....	- 6,000	.....
Emergency food assistance program (emergency)					
Office of the Secretary: Emergency Conservation					
Emergency conservation program (emergency)	15,000	.....	.....	- 15,000	.....
Emergency watershed protection program (emergency)	180,000	.....	.....	- 180,000	.....
Emergency forest restoration program (emergency)	23,000	.....	.....	- 23,000	.....
Total, Emergency Conservation activities	218,000	.....	.....	- 218,000	.....
Total, Disaster Relief Appropriations 2013	224,000	.....	.....	- 224,000	.....
Total, Other Appropriations	224,000	.....	.....	- 224,000	.....
Grand total	139,686,441	141,812,619	143,091,415	+ 3,404,974	+ 1,278,796
Appropriations	(139,805,806)	(141,969,636)	(143,467,415)	(+ 3,661,609)	(+ 1,497,779)
Emergency Appropriations	(224,000)	.....	.....	(- 224,000)	.....
Rescissions	(- 343,365)	(- 157,017)	(- 376,000)	(- 32,635)	(- 218,983)
(By transfer)	(763,484)	(793,408)	(793,510)	(+ 30,026)	(+ 102)
(Loan authorization)	(42,005,308)	(38,472,364)	(40,861,195)	(- 1,144,113)	(+ 2,388,831)
(Limitation on administrative expenses)	(180,892)	(178,735)	(178,735)	(- 2,157)	.....

RECAPTULATION

Title I—Agricultural programs	28,316,213	30,075,675	29,962,501	+1,646,288	-113,174
Mandatory	(21,626,042)	(23,149,074)	(23,149,074)	(+1,523,032)	
Discretionary	(6,690,171)	(6,926,601)	(6,813,427)	(+123,256)	
Title II—Conservation programs (discretionary)	823,666	808,835	819,274	-4,392	+10,439
Title III—Rural development (discretionary)	2,212,962	2,136,532	2,294,844	+81,882	+158,312
Title IV—Domestic food programs	104,448,977	106,437,573	106,359,865	+1,910,888	-77,708
Mandatory	(97,196,569)	(98,835,341)	(98,835,341)	(+1,638,772)	
Discretionary	(7,252,408)	(7,602,232)	(7,524,524)	(+272,116)	
Title V—Foreign assistance and related programs (discretionary)	1,798,216	373,328	1,839,430	+41,214	+1,466,102
Title VI—Related agencies and Food and Drug Administration (discretionary)	2,461,304	2,557,693	2,562,905	+101,601	+5,212
Title VII—General provisions (discretionary)	-598,897	-577,017	-747,404	-148,507	-170,387
Other Appropriations	224,000			-224,000	
Total	139,686,441	141,812,619	143,091,415	+3,404,974	+1,278,796

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