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REPORT
108–584

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL, 2005

JULY 7, 2004.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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

R E P O R T

together with

ADDITIONAL VIEWS

[To accompany H.R. 4766]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for fiscal year 2005.

94–652

TITLE I—AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING, AND MARKETING

OFFICE OF THE SECRETARY

2004 appropriation	$5,062,000
2005 budget estimate	5,185,000
Provided in the bill	5,185,000
Comparison:	
2004 appropriation	+123,000
2005 budget estimate	– – –

COMMITTEE PROVISIONS

For the Office of the Secretary, the Committee provides an appropriation of $5,185,000, an increase of $123,000 above the amount available for fiscal year 2004 and the same amount as the budget request.

The Committee appreciates receiving the detailed information provided in the Explanatory Notes prepared by the Department and relies heavily on this information when considering budget proposals. These materials have traditionally been prepared for the sole use of the Appropriations Committee in a format consistent with the organization and operation of the programs and the structure of the Appropriations Act. At the direction of the Office of Management and Budget, the Department has changed the format and content of these materials to focus on broader goals and objectives rather than the major program structure followed in the Act and in the actual conduct of the programs. The new organization and content does not present budget information in a format useful to the deliberations of the Committee. For fiscal year 2006 and future years, the Department is directed to present Explanatory Notes in a format consistent with the presentation used for the fiscal year 2002 Budget. Any deviations from that format are to be approved in advance by the Committee.

When trade sanctions were imposed in 1990, Iraq had been purchasing about $1 billion in U.S. agricultural commodities each year under the GSM export credit guarantee program. The Secretary of Agriculture has the legal authority to facilitate the export of U.S. agricultural commodities to Iraq by making available new guarantees, notwithstanding current or past debt. In order to begin to rebuild this important market, the Committee urges the Department to offer a GSM program for Iraq as soon as possible.

Counter-Terrorism Measures.—The Committee supports the efforts of USDA in implementing a national policy for defending the agriculture and food system against terrorist attacks.

State Office Collocation.—The Committee continues to direct that any reallocation of resources related to the collocation of state offices scheduled for 2005 and subsequent years is subject to the

Committee's reprogramming procedures. The Committee notes that no such reprogramming requests have been received to date.

Ralstonia.—The Committee notes that the Secretary of Agriculture has initiated emergency actions during FY 2004 to ensure the eradication of the disease Ralstonia solanacearum, Race 3, Biovar 2, which is of great concern to U.S. agriculture, including ornamentals growers, the potato industry, and others. The Committee directs the Secretary of Agriculture to continue to use existing authority including that provided under CCC, to fund this initiative, and to establish a compensation program for persons suffering from losses as a result of the eradication and control efforts related to this disease. The Secretary shall submit to the Committee on Appropriations a report regarding the feasibility of establishing additional research and forward control programs in countries and/or regions that had been the point of origin for infected product.

Administrative Provision.—The Committee directs the Secretary to advise the Committees on Appropriations in writing of the status of all reports requested of the Department in this bill, at the time of submission of the FY 2006 budget and quarterly thereafter.

The Committee is concerned that the Agricultural Research Service has not yet implemented steps in fiscal year 2004 to expand the access to and use of the United States National Arboretum by private sector and nonprofit organizations. At a time when federal budgetary resources are scarce, it is imperative that the Agricultural Research Service aggressively pursues opportunities to supplement federal funding with funds generated by private sector and nonprofit organizational sources (such as the Friends of the National Arboretum), as other federal institutions have done. Congress clearly stated that it expects the Department to implement a more open and creative policy for use of the National Arboretum at a Congressional oversight hearing held in October 2003. The Committee directs the Secretary to expedite implementation of a more open policy for utilization of the facilities of the National Arboretum as a means of generating supplemental funds to be available for the programs and facilities of the National Arboretum, and to report to the Committees on Appropriations and Agriculture within 15 days of enactment on the steps taken to implement this directive.

Of the funds appropriated for Title II of P.L. 480, the Committee directs the Administration to provide adequate amounts for five-year, nonemergency programs in order to reach the 1,875,000 metric ton statutory level. The Committee is concerned about the low level of funding for these programs because chronic hunger increases people's susceptibility to illness, reduces their productivity and income, and makes them more vulnerable to economic downturns and disasters.

The Committee is concerned about the reaction of USDA and some states to a recent discovery in southern California of Phytophthora ramorum, the pathogen that causes Sudden Oak Death. While USDA expanded its regulations in response to the discover of P. ramorum, it failed to enforce a single national standard. Several states have imposed regulations that pre-empt or are more restrictive than the Federal emergency order. As a direct re-

sult, nurseries in California have lost customers and markets even for plants that USDA certifies are free of the pathogen. The Committee notes that such actions taken by states are in violation of the Plant Protection Act. The Committee expects the Secretary, when regulating a plant pest, to ensure that the Federal standard is followed to facilitate the interstate movement of horticultural commodities and to fulfill the Department's duties under existing law. While the Plant Protection Act provides a mechanism for states to submit petitions for pre-emption to USDA that must be based on sound science and assessment of risk, no such petitions have been granted in this case.

Continuing information on BSE.—The finding of a case of BSE in a cow in Washington state last year was a matter of great concern to the nation. The Committee appreciates the work by the Department to develop and implement a response plan. Because of the importance of this issue, the Committee needs information on an ongoing basis from the Secretary regarding the BSE surveillance program and the national animal identification program. In light of their importance, the Committee requests a report from the Secretary by July 15, 2004, on these issues, including a status report on implementation of each component of the BSE response plan, and quarterly reports thereafter.

Beef products from Canada.—The Committee is concerned that USDA improperly allowed the importation of millions of pounds of ground and processed beef from Canada for many months, until the practice was stopped in April by a federal judge. The judge wrote, "the Court is concerned by the manner in which, according to counsel for USDA, USDA has been authorizing imports of virtually all edible bovine meat products, apparently through issuing individual permits, at a time when it was assuring the public that such authorization would take place through the rulemaking process." The Committee shares this concern and requests a report from the Secretary by September 1, 2004, on specifically how a decision was made to allow these imports, apparently without the awareness of senior officials, and what actions she has taken to ensure this kind of problem will not happen in the future."

EXECUTIVE OPERATIONS

OFFICE OF THE CHIEF ECONOMIST

2004 appropriation	$8,656,000
2005 budget estimate	14,949,000
Provided in the bill	10,810,000
Comparison:	
2004 appropriation	+2,154,000
2005 budget estimate	−4,139,000

COMMITTEE PROVISIONS

For the Office of the Chief Economist, the Committee provides an appropriation of $10,810,000, an increase of $2,154,000 above the amount available for fiscal year 2004 and a decrease of $4,139,000 below the budget request. The Committee provides the requested increase of $1,969,000 for a preferred procurement system and labeling system for bio-based products.

NATIONAL APPEALS DIVISION

2004 appropriation	$13,589,000
2005 budget estimate	14,826,000
Provided in the bill	14,526,000
Comparison:	
2004 appropriation	+937,000
2005 budget estimate	−300,000

COMMITTEE PROVISIONS

For the National Appeals Division, the Committee provides an appropriation of $14,526,000, an increase of $937,000 above the amount available for fiscal year 2004 and a decrease of $300,000 below the budget request.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

2004 appropriation	$7,694,000
2005 budget estimate	8,146,000
Provided in the bill	8,246,000
Comparison:	
2004 appropriation	+552,000
2005 budget estimate	+100,000

COMMITTEE PROVISIONS

For the Office of Budget and Program Analysis, the Committee provides an appropriation of $8,246,000, an increase of $552,000 above the amount available for fiscal year 2004 and an increase of $100,000 above the budget request.

HOMELAND SECURITY STAFF

2004 appropriation	$496,000
2005 budget estimate	1,491,000
Provided in the bill	508,000
Comparison:	
2004 appropriation	+12,000
2005 budget estimate	−983,000

COMMITTEE PROVISIONS

For the Homeland Security staff, the Committee provides an appropriation of $508,000, an increase of $12,000 above the amount available for fiscal year 2004 and a decrease of $983,000 below the budget request.

OFFICE OF THE CHIEF INFORMATION OFFICER

2004 appropriation	$15,402,000
2005 budget estimate	22,093,000
Provided in the bill	15,608,000
Comparison:	
2004 appropriation	+206,000
2005 budget estimate	−6,485,000

COMMITTEE PROVISIONS

For the Office of the Chief Information Officer, the Committee provides an appropriation of $15,608,000, an increase of $206,000 above the amount available for fiscal year 2004 and a decrease of $6,485,000 below the budget request.

The Committee learned that the Department transferred more than $16,000,000 in agency funds to the Office of the Chief Information in fiscal years 2003 and 2004 to help finance several Presidential eGovernment initiatives. The Department testified that, in addition, it collected fiscal years 2003 and 2004 funds in unspecified amounts from USDA agencies for its own eGovernment initiatives. The Committee is extremely disturbed that the Department has failed to comply with Section 718 of Public Law 108–199 that plainly states that no funds may be transferred to the Office of the Chief Information Officer without the prior approval of the Committees on Appropriations of both Houses of Congress. The USDA General Counsel's office advised the USDA Chief Information Officer in a memorandum dated April 20, 2004, that the Department notify the Committees of its intention to transfer funds to the Office of the Chief Information Officer and await a response. Yet, in spite of the clear legislative language and the General Counsel's advice, the Department proceeded to transfer these funds without the notification and approval of Congress. The Department further testified that the cost of these eGovernment initiatives will exceed $40,000,000 in fiscal year 2005, and about its plans to use the Greenbook mechanism to manage agency contributions towards funding these initiatives. The Committee again directs that no funds be transferred, contributed, pooled or otherwise made available from the agencies to the Office of the Chief Information Officer without the prior approval of the Committees on Appropriations of both Houses of Congress. The Committee further directs that the Department provide, no later than February 1, 2005, a report on the fiscal years 2003, 2004, and estimated 2005 funds, transferred to the Office of the Chief Information Officer through interagency agreements, the Greenbook mechanism or any other means. The report should identify the amounts transferred or otherwise made available, by Agency, how those funds were or are to be used and the impact of the transfers on agency program activities.

COMMON COMPUTING ENVIRONMENT

2004 appropriation	$118,585,000
2005 budget estimate	136,736,000
Provided in the bill	120,957,000
Comparison:	
2004 appropriation	+2,372,000
2005 budget estimate	−15,779,000

COMMITTEE PROVISIONS

For the Common Computing Environment, the Committee provides an appropriation of $120,957,000, an increase of $2,372,000 above the amount available in fiscal year 2004 and a decrease of $15,779,000 below the budget request.

The Committee directs the Department to continue reporting to the Committee on Appropriations on a quarterly basis on the implementation of the Common Computing Environment.

The Committee is aware that the acquisition of geospatial data and Geographic Information System technologies is critical to the Department of Agriculture's plans to modernize its County Service Centers and install a common computing environment that opti-

mizes information sharing, customer service, and staff efficiencies, and improves the Department's ability to track and react to natural and/or man-made disasters. Within the funds provided in this Act, the conferees encourage the Department to provide the appropriate level of support for the acquisition of geospatial data and Geographic Information System technologies.

OFFICE OF THE CHIEF FINANCIAL OFFICER

2004 appropriation	$5,650,000
2005 budget estimate	8,063,000
Provided in the bill	5,811,000
Comparison:	
2004 appropriation	+161,000
2005 budget estimate	−2,252,000

COMMITTEE PROVISIONS

For the Office of the Chief Financial Officer, the Committee provides an appropriation of $5,811,000, an increase of $161,000 above the amount available for fiscal year 2004 and a decrease of $2,252,000 below the budget request.

The Committee has included bill language that directs the Chief Financial Officer to actively market and expand the cross-servicing activities of the National Finance Center.

The Committee is aware that the National Finance Center's (NFC) proposal for e-payroll consolidation was rated the highest in the competition held by the Office of Management and Budget and the Office of Personnel Management. The Committee believes that the NFC's demonstrated ability to provide a high level of service while operating on a fee-for-service basis provides a significant opportunity to utilize a public/private partnership to provide private investment and share risk in the modernization of systems and infrastructure creation for e-payroll. The Committee encourages the USDA to utilize the NFC to create a public/private partnership, such as the one that the State of Louisiana, private industry, and a consortium of academic institutions has developed, to help leverage scarce Federal resources to continue the modernization and development of Federal government wide e-payroll functions.

The Committee directs the Department to submit a report concurrent with the Department's annual budget submission for the following fiscal year, updating the Committee on its contracting out policies, including agency budgets for contracting out, for fiscal year 2004. The Committee is continuing bill language requiring the submission of the report on contracting out policies and agency budgets, prior to use of any funds appropriated to the Office of the Chief Financial Officer for FAIR Act or Circular A–76 activities.

WORKING CAPITAL FUND

2004 appropriation	– – –
2005 budget estimate	$12,850,000
Provided in the bill	12,850,000
Comparison:	
2004 appropriation	+12,850,000
2005 budget estimate	– – –

COMMITTEE PROVISIONS

For the Working Capital Fund, the Committee recommends an appropriation of $12,850,000, an increase of $12,850,000 above the amount available for fiscal year 2004 and the same amount as the budget request.

The Committee recommends funding for the acquisition of a disaster recovery and continuity of operations technology for the National Finance Center to begin the design and implementation of a point-in-time remote backup capability, and to begin equipping and implementing the secondary backup data center to support that capability.

OFFICE OF THE ASSISTANT SECRETARY FOR CIVIL RIGHTS

2004 appropriation	$803,000
2005 budget estimate	819,000
Provided in the bill	803,000
Comparison:	
2004 appropriation	– – –
2005 budget estimate	– 16,000

COMMITTEE PROVISIONS

For the Office of the Assistant Secretary for Civil Rights, the Committee provides an appropriation of $803,000, the same as the amount provided in fiscal year 2004 and a decrease of $16,000 below the budget request.

OFFICE OF CIVIL RIGHTS

2004 appropriation	$18,123,000
2005 budget estimate	22,283,000
Provided in the bill	19,452,000
Comparison	
2004 appropriation	+1,329,000
2005 budget estimate	– 2,831,000

COMMITTEE PROVISIONS

For the Office of Civil Rights, the Committee recommends an appropriation of $19,452,000, an increase of $1,329,000 above the amount available for fiscal year 2004 and a decrease of $2,831,000 below the budget request.

The Committee recommendation includes an increase of $1,000,000, as requested, for tracking applications and analysis. This includes development of the business case for a Civil Rights Enterprise System, maintenance and contract support, westlaw/personet, software license, and replacement computers to increase percent efficiency and cost effectiveness of EEO and Program complaint processing.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

2004 appropriation	$669,000
2005 budget estimate	808,000
Provided in the bill	669,000
Comparison:	
2004 appropriation	– – –
2005 budget estimate	– 139,000

COMMITTEE PROVISIONS

For the Office of the Assistant Secretary for Administration, the Committee provides an appropriation of $669,000, the same as the amount available for fiscal year 2004 and a decrease of $139,000 below the budget request.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

2004 appropriation	$155,546,000
2005 budget estimate	203,938,000
Provided in the bill	165,883,000
Comparison:	
2004 appropriation	+10,337,000
2005 budget estimate	−38,055,000

COMMITTEE PROVISIONS

For Agriculture Buildings and Facilities and Rental Payments to GSA, the Committee provides an appropriation of $165,883,000, an increase of $10,337,000 above the amount available for fiscal year 2004 and a decrease of $38,055,000 below the budget request.

Included in this amount is $128,319,000 for rental payments to GSA.

The Committee recommendation includes an increase of $3,000,000 for building operations and maintenance for costs related to: the Fair Labor Standards Act and collective bargaining; major repairs and improvements to headquarters; homeland security requirements; and physical security, occupational safety, and environmental protection compliance.

The Committee recommendation also includes an increase of $2,000,000 for the Strategic Space Plan.

The following table represents the Committee's specific recommendations for this account:

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

[In thousands of dollars]

	2004 estimate	*2005 budget request*	*Committee recommendation*
Rental Payments	$123,179	$128,319	$128,319
Building Operations	32,367	41,642	35,564
Strategic Space Plan	– – –	33,977	2,000
Total	155,546	203,938	165,883

HAZARDOUS MATERIALS MANAGEMENT

2004 appropriation	$15,519,000
2005 budget estimate	15,730,000
Provided in the bill	15,730,000
Comparison:	
2004 appropriation	+211,000
2005 budget estimate	– – –

COMMITTEE PROVISIONS

For Hazardous Materials Management, the Committee provides an appropriation of $15,730,000, an increase of $211,000 above the amount available for fiscal year 2004 and the same amount as the budget request.

DEPARTMENTAL ADMINISTRATION

2004 appropriation	$22,119,000
2005 budget estimate	26,361,000
Provided in the bill	22,939,000
Comparison:	
2004 appropriation	+820,000
2005 budget estimate	−3,422,000

COMMITTEE PROVISIONS

For Departmental Administration, the Committee provides an appropriation of $22,939,000, an increase of $820,000 above the amount available for fiscal year 2004 and a decrease of $3,422,000 below the budget request.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS

2004 appropriation	$3,774,000
2005 budget estimate	4,263,000
Provided in the bill	3,852,000
Comparison:	
2004 appropriation	+78,000
2005 budget estimate	−411,000

COMMITTEE PROVISIONS

For the Office of the Assistant Secretary for Congressional Relations, the Committee provides an appropriation of $3,852,000, an increase of $78,000 above the amount available for fiscal year 2004 and a decrease of $411,000 below the budget request.

Within 30 days from the enactment of this Act, the Secretary shall notify the House and Senate Committees on Appropriations on the allocation of these funds by USDA agency, along with an explanation for the agency-by-agency distribution of the funds.

OFFICE OF COMMUNICATIONS

2004 appropriation	$9,174,000
2005 budget estimate	10,288,000
Provided in the bill	9,378,000
Comparison:	
2004 appropriation	+204,000
2005 budget estimate	−910,000

COMMITTEE PROVISIONS

For the Office of Communications, the Committee provides an appropriation of $9,378,000, an increase of $204,000 above the amount available for fiscal year 2004 and a decrease of $910,000 below the budget request.

The Committees direct the Office to continue to provide them with copies of open source news material made available to USDA officials through the use of appropriated funds.

OFFICE OF INSPECTOR GENERAL

2004 appropriation	$76,825,000
2005 budget estimate	78,392,000
Provided in the bill	78,392,000
Comparison:	
2004 appropriation	+1,567,000
2005 budget estimate	– – –

COMMITTEE PROVISIONS

For the Office of Inspector General, the Committee provides an appropriation of $78,392,000, an increase of $1,567,000 above the amount available for fiscal year 2004, and the same as the budget request.

The Committee directs the Inspector General to send all audit reports and other findings concerning the Forest Service directly to the Subcommittee on Interior and Related Agencies of the Committee on Appropriations at the same time they are sent to the agency for comment. The Committee also encourages the Inspector General to do more investigations of the Forest Service, as it is the single largest agency in the Department of Agriculture and has a continual history of various management difficulties and fiscal challenges.

BSE and food safety reports requested by the Committee.—The Committee has not received two reports that the Inspector General ("IG") said at the budget hearing that she would provide: (1) regular updates on the status of her investigation into the recent BSE incident in Washington state; and (2) the report on food safety problems in 2002 at the Wampler plant in Pennsylvania, which the IG said in March was "relatively close" to release. The Committee directs the Inspector General by July 15, 2004, to provide the information requested by the Committee or give the Committee a firm date on which the information will be provided.

Failure to test cow for BSE.—The Committee requests a report on the investigation into the failure of USDA to perform a test on a cow in Texas that was manifesting central nervous system symptoms, as soon as the investigation is completed.

OFFICE OF THE GENERAL COUNSEL

2004 appropriation	$34,495,000
2005 budget estimate	38,589,000
Provided in the bill	35,486,000
Comparison:	
2004 appropriation	+991,000
2005 budget estimate	–3,103,000

COMMITTEE PROVISIONS

For the Office of the General Counsel, the Committee provides an appropriation of $35,486,000, an increase of $991,000 above the amount available in fiscal year 2004 and a decrease of $3,103,000 below the budget request.

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

2004 appropriation	$592,000
2005 budget estimate	805,000
Provided in the bill	592,000
Comparison:	
2004 appropriation	– – –
2005 budget estimate	–213,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Research, Education, and Economics, the Committee provides an appropriation of $592,000, the same as the amount available for fiscal year 2004 and a decrease of $213,000 below the budget request.

Proposed project terminations.—Research budgets submitted by the Department reflect a continuing disregard for Congressional program priorities. The Committee has made it clear on a number of occasions that the role of Congress in identifying essential agricultural needs of this Nation will be maintained. Agricultural research projects of regional and national priority will be funded. There has been no adequate justification presented to the Committee to support proposed project terminations. The Committee urges the Under Secretary to end the recycling of proposed terminations which have already been rejected by the Congress. Should similar proposals be submitted again in the budget for fiscal year 2006, the Committee will expect the Under Secretary to explain and defend each proposed termination in detail during the fiscal year 2006 hearings.

ECONOMIC RESEARCH SERVICE

2004 appropriation	$70,981,000
2005 budget estimate	80,032,000
Provided in the bill	76,575,000
Comparison:	
2004 appropriation	+5,594,000
2005 budget estimate	–3,457,000

COMMITTEE PROVISIONS

For the Economic Research Service, the Committee provides an appropriation of $76,575,000, an increase of $5,594,000 above the amount available for fiscal year 2004 and a decrease of $3,457,000 below the budget request.

The Committee recommendation includes an increase of $2,971,000 of the amount requested for a Consumer Data and Information System to develop an integrated and comprehensive data and analysis framework of the food system beyond the farm-gate to provide a basis for understanding, monitoring, tracking, and identifying changes in food supply and consumption patterns.

The Committee recommendation also includes an increase of $1,500,000 for a comprehensive study of WIC-only stores, WIC program vendors that solely or primarily market supplemental WIC foods to WIC program participants, compared to other WIC program vendors. This study is a continuation of the current review the Economic Research Service is undertaking on WIC-only stores and should be expanded to include the impact of WIC-only stores

on State agency food costs, the policies currently used to regulate store authorization and food prices, the benefits derived by participants and the State agency, the impact if WIC-only stores are made to compete with other peer groups, and the impact of WIC-only stores on infant formula rebates. The Committee expects the Department to submit an interim report to the Committee by April 1, 2005.

The Committee provides $500,000, the same as the fiscal year 2004 level, for the continuation of their organic data surveys, the compilation of non-survey data on organic production and marketing, its merger and reconciliation with any new survey information, analysis that reveal patterns, similarities and differences from comparisons among organic, other differentiated markets, and bulk or homogeneous product markets, and the development of policy-relevant findings from a full portfolio of data and information.

NATIONAL AGRICULTURAL STATISTICS SERVICE

2004 appropriation	$128,161,000
2005 budget estimate	137,594,000
Provided in the bill	128,661,000
Comparison:	
2004 appropriation	+500,000
2005 budget estimate	−8,933,000

COMMITTEE PROVISIONS

For the National Agricultural Statistics Service, the Committee provides an appropriation of $128,661,000, an increase of $500,000 above the amount available for fiscal year 2004 and a decrease of $8,933,000 below the budget request.

Included in this amount is $22,520,000 for the Census of Agriculture, a decrease of $2,610,000 below the amount available for fiscal year 2004 and the same amount as the budget request. The Census of Agriculture collects and provides comprehensive data on all aspects of the agricultural economy. Also, included in this amount is $106,141,000 for the Agricultural Estimates, an increase of $3,110,000 above the amount available in fiscal year 2004 and a decrease of $8,933,000 below the budget request.

Within the increase provided for Agricultural estimates, the Committee recommendation includes an increase of $1,397,000 of the amount requested for continuation of the Agricultural Estimates Restoration and Modernization project to provide timely, accurate, and useful agricultural statistics.

The Committee encourages the National Agricultural Statistics Service to develop an organic data survey process based on the 2002 Census of Agriculture.

AGRICULTURAL RESEARCH SERVICE

2004 appropriation	$1,082,468,000
2005 budget estimate	987,597,000
Provided in the bill	1,057,029,000
Comparison:	
2004 appropriation	−25,439,000
2005 budget estimate	+69,432,000

COMMITTEE PROVISIONS

Salaries and expenses.—For salaries and expenses of the Agricultural Research Service, the Committee provides an appropriation of $1,057,029,000, a decrease of $25,439,000 below the amount available for fiscal year 2004 and an increase of $69,432,000 above the budget request.

Advanced animal vaccines.—There is a continuing need to develop new technologies to mitigate the adverse impacts of disease on cattle, poultry, and swine. The USDA estimates that the annual monetary loss as a result of cattle and swine diarrheal disease is $500 million in the U.S. alone. Food borne pathogens cause between 6.5 million and 33 million cases of human disease and 9,000 deaths annually. The Committee continues the fiscal year 2004 funding level for research on advanced animal vaccines and diagnostic applications currently carried out jointly by ARS, the University of Connecticut, and the University of Missouri.

Aflatoxin in cotton.—The Committee recognizes the promising research the Agricultural Research Service has accomplished to eliminate aflatoxin as an agricultural hazard. The Committee provides an increase of $300,000 in fiscal year 2005 for expanded research aimed at lowering aflatoxin levels in cotton.

Air quality.—Many urban areas in the Columbia Plateau are experiencing concentrations of size 10 microns and small particulates exceeding Federal standards due in part to wind erosion generated from agricultural operations. The Committee maintains the fiscal year 2004 funding level for the ARS Wind Erosion Laboratory at Pullman, Washington for PM–10 air quality programs for the purpose of meeting the requirements of the Clean Air Act of 1990.

Aquaculture feeds.—Idaho is a leader in the national aquaculture industry, producing over 70 percent of the nation's commercially grown rainbow trout. The Committee recognizes the need to develop grain-based, low-pollution fish feeds needed by the industry to allow the continued economic production of rainbow trout while meeting new regulations concerning the aquatic environment. The Committee provides the fiscal year 2004 funding level to ARS' Aberdeen, ID research station to carry out this program.

Avian pneumovirus.—The Committee notes the losses to the turkey and poultry producers due to the spread of avian pneumovirus. The eradication of this disease is vital to national and international competitiveness and is a limiting factor to the expansion of U.S. exports. An increase of $200,000 is provided in fiscal year 2005.

Barley food health.—The Committee directs that research carried out by ARS to investigate the benefits of barley foods to human health be maintained at fiscal year 2004 funding levels.

Bee research.—The Committee recognizes the importance of honeybee research carried out by ARS at Beltsville, MD; Baton Rouge, LA; Weslaco, TX and Tucson, AZ and directs that these programs and resources be continued at the FY 2004 level.

Binational agriculture research and development.—The Committee supports the important research carried out through the binational agriculture research and development program and provides funding at the same level as in fiscal year 2004.

Biological toxins research.—The Committee understands the need for the increased effort to develop a research program focused on biological toxins. Development of new detection and prevention technologies need to be allied with knowledge of the toxin's characteristics, role in virulence, and dose response relationships. The Committee provides an increase of $2,000,000 in fiscal year 2005 for this work.

Biotechnology Research and Development Corporation (BRDC).—BRDC is a uniquely successful public/private partnership dedicated to promoting technology development and commercialization of agricultural technology. The Committee provides an increase of $160,000 for the BRDC. The success of this investment can be measured by the large number of patents and technology licenses of inventions sponsored through BRDC.

Bovine genetics.—The Committee provides an increase of $200,000 for the ongoing research on biotechnology and genetics in cattle jointly carried out by ARS, the University of Connecticut and the University of Illinois to improve efficiencies of clones and establish cell lines from elite cows and bulls for cloning.

Broomweed biological controls.—The Committee understands that increased infestations of exotic brooms and gorse weeds are causing serious economic and environmental losses to agriculture and rangelands in the Western United States. The Committee directs that this research be continued at the fiscal year 2004 funding level.

Carbon sequestration and greenhouse gas exchange.—Additional research is needed to manage livestock, manures, fertilizers, biological nitrogen fixation, and soils to minimize emissions and increase sinks for greenhouse gases. The Committee supports ARS research in these areas and provides an increase of $1,700,000 for these investigations in fiscal year 2005.

Cereal crops research.—The Committee is aware of the research accomplishments of the Cereal Crops Research Laboratory in Madison, Wisconsin on the quality and improved production and marketing practices for small grains, particularly barley and oats. An increase of $200,000 is provided in fiscal year 2005 for expanded research on these important commodities.

Chronic diseases of children.—The Committee has provided an additional $250,000 for the Children's Nutrition Research Center at Houston, TX for an ongoing, cooperative research project with Baylor University and the Peanut Institute to examine ways to affect the onset of chronic diseases and the growing problem of overweight children.

Citrus waste utilization.—Developing alternative value-added uses of citrus peel and pulp has the potential to enhance Florida citrus industry's competitiveness in world markets while reducing the environmental impact of disposing waste peel. Currently, citrus peel and pulp are dumped as refuse or processed into low grade cattle feed. The Committee provides an increase of $42,124 in fiscal year 2005 for continued research on the alternative commercial utilization of citrus wastes.

Coffee and cocoa research.—The Committee provides an increase of $200,000 in each of Beltsville, MD and Miami, FL in fiscal year

2005 for alternative crop research development with specific emphasis on coffee and cocoa.

Continuing programs.—The Committee recognizes the importance of ongoing research projects in addressing problems faced by the Nation's food and fiber producers. In this regard, the Committee directs the Agricultural Research Service to continue to fund the following areas of research in fiscal year 2005: Advanced Animal Vaccines (U CT/U MO); Aerial Application Research, College Station, TX; Aflatoxin in Cotton, Phoenix, AZ; Air Quality (PM–10), Pullman, WA; Animal Health Consortium, Peoria, IL; Animal Waste Treatment, Florence, SC; Appalachian Horticulture Research, Poplarville, MS (Univ. of TN/TN State); Appalachian Pasture Based Beef Systems, Beaver, WV; Aquaculture Fisheries Center, Pine Bluff, AR; Aquaculture Initiatives for Mid-Atlantic Highlands, Leetown, WV; Aquaculture Initiatives, Harbor Branch Oceanographic Institute, Stuttgart, AR; Aquaculture Research, Aberdeen, ID; Arid Lands Research, Las Cruces, NM; Arkansas Children's Nutrition Center, Little Rock, AR; Avian Pneumovirus, Athens, GA; Barley Food Health Benefits, Beltsville, MD; Bee Research, Weslaco, TX; Binational Agricultural Research and Development Program; Biological Controls and Agricultural Research, Gainesville, FL; Biomineral Soil Amendments for Control of Nematodes, Beltsville, MD; Biotechnology Research and Development Corporation, Peoria, IL; Bovine Genetics, Beltsville, MD; Broomweed Biological Controls, Albany, CA; Catfish Genome, Auburn, AL; Cereal Crops Research, Madison, WI; Cereal Disease Research, St. Paul, MN; Chloroplast Genetic Engineering Research, Urbana, IL; Chronic Diseases of Children, Baylor College of Medicine/Peanut Institute, Houston, TX; Citrus and Horticultural Research, Ft. Pierce, FL; Citrus Waste Utilization, Winter Haven, FL; Coffee and Cocoa Research, Miami, FL; Beltsville, MD; Conservation Research/Tillage, Pendleton, OR; Corn Germplasm, Ames, IA; Corn Rootworm, Ames, IA; Cotton Genetics Research, Florence, SC; Cotton Ginning Research, Las Cruces, NM; Cotton Pathology Research, Shafter, CA; Cotton Quality, Clemson, SC; Crop Production and Food Processing, Peoria, IL; Cropping Systems Research, Stoneville, MS; Dairy Forage, Madison, WI; Dairy Genetics, Beltsville, MD; Diet and Immune Function, Little Rock, AR; Diet, Nutrition and Obesity Research (Pennington Biomedical Research Center); Emissions from Livestock Wastewater, Florence, SC; Feed Efficiency in Cattle, Clay Center, NE; Flood/Control Acoustic Technology, National Sedimentation Laboratory, Oxford, MS; Floriculture and Nursery Crops; Food Fermentation Research, Raleigh, NC; Food Safety for Listeria, Salmonella, and E.coli; Formosan Subterranean Termites, New Orleans, LA; Foundry Sand By-Products, Beltsville, MD; Ft. Pierce Horticultural Research Laboratory, Ft. Pierce, FL; Golden Nematode, Ithaca, NY; Grain Legume Plant Pathologist Position, Pullman, WA; Grape Genetics, Geneva, NY; Grape Rootstock, Geneva, NY; Grapefruit Juice/Drug Interaction, Winter Haven, FL; Grassland Soil and Water Research, Temple, TX; Great Basins Rangeland, Burns, OR; Greenhouse Hydroponics Research, Wooster, OH; Greenhouse Lettuce Germplasm, Salinas, CA; Harry Dupree National Aquaculture Research Center, Stuttgart, AR; Honey Bee Research, Baton Rouge, LA; Hops Research,

Corvallis, OR; Improved Animal Waste Management, Florence, SC; Improved Crop Production Practices, Auburn, AL; Invasive Aquatic Weeds, Ft. Lauderdale, FL; Johne's Disease, Ames, IA; Jornada Experimental Range Research Station, Las Cruces, NM; Lettuce Geneticist/Breeder, Salinas, CA; Malignant Catarrhal Fever (MCF) Virus, Pullman, WA; Manure Management Research, Ames, IA; Microbial Genomics, Kerrville, TX; Pullman, WA; Mid-West/Mid-South Irrigation, Columbia, MO; Minor Use Pesticide (IR–4); Mosquito Trapping Research/West Nile Virus, Gainesville, FL; National Germplasm Resources Program; National Soil Dynamics Laboratory, Auburn, AL; Noxious Weeds in the Desert Southwest, Las Cruces, NM; Nutritional Requirements, Houston, TX; NW Small Fruits Research, Corvallis, OR; Ogallala Aquifer, Bushland, TX; Olive Fruit Fly, Parlier, CA; Montpellier, FR; Organic Minor Crop Research, Salinas, CA; Peanut Research, Dawson, GA; Pecan Scab Research, Byron, GA; Phytoestrogen Research, New Orleans, LA; Pierce's Disease, Davis, CA; Parlier, CA; Ft. Pierce, FL; Post-harvest and Controlled Atmosphere Chamber (Lettuce), Salinas, CA; Potato Breeding Research, Aberdeen, ID; Potato Research Enhancement, Prosser, WA; Potato Storage, Madison, WI; Poult Enteritis-Mortality Syndrome (PEMS), Athens, GA; Poultry Disease (Avian Coccidiosis), Beltsville, MD; Quantify Basin Water Budget Components in the Southwest, Tucson, AZ; Rangeland Resources Research, Las Cruces, NM; Regional Grains Genotyping Research, Raleigh, NC; Regional Molecular Genotyping, Fargo, ND; Manhattan, KS; Pullman, WA; Rice Research, Stuttgart, AR; Root Diseases in Wheat and Barley, Pullman, WA; Sedimentation Issues in Flood-control Dam Rehabilitations, Oxford, MS; Seismic and Acoustic Technologies in Soils, Sedimentation Laboratory, Oxford, MS; Shellfish Genetics, Newport, OR; Small Farms, Booneville, AR; Soil Tilth Research, Ames, IA; Sorghum Cold Tolerance, Lubbock, TX; Sorghum Research, Little Rock, AR; Manhattan, KS; Stillwater, OK; Bushland, TX; Lubbock, TX; Sorghum Utilization, Manhattan, KS; Source Water Protection, Columbus, OH; South Central Agricultural Research Laboratory, Lane, OK; Southeastern Fruit and Tree Nut Research, Byron, GA; Southwest Pecan Research, College Station, TX; Soybean and Nitrogen Fixation, Raleigh, NC; Sudden Oak Disease, Frederick, MD; Davis, CA; Sugarbeet Research, Kimberly, ID; Sugarcane Variety Research, Canal Point, FL; Sustainable Vineyard Practices, Davis, CA; Sustainable Viticulture Research, Davis, CA; Swine Lagoon Alternatives Research, Florence, SC; Temperate Fruit Flies, Wapato, WA; Tree Fruit Quality Research, Wenatchee, WA; U.S. National Arboretum, Washington, DC; U.S. Plant Stress and Water Conservation Laboratory, Lubbock, TX; Vaccines and Microbe Control for Fish Health, Auburn, AL; Vector-borne Diseases, Gainesville, FL; Verticillium Wilt, Salinas, CA; Virus-Free Fruit Tree Cultivars, Wapato, WA; Viticulture, Corvallis, OR; Water Management Research Laboratory, Brawley, CA; Water Use Reduction/Producer Enhancement Research, Dawson, GA; Western Grazinglands, Burns, OR; Western Wheat Quality Laboratory, Pullman, WA; Wheat Quality Research, Manhattan, KS; Fargo, ND; Wooster, OH; Pullman, WA; Wild Rice, St. Paul, MN; Woody Genomics and Breeding for the Southeast, Poplarville, MS.

Conservation tillage.—Better management and conservation of natural resources is essential for sustainable crop production in the Columbia River Plateau and regional areas. The ARS Soil Conservation Laboratory at Pendleton, Oregon conducts non-irrigated dryland research important to this region. The Committee maintains the fiscal year 2004 funding level for this necessary research.

Controlling exotic/emerging diseases of crops and livestock.—The Committee is aware of the threat of new diseases and the urgent challenge to American agricultural producers and the increasing concern about bioterrorists and Homeland Security. The Committee understands the possibility that exotic or especially virulent crop and livestock diseases could be introduced. Globalized trade also increases the vulnerability of American agriculture to introduced diseases and pests. The Committee provides an increase of $7,744,000 over fiscal year 2004 to develop systems for rapid response to Bioterror agents; develop vaccines for high priority threat agents; and improve product delivery systems for the control of plant diseases.

Corn germplasm.—Corn is a key resource in this country and throughout the world, providing food, industrial uses, livestock feed, and export. It is important to broaden the germplasm base of corn hybrids grown by American farmers to promote genetic diversity and stability in corn production. The Committee provides an increase of $200,000 in fiscal year 2005 to the ARS research laboratory at Ames, IA.

Corn rootworm.—This pest continues to create economic and environmental problems in the Corn Belt region of the U.S. The Committee directs that current research funding of $398,495 for the Risk Assessment of BT Corn at Ames, Iowa, be used to fund priority research into the biology of controlling the corn rootworm which poses a significant economic threat to the corn industry.

Cotton pathology research.—The Committee understands that Fusarium oxysporum f. sp. vasinfectum (FOV) is a particularly virulent plant pathogen that attacks cotton. In fact, it is so virulent that the industry refers to it as the cotton AIDS virus. FOV is becoming a bigger threat to California cotton, particularly since recent reports have shown the presence of FOV infected Pima plants in the absence of nematodes; a development that raises concerns because it raises questions about the effectiveness of crop rotation as a means to prevent infection. The Committee provides an increase of $200,000 in fiscal year 2005 to the ARS research laboratory in Shafter, CA.

Cotton quality.—Since 1997, the U.S. textile industry has been in record decline, with over 196,000 jobs lost because of illegal transhipments of textile products into the U.S. With the growth of free trade and preferential trade agreements, the Bureau of Customs and Border Protection requires a quick and effective method of determining whether textile and apparel products entering the U.S. meet the eligibility criteria. An effective, economical system to track U.S. yarn from the mill to the finished product has been a goal of the U.S. textile industry for years to restore profitability to the failing industry. The Committee maintains the fiscal year 2004 funding level to the ARS Cotton Quality Research Laboratory at Clemson, SC for research and development of a tagging and identification system for the cotton textile industry.

Cropping systems research.—The Committee recognizes the need for regional research in the Mississippi River watershed to develop new varieties of soybean and cropping systems that will improve disease resistance, enhance value of the crop, and protect the region's natural resources. Crop management practices to limit erosion on the highly erodible soils of Tennessee and other southern states impact soybean diseases, both favorably and adversely. Research is needed to optimize disease control while maintaining these best crop management practices to protect soil and water quality. Molecular genetics technologies will be used to develop better soybeans and site-specific systems will be developed for improving cropping systems in the region. The Committee provides an increase of $100,000 for an ARS cooperative research program with the University of Tennessee. The research will be conducted at the West Tennessee Agricultural Experiment Station.

Crop production and food processing.—The Committee is aware of collaborative research between the ARS' National Center for Agricultural Utilization Research Center (NCAUR) at Peoria, IL, Purdue University, and the University of Illinois on genomics to identify and implement critical steps in the development of pest resistance in wheat. The Committee maintains the fiscal year 2004 funding level to the National Center for Agricultural Utilization Research (NCAUR) at Peoria, IL.

Diet, nutrition monitoring, and obesity research.—The Committee recognizes that obesity is a major health problem in the U.S. The Committee provided the ARS $671,000 in fiscal year 2004 to establish an intramural cooperative research program at the Pennington Biomedical Research Center (PBRC), Baton Rouge, LA, that is focused on food-based strategies for moderating weight gain in humans. ARS scientists cooperate with PBRC scientists at Baton Rouge to plan and conduct research for preventing obesity and fostering the maintenance of healthy body weight. For fiscal year 2005, the Committee continues the fiscal year 2004 funding level for this important research.

Expanded research projects of agricultural importance.—The Committee provides additional funding in fiscal year 2005 for the following important research projects: Appalachian Horticulture Research, $150,000; Aquaculture Initiatives for Mid-Atlantic Highlands, $200,000; Biological Controls & Agricultural Research, $50,000; Catfish Genome, $200,000; Cereal Disease Research, $25,000; Citrus & Horticultural Research, $250,000; Golden Nematode, $50,000; Grape Rootstock, $300,000; Grapefruit Juice/Drug Interaction, $3,708; Greenhouse Hydroponics Research, $25,000; Improved Crop Production Practices, $200,000; Organic Minor Crop Research, $250,000; Pecan Scab Research, $200,000; Potato Storage, $1,593; Poultry Enteritis-Mortality Syndrome (PEMS), $50,000; Regional Grains Genotyping Research, $200,000; Soybean and Nitrogen Fixation, $200,000; and, Wild Rice, $50,000.

Feed efficiency in cattle.—Feed costs represent 65% of the total cost in beef production. The Committee provides the fiscal year 2004 funding level for the ARS Meat Animal Research Center at Clay Center, NE for research to reduce the cost and improve the efficiency of beef production, while minimizing impact to the environment.

Flood/Control acoustic technology.—The Committee provides funding to continue important research to develop a high resolution acoustic sub-bottom profiling system for use in flood-control dams. This research is to be conducted at the ARS Sedimentation Laboratory at Oxford, MS.

Floriculture and nursery research.—Floriculture and nursery crops represent more than 10% of the total U.S. cash crop receipts while environmental horticulture is the third largest value crop in the U.S. The Committee restores funding recommended for termination in the President's budget and continues funding at the fiscal year 2004 level for this research.

Food fermentation research.—The primary source for new scientific information and development of new processing concepts related to fermented and acidified vegetables important to the pickle vegetable industry is the ARS Food Fermentation Research Laboratory at Raleigh, NC. This laboratory conducts research on cucumbers, peppers, cabbage, sweet potatoes and other produce. The Committee provides an increase of $200,000 in fiscal year 2005 to optimize its research capability.

Formosan Subterranean termite.—The exotic Formosan Subterranean termite costs the U.S. one billion dollars each year. It is particularly damaging in the Greater New Orleans area, along the Gulf Coast, and Hawaii. ARS scientists, in cooperation with scientists from Louisiana State University Agricultural Center and the City of New Orleans Mosquito and Termite Control Board successfully demonstrated in a 15-block New Orleans French Quarter test that populations of the termite can be dramatically reduced on an area-wide basis by the use of detection and baiting technologies. The Committee continues the fiscal year 2004 funding level to the Southern Regional Research Center at New Orleans, LA to continue current efforts to encompass the entire 108-block area of the historically and economically important French Quarter.

Ft. Pierce Horticultural Research Laboratory.—The Committee understands that the horticultural research laboratory continues to operate below scientific capacity. This laboratory carries out critical research on citrus, fruits, and vegetables and nursery crops. The Committee provides an increase of $200,000 in fiscal year 2005 for staffing the U.S. Horticultural Research Laboratory at Ft. Pierce, FL.

Food safety research.—The Committee recognizes the importance of food safety research in support of the Food and Agriculture Defense Initiative and provides an increase in fiscal year 2005 of $7,200,000 for PCR-based tests for pathogens and the validation of tests in food matrices.

Foundry sand by-products utilization.—The Committee recognizes the potential use of foundry sand by-products as a soil amendment or component of blended materials including composts for agricultural applications. The Committee provides an increase of $50,000 in fiscal year 2005 for expanded ARS research with university/industry partners on the beneficial uses of foundry sand by-products in agriculture and horticulture.

Germplasm sequencing of livestock.—The Committee supports the ARS initiative to collect, catalog and preserve germplasm se-

quencing of cattle, poultry, and swine and provides an increase of $800,000 for this research in fiscal year 2005.

Ginning technologies.—The Committee directs that the important research carried out by ARS in cotton ginning harvesting and the development of ginning technologies be maintained at fiscal year 2004 funding levels.

Grape genetics.—Grapes are the 6th largest crop in the United States and one of the most important cash crops worldwide. The U.S. is the 4th largest producer of wine, responsible for about 10% of all world wine. The Committee provides an increase of $250,000 in fiscal year 2005 to expand this important research program at the ARS facility in Geneva, NY.

Grassland soil and water research.—The development of new conservation tillage systems that limit the loss of topsoil, improve environmental qualities, and increase farm profitability is a major concern in the Southwest. In addition, there is a need to study the phosphorous loading capacities of soils in the Central Texas region and develop methods of applying animal wastes to cropland that do not result in runoff and contamination of downstream waters. The Committee continues the fiscal year 2004 funding level for the ARS' Grassland Soil and Water Research Laboratory to address these agricultural issues.

Identify and characterize economically important genes.—The Committee understands the increased need to identify and characterize genes responsible for crop and livestock production and quality; and resistance to diseases, pests, and weather. An increase of $5,700,000 is provided above the fiscal year 2004 level for additional plant and animal research in these areas.

Invasive aquatic weeds.—Recent introductions of exotic weeds including Eurasian, variable Milfoil, and Cabomba seriously threaten the health of Connecticut lakes. Traditional control methods focusing on whole lake treatments are prohibitively expensive. More effective and economical weed control methods focusing on localized spot treatments of weed beds in large bodies of water are needed. The Committee maintains the fiscal year 2004 funding level for the Agricultural Research Service for continued research on invasive aquatic weeds.

Library and information services.—The Committee provides an increase of $750,000 to enhance the Library's effort to improve information integration and delivery.

Mid-West/Mid-South irrigation.—While irrigation is normally associated with the arid, western part of the U.S., the fastest growing irrigation states are found in the Mid-West and the Mid-South. The need for irrigation in these areas is critical in reducing production risks, increasing producer yields, promoting good land management practices, and reducing input costs. The Committee provides an increase of $26,728 in fiscal year 2005 for cooperative research into irrigation methods and technologies with the Delta Center, University of Missouri at Portageville, Missouri.

Minor use pesticides (IR–4).—Pest management for minor crops continues to be a major problem in New Jersey, Delaware and other states in the Mid-Atlantic region. Pest control product registrations are critical to minor crop agriculture. However, the crop production industry has little incentive to pursue such registrations

because of small acreage and low return of investment. This program produces research data for clearances for pest control products on minor food and ornamental crops and supports the FQPA. The Committee maintains the fiscal year 2004 funding level for this research.

Noxious weeds in the desert southwest.—Invasive and noxious weeds are expected to infest 140 million acres of land in the U.S. by the year 2010; with rangeland and pastures as primary areas invaded by these species. An increase of $125,000 is provided in fiscal year 2005 in support of biocontrol research on invasive non-native and tree species carried out by ARS at the Jornada Experimental Range Station in Las Cruces, New Mexico.

Nutritional requirements research.—The Children's Human Nutrition Center at the Baylor College of Medicine, Houston, TX is dedicated to investigating the nutritional needs of pregnant and nursing women and children from conception through adolescence. This Center has helped define the role of nutrition in children's health, growth, and development. The Committee maintains the fiscal year 2004 funding level for continued research on how dietary factors affect the growth and development of children and the onset of chronic diseases.

Nutrition research.—The Committee continues to support the nutrition research investigations carried out by the Department's nutrition research Centers and provides an increase of $2,500,000 for expanded research in intervention, dietary intake, chronic disease prevention, and obesity issues.

Olive fruitfly research.—The olive fruitfly is the world's number one pest of olives, causing devastating effects on the olive industry in California. The Committee maintains the fiscal year 2004 funding level for continued integrated pest management research program to control the olive fruitfly at ARS' European Biological Control Laboratory, and Parlier, CA.

Ogallala aquifer.—Surface water in the Central High Plains region of the U.S. is severely limited. The Ogallala Aquifer, which is a finite resource, has provided water resources in the development of a highly significant agricultural economy in this region. The Committee provides an increase of $1,250,000 in fiscal year 2005 for research into the complex nature of water availability, potential uses, and costs to determine future water policy in this region, which includes Texas, Kansas, and adjoining states.

Pay act costs.—The Committee provides funding for increased costs associated with Federal employees salaries and benefits.

Peanut research.—The competitiveness and quality of U.S. peanuts domestically and in world markets are critical to the U.S. peanut industry. The ARS National Peanut Research Laboratory at Dawson, GA is the primary source of peanut research in the U.S. The Committee provides an increase of $200,000 for expanded research on the factors affecting the production, harvesting, storage, and quality of peanuts conducted at this national research laboratory.

Phytoestrogen research.—Phytoestrogens are compounds in plant food that are metabolized by the human body to resemble naturally occurring estrogens and which may retard some of the adverse effects of estrogens. The Committee recognizes the importance of

phytoestrogen research at the Southern Regional Research Center (SRRC) in collaboration with the Tulane/Xavier Center for Bioenvironmental Research. This research is also being expanded to integrate the expertise of the Laboratory for Soy Products and Health at the University of Toledo. The Committee provides an increase of $200,000 for cooperative research with SRRC and Tulane, Xavier and the University of Toledo.

Pierce's Disease.—Pierce's Disease and its vector the Glassywinged Sharpshooter (PD–GWSS) continue to devastate vineyards in Southern California and established strongholds in several other premium growing areas threatening the entire grape and wine industry. Several other commodities have been impacted because they serve as hosts of the glassy-winged sharp shooters. Citrus and nursery stock growers now have costly requirements for inspection and treatment regimens to curb the spread of PD–GWSS. International trade has also been restricted as Australia recently banned imports of California grapes over fears of Pierce's Disease. The Committee maintains the fiscal year 2004 funding level to enable ARS to continue to move aggressively and effectively against this serious pest/disease combination threat to the economic viability of many crops in California. The Committee maintains the current funding levels at Parlier and Davis, CA, and Ft. Pierce, FL.

Potato research.—The Agricultural Research Service conducts a progressive potato breeding program at Aberdeen, ID. The Committee notes that the location staffing level limits important aspects of variety development research. Additional resources are needed to develop a strong molecular biology program component. The Committee provides the fiscal year 2004 funding level for this research at Aberdeen, ID, and Prosser, WA.

Quantify basin water budget components in the Southwest.—The Committee acknowledges the need to expand efforts to more accurately quantify components of a basin's water budget to support local and community based watershed management. The Committee provides an increase of $250,000 above the fiscal year 2004 level for additional research at the Southwest Watershed Research Center at Tucson, Arizona.

Research to control invasive species.—Research is essential to find technologies that will eliminate or control invasive species of crops and livestock. The Committee provides an increase of $4,000,000 over fiscal year 2004 to develop systems for rapid response to bioterror agents; develop vaccines for high priority threat agents; and increase research on exotic plant diseases.

Salmonella, Listeria, E. Coli, and Other Food Pathogens.—The Committee recognizes the importance of research and new technology developments to identify, control, and eliminate Listeria monocytogenes, E. Coli O157:H7, and Salmonella pathogens contamination in foods. The Committee provides an increase of $399,861 for expanded research to control and prevent Listeria monocytogenes in ready-to-eat meat and poultry products, and E. coli O157:H7 and Salmonella in raw beef, pork, and poultry products. The Committee provides that $100,000 of this increased funding level is for cooperative research with Penn State University for

the development of capabilities for products for coating a wide variety of substrates.

Seismic and acoustic technologies in soils.—The Committee continues to support the use of new acoustic and seismic technologies to reduce crop production costs and conserve energy, water, and soil. An increase of $250,000 is provided to the ARS National Sedimentation Laboratory at Oxford, Mississippi for expanded research in this area.

Sorghum research.—The Committee provides an increase of $250,000 in fiscal year 2005 for expanded sorghum research to be conducted at the ARS Plant Stress Laboratory at Lubbock, TX.

Southeastern fruit and tree nut research.—The peach and pecan industry are major crops in middle Georgia. One of the challenges facing the peach industry in the area is how to effectively combat insect pests. As pesticides are being phased out to protect the environment, there is growing need to replace these pesticides with alternative products or processes. The Committee maintains the fiscal year 2004 funding level for the ARS Southeastern Fruit and Tree Nut Research Laboratory at Byron, GA for research needed by the peach and pecan industries in Georgia and elsewhere to remain profitable.

Sudden Oak disease.—Since 1995, oak trees have been dying in large numbers along the California and Oregon coasts. The disease has spread to other plants including rhododendron and huckleberry. The Committee provides an increase of $400,000 to conduct research to identify causative agents and diagnostic tools. This research is carried out at the ARS Ft. Detrick, MD research laboratory, and at the ARS Davis, CA laboratory.

Sugarcane variety research.—The ARS Sugarcane Research Station at Canal Point, FL is the main hybridization station for the development of cultivated commercial sugarcane varieties for Florida, Texas, and Louisiana. The Committee provides an increase of $200,000 in fiscal year 2005 to the station to accelerate implementation of molecular marker-assisted breeding programs needed for the production of broad sections of sugarcane varieties and utilization of molecular tools for screening of specific traits to improve disease, weed, and insect resistance.

Sustainable viticulture research.—The Committee provides an increase of $100,000 to the ARS research laboratory at Davis, California. These funds will be used to expand research on sustainable, biologically, and environmentally sound viticulture practices which enhance compatibility with soil, water, air, and biotic resources.

Tree Fruit Quality Research.—The Committee understands that the tree fruit industry's survival in the Pacific Northwest depends on its ability to develop and utilize new technologies to reduce costs while improving quality. The Committee provides an increase of $200,000 for expanded research to focus on the genetic, biochemical and cellular physiological processes affecting fruit quality and its nutritive value.

United States National Arboretum (USNA).—The country's interest in gardening and environmental horticulture, along with increased desire for urban green space continues to grow. The Arboretum maintains internationally acclaimed gardens for visitors and tourists seeking green space and solace in the middle of our Na-

tion's capital. The Committee provides an increase of $250,000 in fiscal year 2005.

Verticillium wilt.—The Committee is aware of the extensive damages caused by "Verticillium Wilt" to lettuce and vegetable producers in California. The Committee provides an increase of $250,000 in fiscal year 2005 for the ARS research station at Salinas, California to address this serious vegetable production problem in California.

Water use reduction/producer enhancement research.—Available water supplies are being stretched by rapidly growing demands for water by urban populations, irrigated agriculture, industry/energy sectors, and in-stream flow requirements. The dilemma for producers and local economies is finding solutions to reduce irrigation and natural resource consumption while at the same time maintaining and or enhancing producer net returns. The Committee maintains the fiscal year 2004 funding level for the ARS research laboratory at Dawson, Georgia for research to enhance, in a sustainable manner, irrigated agriculture and associated rural economies in Southwest Georgia.

Western grazinglands.—The management, conservation, and sustainability of rangeland resources is of paramount importance to the economy of the Great Basin region. The ARS research station at Burns, OR conducts important rangeland research programs to control invasive weeds unique to the Great Basin. The Committee maintains the fiscal year 2004 funding level for this laboratory to continue invasive weed research pertinent to the Great Basin region.

Wheat quality research.—The Committee supports ARS' wheat quality research programs carried out at Wooster, OH; Fargo, ND; Manhattan, KS; and Pullman, WA. The research conducted at these laboratories is essential to this segment of the agricultural economy. The Committee notes the importance of evaluating the quality of breeding lines and cultivars; genetic improvement and protection; and research in the physics and chemistry of wheat and flour and maintains this critical research at the fiscal year 2004 funding level.

BUILDINGS AND FACILITIES

2004 appropriation	$63,434,000
2005 budget estimate	178,000,000
Provided in the bill	202,000,000
Comparison:	
2004 appropriation	+138,566,000
2005 budget estimate	+24,000,000

COMMITTEE PROVISIONS

For Agricultural Research Service, Buildings and Facilities, the Committee provides an appropriation of $202,000,000, an increase of $138,566,000 above the amount available in fiscal year 2004, and an increase of $24,000,000 above the budget request.

The Committee acknowledges the importance of funding the construction of the National Centers for Animal Health located at Ames, Iowa and provides $178,000,000 as requested in the President's budget. The research and diagnostic programs carried out at

the Centers are critical to the Nation's homeland security and agricultural industry.

The Committee provides additional funds in support of the modernization and construction of Federal research facilities as follows: National Center for Agricultural Utilization Research, Peoria, IL; Grape Genomics Research Center, Davis, CA; U.S. Agricultural Research Station, Salinas, CA; ARS Sugar Research Laboratory, Houma, LA; Center for Grape Genetics, Geneva, NY; Center for Crop-based Health Genomics, Ithaca, NY; ARS Research Laboratory, Pullman, WA, and the ARS Nutrient Management Research Laboratory, Marshfield, WI. Due to budgetary constraints, the Committee is unable to provide the full amount required to complete construction of these projects.

The following table summarizes the Committee's provisions:

AGRICULTURAL RESEARCH SERVICE, BUILDINGS AND FACILITIES

	Committee provisions
California, Davis: Grape Genomics Research Center	$3,000,000
California, Salinas: U.S. Agricultural Research Station	3,000,000
Illinois, Peoria: National Center for Agricultural Utilization Research	3,000,000
Iowa, Ames: National Centers for Animal Health	178,000.000
Louisiana, Houma: ARS Sugarcane Research Laboratory	3,000,000
New York, Geneva: Center for Grape Genetics	3,000,000
New York, Ithaca: Center for Crop-based Health Genomics	3,000,000
Washington, Pullman: ARS Research Laboratory	3,000,000
Wisconsin, Marshfield: Nutrient Management Research Laboratory	3,000,000
Total, ARS Buildings and Facilities	202,000,000

The Committee expects the ARS to provide a feasibility prospectus, by March 1, 2005, for the Canal Point, Florida facility; the ARS citrus laboratory in Winter Haven, Florida for colocation with the citrus experiment station in Lake Alfred, Florida; and on an ARS National Irrigation Watershed Laboratory in Lonoke, Arkansas.

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE

RESEARCH AND EDUCATION ACTIVITIES

2004 appropriation	$617,780,000
2005 budget estimate	501,540,000
Provided in the bill	628,607,000
Comparison:	
2004 appropriation	+10,827,000
2005 budget estimate	+127,067,000

COMMITTEE PROVISIONS

For payments under the Hatch Act, the Committee provides an appropriation of $628,607,000, an increase of $10,827,000 above the amount available for fiscal year 2004 and an increase of $127,067,000 above the budget request.

For payments under the Hatch Act, the Committee provides an appropriation of $180,648,000, an increase of $1,563,000 above the amount available for fiscal year 2004 and increase of $500,000 above the budget request.

For cooperative forestry research, the Committee provides an appropriation of $22,384,000, an increase of $629,000 above the amount available for fiscal year 2004 and an increase of $500,000 above the budget request.

For the Evans-Allen Program (payments to the 1890 land-grant colleges, Tuskegee University, and West Virginia State College), the Committee provides an appropriation of $37,000,000, an increase of $1,212,000 above the amount available for fiscal year 2004 and an increase of $1,000,000 above the budget request.

For the National Research Initiative, the Committee provides an appropriation of $180,000,000, an increase of $15,973,000 above the amount available for fiscal year 2004 and the same as the budget request.

Aquaculture (OH).—The Committee provides that funds are for establishment of Ohio Aquaculture Consortium and extension programs in northwest and central lake counties.

Dietary Intervention (OH).—Within funds provided for dietary intervention research, $500,000 is provided for research on Dietary and Genetic Risk Factors in Obesity and Diabetes at the University of Toledo, and $900,000 is provided for Ohio State University.

Joe Skeen Institute for Rangeland Restoration (NM, TX).—The Committee provides $1,000,000 for the Joe Skeen Institute for Rangeland Restoration, to be utilized by New Mexico State University and Texas A&M University. The Committee directs these universities to work cooperatively to provide programmatic oversight for the Joe Skeen Institute for Rangeland Restoration.

Viticulture Consortium—Funds may be used by the Viticulture Consortium for "technology transfer" and outreach to communicate viticulture research outcomes to the grape and wine industry in order to foster the accelerated adoption of the best science, environmental and business practices to keep the American grape and wine industry competitive in the global market.

The following table reflects the amount provided by the Committee:

Cooperative State Research, Education, and Extension Service Research and Education Activities (Dollars in Thousands)			
	2004 Estimate	2005 Budget	Committee Provisions
Hatch Act	$179,085	$180,148	$180,648
McIntire Stennis Cooperative Forestry	21,755	21,884	22,384
Evans-Allen Program	35,788	36,000	37,000
National Research Initiative	164,027	180,000	180,000
Special Research Grants	124,249	18,347	103,950
Animal Health and Disease (Sec. 1433)	4,532	5,098	5,098
1994 Institutions Research Program	1,087	998	1,087
Joe Skeen Institute for Rangeland Restoration (NM,TX)	895	0	1,000
Graduate Fellowship Grants	2,883	4,500	4,500
Institution Challenge Grants	4,859	5,500	5,500
Multicultural Scholars Program	986	998	998
Hispanic Education Partnership Grants	4,645	4,645	5,645
Secondary/2-year Post-secondary	890	1,000	1,000
Capacity Building Grants (1890 Institutions)	11,411	11,411	12,411
Payments to the 1994 Institutions	1,679	2,250	2,250
Alaska Native-serving and Native Hawaiian-serving Education Grants	3,131	2,997	2,997
Resident Instruction Grants-Insular Areas	0	0	500
Higher Education Agrosecurity Program	0	5,000	0
Subtotal	561,902	480,776	566,968
Federal Administration:			
Ag-based Industrial Lubricants (IA)	403	0	403
Agriculture Development in the American Pacific	490	0	490
Agriculture Waste Utilization (WV)	617	0	0
Agriculture Water Policy (GA)	895	0	900
Alternative Fuels Characterization Laboratory (ND)	268	0	0
Animal Waste Management (OK)	298	0	0
Aquaculture (OH)	850	0	855
Aquaculture (PA)	222	0	0
Biotechnology Research (MS)	667	0	0
Botanical Research (UT)	792	0	0
Center for Agricultural and Rural Development (IA)	600	0	0
Center for Food Industry Excellence (TX)	222	0	1,222
Center for Innovative Food Technology (OH)	1,043	0	1,264
Center for North American Studies (TX)	895	0	1,000
Climate Forcasting (FL)	3,131	0	4,131
Cotton Research (TX)	2,237	0	2,500
Data Information System (REEIS)	2,444	2,750	2,750
Dietary Intervention (OH)	0	0	1,400
Electronic Grants Administration System	1,944	2,173	2,173
Feed Efficiency (WV)	143	0	0
Fruit/Vegetable Market Analysis (AZ, MO)	302	0	0

	2004 Estimate	2005 Budget	Committee Provisions
Geographic Information System	1,431	0	2,000
Germplasm Development in Forage Grasses (OH)	88	0	0
Global Environmental Management (WI)	0	0	1,000
High Value Horticultural Crops (VA)	447	0	697
Greenhouse Nurseries (OH)	713	0	750
Income Enhancement Demonstration Project (OH)	0	0	1,247
Information Technology (GA)	222	0	522
Livestock Marketing Information Center (CO)	175	0	0
Mariculture (NC)	320	0	320
Mississippi Valley State University, Curriculum Development	933	0	933
Monitoring Agricultural Sewage Sludge Application (OH)	1,074	0	1,500
Office of Extramural Programs (Grants)	401	448	448
Pasteurization of Shell Eggs (MI)	1,094	0	1,400
Pay Costs and FERS	2,273	2,832	2,832
Peer Panels	312	349	349
Phytoremediation Plant Research (OH)	569	0	1,000
Precision Agriculture, Tennessee Valley Research Center (AL)	582	0	625
Produce Pricing (AZ)	72	0	80
Rural Systems (MS)	311	0	0
Salmon Quality Standards (AK)	134	0	0
Shrimp Aquaculture (AZ, HI, MS, MA, SC, LA, TX)	3,746	0	4,200
Sustainable Agricultural Development (OH)	179	0	0
Sustainable Agricultural Freshwater Conservation (TX)	1,789	0	1,850
The Land Institute (KS)	89	0	0
Urban Silviculture (NY)	215	0	325
Vitis Gene Discovery (MO)	358	0	858
Water Pollutants (WV)	537	0	0
Water Quality (ND)	386	0	386
Wetland Plants (WV)	179	0	200
Other (Unspecified Reduction)	0	-1,014	0
Total, Federal Administration	37,482	7,538	42,610
Other:			
Alternative Crops:			
Hesparaloe	313	0	350
Canola	840	0	846
Aquaculture Centers (Sec. 1475)	4,000	3,996	4,000
Critical Agricultural Materials Act	1,111	0	1,111
Sustainable Agriculture	12,222	9,230	12,722
Total, Other	18,486	13,226	19,029
Research and Education Activities	617,780	501,540	628,607

Cooperative State Research, Education, and Extension Service
Research and Education Activities
Special Research Grants
(Dollars in Thousands)

	2004 Estimate	2005 Budget	Committee Provisions
Advanced Genetic Technologies (KY)	$600	$0	$600
Advanced Spatial Technologies (MS)	880	0	0
Aegilops Cylindricum (Jointed Goatgrass) (WA)	341	0	375
Agricultural Diversification (HI)	113	0	0
Agricultural Diversity/Red River Corridor (MN, ND)	544	0	0
Agriculture-based Industrial Lubricants (IA)	a/	a/	a/
Agriculture Science (OH)	444	0	0
Agriculture Water Usage (GA)	260	0	260
Agroecology (MD)	355	0	355
Air Quality (TX)	895	0	1,095
Alliance for Food Protection (NE, GA)	266	0	366
Alternative Nutrient Management (VT)	148	0	0
Alternative Salmon Products (AK)	565	0	0
Alternative Uses for Tobacco (MD)	320	0	350
Animal Disease Research (WY)	222	0	0
Animal Science Food Safety Consortium (AR, KS, IA)	1,444	0	1,444
Apple Fireblight (MI, NY)	456	0	510
Aquaculture (AR)	207	0	207
Aquaculture (WA, ID)	689	0	789
Aquaculture (LA)	313	0	350
Aquaculture (MS)	521	0	0
Aquaculture (NC)	260	0	300
Aquaculture (VA)	179	0	200
Aquaculture Product and Marketing Development (WV)	671	0	0
Armilliaria Root Rot (MI)	142	0	142
Asparagus Technology and Production (WA)	249	0	250
Babcock Institute (WI)	537	0	600
Beef Technology Transfer (MO)	261	0	0
Berry Research (AK)	179	0	0
Biobased Nanocomposite Research (ND)	178	0	0
Biomass-based Energy Research (OK, MS)	1,023	0	1,023
Biotechnology (NC)	272	0	306
Biotechnology Test Production (IA)	178	0	0
Bovine Tuberculosis (MI)	309	0	0
Brucellosis Vaccine (MT)	438	0	0
Center for Public Lands and Rural Economies (UT)	224	0	0
Center for Rural Studies (VT)	302	0	0
Chesapeake Bay Agroecology (MD)	284	0	334
Childhood Obesity and Nutrition (VT)	133	0	0
Citrus Canker (FL)	447	0	500
Citrus Tristeza	644	0	750
Competitiveness of Agricultural Products (WA)	604	0	608
Computational Agriculture (NY)	222	0	260
Cool Season Legume Research (ID, WA)	537	0	587
Cotton Fiber Quality (GA)	447	0	500
Council for Agriculture Science and Technology	134	0	0
Cranberry/Blueberry (MA)	153	0	153
Cranberry/Blueberry Disease and Breeding (NJ)	210	0	500
Crop Integration and Production (SD)	268	0	0
Crop Diversification Center (MO)	355	0	0
Crop Pathogens (NC)	178	0	328
Dairy and Meat Goat Research (TX)	57	0	100
Dairy Farm Profitability (PA)	444	0	500
Delta Rural Revitalization (MS)	183	0	0
Designing Foods for Health (TX)	1,342	0	1,642

	2004 Estimate	2005 Budget	Committee Provisions
Diaprepes/Root Weevil (FL)	400	0	500
Dietary Intervention (OH)	895	0	0
Drought Mitigation (NE)	201	0	201
Drought Management (UT)	671	0	0
Efficient Irrigation (NM, TX)	1,342	0	1,500
Environmental Biotechnology (RI)	533	0	683
Environmental Research (NY)	351	0	400
Environmental Risk Factors/Cancer (NY)	198	0	240
Environmentally Safe Products (VT)	746	0	0
Ethnobotany Research (AK)	268	0	0
Exotic Pest Diseases (CA)	1,789	0	2,000
Expanded Wheat Pasture (OK)	275	0	275
Farm Injuries and Illnesses (NC)	247	0	0
Feed Barley for Rangeland Cattle (MT)	741	0	0
Feed Efficiency in Cattle (FL)	222	0	372
Feedstock Conversion (SD)	671	0	0
Fish and Shellfish Technologies (VA)	403	0	510
Food Chain Economic Analysis (IA)	358	0	480
Floriculture (HI)	355	0	355
Food and Agriculture Policy Research Institute (IA, MO)	1,365	0	1,575
Food Irradiation (IA)	0	0	0
Food Marketing Policy Center (CT)	582	0	585
Food Quality (AK)	313	0	0
Food Safety (AL)	1,000	0	0
Food Safety (OK, ME)	556	0	556
Food Safety (TX)	178	0	178
Food Safety Research Consortium	800	0	1,000
Food Safety Risk Assessment (ND)	1,377	0	1,377
Food Security (WA)	400	0	402
Food Systems Research Group (WI)	492	0	550
Forages for Advancing Livestock Production (KY)	386	0	0
Forestry (AR)	455	0	455
Fruit/Vegetable Market Analysis (AZ, MO)	0	0	350
Functional Genomics (UT)	1,342	0	0
Future Foods (IL)	447	0	650
Generic Commodity Promotions, Research and Evaluation (NY)	174	0	210
Genomics (MS)	640	0	0
Global Change	2,000	2,500	2,000
Grain Sorghum (KS)	124	0	124
Grapefruit Juice/Drug Interaction (FL)	222	0	472
Grass Seed Cropping for Sustainable Agriculture (WA, OR, ID)	407	0	500
Grazing Research (WI)	224	0	0
Greenhouse Crop Production (AK)	447	0	0
Hispanic Leadership in Agriculture (TX)	447	0	550
Hoop Barns (IA)	291	0	0
Horn Fly Research (AL)	134	0	134
Human Nutrition (IA)	655	0	0
Human Nutrition (LA)	712	0	0
Human Nutrition (NY)	547	0	622
Hydroponic Tomato Production (OH)	179	0	180
Illinois-Missouri Alliance for Biotechnology	1,079	0	1,279
Improved Dairy Management Practices (PA)	355	0	355
Improved Early Detection of Crop Diseases (NC)	173	0	0
Improved Fruit Practices (MI)	212	0	0
Increasing Shelf Life of Agricultural Commodities (ID)	707	0	832
Infectious Disease Research (CO)	667	0	667
Institute for Biobased Products and Food Science (MT)	533	0	0
Institute for Food Science and Engineering (AR)	1,087	0	1,087
Integrated Production Systems (OK)	207	0	207
Intelligent Quality Sensor for Food Safety (ND)	320	0	0
International Arid Lands Consortium	582	0	585

	2004 Estimate	2005 Budget	Committee Provisions
Iowa Biotechnology Consortium	1,789	0	0
Leopold Center Hypoxia Project	224	0	0
Livestock and Dairy Policy (NY, TX)	895	0	900
Livestock Genome Sequencing (IL)	671	0	971
Livestock Waste (IA)	268	0	0
Lowbush Blueberry Research (ME)	236	0	0
Maple Research (VT)	133	0	0
Meadow Foam (OR)	262	0	0
Michigan Biotechnology Consortium	559	0	0
Midwest Advanced Food Manufacturing Alliance	426	0	426
Midwest Agricultural Products (IA)	578	0	0
Midwest Poultry Consortium (IA)	626	0	750
Milk Safety (PA)	667	0	750
Minor Use Animal Drugs	526	588	588
Molluscan Shellfish (OR)	351	0	351
Montana Sheep Institute	497	0	0
Multi-commodity Research (OR)	355	0	357
Multi-cropping Strategies for Aquaculture (HI)	110	0	0
National Beef Cattle Genetic Evaluation Consortium (NY)	671	0	821
National Biological Impact Assessment	225	253	253
National Center for Soybean Technology (MO)	895	0	0
Nematode Resistance Genetic Engineering (NM)	130	0	130
Nevada Arid Rangelands Initiative (NV)	467	0	0
New Crop Opportunities (AK)	447	0	0
New Crop Opportunities (KY)	659	0	0
Nursery, Greenhouse, Turf Specialties (AL)	275	0	0
Oil Resources from Desert Plants (NM)	201	0	201
Organic Cropping (WA)	224	0	324
Organic Waste Utilization (NM)	88	0	88
Oyster Post Harvest Treatment (FL)	400	0	500
Ozone Air Quality (CA)	382	0	382
Pasture and Forage Research (UT)	224	0	0
Peach Tree Short Life (SC)	233	0	233
Perrenial Wheat (WA)	133	0	150
Pest Control Alternatives (SC)	271	0	271
Phytophthora Root Rot (NM)	165	0	165
Pierce's Disease (CA)	2,013	0	2,113
Plant Biotechnology (IA)	222	0	0
Plant, Drought, and Disease Resistance Gene Cataloging (NM)	220	0	220
PM-10 Study (WA)	0		392
Potato Research	1,409	0	1,609
Precision Agriculture (KY)	659	0	659
Preharvest Food Safety (KS)	185	0	0
Preservation and Processing Research (OK)	200	0	200
Protein Utilization (IA)	671	0	0
Rangeland Ecosystems (NM)	284	0	284
Regional Barley Gene Mapping Project	676	0	680

	2004 Estimate	2005 Budget	Committee Provisions
Regionalized Implications of Farm Programs (MO, TX)	537	0	787
Rice Agronomy (MO)	178	0	250
Ruminant Nutrition (MT, ND, SD, WY)	447	0	0
Rural Development Centers (PA, IA, ND, MS, OR, LA)	b/	b/	b/
Rural Development Centers (LA, ND)	157	0	307
Rural Obesity (NY)	178	0	200
Rural Policies Institute (NE, IA, MO)	1,129	0	1,270
Russian Wheat Aphid (CO)	284	0	286
Seafood Harvesting, Processing and Marketing (AK)	1,067	0	0
Seafood and Aquaculture Harvesting, Processing and Marketing (MS)	269	0	0
Seafood Safety (MA)	378	0	500
Seed Research (AK)	358	0	0
Seed Technology (SD)	313	0	0
Small Fruit Research (OR, WA, ID)	355	0	495
Soil and Environmental Quality (DE)	115	0	0
Southwest Consortium for Plant Genetics and Water Resources	351	0	400
Soybean Cyst Nematode (MO)	616	0	800
Soybean Research (IL)	755	0	955
STEEP III -- Water Quality in Northwest	595	0	695
Sudden Oak Death (CA)	88	0	88
Sustainable Agriculture (CA)	444	0	594
Sustainable Agriculture (MI)	387	0	387
Sustainable Agriculture and Natural Resources (PA)	133	0	200
Sustainable Beef Supply (MT)	890	0	0
Sustainable Engineered Materials from Renewable Sources (VA)	533	0	683
Sustainable Pest Management for Dryland Wheat (MT)	402	0	0
Swine and Other Animal Waste Management (NC)	440	0	490
Synthetic Gene Technology (OH)	149	0	0
Tick Borne Disease Prevention (RI)	88	0	188
Tillage, Silviculture, Waste Management (LA)	378	0	478
Tri-state Joint Peanut Research (AL)	533	0	0
Tropical Aquaculture (FL)	213	0	213
Tropical and Subtropical Research/T-Star	8,947	0	10,000
Uniform Farm Management Program (MN)	266	0	300

	2004 Estimate	2005 Budget	Committee Provisions
Value-added Product Development from Agricultural Resources (MT)	366	0	0
Virtual Plant Database Enhancement Project (MO)	671	0	750
Viticulture Consortium (NY, CA, PA)	1,600	0	2,100
Water Conservation, (KS)	71	0	71
Water Use Efficiency and Water Quality Enhancements (GA)	447	0	500
Weed Control (ND)	387	0	387
West Nile Virus (IL)	671	0	0
Wetland Plants (LA)	533	0	583
Wheat Genetic Research (KS)	236	0	237
Wheat Sawfly Research (MT)	449	0	0
Wine Grape Foundation Block (WA)	0	0	500
Wood Utilization (OR, MS, NC, MN, ME, MI, ID, TN, AK)	6,070	0	6,150
Wool Research (TX, MT, WY)	268	0	300
Subtotal, Special Research Grants	110,655	3,341	88,194
Improved Pest Control:			
Critical Issues	b/	b/	b/
Expert IPM Decision Support System	158	177	177
Integrated Pest Management	2,439	2,725	2,725
Minor Crop Pest Management (IR-4)	9,549	10,485	11,235
Pest Management Alternatives	1,448	1,619	1,619
Total, Improved Pest Control	13,594	15,006	15,756
Total, Special Research Grants	124,249	18,347	103,950

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

2004 appropriation	$9,000,000
2005 budget estimate	12,000,000
Provided in the bill	12,000,000
Comparison:	
2004 appropriation	+3,000,000
2005 budget estimate	– – –

COMMITTEE PROVISIONS

For the Native American Institutions Endowment Fund, the Committee provides $12,000,000, an increase of $3,000,000 above the amount available in fiscal year 2004 and the same as the budget request.

EXTENSION ACTIVITIES

2004 appropriation	$439,125,000
2005 budget estimate	421,174,000
Provided in the bill	440,349,000
Comparison:	
2004 appropriation	+1,224,000
2005 budget estimate	+19,175,000

COMMITTEE PROVISIONS

For Extension Activities, the Committee provides an appropriation of $440,349,000, an increase of $1,224,000 above the amount available for fiscal year 2004 and an increase of $19,175,000 above the budget request.

The following table reflects the amount provided by the Committee:

Cooperative State Research, Education, and Extension Service Extension Activities (Dollars in Thousands)			
	2004 Estimate	2005 Budget	Committee Provisions
Smith-Lever Sections 3(b) and 3(c)	$277,742	$275,940	$277,242
Smith-Lever Section 3(d):			
Farm Safety	4,911	0	4,600
Food and Nutrition Education (EFNEP)	52,057	57,909	58,909
Indian Reservation Agents	1,774	1,996	1,996
Pest Management	9,563	10,759	10,759
Sustainable Agriculture	4,333	3,792	4,000
Youth at Risk	7,538	8,481	8,481
Youth Farm Safety Education and Certification	444	499	499
Total Section 3(d) Programs	80,620	83,436	89,244
1890 Colleges and Tuskegee	31,720	32,117	33,133
1890 Facilities Grants (Sec. 1447)	14,912	14,912	16,912
Renewable Resources Extension Act (RREA)	4,040	4,093	4,093
Rural Health and Safety Education	2,331	0	0
Extension Services at the 1994 Institutions	2,929	3,273	3,273
Grants to Youth Organizations	2,667	0	0
Subtotal	416,961	413,771	423,897
Federal Administration and Special Grants:			
Ag in the Classroom	622	750	750
Agricultural and Entrepreneurship Education (WI)	232	0	0
Alabama Beef Connection	336	0	450
Beef Producers Improvement (AR)	174	0	0
Botanical Garden Initiative (IL)	213	0	0
Conservation Technology Transfer (WI)	447	0	0
Dairy Education (IA)	211	0	250
Dairy Industry Revitalization (WI)	336	0	0
Diabetes Detection, Prevention (WA, PA)	1,089	0	1,096
E-commerce (MS)	334	0	0
Efficient Irrigation (NM, TX)	2,058	0	2,300
Entrepreneurial Alternatives (PA)	222	0	450
Extension Specialist (MS)	133	0	0
Family Farm Beef Industry Network (OH)	1,240	0	0
Food Animal Residue Avoidance Database (FARAD)	712	0	912
Food Preparation and Marketing (AK)	268	0	0
Food Product Development (AK)	402	0	0
General Administration	5,467	6,653	6,653
Health Education Leadership (KY)	800	0	800
Income Enhancement Demonstration (OH)	214	0	0
Iowa Vitality Center	250	0	0
National Center for Agriculture Safety (IA)	224	0	0
National Wild Turkey Federation	224	0	225
Nursery Production (RI)	222	0	372
Nutrition Enhancement (WI)	895	0	0
Ohio-Israel Agriculture Initiative	537	0	0
Oquirrh Institute	268	0	0
Pilot Technology Transfer (OK, MS)	300	0	300
Pilot Technology Transfer (WI)	215	0	250
Potato Pest Management (WI)	358	0	400
Range Improvement (NM)	218	0	218
Resilient Communities (NY)	111	0	150
Rural Business Enhancement (WI)	179	0	0

	2004 Estimate	2005 Budget	Committee Provisions
Rural Development (AK)	626	0	0
Rural Development (NM)	351	0	351
Rural Technologies (HI, WI)	311	0	0
Urban Horticulture (WI)	783	0	0
Urban Market Development (NY)	224	0	325
Web-based Agriculture Classes (MO)	179	0	0
Wood Biomass as an Alternative Farm Product (NY)	179	0	200
Total, Federal Administration	22,164	7,403	16,452
Total, Extension Activities	439,125	421,174	440,349

Farm Safety: AgrAbility.—Within the funds provided for Smith-Lever 3(d) for Farm Safety, the Committee recommends $4,600,000 for the AgrAbility program, which helps people with disabilities to be able to farm safely, efficiently, and profitably through on-the-farm education and assistance.

INTEGRATED ACTIVITIES

2004 appropriation	$50,195,000
2005 budget estimates	76,865,000
Provided in the bill	66,255,000
Comparison:	
2004 appropriation	+16,060,000
2005 budget estimate	−10,610,000

COMMITTEE PROVISIONS

For Integrated Activities, the Committee provides an appropriation of $66,255,000, an increase of $16,060,000 above the amount available for fiscal year 2004 and a decrease of $10,610,000 below the budget request.

The Committee provides $18,000,000 for increased activities related to food and agriculture defense, including: adding diagnostic laboratories to the current network of diagnostic laboratories; educating and training of personnel to handle high-risk infectious agents; expanding testing capabilities; and improving communications over a secure network.

The following table reflects the amount provided by the Committee.

Cooperative State Research, Education, and Extension Service Integrated Activities (Dollars in Thousands)	2004 Estimate	2005 Budget	Committee Provisions
Water Quality	$11,530	$12,971	$12,971
Food Safety	13,305	14,967	14,967
Regional Pest Management Centers	4,028	4,531	4,531
Crops at Risk from FQPA Implementation	1,330	1,497	1,497
FQPA Risk Mitigation Program for Major Food Crop Systems	4,345	4,889	4,889
Methyl Bromide Transition Program	3,131	2,498	2,498
Organic Transition Program	1,889	499	1,889
Subtotal, Competitive Grants	39,558	41,852	43,242
International Science and Education Grants Program	895	1,000	1,000
Critical Issues Program	444	2,500	2,500
Regional Rural Development Centers Program	1,345	1,513	1,513
Homeland Security	7,953	30,000	18,000
Total, Integrated Activities	50,195	76,865	66,255

OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS

2004 appropriation	$5,935,000
2005 budget estimate	5,935,000
Provided in the bill	5,935,000
Comparison:	
2004 appropriation	– – –
2005 budget estimate	– – –

COMMITTEE PROVISIONS

For the Outreach for Socially Disadvantaged Farmers and Ranchers Program, the Committee provides an appropriation of $5,935,000, the same as the amount available for fiscal year 2004 and the same amount as the budget request.

OFFICE OF THE UNDER SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

2004 appropriation	$721,000
2005 budget estimate	804,000
Provided in the bill	721,000
Comparison:	
2004 appropriation	– – –
2005 budget estimate	– 83,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Marketing and Regulatory Programs, the Committee provides an appropriation of $721,000, the same as the amount available for fiscal year 2004 and a decrease of $83,000 below the budget request.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

	Appropriations	*User Fees*	*Total, APHIS Appropriations*
2004 appropriation	$716,329,000	($327,000,000)	$1,043,329,000
2005 budget estimate	828,361,000	(344,000,000)	1,172,361,000
Provided in the bill	808,823,000	(344,000,000)	1,152,823,000
Comparison:			
2004 appropriation	+92,494,000	+$17,000,000	+109,494,000
2005 budget estimate	– 19,538,000	– – –	– 19,538,000

COMMITTEE PROVISIONS

For the Animal and Plant Health Inspection Service, Salaries and Expenses, the Committee recommends an appropriation of $808,823,000, an increase of $92,494,000 above the amount appropriated in fiscal year 2004, and a decrease of $19,538,000 below the budget request.

The recommendation does not include $10,857,000 in Animal Welfare Inspection User Fees, as proposed in the President's budget. These user fees are currently not authorized in law.

The following table reflects the amounts provided by the Committee:

Animal and Plant Health Inspection Service
[In Thousands of Dollars]

Program	FY 2004 enacted	FY 2005 request	Committee provision
Pest and Disease Exclusion:			
Agricultural quarantine inspection	$25,450	$25,031	$22,031
Cattle ticks	6,495	6,720	6,720
Foreign animal diseases/FMD	8,685	12,969	8,740
Fruit fly exclusion and detection	56,722	63,514	58,343
Import-export inspection	11,074	15,729	14,374
Screwworm	30,300	30,825	27,374
Trade issues resolution management	12,472	15,727	14,127
Tropical bont tick	421	2,920	425
Total, Pest and Disease Exclusion	151,619	173,435	152,134
Plant and Animal Health Monitoring:			
Animal health monitoring & surveillance	95,347	143,547	145,297
Animal and plant health regulatory enforcement	9,157	9,823	9,382
Bio Surveillance	0	5,000	2,000
Emergency management systems	9,568	20,285	15,285
Pest detection	24,382	45,308	29,131
Total, Plant & Animal Health Monitoring	138,454	223,963	201,095
Pest and Disease Management:			
Aquaculture	1,243	1,600	1,255
Biological control	9,215	9,429	9,429
Boll weevil	50,700	17,320	47,000
Brucellosis	10,242	8,861	9,861
Chronic wasting disease	18,522	20,067	18,589
Emerging plant pests	93,098	104,415	104,415
Golden nematode	787	985	985
Grasshopper and Mormon cricket	5,459	4,356	4,356
Gypsy moth	4,697	4,768	4,768
Imported fire ant	2,415	2,148	2,148
Johnes disease	18,689	3,155	7,155
Low pathogen avian influenza	994	12,783	23,000
Noxious weeds	1,987	1,146	1,246
Pink bollworm	2,019	1,751	2,251
Plum pox	3,451	3,471	3,471
Pseudorabies	4,291	4,350	4,350

Scrapie	15,607	20,874	17,768
Tuberculosis	14,837	20,935	14,937
Wildlife services operations	71,313	71,684	73,354
Witchweed	1,517	1,523	1,523
Total, Pest and Disease Management	331,083	315,621	351,861
Animal Care:			
Animal welfare	16,303	16,618	16,618
Horse protection	487	497	497
Total, Animal Care	16,790	17,115	17,115
Scientific and Technical Services:			
Biosecurity	1,988	2,920	1,988
Information technology infrastructure	4,189	5,080	5,080
Biotechnology regulatory services	5,402	12,048	10,504
Environmental Compliance	2,583	2,624	2,624
Plant methods development labs	8,160	8,381	8,381
Veterinary biologics	15,145	17,374	17,374
Veterinary diagnostics	19,829	24,672	22,272
Wildlife services methods development	16,999	13,876	14,276
Total, Scientific and Technical Services	74,295	86,975	82,499
Contingency fund	4,088	4,119	4,119
Physical security	-	7,133	0
Total, Salaries and Expenses	$716,329	$828,361	$808,823

To maintain agency functions the Committee provides the requested amount for cost of living requirements.

Animal health monitoring and surveillance.—The Committee provides an increase of $33,197,000 for the National Animal Identification System (NAIS). The Secretary transferred $18,792,997 from the Commodity Credit Corporation for animal identification in April 2004.

The Committee points out that the ability of the nation to move quickly in designing an animal identification system has been aided immensely by Congressional earmarks. Since fiscal year 1998, Congress has funded pilot projects to evaluate various aspects of animal identification. The knowledge provided by these projects was critical to the Department having the ability to make rapid and considered decisions regarding the design of a national animal identification program.

The Committee directs that not less than $2,000,000 be provided for a cooperative agreement with the Wisconsin Livestock Identification Consortium. This project supports the national plan to establish an animal and livestock 48-hour traceback system.

The Committee provides not less than $500,000 for the Farm Animal Identification and Records (FAIR) program. Both the Wisconsin consortium and the FAIR project should also be eligible to apply for cooperative agreement funding for animal identification, which is funded within the NAIS total.

The Committee remains interested in the Interstate Certificate of Veterinary Inspection System and the role of the System in animal identification for purposes of disease tracking. In particular, the Committee urges APHIS to continue efforts on veterinary practice documentation as it relates to the interstate movement of animals.

The Committee provides $300,000 to assist in creating a database of North Carolina's agriculture industry for rapid response capabilities.

The Committee provides the full increase requested, $8,641,000 over the fiscal year 2004 level, for activities related to Bovine Spongiform Encephalopathy (BSE). In addition, the Department has available $69,900,000, which the Secretary transferred in March 2004 from the Commodity Credit Corporation to fund an intense BSE surveillance testing program. That funding will allow APHIS to conduct testing for approximately 268,000 animals within a 12 to 18 month period starting June 1, 2004. The Committee notes that the CCC-transferred amount will cover all BSE testing during that timeframe.

The Committee continues funding for the New Mexico Rapid Syndrome Validation Program at $450,000 to support early detection of pathogens in animals and prevent its spread.

The Committee provides the fiscal year 2004 funding level for Iowa State University's work regarding risk assessments of genetically modified agricultural products.

The Committee continues funding at the fiscal year 2004 level toward an anaerobic digester for disposal and reuse of biomass.

Emergency management systems.—The Committee provides an increase of $2,625,000 for emergency coordinators and $3,000,000 to establish a vaccine bank.

Pest detection.—The Committee provides an increase of $2,500,000, as requested for the select agents program, and $2,000,000 for surveys through the state-based Cooperative Agricultural Pest Surveys system.

The Committee continues funding of $200,000 to evaluate the utility of remote sensing (hyperspectral imaging and Light Detection And Ranging) for the identification of ash trees, the early identification of emerald ash borer infestation, and the tracking and mapping of the diseased trees.

The Committee provides funding for a cooperative agreement with the California County Pest Detection Augmentation Program at the fiscal year 2004 level.

Greater Yellowstone Interagency Brucellosis Committee (GYIBC).—The Committee continues to provide the fiscal year 2004 funding level for the GYIBC to eliminate brucellosis from wildlife in the Greater Yellowstone area.

Chronic wasting disease.—For chronic wasting disease, the Committee provides $18,589,000 for fiscal year 2005. The Committee directs that of this amount $1,750,000 shall go to the State of Wisconsin.

Emerging plant pests.—The Committee expects the Secretary of Agriculture to continue to use the authority provided in this bill to transfer funds from the Commodity Credit Corporation for the arrest and eradication of animal and plant pests and diseases that threaten American agriculture. By providing funds in this account, the Committee is enhancing the work that has begun to combat emergency outbreaks.

For emerging plant pests, the Committee includes an increase of $10,743,000 above the amount available in fiscal year 2004. The Committee provides $51,578,000 for citrus canker, $23,510,000 for Pierce's Disease, and $12,050,000 for Emerald Ash borer.

The Committee continues funding for Sudden Oak Death and olive fruit fly trapping at the fiscal year 2004 level. Funding for Sudden Oak Death should be allocated primarily to states with the most severe outbreaks.

The Committee provides $100,000 of funding for hydrilla eradication around Smith Mountain Lake in Virginia, and Lake Gaston in Virginia and North Carolina.

The Committee provides $10,333,000 for the Asian long-horned beetle. This is $1,000,000 over the amount requested for fiscal year 2005. In the budget justification, the Department states that the budget request is adequate to control the Asian long-horned beetle, and that the goal of the program has shifted from eradication to control. The Committee is concerned about the damage that this pest can do, and about possible occurrence of the beetle outside of known affected areas. The Committee expects the Department to carefully consider this program, and if infestation spreads, that the Secretary will use her emergency authority to provide funds to combat the infestation and that APHIS will reevaluate the control/eradication decision.

Imported fire ant.—The Committee provides $2,148,000 for imported fire ant of which $45,000 is for New Mexico.

Johne's Disease.—The Committee provides $7,155,000 for Johne's disease, which is $4,000,000 above the budget request.

Avian Influenza.—The Committee provides $23,000,000 for activities relating to the prevention, control, and eradication of Low Pathogenic Avian Influenza (LPAI), which is $22,006,000 over the fiscal year 2004 level. Within the total amount, $12,000,000 is for indemnities, $3,000,000 is for surveillance activities, up to $2,000,000 is for reagents and costs of administering tests, and up to $2,000,000 is for live bird market closure for disinfection, as needed. Full funding for other LPAI activities that were included in the budget request is included in the total. The Committee is concerned that LPAI, which appears to be endemic in certain live bird markets in urban areas, could mutate into highly pathogenic forms. To prevent this from happening, a robust surveillance and control system in both commercial poultry industries and live bird markets is important. The Committee believes that industry cooperation and program fairness will be maximized through the indemnification of losses.

The Committee notes that in addition to depopulation, vaccination is likely to be an important and cost-effective control measure in some situations. The Committee encourages the Department to quantify the losses due to vaccine and associated costs and to consider such losses in program decisions.

Noxious weeds.—From within the amount provided for noxious weeds, the Committee directs that no less than $180,000 be used to control and eradicate tropical soda apple.

The Committee continues funding of $100,000 for the Nez Perce Bio-control Center, and $100,000 for the Kiski Basin Initiative.

Wildlife services.—The Committee continues to provide $1,200,000 for wolf predation management, of which $1,050,000 is for Wisconsin, Minnesota, and Michigan, and $150,000 is for New Mexico and Arizona.

The Committee continues funding for the following projects: $250,000 for Beaver management in North Carolina; $250,000 for crop and aquaculture losses in southwest Missouri; $625,000 for game bird predation work with the University of Georgia; $100,000 for predation wildlife services in western Virginia; $125,000 for blackbird control in Louisiana; $1,300,000 for predator control programs in Montana, Idaho, and Wyoming; $1,000,000 for wildlife services in Texas; $200,000 for beaver management and damage in Wisconsin; $250,000 for wolf control in Minnesota; $515,000 for brown tree snake management in Guam; $310,000 for Hawaii and Guam operations; $300,000 for sandhill cranes in Idaho; $50,000 for control of feral hogs in Missouri; $1,000,000 for cormorant control in New York; and $150,000 for cormorant control in Michigan.

Funds are provided for information technology support and aviation safety activities as requested in the President's budget.

The Committee provides a $1,420,000 increase above the fiscal year 2004 level for a cooperative rabies oral rabies vaccination program, of which not less than $420,000 is directed to go to the state of Florida for bait and related costs.

The Committee encourages the agency to provide assistance for mongoose and rabies control in Puerto Rico.

The Committee directs that, other than funding for the specific items noted in this report, the funds provided in the Wildlife Services line item are available for general operations needs.

The Committee continues the fiscal year 2004 funding level for wildlife surveillance.

The Committee does not concur with the President's request to reduce funding in the Wildlife Services account to allow cooperators to assume a larger share of the costs associated with preventing wildlife damage, and protecting human health and safety.

Veterinary diagnostics.—The Committee provides an increase of $1,947,000 for the national animal health laboratory network, as requested. No increase is provided for work conducted at Plum Island.

Wildlife services methods development.—The Committee continues to provide $400,000 in funding for the National Wildlife Research Station in Kingsville, Texas, to address emerging infectious disease issues associated with wildlife populations.

The Committee provides funding to continue the cooperative agreement between the Hawaii Agricultural Research Center and the National Wildlife Research Center in Hilo at the fiscal year 2004 level.

Avocados.—The Committee urges APHIS to continue working closely with U.S. avocado growers in implementing procedures for the importation of Mexican avocados.

The Committee directs APHIS to report on the status of Mexican avocado imports, including the results of pest surveys and any instances of diversion of Mexican avocados to other than approved destinations. The Committee also directs APHIS to report to Congress prior to publishing any rules expanding the approved areas or lengthening the time periods for importation of Mexican avocados.

The Committee is aware of an unexplained disease that is harming rice crops in many parishes in Louisiana. The Committee directs APHIS to look promptly into this situation and to work with rice farmers, local officials, and local researchers to determine the cause of the disease and work for a remedy.

Wildlife Hazards to Aircraft.—The Committee recognizes the increasing demands by the nation's airports for assistance by APHIS Wildlife Services to mitigate the growing human safety concern and economic problem of bird and other wildlife hazards to aircraft. The Committee requests a report from APHIS on the unmet needs of the nation's airports regarding economic losses and the threat to human safety caused by aircraft collisions with federally protected migratory birds and other wildlife.

BUILDINGS AND FACILITIES

2004 appropriation	$4,967,000
2005 budget estimate	4,996,000
Provided in the bill	4,996,000
Comparison:	
2004 appropriation	+29,000
2005 budget estimate	– – –

COMMITTEE PROVISIONS

For Animal and Plant Health Inspection Service, Buildings and Facilities, the Committee provides an appropriation of $4,996,000, an increase of $29,000 above the amount available for fiscal year 2004 and the same as the budget request.

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

2004 appropriation	$74,985,000
2005 budget estimate	85,998,000
Provided in the bill	75,892,000
Comparison:	
2004 appropriation	+907,000
2005 budget estimate	−10,106,000

COMMITTEE PROVISIONS

For Marketing Services of the Agricultural Marketing Service, the Committee provides an appropriation of $75,892,000, an increase of $907,000 above the amount available for fiscal year 2004 and a decrease of $10,106,000 below the budget request.

The Committee does not provide the increase requested for a new commodity purchasing computer system in this account. That is provided under the Section 32 account. The Committee recommendation does not include the proposed information technology cuts, nor the increase in funding requested for transportation analysis.

The Committee provides $2,040,000 for activities relating to Organic Standards.

LIMITATION ON ADMINISTRATIVE EXPENSES

2004 limitation	($62,577,000)
2005 budget limitation	(64,459,000)
Provided in the bill	(64,459,000)
Comparison:	
2004 limitation	+1,882,000
2005 budget limitation	− − −

COMMITTEE PROVISIONS

For a Limitation on Administrative Expenses of the Agricultural Marketing Service, the Committee provides $64,459,000, an increase of $1,882,000 above the amount available for fiscal year 2004 and the same as the budget request.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY

(SECTION 32)

MARKETING AGREEMENT AND ORDERS

2004 appropriation	($15,392,000)
2005 budget estimate	(15,800,000)
Provided in the bill	(15,800,000)
Comparison:	
2004 appropriation	+408,000
2005 budget estimate	− − −

The following table reflects the status of this fund for fiscal years 2003 through 2005:

ESTIMATED TOTAL FUNDS AVAILABLE AND BALANCE CARRIED FORWARD, FISCAL YEARS 2003-2005

	2003 actual	FY 2004 Current estimate	FY 2005 budget estimate
Appropriation (30 percent of Customs Receipts)	$5,798,093,321	$5,927,395,463	$6,030,964,691
FY 2003 Appropriation (P.L. 108-7)	250,000,000	0	0
Less Transfers:			
Food and Nutrition Service	-4,745,663,000	-4,699,661,000	-5,152,962,000
Commerce Department	-75,223,778	-79,724,463	-77,538,934
Total, Transfers	-4,820,886,778	-4,779,385,463	-5,230,500,934
Budget Authority	1,227,206,543	1,148,010,000	800,463,757
Recoveries of Prior Year Obligations	40,157,220	0	0
Unobligated Balance Available Start of Year	192,642,712	134,321,602	348,893,243
Available for Obligation	1,460,006,475	1,282,331,602	1,149,357,000
Less Obligations:			
Commodity Procurement:			
Child Nutrition Purchases	200,000,000	400,000,000	400,000,000
Drought Relief	867,000,000	0	0
State Option Contract	948,480	5,000,000	5,000,000
Removal of Defective Commodities	999,919	1,000,000	1,000,000
Emergency Surplus Removal	222,090,274	164,628,359	0
Diversion Payments	0	0	0
Direct Payments	8,000,000	18,750,000	0
Lamb Grading and Certification Support ...	103,343	100,000	0
Disaster Relief	499,989	0	0
Estimated Future Purchases	0	317,525,000	406,325,000
Total Commodity Procurement	1,299,642,005	907,003,359	812,325,000
Administrative Funds:			
Commodity Purchase Services	11,199,016	11,043,000	21,232,000
Marketing Agreements & Orders	14,843,852	15,392,000	15,800,000
Total, Administrative Funds	26,042,868	26,435,000	37,032,000
Total, Obligations	1,325,684,873	933,438,359	849,357,000
Unobligated Balance Available, End of Year	134,321,602	348,893,243	300,000,000

COMMITTEE PROVISIONS

For the Marketing Agreements and Orders Program, the Committee provides a transfer from section 32 funds of $15,800,000, an increase of $408,000 above the amount available for fiscal year 2004 and the same as the budget request.

The Committee provides $10,000,000 in funding for the Web-based Supply Chain Management System in this account, under Commodity Purchase Services, rather than as requested in the Marketing Services account. Administrative expenses to support Section 32 purposes have been expressly allowed since fiscal year 1936. The Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act for fiscal year 2004 stated that funds available under Section 32 "shall be used only for commodity program expenses as authorized therein, and other related expenses". The Committee includes the same language in the fiscal year 2005 bill. Accordingly, the Agriculture Marketing Service may use Section 32 funds to support computer systems, including a web-based purchasing system, to the extent that such systems relate to program activities authorized by Section 32. In reviewing the documentation provided with the President's budget request, it is clear that the proposed Web-based Supply Chain Management System is integral to the activities authorized by Section 32 and funding for the system should be provided in this account.

The Committee is aware of the recent pricing of cranberries below the cost of production that has negatively impacted cranberry producers in growing regions across the country. In addition to marketing restrictions imposed by the Cranberry Marketing Committee, Congress has made both direct payments to growers and directed Section 32 purchases by the USDA to stabilize the market. Given the anticipated industry inventory of 3.4 million barrels during the coming fiscal year, the Committee expects USDA to buy at a minimum the levels equal to historic averages over the past two years, about 35–40 million pounds, to prevent market instability.

In the utilization of Section 32 funds for USDA commodity purchase programs, USDA shall not exclude or discriminate against Farmer-owned cooperatives based on any preference or set asides.

PAYMENTS TO STATES AND POSSESSIONS

2004 appropriation	$3,318,000
2005 budget estimate	1,347,000
Provided in the bill	1,347,000
Comparison:	
2004 appropriation	−1,971,000
2005 budget estimate	−−−

COMMITTEE PROVISIONS

For Payments to States and Possessions, the Committee provides an appropriation of $1,347,000, a decrease of $1,971,000 below the amount available for fiscal year 2004, and the same as the budget request.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

2004 appropriation	$35,678,000
2005 budget estimate	44,150,000
Provided in the bill	37,540,000
Comparison:	
2004 appropriation	+1,862,000
2005 budget estimate	−6,610,000

COMMITTEE PROVISIONS

For Grain Inspection, Packers and Stockyards Administration, the Committee provides $37,540,000, an increase $1,862,000 over the amount available for fiscal year 2004, and a decrease of $6,610,000 below the budget request. The amount provided includes a $1,200,000 increase for critical information technology needs at GIPSA.

The recommendation does not include $5,817,000 in standardization user fees or $23,159,000 in Packers and Stockyards licensing fees, as proposed in the President's budget. These user fees are not currently authorized in law. The Committee does not recommend establishing such fees in annual appropriations acts, but will consider such fees should they achieve authorization.

In order to further the Federal Grain Inspection Service mission to facilitate the marketing of U.S. grain, the Committee urges the Secretary to incorporate the tracking system technological advancements of EDAT in the development of a process verification service for grains.

Product Verification Protocols Pilot.—The Committee understands that the Secretary has undertaken a product verification protocols pilot, in conjunction with the Missouri, Illinois and Iowa Corn Growers Associations, to establish controls for regulated seed varieties and to augment grain marketing. The Committee provides $500,000 to continue this pilot program with the growers associations for development of production protocols.

Packer Ownership.—The Committee continues to be concerned about the economic impacts of packer control, feeding, or ownership on local communities. The Committee notes that it provided funding for a comprehensive, objective study of the issues surrounding a ban on packer ownership in the fiscal year 2003 appropriations Act. The Committee expects the Department to provide the Committee with a comprehensive update on the study by January 1, 2005.

LIMITATION ON INSPECTION AND WEIGHING SERVICES EXPENSES

2004 limitation	($42,463,000)
2005 budget limitation	(42,463,000)
Provided in the bill	(42,463,000)
Comparison:	
2004 limitation	– – –
2005 budget limitation	– – –

COMMITTEE PROVISIONS

The Committee includes a limitation on inspection and weighing services expenses of $42,463,000, the same as the amount available

for fiscal year 2004 and the same as the budget request. The bill includes authority to exceed by 10 percent the limitation on inspection and weighing services with notification to the Committees on Appropriations. This allows for flexibility if export activities require additional supervision and oversight or other uncontrollable factors occur.

OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

2004 appropriation	$595,000
2005 budget estimate	803,000
Provided in the bill	595,000
Comparison:	
2004 appropriation	– – –
2005 budget estimate	–208,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Food Safety, the Committee provides an appropriation of $595,000, the same as the amount provided for fiscal year 2004 and a decrease of $208,000 below the budget request.

FOOD SAFETY AND INSPECTION SERVICE

2004 appropriation	$779,882,000
2005 budget estimate	838,660,000
Provided in the bill	824,746,000
Comparison:	
2004 appropriation	+44,864,000
2005 budget estimate	–13,914,000

COMMITTEE PROVISIONS

For the Food Safety and Inspection Service, the Committee provides an appropriation of $824,746,000, an increase of $44,864,000 above the amount available for fiscal year 2004 and a decrease of $13,914,000 below the budget request.

The recommendation does not include $124,000,000 in user fees to be paid by the industry for Federal inspections, as proposed in the President's budget. These user fees are not currently authorized in law. The Committee does not recommend establishing such fees in annual appropriations acts, but will consider such fees should they achieve authorization.

The amount provided for the Food Safety and Inspection Service includes the full increases requested, as follows: $17,267,000, for frontline inspectors and humane slaughter enforcement, $3,000,000 for BSE surveillance, $7,153,000 for inspector training, and $15,511,000 for increased pay costs. The Committee recommendation includes a cut of $7,653,000 in information technology savings as requested in the budget.

The Committee provides an increase of $9,586,000 for food defense activities, including $2,500,000 for biosurveillance, $3,586,000 for the Food Emergency Response Network (FERN), $3,000,000 for FERN data systems support, and $500,000 for laboratory equipment and additional training.

The Committee provides the full amount requested, $2,726,000, for Codex Alimentarius activities, which are critical for maintaining food safety worldwide and facilitating international trade.

The Committee provides the agency with $1,650,000, the same as the fiscal year 2004 level, solely to outsource microbiological testing with the goal of establishing a continuous baseline program for risk assessment and performance measurement. The Committee expects the Department to outsource baseline testing to private American Association for Laboratory Accreditation (A2LA) International Standards Organization (ISO) approved laboratories. The Committee directs the Department to report on the progress of this initiative within 60 days of enactment.

Recall improvement.—The Committee directs FSIS to list, on all FSIS recall press releases, the website address of the manufacturer of the recalled product—if any—and, when it will assist consumers and the media in identifying it, a photograph of the recalled product and/or product label. The Committee also directs FSIS to ask the manufacturer to voluntarily provide information on retail outlets of the product for inclusion on the FSIS press release.

FARM ASSISTANCE PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES

2004 appropriation	$631,000
2005 budget estimate	933,000
Provided in the bill	631,000
Comparison:	
2004 appropriation	– – –
2005 budget estimate	– 302,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Farm and Foreign Agricultural Services, the Committee provides an appropriation of $631,000, the same as the amount available for fiscal year 2004 and a decrease of $302,000 below the budget request.

FARM SERVICE AGENCY

SALARIES AND EXPENSES

	Appropriation	*Transfer from program accts.*	*Total, FSA, S&E*
2004 appropriation	$982,934,000	($283,244,000)	($1,266,178,000)
2005 budget estimate	1,007,877,000	(309,163,000)	(1,317,040,000)
Provided in the bill	1,007,597,000	(291,747,000)	(1,299,344,000)
Comparison:			
2004 appropriation	+24,663,000	+8,503,000	+33,166,000
2005 budget estimate	– 280,000	– 17,416,000	– 17,696,000

COMMITTEE PROVISIONS

For Salaries and Expenses of the Farm Service Agency (FSA), the Committee provides an appropriation of $1,007,597,000 and transfers from other accounts of $291,747,000, for a total program level of $1,299,344,000. This is an increase of $33,166,000 above

the amount available for fiscal year 2004 and a decrease of $17,696,000 below the budget request.

The Committee expects the Secretary of Agriculture to promulgate regulations for the Conservation Reserve Program that defines "person", for the purposes of payment limitations for rental payments, in a manner that prevents separate organizations who are controlled by a parent organization from being identified as separate "persons".

The Committee is concerned about any Departmental plans to close FSA county offices at a time when the FSA office network is essential to helping farmers address critical economic and environmental issues. The Committee reiterates its strong view that no county office closure or consolidation should occur except in those locations for which closures and relocations are supported by rigorous analysis to ensure actions are cost effective, and that services available to the public will not be reduced.

The Committee provides that $50,000 shall be made available for payments to producers who, until September 30, 2003, had land enrolled in the conservation reserve program in an area that during fiscal year 2003 was omitted from the Cheney Lake Watershed conservation priority area, and whose offers were not accepted during fiscal year 2003, in amounts equivalent to what the producer would have earned in conservation reserve program rental payments during fiscal year 2004 had the offer been accepted.

STATE MEDIATION GRANTS

2004 appropriation	$3,951,000
2005 budget estimate	4,000,000
Provided in the bill	4,000,000
Comparison:	
2004 appropriation	+49,000
2005 budget estimate	.....

COMMITTEE PROVISIONS

For State Mediation Grants, the Committee provides an appropriation of $4,000,000, an increase of $49,000 above the amount available in fiscal year 2004 and the same as the budget request.

DAIRY INDEMNITY PROGRAM

2004 appropriation	$100,000
2005 budget estimate	100,000
Provided in the bill	100,000
Comparison:	
2004 appropriation	– – –
2005 budget estimate	– – –

COMMITTEE PROVISIONS

For the Dairy Indemnity Program, the Committee provides an appropriation of $100,000, the same as the amount available for fiscal year 2004 and the same as the budget request.

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

ESTIMATED LOAN LEVELS

2004 loan level	$3,246,249,000
2005 budget estimate	3,803,253,000
Provided in the bill	3,818,253,000
Comparison:	
2004 loan level	+572,004,000
2005 budget estimate	+15,000,000

COMMITTEE PROVISIONS

Approximate loan levels provided by the Committee for fiscal year 2005 for the Agricultural Credit Insurance Fund Programs are: $1,600,000,000 for farm ownership loans, of which $200,000,000 is for direct loans and $1,400,000,000 is for guaranteed loans; $2,116,253,000 for farm operating loans, of which $650,000,000 is for direct loans, $266,253,000 is for guaranteed subsidized loans, and $1,200,000,000 is for guaranteed unsubsidized loans; $2,000,000 for Indian tribe land acquisition loans; and $100,000,000 for boll weevil eradication loans.

AGRICULTURE CREDIT PROGRAMS

[In thousands of dollars]

	FY 2004 level	FY 2005 estimate	Committee provisions
Farm loan programs:			
Farm ownership:			
Direct	$128,396	200,000	$200,000
Guaranteed	944,395	1,400,000	1,400,000
Farm operating:			
Direct	613,860	650,000	650,000
Unsubsidized guaranteed	1,192,920	1,200,000	1,200,000
Subsidized guaranteed	264,678	266,253	266,253
Indian tribe land acquisition	2,000	2,000	2,000
Natural disasters emergency	0	25,000	0
Boll Weevil Eradication	100,000	60,000	100,000
Total, farm loans	$3,246,249	$3,803,253	$3,818,253

ESTIMATED LOAN SUBSIDY AND ADMINISTRATIVE EXPENSES LEVELS

	Direct loan subsidy	*Guaranteed loan subsidy*	*Administrative expenses*
2004 appropriation	$116,869,000	$78,623,000	$7,901,000
2005 budget estimate	79,625,000	81,618,000	8,000,000
Provided in the bill	76,390,000	81,618,000	8,000,000
Comparison:			
2004 appropriation	−40,479,000	+2,995,000	+99,000
2005 budget estimate	−3,235,000	− − −	− − −

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

	FY 2004 estimate	FY 2005 estimate	Committee provisions
Loan subsidies:			
Farm ownership:			
Direct	$28,350,000	10,700,000	$10,700,000
Guaranteed	5,100,000	7,420,000	7,420,000

	FY 2004 estimate	FY 2005 estimate	Committee provisions
Subtotal	33,450,000	18,120,000	18,120,000
Farm operating:			
Direct	88,519,000	65,585,000	65,585,000
Guaranteed unsubsidized	39,724,000	38,760,000	38,760,000
Guaranteed subsidized	33,799,000	35,438,000	35,438,000
Subtotal	162,042,000	139,783,000	139,783,000
Indian tribe land acquisition	0	105,000	105,000
Natural disasters emergency	0	3,235,000	0
Total, Loan subsidies	$195,492,000	$161,243,000	$158,008,000
ACIF expenses:			
Salaries and expenses	281,350,000	305,011,000	289,445,000
Administrative expenses	7,901,000	8,000,000	8,000,000
Total, ACIF expenses	$289,251,000	$313,011,000	297,445,000

RISK MANAGEMENT AGENCY

2004 appropriation	$71,001,000
2005 budget estimate	91,582,000
Provided in the bill	72,044,000
Comparison:	
2004 appropriation	+1,043,000
2005 budget estimate	– 19,538,000

COMMITTEE PROVISIONS

For the Risk Management Agency, the Committee provides an appropriation of $72,044,000, an increase of $1,043,000 above the amount available for fiscal year 2004 and a decrease of $19,538,000 below the budget request.

The Committee directs the Risk Management Agency to develop a Gross Revenue Income Protection program for sorghum, at coverage rates equal to other feed grains.

The 2002 Farm Bill drastically changed the Peanut Program. The per-acre insurance guarantee was reduced to reflect the lower loan rate required by the Bill. This rate is below the cost of production and is not an effective risk management tool for peanut producers. Most peanuts in the U.S. are now marketed through a contract between the Sheller and the Peanut Farmer at a price higher than the loan rate. The Committee urges Risk Management Agency to work with the insurance industry to quickly develop an insurance product that will allow the peanut producer to insure peanuts at an amount equal to the contract value of the crop.

CORPORATIONS

FEDERAL CROP INSURANCE CORPORATION FUND

2004 appropriation	[1] $3,765,000,000
2005 budget estimate	[1] 4,095,128,000
Provided in the bill	[1] 4,095,128,000
Comparison:	
2004 appropriation	+330,128,000
2005 budget estimate	– – –

[1] Current indefinite appropriation.

COMMITTEE PROVISIONS

For the Federal Crop Insurance Corporation Fund, the Committee provides an appropriation of such sums as may be necessary (estimated to be $4,095,128,000 in the President's fiscal year 2005 Budget Request), an increase of $330,128,000 above the amount provided in fiscal year 2004 and the same as the budget request.

COMMODITY CREDIT CORPORATION FUND

REIMBURSEMENT FOR NET REALIZED LOSSES

2004 appropriation	[1] $22,937,000,000
2005 budget estimate	[1] 16,452,377,000
Provided in the bill	[1] 16,452,377,000
Comparison:	
2004 appropriation	−6,484,623,000
2005 budget estimate	– – –

[1] Current indefinite appropriation.

COMMITTEE PROVISIONS

For Reimbursement for Net Realized Losses to the Commodity Credit Corporation, the Committee provides such sums as may be necessary to reimburse for net realized losses sustained, but not previously reimbursed (estimated to be $16,452,377,000 in the President's fiscal year 2005 Budget Request), a decrease of $6,484,623,000 below the amount provided in fiscal year 2004 and the same as the budget request.

HAZARDOUS WASTE MANAGEMENT

2004 limitation	$5,000,000
2005 budget estimate	5,000,000
Provided in the bill	5,000,000
Comparison:	
2004 limitation	– – –
2005 budget estimate	– – –

COMMITTEE PROVISIONS

For CCC Hazardous Waste Management, the Committee provides a limitation of $5,000,000, the same as the amount available for fiscal year 2004 and the same as the budget request.

TITLE II—CONSERVATION PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

2004 appropriation	$741,000
2005 budget estimate	936,000
Provided in the bill	731,000
Comparison:	
2004 appropriation	−10,000
2005 budget estimate	−205,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Natural Resources and Environment, the Committee provides an appropriation of $731,000, a decrease of $10,000 below the amount available for fiscal year 2004 and a decrease of $205,000 below the budget request.

NATURAL RESOURCES CONSERVATION SERVICE

CONSERVATION OPERATIONS

2004 appropriation	$847,971,000
2005 budget estimate	710,412,000
Provided in the bill	813,673,000
Comparison:	
2004 appropriation	−34,298,000
2005 budget estimate	+103,261,000

COMMITTEE PROVISIONS

For Conservation Operations, the Committee provides an appropriation of $813,673,000, a decrease of $34,298,000 below the amount available for fiscal year 2004 and an increase of $103,261,000 above the budget request. The Committee recommendation includes $65,153,900 for National Headquarters salaries and expenses, as requested.

Misuse of discretionary funds.—The Committee is concerned about the misuse of discretionary conservation technical assistance funds. The fiscal year 2004 instructions to State Conservationists from the Chief of NRCS, which were submitted for the record, state, "Your fiscal and performance responsibilities include . . . Assuring that all planning that occurs before the approval of an application for Farm Bill conservation programs is charged to Conservation Technical Assistance (CTA), but charge the planning that occurs after the application has been approved (contract planning) to the benefiting program . . .". This instruction is in clear violation of the fiscal year 2004 Appropriations Act, P.L. 108–199, which directs that none of the funds made available to NRCS may be used to provide technical assistance "with respect to programs listed in section 1241(a) of the Food Security Act of 1985." The Office of the General Counsel has opined that the appropriations language is

clear in its prohibition of the use of discretionary CTA funds for Farm Bill conservation programs. The NRCS is directed to explain its actions to the Committee immediately and to provide the Committee with a detailed accounting of all CTA funds that were used for Farm Bill conservation programs at any point in fiscal years 2003 or 2004, including the amounts and dates of any charges made to CTA during the planning process before application approval.

State funding allocations.—The Committee is concerned that funding allocations to the States are being reduced in proportion to Congressional earmarks funded in the Conservation Operations account. The Committee directs the Chief of the NRCS, in making the fiscal year 2005 Conservation Operations funding allocations to the States, to treat Congressional earmarks as additions to the States' funding allocation. The Committee directs the NRCS to provide a report to the Committee on Appropriations, not later than 45 days after the enactment of this Act, including the following: fiscal year 2004 Conservation Operations allocation by State, fiscal year 2005 Conservation Operations allocation by State, the fiscal year 2005 Congressional earmarks by State, and the total conservation operations allocation by State.

Grazing Lands Conservation Initiative.—The Committee includes legislative language that provides $23,500,000 for the Grazing Lands Conservation Initiative.

Animal Feeding Operations Pilot Projects.—The Committee provides $6,000,000 for the continued implementation of pilot projects for innovative technology systems resulting in a 75 percent reduction in nutrients of wastewater discharged by animal feeding operations to be managed by Farm Pilot Project Coordination, Inc. The Secretary is directed to release these funds after submitting a report to the Committees on Appropriations that a satisfactory cooperative agreement between the NRCS and Farm Pilot Project Coordination, Inc. has been consummated.

Edwards Aquifer.—The Committee encourages the Agency to provide technical and financial assistance to the Edwards Aquifer Authority and San Antonio Water Systems regarding plugging of wells to address pollution concerns.

Sage grouse.—The Committee encourages NRCS to address sage grouse conservation projects on private and public lands through the Wildlife Habitat Incentives Program (WHIP) at a minimum of $2,000,000.

Source Water Protection Initiative.—NRCS is strongly encouraged to provide support and assistance to the local watershed associations in Ohio, Indiana, and Missouri working on the Source Water Protection Initiative.

Assistance to Puerto Rico.—The Committee encourages the NRCS to provide assistance for the preservation and improvement of water and soil resources in Caño Tiburones, Puerto Rico.

Wetlands restoration.—The Committee requests that the NRCS consider funding for the Meadowlands, New Jersey, restoration project through the Wetlands Reserve Program (WRP).

Funding for fiscal year 2004 projects is not continued in fiscal year 2005 unless specifically mentioned in this report. The following funds are directed to be used in cooperative agreements,

continued with the same cooperator entities as in the fiscal year 2004 agreements: National Water Management Center (AR)—$2,750,000; East Valley Conservation District/Santa Ana Watershed Authority (CA) non-native plant removal—$1,000,000; Monterey Bay Sanctuary—$600,000; Manatee (FL) Agriculture Reuse System—$2,000,000; Georgia Soil and Water Conservation Commission Cooperative Agreement within which the Committee expects the Commission to work with the Flint River Agricultural Water Conservation Initiative—$3,500,000; PMC for Native Plants to clean up the Island of Kahoolawe (HI)—$108,000; Molokai (HI) Agriculture Community Committee—$250,000; Idaho One Plan—$200,000; Trees Forever Program (IL)—$100,000; Illinois River Basin—$600,000 through EQIP; Hungry Canyon/Loess Hills Erosion Control/Western Iowa—$1,200,000; Trees Forever Program (IA)—$100,000; CEMSA w/Iowa Soybean Association—$400,000; Technical assistance to providing grants to Soil Conservation Districts in Kentucky—$1,000,000; Dairy waste remediation-Lake Ponchartrain (LA) Basin—$300,000; Chesapeake Bay activities—$6,000,000; Weed It Now-Taconic Mountains (MA/NY/CT)—$200,000; Choctaw County (MS) feasibility study for surface impoundment—$250,000; Upper White River Water Quality Project Office in southern Missouri—$403,000; Lake Tahoe Basin Soil Conservation Project (NV/CA)—$500,000; State conservation cost share program (NJ)—$1,000,000; Pastureland Management/Rotational Grazing (NY)—$700,000; Best management practices/Skaneateles and Owasco Watersheds (NY)—$400,000; Address non-point pollution in Onondaga Lake Watershed (NY)—$250,000; Phase II/Watershed Agriculture Council in Walton (NY)—$700,000, of which, $80,000 is for monitoring the easements purchased by the Council's Whole Farm Easement Program; Technical assistance to livestock/poultry industry (NC)—$450,000; Maumee Watershed Hydrological Study and Flood Mitigation Plan (OH)—$1,000,000; Oregon Garden Silverton (OR)—$325,000; Study to characterize land use change while preserving natural resources in cooperation with Clemson University (SC)—$890,000; Bexar, Medina, Uvalde Counties irrigation in Edwards Aquifer (TX)—$500,000; Field office telecommunications pilot program/advanced soil survey methods (TX)—$2,400,000; Leon River restoration project (TX)—$100,000; Range vegetation pilot project, Ft. Hood (TX)—$500,000; a cooperative agreement with the Texas Water Resources Institute to implement a watershed protection plan for Tarrant County (TX)—$500,000; Walla Walla (WA) watershed alliance—$500,000; Design/implement natural stream restoration initiatives (WV)—$800,000; Soil survey geographic database in the Mid-Atlantic Highlands (WV)—$200,000; Grazing Lands Initiative/Wisconsin Department of Agriculture—$950,000; Audubon at Home Pilot Program—$500,000; Great Lakes Basin Program for Soil & Erosion Sediment—$2,500,000; Source water protection project to States showing greatest need—$2,750,000; technical assistance to address water quality problems in Sodus Bay Watershed, Wayne County (NY)—$250,000; New York State Agriculture and Environmental Management Program—$850,000; Community Nutrient Management Facilities (GA)—$350,000; Operation Oak Program to restore hardwoods in the South—$400,000; Dairy and poultry waste treatment

in Suwannee, Dixie, and Lafayette Counties (FL)—$280,000; Study to determine the logistics of transportation and coordination of excess nutrient management (AR)—$200,000; Long Island (NY) Sound watershed initiative—$200,000; Pace University Land Use Law center—$200,000; Erosion Control and Stabilization for Hudson River (NY) shoreline—$250,000; Basalt and Ground Water protection project (ID)—$250,000; Innovative environmental technology program (IN)—$500,000; for a cooperative agreement with the Green Institute (FL)—$400,000; Lake Okeechobee (FL) Watershed project planning—$270,000; projects for nutrient reducing waste treatment systems (FL)—$720,000; cooperative agreement with Louisiana State University on effectiveness of agriculture and forestry (LA)—$400,000; cooperative agreement with Sand County Foundation (WI)—$900,000; Soil survey mapping project (WY)—$290,000; and National Fish and Wildlife Foundation Partnerships—$3,000,000.

The Committee provides $23,500,000 for the Grazing Lands Conservation Initiative, $9,250,000 for snow surveys, $11,722,000 for Plant Materials Centers, $85,795,000 for the Soil Surveys Program, and $12,169,000 for pay costs.

The Committee provides $2,400,000 to continue a field office telecommunication and field technology program and to implement advanced soil survey methods and GIS visualization tools in West Texas.

The Committee includes funding for the American Heritage River navigator position on the Hudson River, as requested in the budget.

WATERSHED SURVEYS AND PLANNING

2004 appropriation	$10,500,000
2005 budget estimate	5,083,000
Provided in the bill	11,083,000
Comparison:	
2004 appropriation	+583,000
2005 budget estimate	+6,000,000

COMMITTEE PROVISIONS

For Watershed Surveys and Planning, the Committee provides an appropriation of $11,083,000, an increase of $583,000 over the amount available for fiscal year 2004 and an increase of $6,000,000 above the budget request.

WATERSHED AND FLOOD PREVENTION OPERATIONS

2004 appropriation	$86,487,000
2005 budget estimate	40,173,000
Provided in the bill	86,487,000
Comparison:	
2004 appropriation	– – –
2005 budget estimate	+46,314,000

COMMITTEE PROVISIONS

For Watershed and Flood Prevention Operations, the Committee provides an appropriation of $86,487,000, the same as the amount available for fiscal year 2004 and an increase of $46,314,000 above

the budget request. Language is included which limits the amount spent on technical assistance to not more than $40,000,000.

The Committee is aware of and expects progress to continue and/or to provide financial/technical assistance on the following projects: the four pilot projects in North Florida related to dairy and poultry cleanup efforts; Little Red River and the Big Slough Watersheds in Arkansas; Martinez 4 flood detention dam in Bexar County, TX; Potomac South River Watershed, Stoney Creek, Robinson Hollow, Toms Branch and Inch Branch dams (VA); Upper Black Vermillion Watershed Site 4 (KS); Lower Hamakua Ditch Watershed (HI); Upcountry Maui Watershed (HI); Elm Creek Watershed, Floodwater Structure Number 5A (TX); Neshaminy Creek Watershed Project, Bucks County (PA); Indian Creek (PA); Bayou Bourbeux Watershed (LA); Town Creek in Flowood (MS); Rockhouse Creek in Leslie County (KY); Kress Creek, DuPage County, (IL); Elm Creek (TX); Upper Walnut North Watershed Project 54 (KS); Marrowbone Creek Dam, Henry County (VA); Bayou Meto (AR) Project; Upper Red Rock Creek Watershed, Noble County (OK) and Big Cypress Reservation Watershed (FL) as part of Everglades restoration.

WATERSHED REHABILITATION PROGRAM

2004 appropriation	$29,629,000
2005 budget estimate	10,091,000
Provided in the bill	30,091,000
Comparison:	
2004 appropriation	+462,000
2005 budget estimate	+20,000,000

COMMITTEE PROVISIONS

For the Watershed Rehabilitation Program, the Committee provides an appropriation of $30,091,000, an increase of $462,000 above the amount available for fiscal year 2004 and an increase of $20,000,000 above the budget request.

RESOURCE CONSERVATION AND DEVELOPMENT

2004 appropriation	$51,641,000
2005 budget estimate	50,760,000
Provided in the bill	51,641,000
Comparison:	
2004 appropriation	– – –
2005 budget estimate	+881,000

COMMITTEE PROVISIONS

For Resource Conservation and Development, the Committee provides an appropriation of $51,641,000, the same as the amount available for fiscal year 2004 and an increase of $881,000 above the budget request.

The Committee has included bill language related to a cooperative agreement with a national association.

The Committee has included bill language limiting the amount that can be spent at national headquarters from this account.

FARM BILL TECHNICAL ASSISTANCE

2004 appropriation	0
2005 budget estimate	$92,024,000
Provided in the bill	0
Comparison:	
2004 appropriation	– – –
2005 budget estimate	–92,024,000

COMMITTEE PROVISIONS

The Committee does not concur with the budget request for a farm bill technical assistance account.

TITLE III—RURAL DEVELOPMENT PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

2004 appropriation	$632,000
2005 budget estimate	929,000
Provided in the bill	632,000
Comparison:	
2004 appropriation	– – –
2005 budget estimate	–297,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Rural Development, the Committee provides an appropriation of $632,000, the same as the amount available for fiscal year 2004 and a decrease of $297,000 below the budget request.

The Committee directs the Under Secretary to give consideration to the following projects or organizations requesting financial and/or technical assistance, and grants and/or loans made available under the Rural Development mission area: Hardin County, Iowa Historic Barn Preservation Commission (IA); Martinsville (VA) West Church Street Commercial Corridor Revitalization Project; Halifax County (VA) Industrial Development Authority; water and sewer projects in the Town of Ulster (NY) for improvements to the East Kingston Water District; County Animal Shelter, Cherokee County Commission (AL); revitalizing downtown City of Tuskegee (AL); upgrade to Cherokee County (AL) Commission courthouse; to build a city hall complex, Smith Station (AL); courthouse construction for Clay County (AL) Commission; Feasibility of and plans for Regional Farmers Market, Loudoun County (VA); Technical assistance and best practices outreach for Loudoun County (VA); Marketing outreach and support for specific agricultural sectors, Loudoun County (VA); Ellwood City (PA) Area Sewage Treatment Plant; Rural Dialysis Initiative (PA); Butts County (GA) Thermal Treatment Facility; West Point Service Area Bummerville Community (CA); Central Valley (CA) World Trade Project; Galt (CA) Future Farmers of America Center; Cable replacement, Fox Islands (ME) Electrical Cooperative; University of Maine (ME) Rural Community Innovation Center; Children's Hospital of the King's Daughter (NC); North Carolina (NC) Water 2030 Initiative; Nuese (NC) Regional Water Supply; Calexico Telemedicine Center (CA); Imperial Valley (CA) Sugarcane/Renewable Energy/Ethanol; Environmental Technology Business Park (CA); Desert Farming Institute (CA); Neighborhood House of Calexico Youth Center (CA); Telework Consortium in Herndon (VA); Virginia (VA) Horse Center; Online Louisiana (LA); Morgan City (LA) water and wastewater improvements; Montegut (LA) water and wastewater improvements; St. Martin Parish upgrade water and wastewater facilities (LA); Iberia Parish water and wastewater renovation (LA);

Fiber Optic Connector Project (NC); New England (ME) Deaf Education Broadband Initiative; Lake Erie (PA) College of Osteopathic Medicine—Link to Learn; GED on TV, WQLN, Public Broadcasting (PA); Big Butler Fair, Emergency Notification Alarm (PA); Long Lake (NY) Distance Learning Initiative; SUNY Morrisville's Anaerobic Digester Project (NY); (AL) Rural Health Information Network, USA; Computed Radiography, Chesapeake (VA); Federation of Southern Cooperatives Land Assistance Fund, East Point (GA); Federation of Southern Cooperatives, Albany (GA), East Baker Historical and 21st Century Community Corporation; Heritage Foundation/UJAMAA, Thomasville (GA); Springfield (MA) Public Market; Quinebaug Shetucket Heritage Corridor, Inc. (MA); Northampton (MA) Fairgrounds; Health Care Cooperative Purchasing Alliance Demo (MN); extend the Village of L' Anse water and sewer infrastructure, L' Anse Township (MI); community facilities upgrade for City of Menominee (MI); Northern Initiatives (MI); Northern Lakes Economic Alliance (MI); Munising (MI) water and sewer improvements; Kauai (HI) Sugarcane Biomass to Ethanol Project; Maui (HI) Community College SkyBridge; Health Care Cooperative Purchasing Alliance—Stop Loss Fund (WI); Armstrong Creek (WI); Oconto Harbor (WI) Dredging; start up and technical assistance for Health Care Cooperative Purchasing Alliance (WI); Hi-Desert Regional Neonatal Medical Center (CA); Lake Arrowhead (CA) Communities Services District; State of Vermont's (VT) Agritourism Website; Caguas (PR) Municipal Water Supply System Improvements; Bawcomville (LA) Stormwater Pumping Station; Rural Heritage Fair Property acquisition (WA); Raymond Carriage Museum Expansion—Raymond (WA) Riverfront Park; Morton (WA) Theater Conversion; Livingston Parish (LA) Alternative Fuel Plant; Southern University Center for Community and Economic Development (LA); (NH) Water Resources Management Plan; Sweet Potato Farmers Storage and Outreach Project (AR); University Extension Building, Greene County (MO); South Jersey (NJ) Ethanol Plant; Ozone Water Project (AR); Buchanan County (VA) Small Business Incubator; Dickenson County (VA) Kitchen Incubator; Grayson County (VA) Industrial Shell Building; Water Improvement Initiative, Hawthorne (FL); Rural Services Initiative (FL); Hernando County (FL) Fairgrounds; Water and wastewater system upgrades for Luray (VA); Water and wastewater system upgrades for Madison (VA); Water and wastewater system upgrades for Shenandoah (VA); Water and wastewater system upgrades for Stanley (VA); Rappahannock Count (VA) community/economic development; Adrian PSD/Phase V Water Line Extension (WV); Town of Winifrede (WV) Wastewater Project; Camp Sheppard/4–H Camp (WV); Mason County Fair (WV); City of Jane Lew (WV) Sewer Plant; Spanish Sustainable Agricultural Education Program (CA); upgrade the facilities at the Farmer's Market in Anderson County (KY); Mercer County (KY) Cooperative Extension; Millennium Park Amphitheater, Danville (KY); St. Croix (VI) Sewer System Repair; City of Florence (SC) Regional Surface Water Treatment; Town of Summerton (SC) water and wastewater system; Berkeley County (SC) Cross Water Project; Demolition of housing, Wilson (OK); Sewer line improvements, Chattanooga (OK); New community building, Cache (OK); Repainting of water tower, Sterling (OK);

Construction of water tower, Elgin (OK); Water Works, Environmental Education, City of Hartselle (AL); Madison County (FL) Agricultural Facility; Innovation Center's Micro-Loan Program, Selma (AL); City of Lakeside (OR), Tenmile Lakes Enhancement; City of Coburg (OR) Wastewater system; City of Brownsville (OR), Wastewater improvements; New England Wildlife Center (MA); Ft. Bend County (TX), Fresh Water Supply District #1; Herlong (CA) Water and wastewater system, Utilities Cooperative; Spaulding (CA) Wastewater Community Services District; (CA) Central Valley Rural Trade Project; Equestrian Complex in Bosque County (TX); Hardee County (FL) Cattleman's Arena Renovation; Cabarrus Arena Infrastructure Improvement Program (NC); Midwest Livestock Expo Center (OH); Perry County (OH) Rail Line Upgrade; Opal Creek Wilderness and Scenic Recreation Area (OR); Tillamook Log Waste Processing and Pellet Mill (OR); Statewide energy assessment (SD); Statewide economic development assessment (SD); Black Hills (SD) Technology Incubator; SDSU Technology and Business Incubator (SD); Little Milligan Water Project (TN); Lincoln Tail Foundation eCommerce Incubator (IL); Neuse Regional Water and Sewer Authority (NC); Nanticoke (PA) Rural Development Project; Dunmore Borough, Lackawanna County (PA); State's Pride of New York (NY) Program; Skagit County (WA) Fiber Optics Expansion; Rural E-Learning Agricultural Program (KY); Ohio County (KY) Wastewater Treatment Plant; Agritourism Council (KY); Northern Kentucky (KY) Regional Farmer's Market; Springhill (LA) Water system upgrades; Canton (NY) Feasibility Study; Syracuse (NY) University's Public Management and Finance Program; Champlain Watershed Improvement Coalition of New York (NY) Sewer Project in Hamlet of Essex; Wastewater plant rehabilitation and maintenance, Crescent City (FL); Agricultural Museum Construction Project (FL); Aroostook (ME) strategic plan; Universal Public Information Access Project (ME); Rural Community Innovation Center (ME); Public Broadcasting Corporation (ME); Vandalia Heritage Foundation (WV); Stonycreek Initiative (PA); Rail line upgrade in Harrison County (OH); International Agriculture-Center, Tulare (CA); improvements to Farm-to-Market Roads in Tulare (CA); wastewater treatment plant Strathmore Public Utility District (CA); Berkshire Community College long distance learning (MA); Berkshire (MA) Area Healthcare Training Program; expansion of wastewater treatment plant facilities for Village of Ruidoso and Rudoso Downs (NM); Community center for the City of Belen (NM); Senior Center for the Village of Tularosa (NM); water system improvement for the City of Carrizozo (NM); North Ditch irrigation system rehabilitation for the Pueblos of Laguna and Acoma (NM); Blue Valley Treatment and Fish Culture Facility (PA); Clarion University Biotechnology Business Development Center (PA); Health Care Cooperative Purchasing Alliance (WI); Minnesota (MN) Rural Living/Pioneer Public Television; Community Design for Revitalization of Small Towns, Mississippi State University (MS); 21st Century Vineyard Laboratory, Fredonia (NY); Chautauqua County (NY) Fair Equestrian Center; Western New York Equestrian Center, Hamburg (NY); Infrastructure Improvements in Chadwick Bay (NY); Rural Health Outreach, St. Mary's Hospital (WV); Eloy Community Center (AZ); Canutillo Ag-

ricultural Science and Research Center (TX); Rural water system in Dallas County (AR); Rural Manufacturing Retention Program (IL); Rural Manufacturing Initiative (PA); Coventry Lake Sewers Project (CT); Monmouth Girl Scouts Riding Facility (NJ); Water system improvements for City of Ola (AR); Clio Wastewater Treatment Plant Upgrade (SC); Chesterfield County (SC) Industrial Park Development; Wastewater line construction for Dillon County (SC); construction of a new water treatment plant in the Village of Racine (OH); new water treatment system for Toronto (OH); complete a water line extension project for Meigs (OH); extend the water lines in the village of Powhatan Point, Belmont (OH); upgrades to the Sewer Lift Station in Centerville (OH); Buncombe County (NC) construction of a new Emergency Operating Center; renovate an existing building for a Graham County (NC) Emergency Services Facility; Water Remediation and Preservation Project, Highlands (NC); Longtown Community Volunteer Fire Facility (MS); expansion of Child Development Center, Mississippi Valley State University (MS); Laytonville (CA) Wastewater Treatment Project; Cave Creek Watershed and Flood Prevention Program (CA); West Company, Ukiah (CA); Phillipsburg (OH) Sanitary Sewer Force Main Connection; Rapides Parish (LA) water treatment plant on the Red River; Ouachita Parish (LA) wastewater and water treatment improvements; Lafourche Parish (LA) wastewater and water treatment improvements; St. John the Baptists Parish (LA) drinking water supply improvements; Washington Parish (LA) potable water reservoir; Eastern Oregon University in the development of the Oregon Center for Rural Development and Policy Studies (OR); National Policy Consensus Center at Portland State University (OR); Gilliam County (OR) Columbia Plateau Wheat Quality Initiative Project; Southern Oregon (OR) Education Services District; Happy Canyon Facility Renovation Project (OR); construction of the Native American Gathering Facility at the Pendleton Round-up (OR); Claiborne County (TN) Potable Water Lines; Claiborne County (TN) Water line Extensions/Storage; City of Harrogate (TN) Sewer System; Claiborne County (TN) Potable Water Line Extensions; sewer system for City of Blaine (TN); Murray State Agriculture Resource Diversification (KY); Murray State Animal Health Technology expansion (KY); Tijeras Water System Improvement (NM); Village of Los Lunas (NM) Interceptor Sewer Line; Bernalillo Wastewater Treatment Plant (NM); improve wastewater treatment in the Rexland Acres community (CA); construct agricultural training center at West Hills Community College, Farm of the Future Project (CA); NutriCore NorthEast (PA); OneMap (NC); and, University of South Carolina (SC) Salkehatchie Leadership Institute.

The Committee expects the Under Secretary to approve these projects only when such applications are judged to be meritorious when subject to established review procedures.

The Committee directs Rural Development to provide a grant to the Renewable Fuels Association and the National Corn Growers Association to promote a comprehensive national communications program to heighten consumer awareness and educate stakeholders on ethanol.

RURAL COMMUNITY ADVANCEMENT PROGRAM

2004 appropriation	$752,956,000
2005 budget estimate	541,979,000
Provided in the bill	667,408,000
Comparison:	
2004 appropriation	−85,948,000
2005 budget estimate	+125,429,000

COMMITTEE PROVISIONS

For the Rural Community Advancement Program, the Committee provides an appropriation of $667,408,000, a decrease of $85,948,000 below the amount available for fiscal year 2004 and an increase of $125,429,000 above the budget request.

The following table provides the Committee's recommendations as compared to the budget request:

RURAL COMMUNITY ADVANCEMENT PROGRAM

[Budget authority in thousands of dollars]

	FY 2004 level	FY 2005 estimate	Committee provisions
Community facilities:			
Community facility direct loans	0	$12,150	$12,150
Community facility guaranteed loans	0	189	189
Community facility grants	$15,825	17,000	17,000
Rural community development initiative	5,965	0	6,200
Other	53,681	0	4,000
Rescission	448	0	0
Subtotal, Community facilities	75,919	29,339	39,539
Business:			
Business and industry loans:			
Guaranteed	26,841	30,180	30,180
Rural business enterprise grants	42,399	40,000	40,000
Rural business opportunity grants	2,982	3,000	3,000
Other	3,827	0	2,000
Rescission	451	0	0
Subtotal, business	76,500	73,180	75,180
Utilities:			
Water and waste disposal loans:			
Direct	34,379	90,000	90,000
Water and waste disposal grants	543,994	345,960	457,689
Solid waste management grants	3,479	3,500	3,500
Other	19,584	0	1,500
Rescission	3,570	0	0
Subtotal, utilities	605,006	439,460	552,689
Rescission	4,469	0	0
Total, loans and grants	$752,956	$541,979	$667,408

The following earmarks are included in bill language for the Rural Community Advancement Program: $1,000,000 is for grants to nonprofit organizations to finance construction, refurbishing, and servicing of individually-owned household water well systems in rural areas; $500,000 is for revolving funds for financing water and wastewater projects; $24,000,000 for Federally Recognized Native American Tribes, of which $4,000,000 is for community facilities

grants to tribal colleges, and of which $250,000 is for transportation technical assistance; $6,200,000 is for the Rural Community Development Initiative; $500,000 for rural transportation technical assistance; $2,000,000 is for grants to Mississippi Delta Region counties; $25,000,000 is for water and waste disposal systems in the Colonias; $17,500,000 is for technical assistance for rural water and waste systems; $14,000,000 is for a circuit rider program; and $22,166,000 for empowerment zones and enterprise communities (EZ/EC) and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones, of which $1,081,000 is for community facilities, of which $12,582,000 shall be for rural utilities programs, and of which $8,503,000 shall be for the rural business and cooperative development programs.

Rural Community Assistance Programs.—The Committee directs that, of the funds provided for rural waste systems, $5,513,000 is designated for the Rural Community Assistance Programs.

Predevelopment Planning Grants.—The Committee directs that, of the funds provided for the Rural Community Development Initiative, $200,000 is designated for continuation of predevelopment planning grants.

The Committee expects the Department to coordinate with the Foundation for Affordable Drinking Water to carry out the provisions of section 7 U.S.C. 1926e of the Consolidated Farm and Rural Development Act.

The Committee expects the Department to carry out the provisions of 7 U.S.C. 1926(a)(2)(B) to coordinate with groups who have expertise in operating revolving funds similar to that authorized under 7 U.S.C. 1926(a)(2), including Rural Community Assistance Programs.

The Committee is concerned with the Department's administration of the Guaranteed Business and Industry Loan Program, and in particular, the practice of rescinding the Federal guarantee on loans already approved by participating banks serving small and rural communities in cases where the bank was defrauded or where the Agency failed to provide the banks with negative information in its possession about a prospective borrower. Such actions undermine the integrity of the loan program, and the intent of Congress for the program. The Committee directs the Secretary to develop a strategy to address this problem, and provide a report to the Committee outlining its plan of action, including any specific regulatory changes the Department is considering to the current process for loan origination and servicing oversight responsibility, by January 31, 2005. This report should include a detailed description of the Department's policies that existed during fiscal year 2003 for the oversight of loan origination and servicing for the Guaranteed Business and Industry Loan Program.

The Committee encourages the Rural Business-Cooperative Service to promulgate regulations to implement an annual guarantee fee for business and industry loans guaranteed under section 310B of the Consolidated Farm and Rural Development Act. This annual fee will allow this guarantee loan program to more effectively use its budget authority.

RURAL DEVELOPMENT SALARIES AND EXPENSES

	FY 2004 estimate	*FY 2005 estimate*	*Committee provisions*
Appropriations	$141,032,000	$149,749,000	$143,625,000
Transfer from:			
Rural Housing Insurance Fund Loan Program Account	440,687,000	465,886,000	448,889,000
Rural Electrification and Telecommunications Loans Program Account	37,630,000	39,933,000	38,323,000
Rural Telephone Bank Program Account	3,152,000	3,328,000	3,152,000
Rural Development Loan Fund Program Account	4,247,000	6,656,000	4,321,000
Total, RD Salaries and Expenses	$626,748,000	$665,552,000	$638,310,000

COMMITTEE PROVISIONS

For Salaries and Expenses of the Rural Development mission areas, the Committee provides an appropriation of $143,625,000, an increase of $2,593,000 above the amount available for fiscal year 2004 and a decrease of $6,124,000 below the budget request.

RURAL HOUSING SERVICE

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

ESTIMATED LOAN LEVELS

2004 loan levels	$4,329,512,000
2005 budget estimate	4,041,731,000
Provided in the bill	4,686,906,000
Comparison:	
2004 loan level	+357,394,000
2005 budget estimate	+645,175,000

COMMITTEE PROVISIONS

For the Rural Housing Insurance Fund program account, the Committee provides a loan level of $4,686,906,000, an increase of $357,394,000 above the amount provided in fiscal year 2004 and an increase of $645,175,000 above the budget request.

The following table reflects the loan levels for the Rural Housing Insurance Fund program account:

[In thousands of dollars]

	FY 2004 level	FY 2005 estimate	Committee provisions
Rural Housing Insurance Fund Loans and Grant:			
Single family housing (sec. 502):			
Direct	$1,351,397	$1,100,000	$1,100,000
Unsubsidized guaranteed	2,709,094	2,725,185	3,309,297
Rental housing (sec. 515)	115,857	60,000	116,063
Multi-family guaranteed (sec. 538)	99,410	100,000	100,000
Housing repair (sec. 504)	34,797	35,000	35,000
Credit sales of acquired property	11,491	11,501	11,501
Housing site development (sec. 524)	5,045	5,045	5,045
Self-help housing land development fund	2,421	5,000	10,000

[In thousands of dollars]

	FY 2004 level	FY 2005 estimate	Committee provisions
Total, Loan authorization	$4,329,512	$4,041,731	$4,686,906

ESTIMATED LOAN SUBSIDY AND ADMINISTRATIVE EXPENSES LEVELS

[In thousands of dollars]

	FY 2004 level	FY 2005 estimate	Committee provisions
Rural Housing Insurance Fund Program Account (loan subsidies):			
Single family housing (sec. 502):			
Direct	$125,274	$127,380	$127,380
Unsubsidized guaranteed	39,668	33,608	33,608
Rental housing (sec. 515)	49,830	28,254	54,654
Multi-family guaranteed (sec. 538)	5,915	3,490	3,490
Housing repair (sec. 504)	9,555	10,171	10,171
Credit sales of acquired property	659	727	727
Housing site development (sec. 524)	– – –	– – –	– – –
Self-help housing land development fund	75	– – –	– – –
Total, Loan subsidies	$230,976	$203,630	$230,030
RHIF expenses:			
Administrative expenses	$440,687	$465,886	$448,889

The Committee has recommended a general provision to this bill to increase the guarantee fee for the guaranteed single-family housing loan program by 25 basis points to two percent. The Committee is concerned about the need for the Rural Housing Service in fiscal years 2003 and 2004 to exercise the Secretary's interchange authority to transfer additional budget authority to avoid shutting down the guarantee loan program. The fiscal year 2005 President's budget request included only a small increase in loan level above the appropriated fiscal year 2004 level. Raising the guarantee fee to two percent will allow this guarantee loan program to more effectively use its budget authority.

RENTAL ASSISTANCE PROGRAM

2004 appropriation	$580,554,000
2005 budget estimate	592,000,000
Provided in the bill	592,000,000
Comparison:	
2004 appropriation	+11,446,000
2005 budget estimate	– – –

COMMITTEE PROVISIONS

For the Rental Assistance Program, the Committee provides a program level of $592,000,000, an increase of $11,446,000 above the amount available in fiscal year 2004 and the same amount as the budget request.

MUTUAL AND SELF-HELP HOUSING GRANTS

2004 appropriation	$33,799,000
2005 budget estimate	34,000,000
Provided in the bill	34,000,000
Comparison:	
2004 appropriation	+201,000
2005 budget estimate	– – –

COMMITTEE PROVISIONS

For Mutual and Self-Help Housing Grants, the Committee provides an appropriation of $34,000,000, an increase of $201,000 above the amount available in fiscal year 2004 and the same amount as the budget request.

RURAL HOUSING ASSISTANCE GRANTS

2004 appropriation	$45,949,000
2005 budget estimate	42,500,000
Provided in the bill	42,500,000
Comparison:	
2004 appropriation	−3,449,000
2005 budget estimate	− − −

COMMITTEE PROVISIONS

For the Rural Housing Assistance Grants program, the Committee provides an appropriation of $42,500,000, a decrease of $3,449,000 below the amount provided in fiscal year 2004 and the same amount as the budget request. The appropriated amount includes $1,000,000 for supervisory and technical assistance.

FARM LABOR PROGRAM ACCOUNT

	Loan level	Subsidy level	Grants
2004 appropriation	$42,574,000	$18,192,000	$17,901,000
2005 budget estimate	42,000,000	19,765,000	17,000,000
Provided in the bill	42,000,000	19,765,000	17,000,000
Comparison:			
2004 appropriation	−574,000	+1,573,000	−901,000
2005 budget estimate	− − −	− − −	− − −

COMMITTEE PROVISIONS

For the Farm Labor program account, the Committee provides a loan subsidy of $19,765,000 which supports a loan level of $42,000,000, an increase of $1,573,000 in loan subsidy and a decrease of $574,000 in loan level below the amount available in fiscal year 2004, and the same amount in loan subsidy and loan level as the budget request.

The Committee also provides $17,000,000 in grants, a decrease of $901,000 below the amount available in fiscal year 2004 and the same amount as the budget request.

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

ESTIMATED LOAN LEVEL

2004 loan level	$39,764,000
2005 budget estimate	34,213,000
Provided in the bill	34,213,000
Comparison:	
2004 loan level	−5,551,000
2005 budget estimate	− − −

COMMITTEE PROVISIONS

For the Rural Development Loan Fund program account, the Committee provides for a loan level of $34,213,000, a decrease of $5,551,000 below the amount provided in fiscal year 2004 and the same as the budget request.

ESTIMATED LOAN SUBSIDY AND ADMINISTRATIVE EXPENSES LEVELS

	Direct loan subsidy	*Administrative expenses*
2004 appropriation	$17,206,000	$4,247,000
2005 budget estimate	15,868,000	6,656,000
Provided in the bill	15,868,000	4,321,000
Comparison:		
2004 appropriation	−1,338,000	+74,000
2005 budget estimates	− − −	−2,335,000

COMMITTEE PROVISIONS

For the estimated loan subsidy, the Committee provides an appropriation of $15,868,000, a decrease of $1,338,000 below the amount provided in fiscal year 2004 and the same amount as the budget request.

The Committee also provides $4,321,000 in administrative expenses, an increase of $74,000 above the amount available in fiscal year 2004 and a decrease of $2,335,000 below the budget request.

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

ESTIMATED LOAN LEVEL

2004 loan level	$14,914,000
2005 budget estimate	25,003,000
Provided in the bill	25,003,000
Comparison:	
2004 appropriation	+10,089,000
2005 budget estimate	− − −

COMMITTEE PROVISIONS

For the Rural Economic Development Loans program account, the Committee provides for a loan level of $25,003,000, an increase of $10,089,000 above the amount provided for fiscal year 2004, and the same as the budget request.

ESTIMATED LOAN SUBSIDY

2004 appropriation	[1] $2,776,000
2005 budget estimate	[1] 4,698,000
Provided in the bill	[1] 4,698,000
Comparison:	
2004 appropriation	+1,922,000
2005 budget estimate	− − −

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

COMMITTEE PROVISIONS

For the estimated loan subsidy, the Committee provides an appropriation of $4,698,000, an increase of $1,922,000 above the amount provided in fiscal year 2004 and the same as the budget request.

RURAL COOPERATIVE DEVELOPMENT GRANTS

2004 appropriation	$23,858,000
2005 budget estimate	21,000,000
Provided in the bill	23,500,000
Comparison:	
2004 appropriation	−358,000
2005 budget estimate	+2,500,000

COMMITTEE PROVISIONS

For Rural Cooperative Development Grants, the Committee provides an appropriation of $23,500,000, a decrease of $358,000 below the amount available in fiscal year 2004 and an increase of $2,500,000 above the budget request.

Of the funds provided, not to exceed $2,500,000 is provided for a cooperative agreement for the Appropriate Technology Transfer for Rural Areas (ATTRA) program through a cooperative agreement with the National Center for Appropriate Technology, and $15,500,000 is for value-added market development grants.

The Committee encourages the Department to provide a grant for peanut marketing cooperatives to develop and expand the cooperatives to assist peanut producers who are transitioning to the new peanut program provided by the Farm Security and Rural Investment Act of 2002.

RURAL EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES GRANTS

2004 appropriation	$12,592,000
2005 budget estimate	0
Provided in the bill	11,419,000
Comparison:	
2004 appropriation	−1,173,000
2005 budget estimate	+11,419,000

COMMITTEE PROVISIONS

For Rural Empowerment Zones and Enterprise Communities Grants, the Committee provides an appropriation of $11,419,000, a decrease of $1,173,000 below the amount available in fiscal year 2004 and an increase of $11,419,000 above the budget request.

RENEWABLE ENERGY PROGRAM

2004 appropriation	$22,864,000
2005 budget estimate	10,770,000
Provided in the bill	15,000,000
Comparison:	
2004 appropriation	−7,864,000
2005 budget estimate	+4,230,000

COMMITTEE PROVISIONS

For the Renewable Energy Program, the Committee provides an appropriation of $15,000,000, a decrease of $7,864,000 below the amount available in fiscal year 2004 and an increase of $4,230,000 above the budget request.

RURAL UTILITIES SERVICE

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT

ESTIMATED LOAN LEVEL

2004 loan level	$5,502,935,000
2005 budget estimate	3,135,000,000
Provided in the bill	4,840,000,000
Comparison:	
2004 appropriation	−662,935,000
2005 budget estimate	+1,705,000,000

COMMITTEE PROVISIONS

The following table reflects the loan levels for the Rural Electrification and Telecommunications Loans Program account:

[Dollars in thousands]

	FY 2004 enacted	FY 2005 estimate	Committee provisions
Loan authorizations:			
Electric:			
Direct, 5%	$240,000	$120,000	$120,000
Direct, Municipal rate	1,000,000	100,000	100,000
Direct, FFB	1,900,000	1,620,000	2,000,000
Direct, Treasury Rate	750,000	700,000	1,000,000
Guaranteed electric	99,410	100,000	100,000
Guaranteed underwriting	1,000,000	0	1,000,000
Subtotal	4,989,410	2,640,000	4,320,000
Telecommunications:			
Direct, 5%	145,000	145,000	145,000
Direct, Treasury rate	248,525	250,000	250,000
Direct, FFB	120,000	100,000	125,000
Subtotal	513,525	495,000	520,000
Total, Loan authorizations	$5,502,935	$3,135,000	$4,840,000

ESTIMATED LOAN SUBSIDY AND ADMINISTRATIVE EXPENSES LEVELS

[Dollars in thousands]

	FY 2004 enacted	FY 2005 estimate	Committee provisions
Loan subsidies:			
Electric:			
Direct, 5%	– – –	$3,648	$3,648
Direct, Municipal rate	– – –	1,350	1,350
Guaranteed Electric	$60	60	60
Subtotal	60	5,058	5,058
Telecommunications:			
Direct, 5%	– – –	– – –	– – –
Direct, Treasury rate	124	100	100
Subtotal	124	100	100
Total, Loan subsidies	$184	$5,158	$5,158

[Dollars in thousands]

	FY 2004 enacted	FY 2005 estimate	Committee provisions
E & T expenses:			
Administrative expenses	$37,630	$39,933	$38,323

The Committee is concerned about the Secretary's failure to issue a final rule necessary to carry out section 313A of the Rural Electrification Act of 1936. The public comment period ended March 1, 2004 for the proposed rule. The Committee directs the Department to move expeditiously to publish a final rule to implement the Guaranteed Electric Underwriting Loan Program as authorized in the 2002 Farm Bill.

RURAL TELEPHONE BANK PROGRAM ACCOUNT

ESTIMATED LOAN LEVEL

2004 loan level	$173,503,000
2005 budget estimate	0
Provided in the bill	175,000,000
Comparison:	
2004 loan level	+1,497,000
2005 budget estimate	+175,000,000

COMMITTEE PROVISIONS

For the Rural Telephone Bank Program, the Committee provides for a loan level of $175,000,000, an increase of $1,497,000 above the amount provided in fiscal year 2004 and an increase of $175,000,000 above the budget request.

The Committee includes the same provision from the fiscal year 2004 bill which limits the retirement of the Class A stock of the Rural Telephone Bank.

ESTIMATED LOAN SUBSIDY AND ADMINISTRATIVE EXPENSES LEVELS

	Direct loan subsidy	*Administrative expenses*
2004 appropriation	– – –	$3,152,000
2005 budget estimate	– – –	3,328,000
Provided in the bill	– – –	3,152,000
Comparison:		
2004 appropriation	– – –	– – –
2005 budget estimate	– – –	– 176,000

COMMITTEE PROVISIONS

The Committee provides $3,152,000 in administrative expenses, the same as the amount available in fiscal year 2004 and a decrease of $176,000 below the budget request.

DISTANCE LEARNING, TELEMEDICINE AND BROADBAND PROGRAM

	Loan level	*Subsidy level*	*Grants*
2004 appropriation	$898,101,000	$13,039,000	$47,717,000
2005 budget estimate	331,081,000	9,884,000	25,000,000
Provided in the bill	514,038,000	10,594,000	34,000,000
Comparison:			
2004 appropriation	−384,063,000	−2,445,000	−13,717,000
2005 budget estimates	+182,957,000	+710,000	+9,000,000

COMMITTEE PROVISIONS

For the Distance Learning, Telemedicine, and Broadband Program, the Committee provides an appropriation of $44,594,000, a decrease of $16,162,000 below the amount available for fiscal year 2004 and an increase of $9,710,000 above the budget request, including $710,000 for Distance Learning and Telemedicine loan subsidy, $25,000,000 for Distance Learning and Telemedicine Grants, $9,884,000 for Broadband Telecommunications loan subsidy, and $9,000,000 for Broadband Grants.

TITLE IV—DOMESTIC FOOD PROGRAMS

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

2004 appropriation	$595,000
2005 budget estimate	799,000
Provided in the bill	595,000
Comparison:	
2004 appropriation	– – –
2005 budget estimate	–204,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Food, Nutrition and Consumer Services, the Committee provides an appropriation of $595,000, the same as the amount provided in fiscal year 2004 and a decrease of $204,000 below the budget request.

CHILD NUTRITION PROGRAMS

	Direct appropriation	*Transfer from section 32*	*Total program level*
2004 appropriation	$6,717,780,000	$4,699,661,000	$11,417,441,000
2005 budget estimate	6,060,860,000	5,319,697,000	11,380,557,000
Provided in the bill	6,227,595,000	5,152,962,000	11,380,557,000
Comparison:			
2004 appropriation	–490,185,000	+453,301,000	–36,884,000
2005 budget estimate	+166,735,000	–166,735,000	– – –

COMMITTEE PROVISIONS

For the Child Nutrition Programs, the Committee provides a total of $11,380,557,000, a decrease of $36,884,000 below the amount available for fiscal year 2004 and the same amount as the budget request. Of the total amount provided, $6,227,595,000 is by direct appropriation and $5,152,962,000 is by transfer from Section 32.

Child Nutrition Programs:	
School lunch program	$6,532,488,000
School breakfast program	1,825,646,000
Child and adult care food program	2,064,676,000
Summer food service program	295,305,000
Special milk program	14,875,000
State administrative expenses	148,176,000
Commodity procurement	469,701,000
School meals initiative	10,025,000
Food safety education	1,000,000
Coordinated review effort	5,235,000
Computer support and processing	13,373,000
Program pay cost	57,000
Total	$11,380,557,000

The Committee notes the School Meal Program in southern Texas is offering a new line of school meals fortified with Omega-3 fatty acids. Research suggests that long-chain Omega-3 fatty acids can help reduce the risk of heart disease, lower blood pressure and decrease the risk of sudden cardiac death and arrhythmia. The Committee also notes that learning disabilities and behavioral disorders have been linked to low serum levels of Omega-3 fatty acids. The Committee directs the Food and Nutrition Service to work aggressively to develop food products for the school meal program that are appealing to children, high in nutrition, and will foster lifelong healthy eating patterns. Particular attention should be paid to developing food choices that are high in marine-sourced long-chain Omega-3 fatty acids. The Committee urges the Food and Nutrition Service to initiate pilot programs in at least 5 regions or states to ensure that school meals contain between 500 milligrams and one gram of marine-sourced long-chain Omega-3 fatty acids that are from sources that fall under the Food and Drug Administration's status of GRAS or "Generally Recognized as Safe".

Authorization for the Child Nutrition Programs expires on June 30, 2004, and at the time of this Committee action, the House authorizing committee has passed a reauthorization bill but the Senate authorizing committee has not yet passed a reauthorization bill.

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

2004 appropriation	$4,611,861,000
2005 budget estimate	4,787,250,000
Provided in the bill	4,907,250,000
Comparison:	
2004 appropriation	+295,389,000
2005 budget estimate	+120,000,000

COMMITTEE PROVISIONS

For the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) the Committee provides an appropriation of $4,907,250,000, an increase of $295,389,000 above the amount available in fiscal year 2004 and an increase of $120,000,000 above the budget request.

The Committee recommendation for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) is $4,907,250,000. The Committee notes that since the budget request was submitted last February, estimates for food costs in the WIC program for the current and budget year have increased. The Committee provides an increase of $157,250,000 above the budget request for WIC food costs. The Committee will continue to monitor WIC food costs and take additional action as necessary to ensure that the funding provided in fiscal year 2005 is sufficient to serve all eligible applicants.

The recommended funding level includes $15,000,000 for continuation of the breastfeeding peer counselor program.

Electronic Benefit Transfer.—The Committee recommendation includes language to allow funds to be used for WIC electronic benefit transfer (EBT) systems and sets the authorized level of infra-

structure funding at $14,000,000, which includes funding to develop EBT systems.

Farmers' Market Nutrition Program.—The Committee recommendation includes $20,000,000 for the Farmers' Market Nutrition Program account under the Commodity Assistance Program as included in the budget request.

Food Prescription Package.—The Committee directs the Secretary to continue to report to Congress on the status and progress of the National Academy of Sciences, Institute of Medicine (NAS/IOM) review every six months until the review is complete. Further, within 180 days of receipt of the final NAS/IOM report, the Committee directs the Department to move expeditiously in consultation with WIC agencies to develop for public comment a food prescription rule responding to the needs of the WIC population and to provide a report to the Committee regarding the status and publication of a final rule prior to February 1, 2005.

WIC Services and Referrals.—While the Committee supports State and local agency efforts to utilize WIC as a means of participation referral to other health care services, it also recognizes the constraints that WIC programs experience as a result of expanding health care priorities and continuing demand for core WIC program activities. The Committee wishes to clarify that while WIC plays an important role in screening and referral to other health care services, it is not the Committee's intention that WIC should perform aggressive screening, referral and assessment functions in a manner that supplants the responsibilities of other programs, nor should WIC State and local agencies assume the burden of entering into and negotiating appropriate cost sharing agreements. The committee again includes language in the bill to preserve WIC funding for WIC services authorized by law to ensure that WIC funds are not used to pay the expenses or to coordinate operations or activities other than those allowable pursuant to section 17 of the Child Nutrition Act of 1966, unless fully reimbursed by the appropriate Federal agency.

Authorization for the WIC program expired at the end of fiscal year 2003, and at the time of this Committee action, the House authorizing committee has passed a reauthorization bill but the Senate authorizing committee has not yet passed a reauthorization bill.

FOOD STAMP PROGRAM

2004 appropriation	$30,945,981,000
2005 budget estimate	33,641,798,000
Provided in the bill	33,635,798,000
Comparison:	
2004 appropriation	+2,689,817,000
2005 budget estimate	−6,000,000

COMMITTEE PROVISIONS

For the Food Stamp Program, the Committee provides $33,635,798,000, an increase of $2,689,817,000 above the amount available in fiscal year 2004 and a decrease of $6,000,000 below the budget request. The total amount includes $3,000,000,000 for a contingency reserve in fiscal year 2005; $1,448,522,000 for nutrition assistance for Puerto Rico and American Samoa; and

$140,000,000 for The Emergency Food Assistance Program (TEFAP).

The Committee recommendation includes of the amount provided, up to $4,000,000 is to purchase bison for the Food Distribution Program on Indian Reservations from Native American bison producers.

COMMODITY ASSISTANCE PROGRAM

2004 appropriation	[1] $149,115,000
2005 budget estimate	169,416,000
Provided in the bill	178,797,000
Comparison:	
2004 appropriation	+29,682,000
2005 budget estimate	+9,381,000

[1] Includes $1,075,000 from the Food Donations Programs account, which is included in the Commodity Assistance Program account for FY 2004.

COMMITTEE PROVISIONS

The Committee provides an appropriation of $178,797,000 for the commodity assistance program, an increase of $29,682,000 above the amount available for fiscal year 2004 and an increase of $9,381,000 above the budget request.

The recommended funding level for the Commodity Supplemental Food Program (CSFP) is $107,716,000, an increase of $9,381,000 above the amount available for fiscal year 2004 and above the budget request. The Committee notes that approximately $6,500,000 in commodity inventory is expected to be available to the CSFP in fiscal year 2005, making the total available for the program approximately $114,216,000. This increased level of funding will prevent elderly slots from being cut in the CSFP in fiscal year 2005, allowing the existing caseload to be maintained.

The Committee has included $50,000,000 for administration of TEFAP, an increase of $295,000 above the amount available in fiscal year 2004 and the same as the budget request. These funds may be used for administration purposes or for food costs at the discretion of the States. In addition, the Committee recommendation includes a general provision that allows the Secretary to transfer up to $10,000,000 of TEFAP commodity funding to processing, storage, and distribution costs.

For the Food Donations Programs the Committee provides an appropriation of $1,081,000 for Pacific Island Assistance, an increase of $6,000 above the amount available for fiscal year 2004, and the same as the budget request.

Farmers' Market Nutrition Program.—The Committee recommendation includes $20,000,000 for the Farmers' Market Nutrition Program, as requested. This program was formerly funded in the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) account.

Seniors Farmers' Market Program.—Public Law 107–171, Section 4402, directs mandatory funding for this program from funds available to the Commodity Credit Corporation. The funding level is $15,000,000 for fiscal year 2005.

NUTRITION PROGRAMS ADMINISTRATION

2004 appropriation	$137,488,000
2005 budget estimate	152,227,000
Provided in the bill	133,742,000
Comparison:	
2004 appropriation	−3,746,000
2005 budget estimate	−18,485,000

COMMITTEE PROVISIONS

For Nutrition Programs Administration, the Committee has provided $133,742,000, a decrease of $3,746,000 below the amount available for fiscal year 2004, and a decrease of $18,485,000 below the budget request.

The Committee recommendation includes language to limit new states from authorizing WIC-only stores. The Committee is concerned with the rapid growth of WIC-only stores, WIC Program vendors that solely or primarily market supplemental foods to WIC program participants. The Food and Nutrition Service is directed to promptly provide guidance, regulations, and other documents to each State agency to assure that new WIC-only stores do not get authorized in states that did not have WIC-only stores authorized prior to fiscal year 2005.

The Committee also notes that WIC-only store food costs have been significantly above the costs of stores of similar size and location. Effective vendor cost containment is required. The Committee urges the Food and Nutrition Service to promptly assist each State agency to assure that WIC-only stores are subject to the same requirements as other authorized vendors, as well as such cost containment requirements as are necessary to assure that WIC-only stores maintain food costs that are similar to participating vendors of similar size and location.

TITLE V—FOREIGN ASSISTANCE AND RELATED PROGRAMS

FOREIGN AGRICULTURAL SERVICE

	Appropriation	*Transfer from loan accounts*	*Total, FAS*
2004 appropriation	$131,368,000	($4,355,000)	($135,723,000)
2005 budget estimate	143,077,000	(4,542,000)	(147,619,000)
Provided in the bill	137,722,000	(4,542,000)	(142,264,000)
Comparison:			
2004 appropriation	+6,354,000	+187,000	+6,541,000
2005 budget estimate	−5,355,000	−−−	−5,355,000

COMMITTEE PROVISIONS

For the Foreign Agricultural Service, the Committee provides an appropriation of $137,722,000 and transfers of $4,542,000, for a total salaries and expenses level of $142,264,000, an increase of $6,541,000 above the amount available for fiscal year 2004 and a decrease of $5,355,000 below the budget request.

The Committee recommendation includes: $1,524,000 for pay cost; $1,759,000 for ICASS; $2,000,000 to offset the increased costs in overseas currency rates; $490,000 for overseas telecommunications; and $581,000 for the capital surcharge being levied on the Foreign Agricultural Service by the State Department.

The Committee provides $581,000 for the FAS share of the State Department's "Capital Security Cost Sharing" program. This program requires agencies with an overseas presence to fund the construction of new embassies. While the Committee recommends these funds for the fiscal year 2005 cost of the program, there are significant concerns, including: the decentralized funding approach in the plan; significant out-year assessments; cost assignment methodology; and, the uncertainty of future space availability, for FAS, in newly constructed embassies. The Committee understands that GAO is reviewing this proposal and many of these issues will be examined. If the GAO report reveals major flaws in this program, the Committee will reconsider its funding recommendation in the fiscal year 2005 Conference Committee for this bill.

The Committee has included language that allows for the use of not more than $5,000,000 of funds transferred to the Foreign Agricultural Service from the Commodity Credit Corporation for Information Resource Management requirements.

The Committee provides bill language permitting the Department to maintain up to $2,000,000 solely for the purpose of offsetting international currency fluctuations.

The Committee encourages the Foreign Agricultural Service, through the Commodity Credit Corporation, to focus on exports of value-added products and food security packaging issues by leveraging resources that academic institutions such as San Jose

State University's Processed Food Institute offer. The Committee expects a report on these efforts by February 1, 2005.

The Trade Assistance Act for Farmers requires that technical assistance be provided to farmers negatively impacted by imports. This technical assistance is an education program that helps farmers develop marketing opportunities, increase production efficiency and seek alternatives to offset losses created by imports. The Committee directs that from the funds made available by the Trade Adjustment Act that $3,000,000 be available to the Digital Center for Risk Management Education to coordinate an intensive technical assistance program for farmers.

PUBLIC LAW 480

PROGRAM AND GRANT ACCOUNTS

COMMITTEE PROVISIONS

The Farm Security and Rural Investment Act of 2002 envisioned the use of USDA commodity monetization programs to support rural electrification development in developing countries carried out with the help of the international assistance program of U.S. rural electric cooperatives. The Committee considers it an important and necessary step to integrate the successful U.S. rural electrification experience as a component of on-going USDA assistance to food-aid recipient counties in order to help them overcome chronic conditions of hunger and poverty and, over the long term, to reduce their dependency on feeding assistance programs from the U.S. and other donor nations.

The following table reflects the loan levels, subsidy levels, and administrative costs for all Public Law 480 programs:

	FY 2004 enacted	FY 2005 estimate	Committee provisions
Public Law 480 Program Account:			
Title I—Credit sales:			
Direct loans	($130,892,000)	($100,000,000)	($100,000,000)
Loan subsidies	103,274,000	86,420,000	86,420,000
Ocean freight differential	27,835,000	22,723,000	22,723,000
Title II—Commodities for disposition abroad:			
Program level	(1,184,967,000)	(1,185,000,000)	(1,180,002,000)
Appropriation	1,184,967,000	1,185,000,000	1,180,002,000
Salaries and expenses:			
FAS	1,069,000	1,102,000	1,102,000
FSA	1,053,000	3,119,000	1,269,000
Total, P.L. 480–S&E	2,122,000	4,221,000	2,371,000

Funds interchange.—The Committee has included bill language providing that funds made available for the cost of title I agreements and for title I ocean freight differential may be used interchangeably.

CCC EXPORT LOANS PROGRAM ACCOUNT

ADMINISTRATIVE EXPENSES

2004 appropriation	$4,127,000
2005 budget estimate	4,473,000
Provided in the bill	4,473,000
Comparison:	
2004 appropriation	+346,000
2005 budget estimate	– – –

COMMITTEE PROVISIONS

For administrative expenses of the Commodity Credit Corporation Export Loans Program Account, the Committee provides an appropriation of $4,473,000, an increase of $346,000 above the amount available for fiscal year 2004 and the same amount as the budget request.

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

2004 appropriation	$49,705,000
2005 budget estimate	75,000,000
Provided in the bill	75,000,000
Comparison:	
2004 appropriation	+25,295,000
2005 budget estimate	– – –

COMMITTEE PROVISIONS

For McGovern-Dole Food for Education and Child Nutrition Program Grants, as authorized by Section 3107 of P.L. 107–171 (7 U.S.C. 1736o–1), the Committee provides an appropriation of $75,000,000, an increase of $25,295,000 above the amount available for fiscal year 2004, and the same as budget request.

TITLE VI—RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

	Appropriation	*Drug, device and animal drug user fees*	*Total, FDA, S&E*
2004 appropriation	$1,378,779,000	$286,479,000	$1,665,258,000
2005 budget estimate	1,494,517,000	326,332,000	1,820,849,000
Provided in the bill	1,462,517,000	326,332,000	1,788,849,000
Comparison:			
2004 appropriation	83,738,000	39,853,000	123,591,000
2005 budget estimate	−32,000,000	− − −	−32,000,000

COMMITTEE PROVISIONS

The Committee recommendation includes $1,788,849,000 for the salaries and expenses of the Food and Drug Administration. Of the total, $1,462,517,000 is provided in budget authority, and the Committee makes available $284,394,000 in prescription drug user fees, $33,938,000 in medical device user fees and $8,000,000 in animal drug user fees. The budget authority provided is $83,738,000 over the fiscal year 2004 level, and $32,000,000 under the budget request.

Included in this funding level are increases of $43,367,000 for food safety and counter-terrorism activities, $8,325,000 for BSE-prevention activities, $23,055,000 for medical device review, and $5,000,000 for medical countermeasures relating to terrorism. Within the total amount for the agency, $484,974,000 in budget authority and $8,046,000 in user fees are made available for field activities conducted by the Office of Regulatory Affairs. Within the $43,367,000 increase the Committee provides for food safety and counter-terrorism activities are the following: $7,000,000, the full amount requested for inspections; $23,067,000 for the Food Emergency Response Network; $9,000,000 for research; $2,500,000 for biosurveillance; and $1,800,000 for incidence management. The Committee assumes a cut of $23,122,000 from FDA's base resources, as proposed in the President's budget. To maintain agency functions the Committee provides the requested amount for cost of living requirements.

Prior Notice and Facility registration.—The Committee expects FDA to fully consider all comments received during the open comment period regarding the Interim Final Rule for Prior Notice of Imported Food Shipments. The Committee understands that a final rule will be issued in March 2005. The Committee is concerned about FDA's requirement—based in part on the statutory language

in section 305 of the Bioterrorism Act—that all prior notices contain the registration number of the facility where the food was produced. This may impede the importation of certain foods, including wine and products imported into the U.S. for analytical testing or research and development (not for consumption), without materially adding to the security of the food supply. Alternatives when a person filing a prior notice cannot reasonably obtain the registration number of the facility in which the item to be imported was produced should be considered.

Testing food products.—The Committee expects FDA to establish a mechanism for providing prior notice without a manufacturer's facility registration number for food products that are imported for analytical testing or research and development activities that do not involve consumption by humans or animals.

Women's health.—The Committee recommendation includes an increase of $325,000 above the budget request for the Office of Women's Health, for a total of not less than $4,000,000. Part of this office's mission is to determine if we are designing systems and collecting data to find the crucial differences between women and men's diagnoses, treatment, and outcomes for a given disease. Coronary heart disease is a predominant cause of mortality in women in the United States, and studies have shown that women differ from men in the symptoms they present, the effectiveness of diagnostic testing, success of treatment regimens, and their prognoses. The Committee directs that, in addition to base resources for that purpose, $250,000 of the increase amount is to be used for research, data analysis, and outreach related to cardiovascular disease in women. The Committee provides $75,000 of the increase amount for continuation and expansion of the hormone therapy education program.

Orphan products.—The Committee directs that no less than $15,000,000 be available for grants and contracts awarded under section 5 of the Orphan Drug Act, an increase of $1,808,000 over the amount available in fiscal year 2004.

The Committee encourages the Commissioner to support the Office of Orphan Product Development in the coordination of government-wide efforts to accelerate development and approval of orphan drugs. Concurrent with this, the Committee requests confirmation that the agency's stakeholder initiative is fully implemented in the orphan product area. The Committee also requests a schedule of outreach activities, including workshops and meetings planned for fiscal year 2005, and a list of those that occurred in fiscal year 2004, by January 31, 2005.

The Committee is concerned about the availability of diagnosis and treatment for rare eye disorders, and requests that the agency update the Committee on progress in this area.

Diagnostic tests.—The Committee is concerned that there has been insufficient attention to the development of diagnostic tests for rare diseases. The Committee requests that the Commissioner, in consultation with the Office of Orphan Products Development, evaluates this situation and reports to the Committee by January 31, 2005, on current activities and on what steps have been taken to increase FDA's commitment and results in this area.

Rare Diseases Clinical Trials and Drug Evaluation.—The Committee supports rapid access to therapeutics for children and adults with rare diseases. The Committee encourages the FDA to make the best possible use of FDA's Advisory Committee members in FDA's considerations of clinical trial design and allow the same panel to participate in final review meetings, when feasible. The Committee supports utilization of qualified independent consultants as reflected in the draft guidance document "Independent Consultants for Biotechnology Clinical Protocols" issued in May 2003. The Committee encourages exploration of potential surrogate endpoints and use of the fast-track process, where appropriate, to make drugs available as early as possible for serious and life-threatening orphan diseases.

Alpha-1 Antitrypsin Deficiency.—The Committee commends the agency for the progress made in bringing two additional plasma-based therapies to market for the treatment of the progressive lung disease Alpha-1. Further, the Center for Biologics Evaluation and Research (CBER) is recognized for meeting with consumer stakeholders in efforts to further the development of the next generation of therapies. The Committee encourages CBER to facilitate the development of therapies that will eliminate the dependence of the Alpha-1 community on plasma-derived products and to foster these therapies in order to treat the entire spectrum of individuals with Chronic Obstructive Pulmonary Disease.

Labeling of Genetically Modified Foods: Final Rule.—In January 2001, FDA issued a proposed rule concerning food developed through biotechnology. As proposed, the rule would require food developers to notify FDA at least 120 days in advance of their intent to market a food or animal feed developed through biotechnology and to provide information to demonstrate that the product is as safe as its conventional counterpart. The comment period ended April 3, 2001. The Committee expects the Agency to make this matter a high priority, and finalize both the pre-market notification rule as well as the related guidance document that assists manufacturers who wish to label their food products as being made with or without ingredients developed through biotechnology.

Spending for the Generic Drugs Program.—The Committee commends the Agency for making progress over the past several years in expediting the review of generic drug applications. In order to ensure that this success continues, the Committee directs FDA to maintain spending for this program at not less than $56,000,000.

Rent and related activities.—The Committee provides a $10,628,000 budget authority increase and expects appropriated user fees to fund the additional amount needed for relocation costs to the White Oak, Maryland, facility.

Financial management.—The Committee recommendation includes the same funding level as fiscal year 2004 for the Unified Financial Management System. Within that amount, sufficient funding should be provided for improvements in FDA's legacy systems. Any additional costs for this purpose, either direct or by transfer, are subject to approval by the Committee. The Committee continues to request regular updates from the Department of Health and Human Services (DHHS) on the progress of the system,

its ability to meet agency needs, and updated cost estimates for implementation.

Human resources.—The Committee requests a report within 60 days of enactment regarding the DHHS human resource consolidation including: an update on the performance metrics specified in the service level agreement between FDA and DHHS; a description of any cases in which the performance measures were not met during fiscal year 2004, and the resolution of those cases; and a list of the DHHS operating divisions that are participating in the consolidation.

Consolidation.—The Committee directs DHHS to include all future consolidations that impact FDA in the President's budget request submitted to Congress.

Fees.—The Committee directs that none of the funds made available to FDA in this bill be used for any assessments, fees, or charges by DHHS unless such assessments, fees, or charges are identified in the FDA budget justification and expressly provided by Congress, or approved by Congress in the official reprogramming process as required in the General Provisions of this bill.

Shellfish safety.—The Committee expects that FDA will continue its work with the Interstate Shellfish Sanitation Commission (ISSC) to promote educational and research activities related to shellfish safety in general, and Vibrio vulnificus in particular. The Committee directs the use of not less than $250,000 for this effort. In addition, the Committee expects that FDA will continue its work with ISSC through a memorandum of understanding, and that FDA will devote not less than $200,000 to that work.

The Committee is concerned that some states are taking actions outside the ISSC process and expects the FDA to urge all states to work cooperatively in conformity with the National Shellfish Sanitation Program implemented by the ISSC.

Food safety.—The Committee recognizes the contributions which the National Center for Food Safety and Technology (NCFST) is making toward ensuring the security of the nation's food supply. The Committee directs that FDA continue to provide $3,000,000 to NCFST through the cooperative agreement. The $3,000,000 in funding shall be exclusive of any additional initiative funds that FDA may award to NCFST.

Test method evaluation.—The Committee directs that the agency continue its contract to conduct method evaluation of rapid test methods of fresh fruits and vegetables for microbiological pathogens with New Mexico State University's Physical Science Laboratory at the fiscal year 2004 level.

WERC.—The Committee expects the FDA to continue its support for the Waste Management Education and Research Consortium (WERC) and its work in food safety technology verification and education at the fiscal year 2004 level.

Antibiotics in shrimp imports.—The Committee continues to have serious concerns regarding seafood safety issues posed by banned antibiotic contamination in farm-raised shrimp imports. The Committee recommends that the FDA, in cooperation with any state testing programs, continue testing of farm-raised shrimp imports for chloramphenicol and other related harmful antibiotics used in the aquaculture industry and ensure that any adulterated shrimp

that tests positive for chloramphenicol or other banned antibiotics will be destroyed or exported from the United States.

Dental mercury.—The Committee is concerned about the safety of mercury in dental amalgam, and its classification within FDA's regulatory framework. The Committee understands that recent studies have found high mercury levels in some pregnant women and infants, but have not attributed the mercury to a particular source. FDA proposed to reclassify dental mercury in February 2002 and the rulemaking is not complete. It is the Committee's understanding that FDA has contracted for a comprehensive review and examination of peer-reviewed literature by an independent outside source, which will be completed in the summer of 2004. The Committee requests a copy of the report. The Committee urges the Food and Drug Administration to continue its examination of the peer-reviewed scientific literature on the safety of mercury and take action on the reclassification of dental mercury in light of these scientific findings.

FDA rule.—On January 26, 2004, in response to the BSE case in Washington state, FDA announced it was issuing new rules banning various bovine-derived material from human food and cosmetics, prohibiting feeding mammalian blood products and several other substances to ruminants, and requiring separation of the production of ruminant and non-ruminant feed. In announcing the new rules, Secretary Thompson said, "this is the time to make sure the public is protected to the greatest extent possible." The Committee is very concerned that FDA has still not published these rules nearly five months later. In the absence of the new rules, compliance with the proposed new safeguards is not required. The Committee directs FDA to issue these rules at the earliest possible time.

Recall improvement.—The Committee directs FDA to list on all FDA recall press releases the website address of the manufacturer of the recalled product—if any—and, when it will assist consumers and the media in identifying it, a photograph of the recalled product and/or product label. The Committee further directs FDA to ask the manufacturer to voluntarily provide information on retail outlets of the product for inclusion on the FDA press release.

Concerns about FDA response.—Information before the Committee raises concerns about a response provided by FDA for the Record to a question from a member of the Committee relating to an FDA official's employment before coming to the agency and current activities by that official. The question was posed due to concerns about a conflict of interest. The Committee is concerned about whether the response was fully forthcoming and whether it may have had the effect of misleading the Committee. The Committee intends to look into this matter further and expects FDA to cooperate fully in this effort.

BUILDINGS AND FACILITIES

2004 appropriation	$6,959,000
2005 budget estimate	0
Provided in the bill	0
Comparison:	
2004 appropriation	−6,959,000
2005 budget estimate	−−−

COMMITTEE PROVISIONS

For Buildings and Facilities of the Food and Drug Administration, the Committee provides no funding, a decrease of $6,959,000 below the amount available for fiscal year 2004 and the same as the budget request.

INDEPENDENT AGENCIES

COMMODITY FUTURES TRADING COMMISSION

2004 appropriation	$89,901,000
2005 budget estimate	95,327,000
Provided in the bill	93,327,000
Comparison:	
2004 appropriation	3,426,000
2005 budget estimate	−2,000,000

COMMITTEE PROVISIONS

For the Commodity Futures Trading Commission, the Committee provides an appropriation of $93,327,000, an increase of $3,426,000 above the amount available for fiscal year 2004 and $2,000,000 below the budget request.

Report on BSE investigation.—The Commodity Futures Trading Commission ("CFTC") announced in January that it was investigating the possibility that certain commodity traders may have had advance knowledge of the finding of BSE in a cow in Washington state in December, 2003. CFTC said it was specifically looking into "whether news of the announcement was leaked in advance from government or other sources." The Committee directs the CFTC to provide a report to the Committee on its findings as soon as the investigation is concluded.

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

2004 limitation	($40,900,000)
2005 budget estimate	– – –
Provided in the bill	(42,900,000)
Comparison:	
2004 limitation	+2,000,000
2005 budget estimate	+42,900,000

COMMITTEE PROVISIONS

For a limitation on the expenses of the Farm Credit Administration, the Committee provides $42,900,000, an increase of $2,000,000 above the amount available for fiscal year 2004 and an increase of $42,900,000 above the budget request.

TITLE VII—GENERAL PROVISIONS

The General Provisions contained in the accompanying bill for fiscal year 2005 are fundamentally the same as those included in last year's appropriations bill.

Section 709: Language is included that provides that none of the funds in this Act may be made available to pay indirect costs charged against agricultural research, education, or extension grants awarded by the Cooperative State Research, Education, and Extension Service in excess of 25 percent of total direct costs, except for grants available under the Small Business Innovation and Development Act.

Section 719: Language is included to prohibit funds from being used to carry out the Initiative for Future Agriculture and Food Systems.

Section 722: Language is included that provides $2,500,000 for a hunger fellowship program.

Section 723: Language is included that provides that any balances available to carry out Title III of the Agricultural Trade Development and Assistance Act of 1954, and any recoveries and reimbursements that become available, may be used to carry out Title II of such Act. Funds were last appropriated for Title III programming in FY 2000. However, there are Title III balances remaining of less than $500,000. This provision allows remaining Title III account balances to be used for Title II programming since no new Title III programming is anticipated. This provision will allow the use of remaining Title III balances for Title II even though Section 412 of P.L. 480 provides that only 50 percent of the funds available for Title III may be used to carry out Title II.

Section 724: Language is included that amends Section 375(e)(6)(B) of the Consolidated Farm and Rural Development Act regarding the National Sheep Industry Improvement Center revolving fund.

Section 725: Language is included for the guaranteed single-family housing loan program guarantee fee.

Section 726: Language is included that provides that certain locations shall be considered as meeting the eligibility requirements of rural development programs.

Section 727: Language is included that provides that the Natural Resources Conservation Service shall provide assistance to certain locations under the Watershed and Flood Prevention Operations program.

Section 728: Language is included that provides that no funds may be transferred to any department, agency, or instrumentality of the United States Government, except pursuant to a transfer made by, or transfer authority provided in, this Act or any other appropriation Act.

Section 729: Language is included that allows funds to be used to carry out a competitive grants program.

Section 730: Language is included that limits the dam rehabilitation program.

Section 731: Language is included that limits the rural strategic investment program.

Section 732: Language is included that limits the rural firefighters and emergency personnel grant program.

Section 733: Language is included regarding certain accounting procedures of the Agricultural Marketing Service and the Grain Inspection, Packers and Stockyards Administration.

Section 734: Language is included regarding costs associated with the distribution of commodities.

Section 735: Language is included that limits the wetlands reserve program.

Section 736: Language is included that limits the environmental quality incentives program.

Section 737: Language is included allows for USDA employees to carry firearms in remote locations.

Section 738: Language is included that limits the renewable energy program.

Section 739: Language is included that limits the broadband program.

Section 740: Language is included that limits the value-added market development grant program.

Section 741: Language is included that ensures that sufficient funds are available to pay the subsidy costs for note guarantees for certain rural electric programs.

Section 742: Language is included that limits the conservation security program.

Section 743: Language is included that limits the Wildlife Habitat Incentive Program.

Section 744: Language is included that limits the Farmland Protection Program.

Section 745: Language is included that allows the Secretary of Agriculture to compensate citrus producers for losses due to citrus canker.

Section 746: Language is included that limits the Rural Business Investment Program.

Section 747: Language is included that provides that none of the funds appropriated or otherwise made available by this Act shall be used to violate P.L. 105–264.

Section 748: Language is included related to final rulemaking on cost-sharing for APHIS animal and plant health emergency programs.

Section 749: Language is included related to competitive sourcing related to rural development and farm loan programs.

Section 750: Language is included related to the leasing of aircraft to carry out certain APHIS activities.

Section 751: Language is included that rescinds certain unobligated balances.

Section 752: Language is included that limits the Bioenergy Program.

Section 753: Language is included that amends P.L. 108–199 to make Delta Regional Authority grants available for grants authorized in the Rural Community Advancement Program account.

Section 754: Language is included that rescinds a portion of the unobligated funds in the Rural Housing Assistance Grants Program account.

Section 755: Language is included that rescinds a portion of the unobligated funds in the Rural Housing Insurance Fund Program account.

Section 756: Language is included regarding the availability of funds for certain conservation programs.

Section 757: Language is included regarding certain FDA activities.

Section 758: Language is included that amends section 502(h)(6)(C) of the Housing Act of 1949 (42 U.S.C. 1472(h)(6)(C)).

HOUSE OF REPRESENTATIVES REPORT REQUIREMENTS

The following items are included in accordance with various requirements of the Rules of the House of Representatives.

CONSTITUTIONAL AUTHORITY

Clause 3(d)(1) of rule XIII of the Rules of the House of Representatives states that:

> Each report of a committee on a bill or joint resolution of a public character, shall include a statement citing the specific powers granted to the Congress in the Constitution to enact the law proposed by the bill or joint resolution.

The Committee on Appropriations bases its authority to report this legislation from Clause 7 of Section 9 of Article I of the Constitution of the United States of America which states:

> No money shall be drawn from the Treasury but in consequence of Appropriations made by law * * *

Appropriations contained in this Act are made pursuant to this specific power granted by the Constitution.

TRANSFER OF FUNDS

Pursuant to clause 3(f)(2) of rule XIII of the Rules of the House of Representatives, the following statement is submitted describing the transfer of funds provided in the accompanying bill.

1. Agriculture Buildings and Facilities and Rental Payments.—The bill allows funds to be transferred to cover the costs of new or replacement space.

2. Hazardous Materials Management.—The bill allows the funds appropriated to the Department for hazardous materials management to be transferred to agencies of the Department as required.

3. Departmental Administration.—The bill requires reimbursement for expenses related to certain hearings.

4. Office of the Assistant Secretary for Congressional Relations.—The bill allows a portion of the funds appropriated to the Office of the Assistant Secretary to be transferred to agencies.

5. Animal and Plant Health Inspection Service.—Authority is included to enable the Secretary of Agriculture to transfer from other appropriations or funds of the Department such sums as may be necessary to combat emergency outbreaks of certain diseases of animals, plants, and poultry.

6. Agricultural Marketing Service.—The bill limits the transfer of section 32 funds to purposes specified in the bill.

7. Farm Service Agency.—The bill provides that funds provided to other accounts in the agency may be merged with the salaries and expenses account of the Farm Service Agency.

8. Dairy Indemnity Program.—The bill authorizes the transfer of funds to the Commodity Credit Corporation, by reference.

9. Agricultural Credit Insurance Fund.—The bill provides that funds from the account shall be transferred to the Farm Service Agency salaries and expenses account, and that funds may be transferred among lending programs.

10. Rural Community Advancement Program.—The bill provides that prior year balances for high cost energy grants shall be transferred to and merged with the High Energy Costs Grants Account.

11. Rural Development Salaries and Expenses.—The bill provides that prior year balances from certain accounts shall be transferred to and merged with this account.

12. Rural Housing Insurance Fund program account; Rural Development Loan Fund program account; Rural Electrification and Telecommunications Loans program account; and Rural Telephone Bank program account.—The bill provides that administrative funds shall be transferred to the Rural Development Salaries and Expenses Account.

13. Child Nutrition Programs.—The bill includes authority to transfer section 32 funds to these programs.

14. Foreign Agricultural Service.—The bill allows for the transfer of funds from the Commodity Credit Corporation Export Loan Program Account and from the Public Law 480 Program Account.

15. Public Law 480 Title I Program Account.—The bill allows funds to be transferred to the Foreign Agricultural Service, Salaries and Expenses account.

16. Public Law 480 Title I Ocean Freight Differential Grants.—The bill provides that funds made available for the cost of title I agreements and for title I ocean freight differential may be used interchangeably.

17. Commodity Credit Corporation Export Loans Program.—The bill provides for transfer of funds to the Foreign Agricultural Service and to the Farm Service Agency for overhead expenses associated with credit reform.

18. Food and Drug Administration, Salaries and Expenses.—The bill allows funds to be transferred among activities.

CHANGES IN THE APPLICATION OF EXISTING LAW

Pursuant to clause 3(f)(1)(A) of rule XIII of the Rules of the House of Representatives, the following statements are submitted describing the effect of provisions in the accompanying bill which directly or indirectly change the application of existing law. In most instances, these provisions have been included in prior appropriations bills, often at the request of or with the knowledge and consent of the responsible legislative committees.

Language is included in various parts of the bill to continue ongoing activities of those Federal agencies which require annual authorization or additional legislation which to date has not been enacted.

Language is included in the bill in several accounts that earmarks funds for empowerment zones and enterprise communities as authorized by title XIII of the Omnibus Budget Reconciliation Act of 1995.

The bill includes a number of provisions which place limitations on the use of funds in the bill or change existing limitations and

which might, under some circumstances, be construed as changing the application of existing law:

1. *Office of the Secretary*.—Language is included to limit the amount of funds for official reception and representation expenses, as determined by the Secretary.

2. *Common Computing Environment.*—Language is included to provide that obligation of funds shall be consistent with the Service Center Modernization Plan, and with the concurrence of the Chief Information Officer.

3. *Agriculture Buildings and Facilities and Rental Payments*.—Language is included that allows for the reconfiguration and release of space back into the General Services Administration inventory in order to reduce space rental cost for space not needed for USDA programs.

4. *Departmental Administration.*—Language is included to reimburse the agency for travel expenses incident to the holding of hearings.

5. *Agricultural Research Service*.—Language is included that allows the Agricultural Research Service to grant easements at the Beltsville, MD agricultural research center.

6. *Cooperative State Research, Education, and Extension Service*.—The bill includes language that prohibits funds from being used to carry out research related to the production, processing or marketing of tobacco or tobacco products.

7. *Animal and Plant Health Inspection Service*.—A provision carried in the bill since fiscal year 1973 regarding state matching funds has been continued to assure more effective operation of the brucellosis control program through state cost sharing, with resulting savings to the Federal budget.

Language is included to allow APHIS to recoup expenses incurred from providing technical assistance goods, or services to non-APHIS personnel, and to allow transfers of funds for Agricultural emergencies.

8. *Agricultural Marketing Service*.—The bill includes language that allows the Secretary to charge user fees for AMS activity related to preparation of standards.

9. *Agricultural Marketing Service, Limitation on Administrative Expenses*.—The bill includes language to allow AMS to exceed the limitation on administrative expenses by 10 percent with notification to the Appropriations Committees. This allows flexibility in case crop size is understated and/or other uncontrollable events occur.

10. *Grain Inspection, Packers and Stockyards Administration, Inspection and Weighing Services*.—The bill includes authority to exceed the limitation on inspection and weighing services by 10 percent with notification to the Appropriations Committees. This allows for flexibility if export activities require additional supervision and oversight, or other uncontrollable factors occur.

11. *Dairy Indemnity Program.*—Language is included by reference that allows the Secretary to utilize the services of the Commodity Credit Corporation for the purpose of making dairy indemnity payments.

12. *Risk Management Agency.*—Language is included to limit the amount of funds for official reception and representation expenses.

13. *Commodity Credit Corporation Fund.*—Language is included to provide for the reimbursement appropriation. Language is also included which limits the amount of funds that can be spent on operation and maintenance costs of CCC hazardous waste sites.

14. *Natural Resources Conservation Service—Conservation Operations*.—Language which has been included in the bill since 1938 prohibits construction of buildings on land not owned by the government, although construction on land owned by states and counties is authorized by basic law.

15. *Watershed and Flood Prevention Operations.*—Language which was included in the Emergency Jobs Bill of 1983 (P.L. 98–8) and all bills since 1984 provides that funds may be used for rehabilitation of existing works.

16. *Rural Housing Service—Rental Assistance Program*.—Language is included which provides that agreements entered into during the current fiscal year be funded for a four-year period.

17. *Rural Electrification and Telecommunications Loan program account.*—Language is included to allow borrowers' interest rates for loans to exceed seven percent.

18. *Child Nutrition Programs.*—Language is included to prohibit funds from being used for studies and evaluations.

19. *Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)*.—Language is included to: provide funds for a breastfeeding support initiative; prohibit funds from being used for studies and evaluations; pay administrative expenses of clinics except those that have an announced policy prohibiting smoking within the space used to carry out the program; purchase infant formula except in accordance with law; or pay for activities that are not fully reimbursed by other departments or agencies unless authorized by law.

20. *Food Stamp Program.*—Language is included to prohibit funds from being used for studies and evaluations.

21. *Foreign Agricultural Service*.—Language carried since 1979 enables this agency to use funds received by an advance or by reimbursement to carry out its activities involving international development and technical cooperation. Language is included to limit the amount of funds for official reception and representation expenses. Language is included to allow certain funds transferred from the Commodity Credit Corporation to be used for information resource management.

22. *Commodity Futures Trading Commission*.—Language is included to limit the amount of funds for official reception and representation expenses.

23. *General Provisions*.—

Section 704: This provision, carried since 1976, is again included which provides that certain appropriations in this Act shall remain available until expended where the programs or projects involved are continuing in nature under the provisions of authorizing legislation, but for which such legislation may not specifically provide for extended availability. This authority tends to result in savings by preventing the wasteful practice often found in government of rushing to commit funds at the end of the fiscal year without due regard to the value of the purpose for which the funds are used. Such extended avail-

ability is also essential in view of the long lead time frequently required to negotiate agreements or contracts which normally extend over a period of more than one year. Under these conditions such authority is commonly provided in Appropriations Acts where omitted from basic law. These provisions have been carried through the years in this Act to facilitate efficient and effective program execution and to assure maximum savings. They involve the following items: Animal and Plant Health Inspection Service, the contingency fund to meet emergency conditions, information technology infrastructure, the boll weevil program, up to 25 percent of the screwworm program, up to $33,197,000 for an animal identification program, up to $12,000,000 for avian influenza-related indemnities, and up to $3,000,000 for a vaccine bank; Food Safety and Inspection Service, field automation and information management project; Cooperative State Research, Education, and Extension Service, funds for competitive research grants, funds for the Research, Education, and Economics Information System (REEIS), and funds for the Native American Institutions Endowment Fund; Farm Service Agency, salaries and expenses to county committees; Foreign Agricultural Service, middle-income country training program and up to $2,000,000 for foreign currency fluctuations.

Section 707: This provision, included since fiscal year 1981, limits the overhead that can be charged on cooperative agreements to a maximum of 10 percent. This provision is necessary because many universities attempted to apply the same overhead rates to cooperative agreements as was being applied to grants and contracts, without giving consideration to the cooperator's contributions as an offset to the overhead charges.

Section 708: This provision, added in 1987, provides that none of the funds in this Act may be used to restrict the authority of CCC to lease space. This provision allows CCC to continue to lease space at a lower cost than space leased by GSA.

Section 709: This provision provides that none of the funds in this Act may be made available to pay indirect costs charged against competitive agricultural research, education, or extension grants awarded by the Cooperative State Research, Education, and Extension Service in excess of 25 percent of total direct costs, except for grants available under the Small Business Innovation and Development Act.

Section 710: This provision clarifies that loan levels provided in the Act are to be considered estimates and not limitations. The Federal Credit Reform Act of 1990 provides that the appropriated subsidy is the controlling factor for the amount of loans made and that as lifetime costs and interest rates change, the amount of loan authority will fluctuate.

Section 711: This provision allows funds made available in the current fiscal year for the Rural Development Loan Fund program account; Rural Telephone Bank program account; the Rural Electrification and Telecommunications Loans program account; and the Rural Housing Insurance Fund program account to remain available until expended. The Credit Reform

Act requires that the lifetime costs of loans be appropriated. Current law requires that funds unexpended after five years expire. The life of some loans extends well beyond the five-year period and this provision allows funds appropriated to remain available until the loans are closed out.

Section 712: Provides that not more than 5 percent of the Class A stock of the Rural Telephone Bank may be retired in fiscal year 2005. The provision also prohibits the maintenance of any account or subaccount which has not been specifically authorized by law. The provision also prohibits a transfer of any unobligated funds of the Rural Telephone Bank telephone liquidating account to the Treasury or the Federal Financing Bank that are in excess of current requirements.

Section 713: Provides that of the funds made available, not more than $1,800,000 shall be used to cover expenses of activities related to all advisory committees, panels, commissions, and task forces of the Department of Agriculture except for panels used to comply with negotiated rule makings and panels used to evaluate competitively awarded grants.

Section 714: Provides that none of the funds may be used to carry out certain provisions of meat and poultry inspection acts.

Section 715: This provision prohibits any employee of the Department of Agriculture from being detailed or assigned to any other agency or office of the Department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.

Section 716: This provision prohibits the Department of Agriculture from transmitting or making available to any non-Department of Agriculture employee questions or responses to questions that are a result of information requested for the appropriations hearing process.

Section 717: Language is included that requires approval of the Chief Information Officer and the concurrence of the Executive Information Technology Investment Review Board for acquisition of new information technology systems or significant upgrades, and that prohibits the transfer of funds to the Office of the Chief Information Officer without the notification of the Committees on Appropriations of both Houses of Congress.

Section 718: Language is included that requires certain reprogramming procedures of funds provided in Appropriations Acts.

Section 719: Language is included to prohibit funds from being used to carry out the Initiative for Future Agriculture and Food Systems.

Section 720: Language is included that prohibits funds from being used to prepare a budget submission to Congress that assumes reductions from the previous year's budget due to user fee proposals unless the submission also identifies spending reductions which should occur if the user fees are not enacted.

Section 721: Language is included that provides that no funds may be used to close or relocate a state Rural Develop-

ment office unless or until cost effectiveness and enhancement of program delivery have been determined.

Section 722: Language is included that provides $2,500,000 for a hunger fellowship program.

Section 723: Language is included that provides that any balances available to carry out Title III of the Agricultural Trade Development and Assistance Act of 1954, and any recoveries and reimbursements that become available, may be used to carry out Title II of such Act. Funds were last appropriated for Title III programming in FY 2000. However, there are Title III balances remaining of less than $500,000. This provision allows remaining Title III account balances to be used for Title II programming since no new Title III programming is anticipated. This provision will allow the use of remaining Title III balances for Title II even though Section 412 of P.L. 480 provides that only 50 percent of the funds available for Title III may be used to carry out Title II.

Section 724: Language is included that amends Section 375(e)(6)(B) of the Consolidated Farm and Rural Development Act regarding the National Sheep Industry Improvement Center revolving fund.

Section 725: Language is included for the guaranteed single-family housing loan program guarantee fee.

Section 726: Language is included that provides that certain locations shall be considered as meeting the eligibility requirements of rural development programs.

Section 727: Language is included that Natural Resources Conservation Service shall provide certain assistance to certain locations under the Watershed and Flood Prevention Operations program.

Section 728: Language is included that provides that no funds may be transferred to any other entity except pursuant to authority provided in an appropriation Act.

Section 729: Language is included that allows funds to be used to carry out a competitive grants program.

Section 730: Language is included that limits the dam rehabilitation program.

Section 731: Language is included that limits the rural strategic investment program.

Section 732: Language is included that limits the rural firefighters and emergency personnel grant program.

Section 733: Language is included regarding certain accounting procedures of the Agricultural Marketing Service and the Grain Inspection, Packers and Stockyards Administration.

Section 734: Language is included regarding costs associated with the distribution of commodities.

Section 735: Language is included that limits the wetlands reserve program.

Section 736: Language is included that limits the environmental quality incentives program.

Section 737: Language is included that allows for USDA employees to carry firearms in remote locations.

Section 738: Language is included that limits the renewable energy program.

Section 739: Language is included that limits the broadband program.

Section 740: Language is included that limits the value-added market development grant program.

Section 741: Language is included that ensures that sufficient funds are available to pay the subsidy costs for note guarantees for certain rural electric programs.

Section 742: Language is included that limits the conservation security program.

Section 743: Language is included that limits the Wildlife Habitat Incentive Program.

Section 744: Language is included that limits the Farmland Protection Program.

Section 745: Language is included that allows the Secretary of Agriculture to compensate citrus producers for losses due to citrus canker.

Section 746: Language is included that limits the Rural Business Investment Program.

Section 747: Language is included that provides that none of the funds appropriated or otherwise made available by this Act shall be used to violate P.L. 105–264.

Section 748: Language is included related to final rulemaking on cost-sharing for APHIS animal and plant health emergency programs.

Section 749: Language is included related to competitive sourcing related to rural development or farm loan programs.

Section 750: Language is included related to the leasing of aircraft to carry out certain APHIS activities.

Section 751: Language is included that rescinds certain unobligated balances.

Section 752: Language is included that limits the Bioenergy Program.

Section 753: Language is included that amends P.L. 108–199 to make Delta Regional Authority grants available for grants authorized in the Rural Community Advancement Program account.

Section 754: Language is included that rescinds a portion of the unobligated funds in the Rural Housing Assistance Grants Program account.

Section 755: Language is included that rescinds a portion of the unobligated funds in the Rural Housing Insurance Fund Program account.

Section 756: Language is included regarding the availability of funds for certain conservation programs.

Section 757: Language is included regarding certain FDA activities.

Section 758: Language is included that amends section 502(h)(6)(C) of the Housing Act of 1949 (42 U.S.C. 1472(h)(6)(C)).

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the following is a statement of general perform-

ance goals and objectives for which this measure authorizes funding:

The Committee on Appropriations considers program performance, including a program's success in developing and attaining outcome-related goals and objectives, in developing funding recommendations.

COMPLIANCE WITH CLAUSE 3(e) OF RULE XIII (RAMSEYER RULE)

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

SECTION 375 OF THE CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT

SEC. 375. NATIONAL SHEEP INDUSTRY IMPROVEMENT CENTER.

(a) * * *

* * * * * * *

(e) REVOLVING FUND.—

(1) * * *

* * * * * * *

(6) FUNDING.—

(A) * * *

(B) MANDATORY FUNDS.—Out of any moneys in the Treasury not otherwise appropriated, the Secretary of the Treasury shall provide to the Center not to exceed [$26,998,000] *$27,498,000* to carry out this section.

* * * * * * *

SECTION 723 OF THE AGRICULTURE, RURAL, DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2004

(Division A of Public Law 108–7)

SEC. 726. In addition to amounts otherwise appropriated or made available by this Act, $2,500,000 is appropriated for the purpose of providing Bill Emerson and Mickey Leland Hunger Fellowships[, as authorized by section 4404 of Public Law 107–171 (2 U.S.C. 1161)] *through the Congressional Hunger Center*.

* * * * * * *

SECTION 204 OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

SEC. 204. LEVELS OF ASSISTANCE.

(a) MINIMUM LEVELS.—

(1) * * *

* * * * * * *

(3) EXCEPTION.—The Administrator may waive the requirements of paragraphs (1) and (2) for any fiscal year if the Ad-

ministrator determines that such quantities of commodities cannot be used effectively to carry out this title or in order to meet an emergency. In making a waiver under this paragraph, the Administrator shall prepare and submit to the Committee on Foreign Affairs [and Committee], *the Committee on Appropriations, and the Committee* on Agriculture of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report containing the reasons for the waiver. No waiver shall be made before the beginning of the applicable fiscal year.

* * * * * * *

APPROPRIATIONS NOT AUTHORIZED BY LAW

Pursuant to clause 3(f)(1)(B) of rule XIII of the Rules of the House of Representatives, the following table lists the appropriations in the accompanying bill which are not authorized by law:

[In thousands of dollars]

Program and last year of authorization	Authorization level	Appropriations in last year of authorization	Appropriations in this bill
FDA: MQSA	Indefinite	16,576,000	16,919,000

RESCISSIONS

Pursuant to clause 3(f)(2) of rule XIII of the Rules of the House of Representatives, the following information is submitted describing the rescissions recommended in the accompanying bill:

The bill proposes rescission of $5,000,000 of funds derived from interest on the cushion of credit payments in fiscal year 2005 under the Rural Economic Development Loans Program Account, which is an annual technical adjustment contained in the budget estimates.

The bill proposes rescission of unobligated balances in the Rural Housing Assistance Grant Program, Rural Housing Insurance Fund Program, and Local Television Loan Guarantee Program. The Congressional Budget Office estimates that savings of $92,000,000 during fiscal year 2005 will result from enactment of these proposals.

COMPARISON WITH BUDGET RESOLUTION

Clause 3(c)(2) of rule XIII of the Rules of the House of Representatives requires an explanation of compliance with section 308(a)(1)(A) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344), as amended, which requires that the report accompanying a bill providing new budget authority contain a statement detailing how that authority compares with the reports submitted under section 302 of the Act for the most recently agreed to concurrent resolution on the budget for the fiscal year from the Committee's section 302(a) allocation. This information follows:

[In millions of dollars]

Full committee data	302(b) allocation		This bill	
	Budget authority	Outlays	Budget authority	Outlays
Comparison with Budget Resolution:				
Discretionary	$16,772	$18,113	$16,772	$18,043
Mandatory	57,913	43,908	57,913	43,908

FIVE-YEAR OUTLAY PROJECTIONS

In compliance with section 308(a)(1)(B) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344), as amended, the following table contains five-year projections associated with the budget authority provided in the accompanying bill:

[Five year projections, in millions of dollars]

Outlays:	
2005	51,162
2006	7,746
2007	776
2008	367
2009 and beyond	422

ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

In accordance with section 308(a)(1)(C) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344), as amended, the financial assistance to state and local governments is as follows:

[In millions of dollars]

New budget authority	$22,005
Fiscal year 2005 outlays resulting therefrom	17,830

PROGRAM, PROJECT, AND ACTIVITY

During fiscal year 2005 for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99–177), 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 of 2005, the House and Senate Committee reports, and the conference report and accompanying joint explanatory statement of the managers of the committee of conference.

If a Sequestration Order is necessary, in implementing the required Presidential Order, departments and agencies shall apply any percentage reduction for fiscal year 2005 pursuant to the provisions of Public Law 99–177 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 2005 budget estimates, as amended, for such departments and agencies, as modified by congressional action, and in addition:

For the Agricultural Research Service the definition shall include specific research locations as identified in the explanatory notes and lines of research specifically identified in the reports of the House and Senate Appropriations Committees.

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

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

FULL COMMITTEE VOTES

There were no full committee votes.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE I - AGRICULTURAL PROGRAMS					
Production, Processing, and Marketing					
Office of the Secretary	5,062	5,185	5,185	+123	---
Executive Operations:					
Chief Economist	8,656	14,949	10,810	+2,154	-4,139
National Appeals Division	13,589	14,826	14,526	+937	-300
Office of Budget and Program Analysis	7,694	8,146	8,246	+552	+100
Homeland Security staff	496	1,491	508	+12	-983
Office of the Chief Information Officer	15,402	22,093	15,608	+206	-6,485
Common computing environment	118,585	136,736	120,957	+2,372	-15,779
Office of the Chief Financial Officer	5,650	8,063	5,811	+161	-2,252
Working capital fund	---	12,850	12,850	+12,850	---
Total, Executive Operations	170,072	219,154	189,316	+19,244	-29,838
Office of the Assistant Secretary for Civil Rights	803	819	803	---	-16
Office of Civil Rights	18,123	22,283	19,452	+1,329	-2,831
Office of the Assistant Secretary for Administration	669	808	669	---	-139
Agriculture buildings and facilities and rental payments	(155,546)	(203,938)	(165,883)	(+10,337)	(-38,055)
Payments to GSA	123,179	128,319	128,319	+5,140	---
Building operations and maintenance	32,367	41,642	35,564	+3,197	-6,078
Repairs, renovations, and construction	---	33,977	2,000	+2,000	-31,977
Hazardous materials management	15,519	15,730	15,730	+211	---
Departmental administration	22,119	26,361	22,939	+820	-3,422

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
Office of the Assistant Secretary for Congressional Relations	3,774	4,263	3,852	+78	-411
Office of Communications	9,174	10,288	9,378	+204	-910
Office of the Inspector General	76,825	78,392	78,392	+1,567	---
Office of the General Counsel	34,495	38,589	35,486	+991	-3,103
Office of the Under Secretary for Research, Education, and Economics	592	805	592	---	-213
Economic Research Service	70,981	80,032	76,575	+5,594	-3,457
National Agricultural Statistics Service	128,161	137,594	128,661	+500	-8,933
Census of Agriculture	(25,279)	(22,520)	(22,520)	(-2,759)	---
Agricultural Research Service:					
Salaries and expenses	1,082,468	987,597	1,057,029	-25,439	+69,432
Buildings and facilities	63,434	178,000	202,000	+138,566	+24,000
Total, Agricultural Research Service	1,145,902	1,165,597	1,259,029	+113,127	+93,432
Cooperative State Research, Education, and Extension Service:					
Research and education activities	617,780	501,540	628,607	+10,827	+127,067
Native American Institutions Endowment Fund	(9,000)	(12,000)	(12,000)	(+3,000)	---
Extension activities	439,125	421,174	440,349	+1,224	+19,175
Integrated activities	50,195	76,865	66,255	+16,060	-10,610
Outreach for socially disadvantaged farmers	5,935	5,935	5,935	---	---
Total, Cooperative State Research, Education, and Extension Service	1,113,035	1,005,514	1,141,146	+28,111	+135,632

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
Office of the Under Secretary for Marketing and Regulatory Programs	721	804	721	---	-83
Animal and Plant Health Inspection Service:					
Salaries and expenses	716,329	828,361	808,823	+92,494	-19,538
Buildings and facilities	4,967	4,996	4,996	+29	---
Total, Animal and Plant Health Inspection Service	721,296	833,357	813,819	+92,523	-19,538
Agricultural Marketing Service:					
Marketing Services	74,985	85,998	75,892	+907	-10,106
Standardization user fees	(5,000)	(5,000)	(5,000)	---	---
(Limitation on administrative expenses, from fees collected)	(62,577)	(64,459)	(64,459)	(+1,882)	---
Funds for strengthening markets, income, and supply (transfer from section 32)	15,392	15,800	15,800	+408	---
Payments to states and possessions	3,318	1,347	1,347	-1,971	---
Total, Agricultural Marketing Service	93,695	103,145	93,039	-656	-10,106

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
Grain Inspection, Packers and Stockyards Administration:					
Salaries and expenses	35,678	44,150	37,540	+1,862	-6,610
Limitation on inspection and weighing services	(42,463)	(42,463)	(42,463)	---	---
Office of the Under Secretary for Food Safety	595	803	595	---	-208
Food Safety and Inspection Service	779,882	838,660	824,746	+44,864	-13,914
Lab accreditation fees	(1,000)	(1,000)	(1,000)	---	---
Total, Production, Processing, and Marketing	4,602,719	4,836,271	4,923,548	+320,829	+87,277
Farm Assistance Programs					
Office of the Under Secretary for Farm and Foreign Agricultural Services	631	933	631	---	-302
Farm Service Agency:					
Salaries and expenses	982,934	1,007,877	1,007,597	+24,663	-280
(Transfer from export loans)	(841)	(1,033)	(1,033)	(+192)	---
(Transfer from P.L. 480)	(1,053)	(3,119)	(1,269)	(+216)	(-1,850)
(Transfer from ACIF)	(281,350)	(305,011)	(289,445)	(+8,095)	(-15,566)
Subtotal, transfers from program accounts	(283,244)	(309,163)	(291,747)	(+8,503)	(-17,416)
Total, Salaries and expenses	(1,266,178)	(1,317,040)	(1,299,344)	(+33,166)	(-17,696)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
State mediation grants	3,951	4,000	4,000	+49	---
Dairy indemnity program	100	100	100	---	---
Subtotal, Farm Service Agency	986,985	1,011,977	1,011,697	+24,712	-280
Agricultural Credit Insurance Fund Program Account:					
Loan authorizations:					
Farm ownership loans:					
Direct	(128,396)	(200,000)	(200,000)	(+71,604)	---
Guaranteed	(944,395)	(1,400,000)	(1,400,000)	(+455,605)	---
Subtotal	(1,072,791)	(1,600,000)	(1,600,000)	(+527,209)	---
Farm operating loans:					
Direct	(613,860)	(650,000)	(650,000)	(+36,140)	---
Unsubsidized guaranteed	(1,192,920)	(1,200,000)	(1,200,000)	(+7,080)	---
Subsidized guaranteed	(264,678)	(266,253)	(266,253)	(+1,575)	---
Subtotal	(2,071,458)	(2,116,253)	(2,116,253)	(+44,795)	---
Indian tribe land acquisition loans	(2,000)	(2,000)	(2,000)	---	---
Natural disasters emergency insured loans	---	(25,000)	---	---	(-25,000)
Boll weevil eradication loans	(100,000)	(60,000)	(100,000)	---	(+40,000)
Total, Loan authorizations	(3,246,249)	(3,803,253)	(3,818,253)	(+572,004)	(+15,000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
Loan subsidies:					
Farm ownership loans:					
Direct	28,350	10,700	10,700	-17,650	---
Guaranteed	5,100	7,420	7,420	+2,320	---
Subtotal	33,450	18,120	18,120	-15,330	---
Farm operating loans:					
Direct	88,519	65,585	65,585	-22,934	---
Unsubsidized guaranteed	39,724	38,760	38,760	-964	---
Subsidized guaranteed	33,799	35,438	35,438	+1,639	---
Subtotal	162,042	139,783	139,783	-22,259	---
Indian tribe land acquisition	---	105	105	+105	---
Natural disasters emergency insured loans	---	3,235	---	---	-3,235
Total, Loan subsidies	195,492	161,243	158,008	-37,484	-3,235
ACIF expenses:					
Salaries and expense (transfer to FSA)	281,350	305,011	289,445	+8,095	-15,566
Administrative expenses	7,901	8,000	8,000	+99	---
Total, ACIF expenses	289,251	313,011	297,445	+8,194	-15,566
Total, Agricultural Credit Insurance Fund	484,743	474,254	455,453	-29,290	-18,801
(Loan authorization)	(3,246,249)	(3,803,253)	(3,818,253)	(+572,004)	(+15,000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
Total, Farm Service Agency	1,471,728	1,486,231	1,467,150	-4,578	-19,081
Risk Management Agency	71,001	91,582	72,044	+1,043	-19,538
Total, Farm Assistance Programs	1,543,360	1,578,746	1,539,825	-3,535	-38,921
Corporations					
Federal Crop Insurance Corporation:					
Federal crop insurance corporation fund	3,765,000	4,095,128	4,095,128	+330,128	---
Commodity Credit Corporation Fund:					
Reimbursement for net realized losses	22,937,000	16,452,377	16,452,377	-6,484,623	---
Hazardous waste management (limitation on expenses)	(5,000)	(5,000)	(5,000)	---	---
Total, Corporations	26,702,000	20,547,505	20,547,505	-6,154,495	---
Total, title I, Agricultural Programs	32,848,079	26,962,522	27,010,878	-5,837,201	+48,356
(By transfer)	(283,244)	(309,163)	(291,747)	(+8,503)	(-17,416)
(Loan authorization)	(3,246,249)	(3,803,253)	(3,818,253)	(+572,004)	(+15,000)
(Limitation on administrative expenses)	(110,040)	(111,922)	(111,922)	(+1,882)	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE II - CONSERVATION PROGRAMS					
Office of the Under Secretary for Natural Resources and Environment	741	936	731	-10	-205
Natural Resources Conservation Service:					
Conservation operations	847,971	710,412	813,673	-34,298	+103,261
Watershed surveys and planning	10,500	5,083	11,083	+583	+6,000
Watershed and flood prevention operations	86,487	40,173	86,487	---	+46,314
Watershed rehabilitation program	29,629	10,091	30,091	+462	+20,000
Resource conservation and development	51,641	50,760	51,641	---	+881
Farm bill technical assistance	---	92,024	---	---	-92,024
Total, Natural Resources Conservation Service	1,026,228	908,543	992,975	-33,253	+84,432
Total, title II, Conservation Programs	1,026,969	909,479	993,706	-33,263	+84,227

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE III - RURAL DEVELOPMENT PROGRAMS					
Office of the Under Secretary for Rural Development...	632	929	632	---	-297
Rural Development:					
Rural community advancement program.....	752,956	541,979	667,408	-85,548	+125,429
Tree assistance (sec. 747).....	---	---	---	---	---
(Transfer out).....	(-28,000)	---	---	(+28,000)	---
Total, Rural community advancement program..	752,956	541,979	667,408	-85,548	+125,429
RD expenses:					
Salaries and expenses.....	141,032	149,749	143,625	+2,593	-6,124
(Transfer from RHIF).....	(440,687)	(465,886)	(448,889)	(+8,202)	(-16,997)
(Transfer from RDLFP).....	(4,247)	(6,656)	(4,321)	(+74)	(-2,335)
(Transfer from RETLP).....	(37,630)	(39,933)	(38,323)	(+693)	(-1,610)
(Transfer from RTB).....	(3,152)	(3,328)	(3,152)	---	(-176)
Subtotal, Transfers from program accounts.	(485,716)	(515,803)	(494,685)	(+8,969)	(-21,118)
Total, RD expenses.....	(626,748)	(665,552)	(638,310)	(+11,562)	(-27,242)
Total, Rural Development.....	893,988	691,728	811,033	-82,955	+119,305

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
Rural Housing Service:					
Rural Housing Insurance Fund Program Account:					
Loan authorizations:					
Single family direct (sec. 502).....	(1,351,397)	(1,100,000)	(1,100,000)	(-251,397)	---
Unsubsidized guaranteed.....	(2,709,094)	(2,725,185)	(3,309,297)	(+600,203)	(+584,112)
Subtotal, Single family.....	(4,060,491)	(3,825,185)	(4,409,297)	(+348,806)	(+584,112)
Housing repair (sec. 504).....	(34,797)	(35,000)	(35,000)	(+203)	---
Rental housing (sec. 515).....	(115,857)	(60,000)	(116,063)	(+206)	(+56,063)
Site loans (sec. 524).....	(5,045)	(5,045)	(5,045)	---	---
Multi-family housing guarantees (sec. 538)	(99,410)	(100,000)	(100,000)	(+590)	---
Multi-family housing credit sales.....	(1,491)	(1,501)	(1,501)	(+10)	---
Single family housing credit sales.....	(10,000)	(10,000)	(10,000)	---	---
Self-help housing land develop. (sec. 523)	(2,421)	(5,000)	(10,000)	(+7,579)	(+5,000)
Total, Loan authorizations.....	(4,329,512)	(4,041,731)	(4,686,906)	(+357,394)	(+645,175)
Loan subsidies:					
Single family direct (sec. 502).....	125,274	127,380	127,380	+2,106	---
Unsubsidized guaranteed.....	39,668	33,608	33,608	-6,060	---
Subtotal, Single family.....	164,942	160,988	160,988	-3,954	---
Housing repair (sec. 504).....	9,555	10,171	10,171	+616	---
Rental housing (sec. 515).....	49,830	28,254	54,654	+4,824	+26,400
Site loans (sec. 524).....	---	---	---	---	---
Multi-family housing guarantees (sec. 538)	5,915	3,490	3,490	-2,425	---
Multi-family housing credit sales.....	659	727	727	+68	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
Single family housing credit sales.....	---	---	---	---	---
Self-help housing land develop. (sec. 523)	75	---	---	-75	---
Total, Loan subsidies.....	230,976	203,630	230,030	-946	+26,400
RHIF administrative expenses (transfer to RD).	440,687	465,886	448,889	+8,202	-16,997
Rental assistance program:					
(Sec. 521).....	574,689	586,100	586,100	+11,411	---
(Sec. 502(c)(5)(D)).....	5,865	5,900	5,900	+35	---
Total, Rental assistance program.....	580,554	592,000	592,000	+11,446	---
Total, Rural Housing Insurance Fund.....	1,252,217	1,261,516	1,270,919	+18,702	+9,403
(Loan authorization).....	(4,329,512)	(4,041,731)	(4,686,906)	(+357,394)	(+645,175)
Mutual and self-help housing grants.....	33,799	34,000	34,000	+201	---
Rural housing assistance grants.....	45,949	42,500	42,500	-3,449	---
Farm labor program account.....	36,093	36,765	36,765	+672	---
Subtotal, grants and payments.....	115,841	113,265	113,265	-2,576	---
Total, Rural Housing Service.....	1,368,058	1,374,781	1,384,184	+16,126	+9,403
(Loan authorization).....	(4,329,512)	(4,041,731)	(4,686,906)	(+357,394)	(+645,175)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
Rural Business-Cooperative Service:					
Rural Development Loan Fund Program Account:					
(Loan authorization).....	(39,764)	(34,213)	(34,213)	(-5,551)	---
Loan subsidy.....	17,206	15,868	15,868	-1,338	---
Administrative expenses (transfer to RD).....	4,247	6,656	4,321	+74	-2,335
Total, Rural Development Loan Fund.....	21,453	22,524	20,189	-1,264	-2,335
Rural Economic Development Loans Program Account:					
(Loan authorization).....	(14,914)	(25,003)	(25,003)	(+10,089)	---
Direct subsidy.....	2,776	4,698	4,698	+1,922	---
Rural cooperative development grants.....	23,858	21,000	23,500	-358	+2,500
Rural empowerment zones and enterprise communities grants.....	12,592	---	11,419	-1,173	+11,419
Renewable energy program.....	22,864	10,770	15,000	-7,864	+4,230
Total, Rural Business-Cooperative Service.....	83,543	58,992	74,806	-8,737	+15,814
(Loan authorization).....	(54,678)	(59,216)	(59,216)	(+4,538)	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
Rural Utilities Service:					
Rural Electrification and Telecommunications Loans Program Account:					
Loan authorizations:					
Electric:					
Direct, 5%	(240,000)	(120,000)	(120,000)	(-120,000)	---
Direct, Municipal rate	(1,000,000)	(100,000)	(100,000)	(-900,000)	---
Direct, FFB	(1,900,000)	(1,620,000)	(2,000,000)	(+100,000)	(+380,000)
Direct, Treasury rate	(750,000)	(700,000)	(1,000,000)	(+250,000)	(+300,000)
Guaranteed electric	(99,410)	(100,000)	(100,000)	(+590)	---
Guaranteed underwriting	(1,000,000)	---	(1,000,000)	---	(+1,000,000)
Subtotal, Electric	(4,989,410)	(2,640,000)	(4,320,000)	(-669,410)	(+1,680,000)
Telecommunications:					
Direct, 5%	(145,000)	(145,000)	(145,000)	---	---
Direct, Treasury rate	(248,525)	(250,000)	(250,000)	(+1,475)	---
Direct, FFB	(120,000)	(100,000)	(125,000)	(+5,000)	(+25,000)
Subtotal, Telecommunications	(513,525)	(495,000)	(520,000)	(+6,475)	(+25,000)
Total, Loan authorizations	(5,502,935)	(3,135,000)	(4,840,000)	(-662,935)	(+1,705,000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
Loan subsidies:					
Electric:					
Direct, 5%.....	---	3,648	3,648	+3,648	---
Direct, Municipal rate.....	---	1,350	1,350	+1,350	---
Guaranteed electric.....	60	60	60	---	---
Subtotal, Electric.....	60	5,058	5,058	+4,998	---
Telecommunications:					
Direct, 5%.....	---	---	---	---	---
Direct, Treasury rate.....	124	100	100	-24	---
Subtotal, Telecommunications.....	124	100	100	-24	---
Total, Loan subsidies.....	184	5,158	5,158	+4,974	---
RETLP administrative expenses (transfer to RD)	37,630	39,933	38,323	+693	-1,610
Total, Rural Electrification and Telecommunications Loans Program Account..	37,814	45,091	43,481	+5,667	-1,610
(Loan authorization).....	(5,502,935)	(3,135,000)	(4,840,000)	(-662,935)	(+1,705,000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
Rural Telephone Bank Program Account:					
(Loan authorization)	(173,503)	---	(175,000)	(+1,497)	(+175,000)
Direct loan subsidy	---	---	---	---	---
RTB administrative expenses (transfer to RD)	3,152	3,328	3,152	---	-176
Total, Rural Telephone Bank Program Account	3,152	3,328	3,152	---	-176
High energy costs grants (by transfer)	(27,835)	---	---	(-27,835)	---
Distance learning, telemedicine, and broadband program:					
Loan authorizations:					
Distance learning and telemedicine	(300,000)	---	(50,000)	(-250,000)	(+50,000)
Broadband telecommunications	(598,101)	(331,081)	(464,038)	(-134,063)	(+132,957)
Total, Loan authorizations	(898,101)	(331,081)	(514,038)	(-384,063)	(+182,957)
Loan subsidies:					
Distance learning and telemedicine:					
Direct	---	---	710	+710	+710
Grants	38,770	25,000	25,000	-13,770	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
Broadband telecommunications:					
Direct	13,039	9,884	9,884	-3,155	---
Grants	8,947	---	9,000	+53	+9,000
Total, Loan subsidies and grants	60,756	34,884	44,594	-16,162	+9,710
Total, Rural Utilities Service	101,722	83,303	91,227	-10,495	+7,924
(Loan authorization)	(6,574,539)	(3,466,081)	(5,529,038)	(-1,045,501)	(+2,062,957)
Total, title III, Rural Economic and Community Development Programs	2,447,943	2,209,733	2,361,882	-86,061	+152,149
(By transfer)	(513,551)	(515,803)	(494,685)	(-18,866)	(-21,118)
(Loan authorization)	(10,958,729)	(7,567,028)	(10,275,160)	(-683,569)	(+2,708,132)
TITLE IV - DOMESTIC FOOD PROGRAMS					
Office of the Under Secretary for Food, Nutrition and Consumer Services	595	799	595	---	-204
Food and Nutrition Service:					
Child nutrition programs	6,717,780	6,060,860	6,227,595	-490,185	+166,735
Transfer from section 32	4,699,661	5,319,697	5,152,962	+453,301	-166,735
Discretionary spending	---	---	---	---	---
Total, Child nutrition programs	11,417,441	11,380,557	11,380,557	-36,884	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
Special supplemental nutrition program for women, infants, and children (WIC)	4,611,861	4,787,250	4,907,250	+295,389	+120,000
Food stamp program:					
Expenses	26,403,176	30,501,798	29,047,276	+2,644,100	-1,454,522
Reserve	3,000,000	3,000,000	3,000,000	---	---
Nutrition assistance for Puerto Rico and Samoa	1,402,805	---	1,448,522	+45,717	+1,448,522
The emergency food assistance program	140,000	140,000	140,000	---	---
Total, Food stamp program	30,945,981	33,641,798	33,635,798	+2,689,817	-6,000
Commodity assistance program	149,115	169,416	178,797	+29,682	+9,381
Nutrition programs administration	137,488	152,227	133,742	-3,746	-18,485
Total, Food and Nutrition Service	47,261,886	50,131,248	50,236,144	+2,974,258	+104,896
Total, title IV, Domestic Food Programs	47,262,481	50,132,047	50,236,739	+2,974,258	+104,692
TITLE V - FOREIGN ASSISTANCE AND RELATED PROGRAMS					
Foreign Agricultural Service:					
Salaries and expenses, direct appropriation	131,368	143,077	137,722	+6,354	-5,355
(Transfer from export loans)	(3,286)	(3,440)	(3,440)	(+154)	---
(Transfer from P.L. 480)	(1,069)	(1,102)	(1,102)	(+33)	---
Total, Salaries and expenses program level	(135,723)	(147,619)	(142,264)	(+6,541)	(-5,355)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
Public Law 480 Program and Grant Accounts:					
Program account:					
Loan authorization, direct	(130,892)	(100,000)	(100,000)	(-30,892)	---
Loan subsidies	103,274	86,420	86,420	-16,854	---
Ocean freight differential grants	27,835	22,723	22,723	-5,112	---
Title II - Commodities for disposition abroad:					
Program level	(1,184,967)	(1,185,000)	(1,180,002)	(-4,965)	(-4,998)
Appropriation	1,184,967	1,185,000	1,180,002	-4,965	-4,998
Salaries and expenses:					
Foreign Agricultural Service (transfer to FAS)	1,069	1,102	1,102	+33	---
Farm Service Agency (transfer to FSA)	1,053	3,119	1,269	+216	-1,850
Subtotal	2,122	4,221	2,371	+249	-1,850
Total, Public Law 480:					
Program level	(1,184,967)	(1,185,000)	(1,180,002)	(-4,965)	(-4,998)
Appropriation	1,318,198	1,298,364	1,291,516	-26,682	-6,848

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
CCC Export Loans Program Account (administrative expenses):					
Salaries and expenses (Export Loans):					
General Sales Manager (transfer to FAS).....	3,286	3,440	3,440	+154	---
Farm Service Agency (transfer to FSA).....	841	1,033	1,033	+192	---
Total, CCC Export Loans Program Account.....	4,127	4,473	4,473	+346	---
McGovern-Dole international food for education and child nutrition program grants.....	49,705	75,000	75,000	+25,295	---
Total, title V, Foreign Assistance and Related Programs.....	1,503,398	1,520,914	1,508,711	+5,313	-12,203
(By transfer).....	(4,355)	(4,542)	(4,542)	(+187)	---

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AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2005
(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE VI - RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION					
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Food and Drug Administration					
Salaries and expenses, direct appropriation.....	1,378,779	1,494,517	1,462,517	+83,738	-32,000
Prescription drug user fee act.....	(249,825)	(284,394)	(284,394)	(+34,569)	---
Medical device user fee act.....	(31,654)	(33,938)	(33,938)	(+2,284)	---
Animal drug user fee act.....	(5,000)	(8,000)	(8,000)	(+3,000)	---
Subtotal.....	(1,665,258)	(1,820,849)	(1,788,849)	(+123,591)	(-32,000)
Mammography clinics user fee (outlay savings).....	(16,576)	(16,919)	(16,919)	(+343)	---
Export and color certification.....	(6,649)	(6,838)	(6,838)	(+189)	---
Payments to GSA.....	(119,594)	(123,015)	(129,815)	(+10,221)	(+6,800)
Buildings and facilities.....	6,959	---	---	-6,959	---
Total, Food and Drug Administration.....	1,385,738	1,494,517	1,462,517	+76,779	-32,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2004
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(Amounts in thousands)

	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
INDEPENDENT AGENCIES					
Commodity Futures Trading Commission	89,901	95,327	93,327	+3,426	-2,000
Farm Credit Administration (limitation on administrative expenses)	(40,900)	---	(42,900)	(+2,000)	(+42,900)
Total, title VI, Related Agencies and Food and Drug Administration	1,475,639	1,589,844	1,555,844	+80,205	-34,000
TITLE VII - GENERAL PROVISIONS					
Hunger fellowships	2,982	---	2,500	-482	+2,500
National Sheep Industry Improvement Center revolving fund	496	---	500	+4	+500
Tree assistance (sec. 747)	14,912	---	---	-14,912	---
Northern Great Plains Regional Authority	1,491	---	---	-1,491	---
Denali Commission	994	---	---	-994	---
Food stamp program freeze	1,988	---	---	-1,988	---
Total, title VII, General provisions	22,863	---	3,000	-19,863	+3,000

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	FY 2004 Enacted	FY 2005 Request	Bill	Bill vs. Enacted	Bill vs. Request
OTHER APPROPRIATIONS					
Consolidated Appropriations Act, 2004 (P.L.108-199)					
Conservation Programs					
Natural Resources Conservation Service (Sec. 102(d)):					
Emergency watershed protection program (emergency)	149,115	---	---	-149,115	---
Tree assistance program (emergency) (Sec. 102(e))	12,426	---	---	-12,426	---
Emergency conservation prog. (emergency) (Sec. 102(f))	12,426	---	---	-12,426	---
Commodity Credit Corporation Fund:					
Livestock indemnity prog. (emergency) (Sec.102(g))	497	---	---	-497	---
Total, Other appropriations	174,464	---	---	-174,464	---
Grand total:					
New budget (obligational) authority	86,761,836	83,324,539	83,670,760	-3,091,076	+346,221
Appropriations	(86,587,372)	(83,324,539)	(83,670,760)	(-2,916,612)	(+346,221)
Emergency Appropriations	174,464	---	---	-174,464	---
(By transfer)	(801,150)	(829,508)	(790,974)	(-10,176)	(-38,534)
(Loan authorization)	(14,335,870)	(11,470,281)	(14,193,413)	(-142,457)	(+2,723,132)
(Limitation on administrative expenses)	(150,940)	(111,922)	(154,822)	(+3,882)	(+42,900)

ADDITIONAL VIEWS OF DAVID R. OBEY, MARCY KAPTUR, ROSA DELAURO, MAURICE HINCHEY, SAM FARR AND ALLEN BOYD

Americans have reason to be concerned about the performance of USDA and FDA in the past year in a number of areas.

Democrats on the Subcommittee worked hard during the year to review these agencies' work in carrying out their important responsibilities.

This was not always easy because agencies often failed to give direct answers to written questions, while witnesses were often unable to answer basic questions and failed to provide promised information. For example, when asked at a hearing, a senior USDA official could not tell the Subcommittee how many BSE tests had been conducted since the finding of BSE in Washington state in December, 2003.

Nevertheless, Democrats pressed the agencies for answers.

As we learned in hearings and in recent news reports, there are many unanswered questions about the handling of the BSE issue by USDA and FDA and about their management of other important matters. We also learned that USDA moved funds within the Department in violation of explicit statutory provisions in the Agriculture appropriations bill. Finally, we have serious concerns about the allocation of funding for this bill that, in turn, resulted in funding shortfalls in some important program areas.

CONCERNS ABOUT THE MANAGEMENT OF USDA AND FDA

Findings from the hearings and from recent news reports raise serious questions about the management by USDA and FDA of the BSE case—questions to which we still do not have answers—and about the apparent lack of oversight by senior officials of some important decisions made by their own staffs.

For example:

- Was the cow in Washington state actually a downer? Were official records altered? There is now a federal criminal investigation underway.
- Why didn't USDA test a cow in Texas that was showing BSE symptoms? This is under investigation by the USDA Inspector General.
- Why did USDA allow millions of pounds of banned Canadian beef products into the U.S.? This is now under investigation by the USDA Inspector General.
- Why are promised BSE safeguards for human food, cosmetics and animal feed not in place yet? In January, FDA announced it was going to issue key rules to protect human food and cosmetics, and animal feed from the risk of BSE. As of today, more than five months later, the rules are still not out. Until the rules are issued, the public remains unprotected.

• Did a government employee leak advance information about the BSE case to someone in the commodity futures trading business? That matter is now under investigation by the Commodity Futures Trading Commission.

• When a federal judge found USDA had illegally allowed the import of prohibited beef products from Canada, the Secretary's press person said Veneman had not been informed that her own Department had approved the imports for entry into the U.S.

• When Senator Daschle raised questions about USDA guidance on the effect of Medicare prescription drug benefits on Food Stamp eligibility, press reports said Secretary Veneman and Under Secretary Bost were unaware of the guidance.

• At the FDA budget hearing, the Acting Commissioner seemed unaware of briefs filed by the FDA General Counsel seeking to stop private lawsuits against drug companies for the death or injury of people taking FDA-approved drugs.

• Democrats proposed six amendments to the report relating directly to the BSE issue. The amendments noted many of the outstanding issues and requested further information. In the case of FDA, the language called for prompt issuance of the promised rules.

The Chairman included these amendments in the manager's amendment.

USDA VIOLATED EXPLICIT STATUTORY PROVISIONS IN THE AGRICULTURE APPROPRIATIONS BILL

In two cases, senior officials at USDA approved actions that were specifically prohibited in the Agriculture bill. In one instance, USDA transferred millions of dollars from agencies' funds to another account for "e-Gov" initiatives. In the other, the USDA natural resources staff were told to charge some of the costs of farm bill conservation programs to a discretionary conservation account. Both actions were in violation of explicit prohibitions in bill language.

Because of concern that the transfers of funds were undermining the constitutional prerogatives of Congress, Mr. Obey offered an amendment to stop all of USDA's existing transfer authority, with the strong support of the Majority. Obviously, USDA needs some transfer authority to carry out various functions. Such authority will be provided once there is an explicit understanding that the administration will respect the limitations Congress imposes on such transfers.

CRITICAL SHORTFALLS IN FUNDING

While it was possible to address many of the issues outlined above, there are key funding shortfalls in the bill that cannot be remedied within the inadequate allocation provided to the subcommittee. We will highlight some of the key funding problems.

First, due to the inadequate allocation, the bill does not provide all the funds we expect the WIC program to need this year. Those funds will have to be provided in conference, but unless the allocation is increased, there may be cuts in other programs.

Second, the bill cuts 60 percent of the requested increase for homeland security activities at USDA's Food Safety and Inspection

Service and one-third of the requested homeland security increase for FDA food safety activities. Since many people believe the requests did not go far enough to protect our food supply, it is very disturbing to see them underfunded.

Third, the bill fails to provide even the level of funding in the rural water and waste program and the rural single family housing direct loan program that was provided last year. There are also a host of reductions in other programs in the bill.

Fourth, in an effort to make up for the poor allocation, the bill makes cuts in farm bill programs that are nearly twice as large as those in last year's bill and deeper than those in the Bush budget.

As we have noted, the allocation given to the Subcommittee is inadequate. It is $67 million lower than the level provided in the 2004 bill, and $1.1 billion lower than the 2003 bill. In fact, it is so inadequate that millions of dollars requested by the administration could not be funded.

The reason the bill has been shortchanged is simple. As they have in the past, the House Republicans passed a budget resolution that gave priority to tax cuts for wealthy Americans over meeting the needs of all Americans. As a result, the Appropriations Committee is once again faced with the need to provide the services our citizens expect without the means to do so.

To make this point absolutely clear, Mr. Obey offered a resolution on the House floor in June that would have addressed the Nation's needs in ten key areas by reducing the tax cuts given to those with incomes over $1 million in 2005 by the Republicans and the Bush administration.

For rural development, the bill would have:

- More than doubled funding for rural water and waste disposal direct loans;
- Doubled funding for rural community facility direct loans that are used for health care, fire, day care and other essential community facilities;
- More than doubled funding for distance learning and telemedicine grants, which help rural America to access distant educational and medical resources;
- Provided an increase of more than 80% in rural single family housing direct loans; and
- Provided funding for several other key programs cut in the Bush budget.

In addition, the bill provided a substantial down-payment on the long-term cost of implementing a national animal identification program. In the recent BSE case, USDA was unable to identify every animal that could have been infected despite weeks of effort. In the case of a terrorist attack or an accidental outbreak of a highly contagious animal disease, such delay would be disastrous to the nation's economy and food supply.

Arguing that protecting those with incomes over $1 million in 2005 was more important than providing basic services to rural Americans and others, the Republicans in the House voted overwhelmingly against the resolution.

CONCLUSION

The shortfalls in the bill reflect the decision of the Majority in the House to put super-sized tax cuts for the most well-off and privileged members of our society ahead of almost all other economic and social needs of the country. It does not appear that this will change this year.

But there is still a chance for USDA and FDA to improve their handling of the important tasks before them. We look forward to seeing the reports that the Committee has requested on many issues as a result of the amendments we proposed, and we will follow the agencies' performance closely.

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