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REPORT
108–193

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

JULY 9, 2003.—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. 2673]

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 2004.

88–185

TITLE I—AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING, AND MARKETING

OFFICE OF THE SECRETARY

2003 appropriation	$3,320,000
2004 budget estimate	10,068,000
Provided in the bill	3,468,000
Comparison:	
2003 appropriation	+148,000
2004 budget estimate	−6,600,000

COMMITTEE PROVISIONS

For the Office of the Secretary, the Committee provides an appropriation of $3,468,000, an increase of $148,000 above the amount available for fiscal year 2003 and a decrease of $6,600,000 below the budget request.

The Committee does not recommend $6,600,000 as proposed in the budget for cross-cutting trade negotiations and biotechnology resources in the Office of the Secretary. The Committee has provided $4,000,000 in the APHIS account, $2,000,000 in the FAS account, and $600,000 to GIPSA for these activities.

Assessment of Conservation Programs.—The Committee directs the Secretary to conduct an assessment of all Farm Bill conservation programs in order to obtain quantifiable data on water quality, soil enhancements, air quality, and wildlife enhancements. The Committee encourages the Secretary to include state natural resource agencies and local units of government, educational institutions, and nonprofit organizations in conducting the monitoring and evaluation of these programs.

Tree Assistance.—The Committee is aware that Western New York fruit orchards sustained major fruit tree damage as a result of a three-day April ice storm earlier this year. An estimated 85% of the tart cherry trees in Wayne County, New York were severely damaged or destroyed and significant damage was also incurred by the sweet cherry, peach, pear, apple and plum trees in the region. New York is the third largest producer of tart cherries in the nation and Wayne County is the largest cherry-producing county in New York State so these losses will have a significant long-term deleterious impact on the fruit tree industry in New York State. While this region has been declared a federal disaster area and farmers have received some assistance through the Federal Emergency Management Agency, additional federal assistance is greatly needed to cover the expenses of removing the ruined trees and replanting the orchards for tart cherries and other tree fruits. The 2002 Farm Bill provides for such assistance through the Tree Assistance Program. In addition, New York farmers will incur an esti-

mated $15 million in market losses to their fruit tree crops as it takes new orchards eight years to mature.

The Committee is sympathetic to the plight of tree fruit farmers in New York State and the Committee encourages the Secretary to take appropriate measures, including the use of funds under the Commodity Credit Corporation to provide assistance under the Tree Assistance Program for farmers who have suffered tree losses in 2003 as a result of a natural disaster in a federally declared disaster area.

Productivity of the tree fruit industry.—The Committee encourages the Department to continue to work closely with the tree fruit industry to complete the Technology Roadmap process and develop a national research strategy. The Committee expects the Department to submit a strategic plan as soon as practical, but not later than November 30, 2003, that includes suggestions for future research initiatives, based on strong public/private collaborations.

Bovine Genome.—The Committee recognizes the importance of the ongoing efforts by the Department, state, and local governments, universities, industry groups, and the private sector, to map the bovine genome. The Committee directs USDA to continue to provide discretionary funding to reach this goal. All funds expended for this purpose shall be used in a direct cooperative effort with the National Institutes of Health.

State Office Collocation.—The Committee continues to direct that any reallocation of resources related to the collocation of state offices scheduled for 2003 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 2003 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 encourages the Secretary of Agriculture to continue to use existing authority 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.

Competitive Sourcing.—The Committee is aware of new opportunities to contract with certified third parties for providing conservation program technical assistance. The Committee believes that the use of these technical service providers is consistent with the competitive sourcing objectives of the Department, and directs the Secretary to count utilization of technical service providers toward the NRCS competitive sourcing goals.

Urban Encroachment.—The Committee continues to recognize the major difficulties created by the encroachment of urban areas on rural areas that are also sensitive environmental areas. The Committee believes there is a need to develop a more comprehensive and integrated view of transportation, land use by commercial, residential, agricultural and public entities, and conservation of agricultural and environmental areas. The Committee directs the Secretary to develop a proposal, and identify pilot projects, for such a comprehensive program, in partnership with State or local government agencies, fully utilizing and coordinating the Farm Service

Agency and Natural Resources Conservation Service authorities and discretion in order to achieve this important objective in Orange and Riverside Counties in California.

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 2005 budget and quarterly thereafter.

Lamb Meat Adjustment Assistance Program.—The Committee commends the Department on the success achieved with the Lamb Meat Adjustment Assistance Program. However, the Committee also recognizes that the ewe lamb expansion portion was curtailed as a result of the serious drought conditions throughout the U.S. The Committee encourages the Department to continue this portion of the program for an additional year through the use of Section 32 funds.

Quality Grading.—The Committee directs the Department to submit a report detailing the practice of quality grading foreign and domestic lamb, beef, and pork carcasses, and the use of the USDA Quality Shield in this process.

Insular Areas.—The Committee is concerned that the fiscal year 2004 budget request did not include any funds to implement the Resident Instruction and Distance Education Grants Program for Insular Area Institutions of Higher Education, authorized by section 7501 of Public Law 107–171. The needs of institutions of higher education in U.S. territories are unique, and are deserving of consideration. The Committee encourages the Secretary to provide within existing authority such assistance to these institutions as may be appropriate, and to provide to the Committee prior to the fiscal 2005 hearings a report describing what steps are being taken to respond to these needs.

EXECUTIVE OPERATIONS

OFFICE OF THE CHIEF ECONOMIST

2003 appropriation	$8,510,000
2004 budget estimate	12,264,000
Provided in the bill	8,716,000
Comparison:	
2003 appropriation	+206,000
2004 budget estimate	−3,548,000

COMMITTEE PROVISIONS

For the Office of the Chief Economist, the Committee provides an appropriation of $8,716,000, an increase of $206,000 above the amount available for fiscal year 2003 and a decrease of $3,548,000 below the budget request.

Biofuels.—The Committee expects the Department to develop and initiate a comprehensive program for providing assistance for the marketing of value-added products, including biofuels. Further, the Department is directed to provide a report with respect to this action.

NATIONAL APPEALS DIVISION

2003 appropriation	$13,670,000
2004 budget estimate	14,242,000
Provided in the bill	13,670,000
Comparison:	
2003 appropriation	- - -
2004 budget estimate	−572,000

COMMITTEE PROVISIONS

For the National Appeals Division, the Committee provides an appropriation of $13,670,000, the same as the amount available for fiscal year 2003 and a decrease of $572,000 below the budget request.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

2003 appropriation	$7,270,000
2004 budget estimate	7,980,000
Provided in the bill	7,749,000
Comparison:	
2003 appropriation	+479,000
2004 budget estimate	−231,000

COMMITTEE PROVISIONS

For the Office of Budget and Program Analysis, the Committee provides an appropriation of $7,749,000, an increase of $479,000 above the amount available for fiscal year 2003 and a decrease of $231,000 below the budget request.

HOMELAND SECURITY

2003 appropriation	- - -
2004 budget estimate	$1,479,000
Provided in the bill	- - -
Comparison:	
2003 appropriation	- - -
2004 budget estimate	−1,479,000

COMMITTEE PROVISIONS

The Committee does not recommend funding for this account.

OFFICE OF THE CHIEF INFORMATION OFFICER

2003 appropriation	$14,993,000
2004 budget estimate	31,334,000
Provided in the bill	14,993,000
Comparison:	
2003 appropriation	- - -
2004 budget estimate	−16,341,000

COMMITTEE PROVISIONS

For the Office of the Chief Information Officer, the Committee provides an appropriation of $14,993,000, the same as the amount available for fiscal year 2003 and a decrease of $16,341,000 below the budget request.

COMMON COMPUTING ENVIRONMENT

2003 appropriation	$132,289,000
2004 budget estimate	177,714,000
Provided in the bill	133,155,000
Comparison:	
2003 appropriation	+866,000
2004 budget estimate	−44,559,000

COMMITTEE PROVISIONS

For the Common Computing Environment, the Committee provides an appropriation of $133,155,000, an increase of $866,000 above the amount available in fiscal year 2003 and a decrease of $44,559,000 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.

OFFICE OF THE CHIEF FINANCIAL OFFICER

2003 appropriation	$5,496,000
2004 budget estimate	7,902,000
Provided in the bill	5,785,000
Comparison:	
2003 appropriation	+289,000
2004 budget estimate	−2,117,000

COMMITTEE PROVISIONS

For the Office of the Chief Financial Officer, the Committee provides an appropriation of $5,785,000, an increase of $289,000 above the amount available for fiscal year 2003 and a decrease of $2,117,000 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.

In the reports accompanying its fiscal year 2001, 2002 and 2003 bills, the Committee addressed the issue of contracting out. The Committee noted its concerns about the potential cost benefit impact of contracting out and about the needs of customers in programs such as those of the Rural Development Services and the Farm Service Agency.

The Committee also directed the Department each year to submit a report concurrent with the Department's annual budget submis-

sion for the following fiscal year, "on its contracting out policies, including agency budgets for contracting out." The Department has failed to comply with this directive for three years.

The Committee intends its directives to be carried out by the Department. The reports it requested are essential to the Committee conducting its oversight responsibilities. Because of the Department's failure to comply with the Committee's directives and the importance of this information to the performance of the Committee's oversight responsibilities, the Committee has included bill language requiring the submission of a report on contracting out policies and agency budgets, prior to the use of any funds appropriated to the Office of the Chief Financial Officer for FAIR Act or Circular A–76 activities.

WORKING CAPITAL FUND

2003 appropriation	$11,922,000
2004 budget estimate	- - -
Provided in the bill	- - -
Comparison:	
2003 appropriation	−11,922,000
2004 budget estimate	- - -

COMMITTEE PROVISIONS

The fiscal year 2003 Agriculture Appropriations Act included $11,922,000 for remote mirroring backup technology. Before those funds may be expended, the USDA is required to submit, and the Committees on Appropriations must approve, a feasibility study on the need for remote mirroring backup technology of the National Finance Center's data. The Committee strongly encourages the Department to submit this report, so that a decision can be made on the use of these funds.

OFFICE OF THE ASSISTANT SECRETARY FOR CIVIL RIGHTS

2003 appropriation	$397,000
2004 budget estimate	808,000
Provided in the bill	397,000
Comparison:	
2003 appropriation	- - -
2004 budget estimate	−411,000

COMMITTEE PROVISIONS

For the Office of the Assistant Secretary for Civil Rights, the Committee provides an appropriation of $397,000, the same as the amount provided in fiscal year 2003 and a decrease of $411,000 below the budget request.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

2003 appropriation	$660,000
2004 budget estimate	793,000
Provided in the bill	678,000
Comparison:	
2003 appropriation	+18,000
2004 budget estimate	−115,000

COMMITTEE PROVISIONS

For the Office of the Assistant Secretary for Administration, the Committee provides an appropriation of $678,000, an increase of $18,000 above the amount available for fiscal year 2003 and a decrease of $115,000 below the budget request.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

2003 appropriation	$186,879,000
2004 budget estimate	199,332,000
Provided in the bill	156,891,000
Comparison:	
2003 appropriation	−29,988,000
2004 budget estimate	−42,441,000

COMMITTEE PROVISIONS

For Agriculture Buildings and Facilities and Rental Payments to GSA, the Committee provides an appropriation of $156,891,000, a decrease of $29,988,000 below the amount available for fiscal year 2003 and a decrease of $42,441,000 below the budget request.

Included in this amount is $124,332,000 for rental payments to GSA.

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

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

[In thousands of dollars]

	2003 estimate	*2004 budget request*	*Committee recommendation*
Rental Payments	$120,796	$124,332	$124,332
Building Operations	32,327	41,000	32,559
Strategic Space Plan	33,756	34,000	- - -
Total	186,879	199,332	156,891

HAZARDOUS MATERIALS MANAGEMENT

2003 appropriation	$15,583,000
2004 budget estimate	15,713,000
Provided in the bill	15,713,000
Comparison:	
2003 appropriation	+130,000
2004 budget estimate	- - -

COMMITTEE PROVISIONS

For Hazardous Materials Management, the Committee provides an appropriation of $15,713,000, an increase of $130,000 above the amount available for fiscal year 2003 and the same amount as the budget request.

DEPARTMENTAL ADMINISTRATION

2003 appropriation	$37,629,000
2004 budget estimate	45,128,000
Provided in the bill	38,592,000
Comparison:	
2003 appropriation	+963,000
2004 budget estimate	−6,536,000

COMMITTEE PROVISIONS

For Departmental Administration, the Committee provides an appropriation of $38,592,000, an increase of $963,000 above the amount available for fiscal year 2003 and a decrease of $6,536,000 below the budget request.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS

2003 appropriation	$3,796,000
2004 budget estimate	4,186,000
Provided in the bill	3,796,000
Comparison:	
2003 appropriation	- - -
2004 budget estimate	−390,000

COMMITTEE PROVISIONS

For the Office of the Assistant Secretary for Congressional Relations, the Committee provides an appropriation of $3,796,000, the same as the amount available for fiscal year 2003 and a decrease of $390,000 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. The Committee notes that for fiscal year 2003, the notification on the allocation of these funds was received on May 19, 2003, and has therefore, included bill language addressing this issue.

OFFICE OF COMMUNICATIONS

2003 appropriation	$9,031,000
2004 budget estimate	10,084,000
Provided in the bill	9,245,000
Comparison:	
2003 appropriation	+214,000
2004 budget estimate	−839,000

COMMITTEE PROVISIONS

For the Office of Communications, the Committee provides an appropriation of $9,245,000, an increase of $214,000 above the amount available for fiscal year 2003 and a decrease of $839,000 below the budget request.

The Committee directs the Office of Communications to provide to the Committee on Appropriations in electronic format, copies of any open source news material made available to USDA officials that is purchased or otherwise obtained using appropriated funds, amending licenses as necessary.

OFFICE OF INSPECTOR GENERAL

2003 appropriation	$73,417,000
2004 budget estimate	81,895,000
Provided in the bill	77,314,000
Comparison:	
2003 appropriation	+3,897,000
2004 budget estimate	−4,581,000

COMMITTEE PROVISIONS

For the Office of Inspector General (OIG), the Committee provides an appropriation of $77,314,000, an increase of $3,897,000 above the amount available for fiscal year 2003, and a decrease of $4,581,000 below the budget request. The Committee recommendation includes the full amount requested for information technology investments.

OFFICE OF THE GENERAL COUNSEL

2003 appropriation	$34,700,000
2004 budget estimate	37,328,000
Provided in the bill	34,700,000
Comparison:	
2003 appropriation	- - -
2004 budget estimate	−2,628,000

COMMITTEE PROVISIONS

For the Office of the General Counsel, the Committee provides an appropriation of $34,700,000, the same as the amount available in fiscal year 2003 and a decrease of $2,628,000 below the budget request.

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

2003 appropriation	$584,000
2004 budget estimate	792,000
Provided in the bill	597,000
Comparison:	
2003 appropriation	+13,000
2004 budget estimate	−195,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Research, Education, and Economics, the Committee provides an appropriation of $597,000, an increase of $13,000 above the amount available for fiscal year 2003 and a decrease of $195,000 below the budget request.

Agro-terrorism research.—The Committee is familiar with potential agro/bioterrorism vulnerabilities, from animal and plant diseases to food chain introductions. While some agro-terrorism research is already being done by the Department of Agriculture, the Committee is aware of the need for more such research, particularly in the areas of threats to field crops, farm animals, and food in the processing and distribution chain. The Homeland Security Act of 2002 provides for coordination of research between the Department of Homeland Security (DHS) and other relevant federal agencies in various areas of research. Because the Department of Agriculture (USDA) already possesses mechanisms, authorities, and personnel to carry out needed agro/bioterrorism research, the Committee expects to see effective coordination between the USDA and the DHS to move such research forward in an effective and expeditious fashion. The Committee expects USDA to coordinate with DHS to identify research gaps and develop a plan, to include research priorities, for proceeding to fill such gaps. Further, the Com-

mittee expects that non-government entities selected to carry out research will be ones with proven expertise in agriculture research, and strong familiarity with USDA animal and plant diagnostic laboratories and practices.

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 2005, the Committee will expect the Under Secretary to explain and defend each proposed termination in detail during the fiscal year 2005 hearings.

ECONOMIC RESEARCH SERVICE

2003 appropriation	$68,674,000
2004 budget estimate	76,657,000
Provided in the bill	71,402,000
Comparison:	
2003 appropriation	+2,728,000
2004 budget estimate	−5,255,000

COMMITTEE PROVISIONS

For the Economic Research Service, the Committee provides an appropriation of $71,402,000, an increase of $2,728,000 above the amount available for fiscal year 2003 and a decrease of $5,255,000 below the budget request.

The Committee provides the requested increase of $1,000,000 for development of an expanded Security Analysis System for U.S. Agriculture (SAS–USA). This is a scenario-based decision system, which will aid in evaluating threats to the food system.

The Committee recommendation also includes $500,000 to analyze available data to be newly compiled on organic and other differentiated products' production, marketing, and trade. This information will benefit a broad range of producers on the performance of agricultural and food markets that are differentiated by certification, type, process, or geographical location of production.

The Committee urges the Economic Research Service to complete its work with North Carolina State University on the construction of an improved measure of net returns for the broiler industry. The Committee understands that a meeting is scheduled for August 2003 to consider the viability of the net returns series for broilers as well as other livestock products. ERS should take industry viewpoints into account in assessing whether to modify or halt calculation of the net return series.

NATIONAL AGRICULTURAL STATISTICS SERVICE

2003 appropriation	$138,448,000
2004 budget estimate	136,182,000
Provided in the bill	129,800,000
Comparison:	
2003 appropriation	−8,648,000
2004 budget estimate	−6,382,000

COMMITTEE PROVISIONS

For the National Agricultural Statistics Service, the Committee provides an appropriation of $129,800,000, a decrease of $8,648,000 below the amount available in fiscal year 2003 and a decrease of $6,382,000 below the budget request.

The Committee recommendation includes an increase of $5,410,000, as requested, for Agricultural Estimates to ensure that the estimates are of a sufficient precision, quality, and detail to meet the needs of all customers. All segments of the agriculture industry, including State and Federal components, base business decisions on NASS estimates, making data quality a high priority. The amount provided also funds restoration of activities related to objective yield estimates and area segment rotation.

Included in this amount is $25,279,000 for the Census of Agriculture, as requested. The Census of Agriculture collects and provides comprehensive data on all aspects of the agricultural economy.

AGRICULTURAL RESEARCH SERVICE

2003 appropriation	$1,035,130,000
2004 budget estimate	987,303,000
Provided in the bill	1,014,000,000
Comparison:	
2003 appropriation	−21,130,000
2004 budget estimate	+26,697,000

COMMITTEE PROVISIONS

Salaries and expenses.—For salaries and expenses of the Agricultural Research Service, the Committee provides an appropriation of $1,014,000,000, a decrease of $21,130,000 below the amount available for fiscal year 2003 and an increase of $26,697,000 above the budget request.

The following table reflects the amount provided by the Committee:

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 provides an increase of $300,000 in fiscal year 2004 for expanded research on advanced animal vaccines and diagnostic applications currently carried out jointly by ARS, the University of Connecticut, and the University of Missouri.

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 provides an increase of $250,000 in fiscal year 2004 to the ARS Wind Erosion Laboratory at Pullman, Washington for increased PM–10 air quality programs for the purpose of meeting the requirements of the Clean Air Act of 1990.

Animal Welfare Information Center (AWIC).—AWIC is a key component of ARS' integrated information services program that enhances access to information about animal welfare. The Center assists researchers and others responsible for the care of laboratory animals with important information to enable them to comply with the humane standards established under the Animal Welfare Act. The Committee directs ARS to continue its support of animal welfare activities at the fiscal year 2003 level.

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 an additional $300,000 in fiscal year 2004 to ARS' Aberdeen, ID research station to carry out this program.

Arbovirus vaccine strains.—The Committee supports the Department's initiative to conduct emerging diseases of livestock. There is an urgent need to develop biological and proteomic approaches for the development of vaccines to control major classes of arbovirus. The Committee provides an addition of $300,000 for fiscal year 2004 for this research at the ARS research station at Laramie, WY.

Asian longhorned beetle/emerald ash borer.—The Committee continues to be alarmed about the devastation caused by these invasive pests. The Asian longhorned beetle is perhaps the most economically harmful invasive pest to enter this country and capable of causing tens of billions of dollars to forests, parks and residential areas. The Committee provides $300,000 over the fiscal year 2003 level for biological control research at the ARS Newark, DE laboratory.

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 2003 funding levels.

Bee research.—The Committee recognizes the importance of honey bee 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 2003 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 2003.

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 success of this investment can be measured by the large number of patents and technology licenses of inventions sponsored through BRDC. The Committee does not agree with the budget request to terminate this research and directs that program be maintained at the fiscal year 2003 level.

Bovine genetics.—The Committee recognizes the importance of ongoing research on biotechnology and genetics in cattle jointly carried out by ARS, the University of Connecticut and the University of Illinois. The Committee provides an increase of $600,000 to expand studies 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 provides an increase of $300,000 in fiscal year 2004 to the ARS research laboratory at Albany, California to develop new biological control methods for management of exotic brooms and gorse weeds infestations in the Western United States.

Cereal disease research.—Wheat and barley research conducted at the ARS Cereal Disease Laboratory, St. Paul, MN is invaluable to the economic viability of these industries. The Committee recognizes the importance of maintaining scientific expertise at this laboratory and provides an increase of $50,000 in fiscal 2004 to support this research.

Children's Nutrition Center, Little Rock, AR.—The Center has not reached its full research potential in terms of optimizing the nutrition and health studies of children from conception to adolescence. While research on brain development and remodeling, and dietary factors affecting the health of children are fully operational, others areas of research such as bone development and enhancement of immune function are not fully realized. The Committee provides an increase of $250,000 in fiscal year 2004 to the Children's Human Nutrition Center at Little Rock, AR for expanded research aimed at reaching the Center's full research potential.

Chronic diseases of children.—The Committee has provided an additional $425,000 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 $400,000 in fiscal year 2004 to the ARS Winter Haven Research Laboratory for collaborative research with the Florida Department of Citrus—Lake Alfred on the alternative commercial utilization of citrus wastes.

Coffee and cocoa research.—The Committee continues the same level of funding in fiscal year 2004 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 2004 at the same

funding level provided in fiscal year 2003: Aerial Application Research, College Station, TX; Aflatoxin in Cotton, Phoenix, AZ; Animal Health Consortium, Peoria, IL; Animal Vaccines; Animal Welfare Information Center; Aquaculture Density Research, Stuttgart, AR; Aquaculture Fisheries Center, Pine Bluff, AR; Aquaculture Initiative for Mid-Atlantic Highlands, Leetown, WV; Aquaculture Initiatives, Harbor Branch Oceanographic Institute, Stuttgart, AR; Arkansas Children's Nutrition Center, Little Rock, AR; Asian Bird Influenza, Athens, GA; Avian Pneumovirus, Athens, GA; Barley Food Health Benefits, Beltsville, MD; Bee Research, Logan, UT; 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 Corp., Peoria, IL; Bovine Genetics, Beltsville, MD; Cereal Crops Research, Madison, WI; Cereal Disease Research, St. Paul, MN; Chloroplast Genetic Engineering Research, Urbana, IL; Citrus and Horticultural Research, Ft. Pierce, FL; Coffee and Cocoa Research; Conservation Research, Pendleton, OR; Corn Germplasm, Ames, IA; Crop Production and Food Processing, Peoria, IL; Dairy Forage, Madison, WI; Dairy Genetics, Beltsville, MD; Diet and Immune Function, Little Rock, AR; Endophyte Research, Booneville, AR; Floriculture and Nursery Crops; Food Safety for Listeria 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; Grand Forks Human Nutrition Laboratory, Grand Forks, ND; Grape Genetics, Geneva, NY; Grape Rootstock, Geneva, NY; Grapefruit Juice/Drug Interaction, Winter Haven, FL; Great Basins Rangeland; Greenhouse Hydroponics Research, Wooster, OH; Greenhouse Lettuce Germplasm, Salinas, CA; Harry Dupree National Aquaculture Research Center, Stuttgart, AR; Harvesting Research for Sugarcane, Houma, LA; Honey Bee Research, Baton Rouge, LA; Hops Research, Corvallis, OR; Improved Animal Waste Management, Florence, SC; Improved Crop Production Practices, Auburn, AL; Karnal Bunt, Manhattan, KS; Lettuce Geneticist/Breeder, Salinas, CA; Malignant Catarrhal Fever (MCF) Virus, Pullman, WA; Manure Management Research, Ames, IA; 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; Nematology Research, Tifton, GA; Nutritional Requirements, Houston, TX; NW Small Fruits Research, Corvallis, OR; Olive Fruit Fly; Organic Minor Crop Research, Salinas, CA; Ornamental and Horticulture Research, Ithaca, NY; Pasture Systems and Watershed Management, University Park, PA; Pecan Scab Research, Byron, GA; Phytoestrogen Research, New Orleans, LA; Pierce's Disease; Post-harvest and Controlled Atmosphere Chamber (Lettuce), Salinas, CA; Potato Breeding Research, Aberdeen, ID; Potato Research Enhancement, Prosser, WA; Poult Enterititis-Mortality Syndrome (PEMS), Athens, GA; Poultry Disease (Avian Coccidiosis), Beltsville, MD; Poultry Disease (Avian Leukosis-J Virus); Poultry Disease, Athens, GA; Quantify Basin

Water Budget Components in the Southwest, Tucson, AZ; Rainbow Trout, Leetown, WV; Rangeland Resource Management, Cheyenne, WY; Rangeland Resources Research, Las Cruces, NM; Regional Grains Genotyping Research, Raleigh, NC; Residue Management in Sugarcane, Houma, LA; Rice Research, Stuttgart, AR; Risk Assessment for Bt Corn, Ames, IA; Root Diseases in Wheat and Barley, Pullman, WA; Seismic and Acoustic Technologies in Soils, Sedimentation Laboratory, Oxford, MS; Shellfish Genetics, Newport, OR; Small Farms, Booneville, AR; Soil Tilth Research, Ames, IA; Sorghum Research; Source Water Protection; Southwest Pecan Research, College Station, TX; Soybean and Nitrogen Fixation, Raleigh, NC; Soybean Genetics, Columbia, MO; Sudden Oak Disease, Frederick, MD; Sugarbeet Research, Kimberly, ID; Sugarcane Research, Canal Point, FL; Sustainable Olive Production, Weslaco, TX; Sustainable Vineyard Practices Research, Davis, CA; Sustainable Viticulture Research, Davis, CA; Swine Lagoon Alternatives Research, Florence, SC; Temperate Fruit Flies, Wapato, WA; U.S. National Arboretum, Washington, DC; U.S. Plant Stress & Water Conservation Laboratory, Lubbock, TX; Virus-Free Fruit Tree Cultivars, Wapato, WA; Viticulture Research, Corvallis, OR, and Prosser, WA; Water Management Research Laboratory, Brawley, CA; Water Resource Management, Tifton, GA; Water Use Management Technology, Tifton, GA; Water Use Reduction/Producer Enhancement Research, Dawson, GA; Watershed Research, Columbia, MO; Western Grazinglands, Burns, OR; Western Wheat Quality Laboratory, Pullman, WA; Wheat Quality Research; Wild Rice Research, 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 provides an increase of $250,000 in fiscal year 2004 to this ARS research laboratory for expanded research directed toward developing management practices required for sound management and conservation of natural resources in the Columbia River Plateau and regional resource areas.

Conversion of agricultural materials to biofuels.—The Committee provides an increase of $400,000 to expand the development of biodiesel fuels through improved understanding of biodiesel chemistry. This research is conducted at the Peoria Utilization Center.

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 $250,000 in fiscal year 2004 to the ARS research laboratory at Ames, IA.

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 re-

cent 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 $300,000 in fiscal year 2004 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 provides an increase of $300,000 in fiscal year 2004 to the ARS Cotton Quality Research Laboratory at Clemson, SC for increased 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. Crops 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 $700,000 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 a 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 provides an increase of $430,000 in fiscal year 2004 to the National Center for Agricultural Utilization Research (NCAUR) at Peoria, IL for expanded collaborative efforts with these universities.

Delta Research Policy Initiative (DRPI).—This initiative, originated by the rice industries in Missouri and Arkansas, is organized to expand rice production in Southeast Missouri through enhanced rice research to identify rice varieties specifically adapted to the region and needs of emerging markets. This initiative also identified the need for identification of successful policies required for the diversification and value-added utilization of rice and other Delta products. The Committee provides and increase of $300,000 in fiscal year 2004 to the ARS' National Rice Research Center at Stuttgart, AR in support of this Delta rice initiative.

Detection of animal pathogens.—The Committee supports the need to develop rapid and simple diagnostic tools for use by field personnel to identify infectious pathogens that cause disease outbreaks and to prevent further spread. The Committee provides an increase for fiscal year 2004 of $300,000 to develop and validate rapid diagnostic tests for livestock diseases conducted at Ames, IA and $300,000 for similar research on poultry diseases conducted at Athens, GA.

Diet, nutrition monitoring, and obesity research.—The Pennington Biomedical Research Center (PBRC) is an outstanding facility with several investigators having international reputations. The strengths of the Center are its outstanding research and clinical facilities and its ability to conduct large scale clinical trials. The Center has considerable expertise in obesity and cancer prevention. The Committee recognizes that obesity is a major health problem in the U.S. It increases the likelihood of developing diabetes, cardiovascular diseases, and a host of other illnesses and disabilities. Health related illnesses due to obesity cost the Nation tens of billion of dollars annually. With regard to the obesity epidemic now clearly established in the United States, the PBRC could instantly provide research activities that would complement the ARS human nutrition research program. Genetic parameters that influence the development of obesity in individuals is a primary focus. The PBRC is particularly strong in conducting research on the polymorphisms in the population that are important for obesity. The PBRC has demonstrated expertise in conducting long-term feeding studies and they could easily develop obesity intervention strategies that result in weight loss, and more importantly encourage healthy eating habits and prevent obesity. The PBRC is developing plans for calorimetry and can provide much needed information on the relationship between food consumption, energy expenditure, and body composition. The state-of-the-art facility will also house ARS scientists' intramural obesity focus. The Committee provides ARS an increase of $750,000 in fiscal year 2004 to direct a collaborative nutrition program with PBRC. The obesity research program is to be food-based and consistent with the human nutrition program carried out by ARS.

Emissions from livestock wastewater.—Emissions from swine and dairy wastewater causes significant environmental and economic problems. Emissions from livestock wastewater produces unpleasant smell and diseases, as well as the risk of runoff and pollution of waterways. The economic benefits of controlling smell will result in increased property values as well as increased business investments. The Committee provides an increase of $100,000 in fiscal year 2004 for the ARS research station at Florence, SC to expand this research.

Endophyte research.—There are over 35 million acres of endophyte infected tall fescue pastures in the United States responsible for annual losses to the beef cattle industry. This fescue toxicity problem plagues the cattle industry in Arkansas, Oklahoma, Missouri, Kansas, Tennessee, Alabama, Georgia, North Carolina, Indiana, Virginia, and Oregon. The Committee provides an increase of $150,000 in fiscal year 2004 to the ARS Research Center at Booneville, AR for expanded collaborative research with

the University of Arkansas, University of Missouri and the Oregon State University.

Feed efficiency in cattle.—Feed costs represent 65% of the total cost in beef production. The Committee provides an increase of $250,000 in fiscal year 2004 to the ARS Meat Animal Research Center at Clay Center, NE for expanded 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 an increase of $250,000 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. crop cash 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 2003 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 $300,000 in fiscal year 2004 for the recruitment of a microbial physiologist position needed by this ARS laboratory to optimize its research capability.

Foot and Mouth Disease.—The Committee remains concerned about the spread of FMD and the threat it poses to American agriculture. The Committee provides an increase of $350,000 to develop new vaccines for FMD to more effectively respond to emerging disease outbreaks and to validate tests that can differentiate between antibodies induced by current vaccines and those induced by field exposure.

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 provides an increase of $350,000 in fiscal year 2004 to the Southern Regional Research Center at New Orleans, LA to continue current efforts to expand the program 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 $500,000 in fiscal year 2004 for

staffing the U.S. Horticultural Research Laboratory at Ft. Pierce, FL.

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 $180,000 in fiscal year 2004 for expanded ARS research with university/industry partners on the beneficial uses of foundry sand by-products in agriculture and horticulture.

Genetic diversity of major crops.—The Committee is aware of the need to develop genetic markers to study the genetic diversity and population structure of important crops (e.g., maize and wheat); and to determine gene expression of plant pathogens; and to develop new bioinformatics tools to analyze data from these studies. The Committee provides an increase of $300,000 over fiscal year 2003 for this research at the ARS Ithaca research station.

Genomic database for livestock disease agents.—The Committee is aware of the Agency's effort to generate a fully annotated sequence database of livestock threat agents. Only through a comprehensive understanding of genomics can a full understanding of critical disease agent behaviors be accomplished. The Committee provides an increase of $300,000 at Clay Center, NE to continue this vital work.

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 2003 funding levels.

Grand Forks Human Nutrition Center.—Rural health problems related to diets, with particular emphasis on the rural elderly and native Americans continue to be a major concern in the Northern Great Plains. The Committee provides an increase of $150,000 in fiscal year 2004 to the ARS Human Nutrition Center at Grand Forks, North Dakota for cooperative research with the University of North Dakota School of Medicine and Health Sciences to resolve this health issue in the Northern Great Plains.

Grape genetics.—Grapes are the 6th largest crop in the United States and one of the most important cash crops world wide. The U.S. is the 4th largest producer of wine, responsible for about 10% of all world wine. The Committee provides an increase of $300,000 in fiscal year 2004 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 provides an increase of $250,000 in fiscal year 2004 for the ARS' Grassland Soil and Water Research Laboratory for expanded research to address these agricultural issues.

Invasive aphid research.—The Committee is concerned about the emergence of new virulent strains of Russian Wheat Aphids in the Middle East and in South America that are able to kill newly de-

veloped wheat and barley crops resistant to this devastating pest. U.S. wheat, barley, and soybean production are now vulnerable to attack by new virulent strains of Russian Wheat Aphid and Greenbug. The Committee provides an increase of $250,000 in fiscal year 2004 to the ARS Research Station at Stillwater, OK for expanded research focused on monitoring collecting, characterizing and testing of this new virulent strain of aphids.

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 provides an increase of $150,000 for fiscal year 2004 to the Agricultural Research Service for increased research on invasive aquatic weeds.

Karnal bunt.—Karnal bunt diseases in wheat continues to be a major threat to the U.S. wheat industry and U.S. wheat exports. The Committee provides an increase of $100,000 in fiscal year 2004 to the ARS research station in Manhattan, KS for increased collaboration with Kansas State University on the development of Karnal bunt resistance and control methods.

Marek's Disease research.—The Committee directs ARS to accelerate its research to develop both biological and molecular approaches for vaccines to control the devastating virus that causes Marek's Disease. The Committee provides an increase of $300,000 for this research which is conducted at the ARS laboratory in East Lansing, MI.

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, increase producer yields, promote good land management practices, and reduce input costs. The Committee provides an increase of $50,000 in fiscal year 2004 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 provides an increase of $300,000 in fiscal year 2004 to expand this research.

National Agricultural Library.—Acquiring, organizing, disseminating, and preserving agricultural information for current and future use is essential for research, education, and extension. The Committee provides the Library an increase of $250,000 over fiscal year 2003.

Newcastle Disease research.—The Committee recognizes the urgent research needed to provide better diagnostic tests and vac-

cines for avian Newcatle Disease on the viral genome. The Committee provides an increase of $300,000 for this research to be carried out at the Athens laboratory.

Northwest hops research.—The Committee acknowledges the importance of hops production to the Pacific Northwest. Hops are grown commercially in Washington, Oregon, and Idaho. ARS research assists the hops growers to combat the outbreak of powdery mildew that has caused hundreds of acres to be destroyed. This research allows our farmers to successfully compete with European growers. The Committee provides an increase of $250,000 in fiscal year 2004 for this research at Corvallis, OR.

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 provides an increase of $500,000 in fiscal year 2004 to the Center to develop a better understanding of how dietary factors affect the growth and development of children and the onset of chronic diseases.

Offshore animal diseases.—The Committee understands the importance of collaborating and conducting studies offshore to characterize disease threats in their natural environment. This research is vital to reduce and eliminate disease threats to the U.S. The Committee provides an increase of $250,000 over fiscal year 2003 for this research. The Committee directs the Agency to provide a more detailed plan as it conducts studies and activities to implement this program.

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 provides an increase of $100,000 in fiscal year 2004 to expand the integrated pest management research program to control the olive fruitfly at ARS' European Biological Control Laboratory.

Paper sludge utilization.—Paper sludge is waste product of paper production and is spread over fields as fertilizer. This method of disposal, used by the paper industry as an affordable disposal option, benefits the environment and serves as effective fertilizer. The coal industry also uses paper sludge to quickly grow plants on reclaimed mine lands. However, the science behind the proper amount of paper byproduct that is environmentally safe and maximizes plant growth for mine lands is not fully explored. The Committee provides an increase of $250,000 in fiscal year 2004 to the ARS' Northern Appalachian Experimental Watershed Research Station at Coshocton, OH for research to better understand current disposal practices including the safest methods for this practice.

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 $150,000 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 $400,000 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 provides an increase of $500,000 in fiscal year 2004 to enable ARS to move aggressively and effectively against this serious pest/disease combination threat to the economic viability of many crops in California. While the Agency's major program is located at the Parlier laboratory, the Committee directs that $200,000 of the increase be implemented to supplement ongoing research at Davis, California, and Ft. Pierce, Florida.

Plant genome sequencing.—The Committee acknowledges the need for more rapid and efficient methods to characterize, identify, and manipulate the useful properties of plants/crops genes and genomes. The research will enhance the quality and safety of the U.S. competitiveness in global markets. The Committee provides increases of $200,000 in fiscal year 2004 for functional analyses of genomics and proteomics of maize at Albany, CA .

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 an increase of $250,000 for this research at Aberdeen, ID. The Committee also provides an addition of $50,000 in fiscal year 2004 for expanded research on exotic diseases including late blight and PVYN on potatoes at the ARS Prosser research station.avocados.

Rangeland resources research.—The Committee continues to support the important research program at the ARS High Plains Grassland Research Station at Cheyenne, Wyoming. The Committee restores funding to the fiscal year 2003 level.

Regional molecular genotyping research.—The Committee concurs with the need to accelerate the application of DNA molecular marker technology in order to accelerate plant improvement in

wheat, barley, oats, and other small grains breeding programs. Regional molecular genotyping will further enhance this process by closely aligning both breeders and mappers for traits of value to particular geographical production areas and regional market needs. The Committee provides an increase of $800,000 in fiscal year 2004 consisting of $200,000 to the ARS Western Wheat Research Laboratory at Pullman, WA; and $200,000 each to the ARS Plant Science Research Laboratories at Raleigh, NC; Fargo, ND; and Manhattan, KS.

Reprogramming.—The Committee concurs with the Agricultural Research Service's proposal to reprogram existing resources into priority initiatives of emerging diseases, global climate change, biosecurity, and genomic sequencing.

Risk assessment.—The Committee notes the importance of identifying and developing gene technology that will limit transgene activity to specific plant tissues. The Committee provides an increase for fiscal year 2004 as requested for this research at Corvallis, OR, $150,000. The Committee also directs the development of new strategies to prevent pest populations becoming resistant to plant incorporated protectorants. An increase over fiscal year 2003 is provided for this research at Phoenix, AZ, $250,000; and Wapato, WA, $160,000.

Shellfish ecology.—The Agricultural Research Service has established a national aquaculture program with the goal of establishing a globally competitive sustainable aquaculture industry in the U.S. The Committee supports the establishment of this program and provides an increase in fiscal year 2004 of $300,000 to address shellfish ecology and food quality. This ARS program would address a multi-state West Coast shellfish ecology concern and will complement the existing genetics research at the Hatfield Marine Science Center.

Soil drainage research.—Management of excess water on agricultural lands is the most serious production problem facing agriculture in the cool humid region of the U.S. The Committee provides an increase of $160,000 in fiscal year 2004 to the ARS Soil Drainage Research Laboratory at Columbus, Ohio for expanded research on the development and demonstration of integrated water management and cropping systems to increase profitability and environmental protection for corn and soybean growers in the Mid-West.

Soil dynamics research.—The profitability and economic sustainability of farms in the South is dependent upon the sound maintenance of the soil resources base which continues to decrease in the region due to soil degradation. The use of proper crop rotation including peanuts and cotton can greatly improve the problems faced by farmers in the Southern states concerning compacted and droughty soils. The Committee provides an increase of $150,000 in fiscal year 2004 to the ARS Soil Dynamics Laboratory at Auburn, Alabama for expanded research to develop technologies and effective strategies for managing soils.

Sorghum cold tolerance.—Cold tolerance is a major constraint in sorghum yield. Developing improved hybrids with cold tolerance genes would increase yield by merely extending sorghum's growing season. The Committee provides an increase of $300,000 in fiscal

year 2004 to the ARS Plant Stress Laboratory at Lubbock, TX for cold tolerance research to determine the feasibility of extended growing seasons for sorghum to increase production and income of sorghum growers.

Sorghum utilization.—The Committee provides an increase of $400,000 to the ARS Grain Marketing Research Laboratory, Manhattan, KS for sorghum utilization work. This research is to be coordinated with groups in Nebraska, Wisconsin, Massachusetts, Georgia, and Texas.

Source Water Protection Initiatives.—The Committee continues to be concerned with the agricultural and environmental water quality issues resulting from water movement through agricultural drainage systems serving as conduits for movement of pollutants into surface water systems. The management of subsurface or groundwater flow can have a major effect on pesticides and soil erosion. The Committee provides $200,000 in FY 2004 to the Soil Drainage Research Unit in Columbus, OH to continue the source water protection initiative in the Upper Big Walnut Creek Watershed. The Committee also provides an increase of $200,000 in fiscal year 2004 to the National Soil Erosion Laboratory, West Lafayette, IN to continue the source water initiative in the St. Joseph River Watershed. Additional funds will provide for additional research staffing and equipment at both ARS locations.

South Central Agricultural Research Laboratory, Lane, Oklahoma.—The mission of this ARS laboratory is to identify and develop improved sustainable horticultural crop and production systems for the South Central region of the U.S. The Committee recognizes the important research in plant sciences, insect management, and production systems carried out at this laboratory and provides an increase of $300,000 in fiscal year 2004 for expanded crop production research important to this region.

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 provides an increase of $300,000 in fiscal year 2004 to the ARS Southeastern Fruit and Tree Nut Research Laboratory at Byron, GA for expanded 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. There is great potential for this disease to spread throughout the country. The Committee provides an increase of $250,000 to conduct research to identify causative agents and diagnostic tools. This research is carried out at the ARS Ft. Detrick research laboratory. The Committee provides an additional $250,000 for an applied genomics research position at 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 Flor-

ida, Texas, and Louisiana. The Committee provides an increase of $400,000 in fiscal year 2004 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 grazing livestock systems.—Forage-based farms throughout Kentucky, Tennessee, and Missouri—as well as parts of other adjacent Eastern and Midwestern states—are dependent on sustainable, low input forage-animal systems for economical production of livestock-derived food and fiber products, particularly, meat, milk, wool, and leather. This region of the Lower Ohio River Valley and Lower Mississippi River Valley constitutes a transition zone between cool- and warm-season forages. The Committee provides an increase of $250,000 to conduct research leading to recommendations for diversifying and integrating the production of cool- and warm-season grasses and legumes for grazing to maximize the efficiency of forage utilization and sustainability. The research will be conducted at the Lexington, KY research laboratory.

Sustainable olive production.—The Committee is aware of research studies currently underway to develop sustainable methods for improved olive production and olive oil quality for Texas and other production areas in the United States. The Committee provides an increase of $100,000 at the ARS Weslaco, Texas laboratory for expanded research on sustainable olive production in the South and Southwest.

Sustainable viticulture research.—The Committee provides an increase of $300,000 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.

Texas Fever (Babesiosis).—The Committee recognizes the progress and additional research required to identify genes that influence disease resistance in livestock. The Committee provides an increase of $700,000 for the Kerrville research station for fiscal year 2004 to determine critical metabolic pathways unique to the Boophilus Tick carrying Texas Fever (Babesiosis). An increase of $300,000 is provided to the ARS Pullman, WA, laboratory to sequence genes expressed by the Boophilus Tick at all stages of development.

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 $300,000 for a geneticist position at the ARS research station at Wenatchee, Washington 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 Nation's capital. The Committee provides an increase of $900,000 in

fiscal year 2004 for the maintenance and support of the Arboretum's Garden's Unit.

Vector-borne diseases.—Infectious diseases transmitted by insects have become an increasing concern to public health agencies at local, state, and national levels because of its potential impact on human health and human food production. Increased research is needed to identify and detect new vector-borne infectious agents in the environment to assess their risks to public health. The Committee provides an increase of $250,000 in fiscal 2004 for the Agricultural Research Service for scientific staffing to increase its efforts to control this public health concern. This research is conducted at the Gainsville, FL research station.

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 $400,000 in fiscal year 2004 for the ARS research station at Salinas, California to address this serious vegetable production problem in California.

Watershed management in the Southwest.—The Committee provides an increase of $300,000 in fiscal year 2004 to the ARS Southwest Watershed Research Laboratory at Tucson, AZ for expanded collaborative research with the consortium of local, state, Federal and NGO's of the Upper San Pedro Partnership on hydro-ecological modeling and specialized field experiments to more accurately quantify components of a basin's water budget to support local and community based watershed management.

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 provides an increase of $250,000 in fiscal year 2004 to ARS research laboratory at Dawson, Georgia for research to enhance, in a sustainable manner, irrigated agriculture and associated rural economies in Southwest, Georgia.

Weed management research.—Costs for control of weeds in the U.S. exceed $120 billion a year. For many invasive weeds, available herbicides are not effective or cannot be used in certain crops or landscapes. Biologically-based weed management, using biological control and revegetation offers affordable and environmentally sound strategy for many weeds. The Committee provides an increase of $200,000 in fiscal year 2004 to the ARS Weed Science Laboratory at Beltsville, Maryland for a cooperative research program with Rodale Institute, Kutztown, Pennsylvania to examine non-chemical alternatives for weed control.

Western grazinglands.—The management, conservation, and sustainability of rangelands resources is of paramount importance to the economy of the Great Basin region. The ARS research stations at Burns, OR and Reno, NV conduct important rangeland research programs to control invasive weeds unique to the Great Basin. The Committee provides an increase of $300,000 for these laboratories

to expand invasive weed research pertinent to the Great Basin region.

West Nile Virus.—The Committee recognizes the continuing threat of mosquito-borne West Nile Virus to humans and domestic animals in northern New England and other parts of the United States. The Committee provides an increase of $250,000 in fiscal year 2004 for expanded cooperative research with the Connecticut State Agricultural Experiment Station to develop methods of efficiently controlling mosquitoes, to evaluate available anti-viral drugs to cure infected humans and to determine if the virus is mutating to more virulent forms.

Wheat quality research.—The Committee supports ARS' wheat quality research programs carried out at Wooster, OH; 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 provides an increase of $750,000 for this research in fiscal year 2004.

BUILDINGS AND FACILITIES

2003 appropriation	$118,703,000
2004 budget estimate	24,000,000
Provided in the bill	35,900,000
Comparison:	
2003 appropriation	−82,803,000
2004 budget estimate	+11,900,000

COMMITTEE PROVISIONS

For Agricultural Research Service, Buildings and Facilities, the Committee provides an appropriation of $35,900,000, a decrease of $82,803,000 below the amount available for fiscal year 2003 and an increase of $11,900,000 above the budget request.

The following table summarizes the Committee's provisions:

AGRICULTURAL RESEARCH SERVICE, BUILDINGS AND FACILITIES

[In thousands of dollars]

	FY 2004 estimate	Committee provisions
California:		
Grape Genomics Research Center, Davis	0	$3,000
U.S. Agricultural Research Station, Salinas	0	5,000
Illinois:		
National Center for Agricultural Utilization Research, Peoria	0	3,000
Louisiana:		
ARS Sugarcane Research Laboratory, Houma	0	1,500
Maryland:		
Abraham Lincoln National Agricultural Library, Beltsville	$2,000	1,000
New York:		
Center for Crop-based Health Genomics, Ithaca	0	4,300
Center for Grape Genetics, Geneva	0	2,700
Washington:		
ARS Research Laboratory, Pullman	0	4,400
Upgrade Security at ARS Laboratories	22,000	11,000
Total, Buildings & Facilities	$24,000	$35,900

BUILDINGS AND FACILITIES

The Committee recognizes the importance of "state of the art" laboratories to the overall efficiency of agricultural research given the growing complexity and diversity of today's agriculture problems and needs. The Committee provides increased funding in fiscal year 2004 to undertake the establishment of new facilities, as well as replacement for aging and inadequate research facilities. Planning and design is provided for research facilities at the following locations: the Grape Genomics Research Center, Davis, California; the Center for Crop-based Health Genomics, Ithaca, New York; the U.S. Agricultural Research Station, Salinas, California; the ARS Research Laboratory, Pullman, Washington; the ARS Sugarcane Research Laboratory, Houma, Louisiana; and the Center for Grape Genetics, Geneva, New York.

Funding is provided toward the continued modernization of the National Center for Agricultural Utilization Research, Peoria, Illinois; and the Abraham Lincoln National Agricultural Library, Beltsville, Maryland. Funding is also provided for security upgrades at ARS laboratories.

USDA Facility Consolidation and Modernization.—The Department has developed a master plan to construct new animal facilities to replace and modernize the National Animal Disease Center (NADC), the National Veterinary Service Laboratories (NVSL), and the Center for Veterinary Biologics (CVB), which are all located in Ames, Iowa. It is the Committee's view that this project is crucial to fulfilling USDA's mission to ensure a safe food supply and to expand global markets for agricultural products and services. This multi-year construction effort is a cost-effective approach including utility infrastructure replacement, new facility construction, renovation of existing facilities, elimination of the need for rental space, and demolition of totally obsolete facilities.

As part of its recommendation, the Committee directs the Secretary of Agriculture to continue to submit quarterly reports on the execution status of this project, on the scope and schedule of remaining construction increments, and on cost reduction initiatives taken to assure that this project will remain within program requirements.

Potato Storage Research Facility.—Wisconsin Potato and Vegetable Growers and the University of Wisconsin Foundation are raising the funding needed to construct and equip a Potato Storage Research Facility at the Hancock Research Station in Central Wisconsin. The facility is expected to be completed in the Fall of 2004 at which time they will need funding for staffing. The Committee encourages the Agricultural Research Service to work with the Wisconsin Potato industry to assist in this effort.

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE

RESEARCH AND EDUCATION ACTIVITIES

2003 appropriation	$616,792,000
2004 budget estimate	514,228,000
Provided in the bill	594,772,000
Comparison:	
2003 appropriation	−22,020,000
2004 budget estimate	+80,544,000

COMMITTEE PROVISIONS

For payments under the Hatch Act, the Committee provides an appropriation of $180,148,000, an increase of $1,171,000 above the amount available for fiscal year 2003 and the same as the budget request.

For cooperative forestry research, the Committee provides an appropriation of $21,884,000, an increase of $142,000 above the amount available for fiscal year 2003 and the same as 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 $36,000,000, an increase of $589,000 above the amount available for fiscal year 2003 and the same as the budget request.

The following table reflects the amount provided by the Committee:

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE
RESEARCH AND EDUCATION ACTIVITIES

[In thousands of dollars]

	FY 2003 Enacted	FY 2004 Estimate	Committee Provisions
Research and Education Activities			
Hatch Act	$178,977	$180,148	$180,148
McIntire Stennis Cooperative Forestry	21,742	21,884	21,884
Evans-Allen Program	35,411	36,000	36,000
Special Research Grants:			
Advanced genetic technologies (KY)	671	0	671
Advanced spatial technologies (MS)	983	0	0
Aegilops cylindrica (WA)	381	0	381
Agricultural diversification (HI)	127	0	127
Agricultural diversity/Red River Corridor (MN, ND)	497	0	497
Agriculture science (OH)	497	0	497
Agriculture water usage (GA)	291	0	291
Agroecology (MD)	397	0	397
Air quality (TX)	869	0	1,000
Alliance for food protection (NE,GA)	298	0	298
Alternative Crops (ND)	199	0	0
Alternative nutrient management (VT)	185	0	0
Alternative salmon products (AK)	627	0	0
Alternative uses for tobacco (MD)	358	0	358
Animal Disease Research (WY)	248	0	248
Animal science food safety consortium (AR, KS, IA)	1,604	0	1,604
Apple fireblight (MI, NY)	492	0	510
Aquaculture (AR)	231	0	231
Aquaculture (WA/ID)	770	0	770
Aquaculture (LA)	328	0	328
Aquaculture (MS)	582	0	0
Aquaculture (NC)	291	0	291
Aquaculture (VA)	124	0	200
Aquaculture product and marketing development (WV)	735	0	0
Armilliaria root rot (MI)	159	0	159
Asparagus technology and production (WA)	278	0	278
Babcock Institute (WI)	596	0	600
Beef technology transfer (MO)	292	0	0
Berry research (AK)	199	0	0
Biomass-based energy research (OK, MS)	1,143	0	1,143
Biotechnology (NC)	304	0	304
Biotechnology Test Production (IA)	199	0	0
Blocking Anhydrous Methamphetamine Production (IA)	240	0	0
Bovine Tuberculosis (MI)	346	0	346
Brucellosis vaccine (MT)	490	0	490
Center for food quality (UT)	149	0	0
Center for rural studies (VT)	338	0	0
Chesapeake Bay agroecology (MD)	318	0	318
Childhood obesity and nutrition (VT)	149	0	0
Citrus Canker (FL)	487	0	500
Citrus Tristeza	720	0	720
Competitiveness of agricultural products (WA)	676	0	676
Computational agriculture (NY)	248	0	248
Cool season legume research (ID, WA)	334	0	334
Cotton fiber quality (GA)	397	0	500

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE
RESEARCH AND EDUCATION ACTIVITIES

[In thousands of dollars]

	FY 2003 Enacted	FY 2004 Estimate	Committee Provisions
Cranberry/blueberry (MA)	171	0	171
Cranberry/blueberry disease & breeding (NJ)	234	0	234
Crop integration and production (SD)	273	0	273
Crop diversification center (ND/MO)	795	0	0
Crop pathogens (NC)	199	0	199
Dairy and meat goat research (TX)	63	0	63
Dairy farm profitability (PA)	497	0	497
Delta rural revitalization (MS)	204	0	0
Designing foods for health (TX)	820	0	1,500
Diaprepes/Root Weevil (FL)	447	0	447
Dietary Intervention (OH)	248	0	1,000
Drought mitigation (NE)	224	0	224
Efficient irrigation (NM/TX)	1,490	0	1,500
Environmental biotechnology (RI)	596	0	596
Environmental research (NY)	392	0	392
Environmental risk factors/cancer (NY)	221	0	221
Environmentally safe products (VT)	243	0	0
Exotic pest diseases (CA)	1,888	0	1,900
Expanded wheat pasture (OK)	308	0	308
Farm injuries and illnesses (NC)	276	0	276
Feed barley for rangeland cattle (MT)	828	0	828
Feed efficiency in cattle (FL)	248	0	248
Feedstock conversion (SD)	556	0	556
Fish and shellfish technologies (VA)	462	0	450
Food Chain Economic Analysis (IA)	50	0	400
Floriculture (HI)	397	0	397
Food and Agriculture Policy Research Institute (IA, MO)	1,515	0	1,525
Food irradiation (IA)	243	0	0
Food Marketing Policy Center (CT)	487	0	650
Food processing center (NE)	42	0	0
Food quality (AK)	348	0	0
Food safety (AL)	1,118	0	0
Food safety (OK, ME)	621	0	621
Food safety (TX)	199	0	0
Food safety research consortium	894	0	894
Food safety risk assessment (ND)	1,341	0	1,341
Food security (WA)	447	0	447
Food Systems Research Group (WI)	546	0	550
Forages for advancing livestock production (KY)	431	0	431
Forestry (AR)	509	0	509
Future Foods (IL)	248	0	500
Generic commodity promotions, research and evaluation (NY)	194	0	194
Genomics (MS)	715	0	0
Global Change / Ultraviolet radiation	2,235	2,500	2,235
Grain Sorghum (KS)	139	0	139
Grapefruit juice/drug interaction (FL)	248	0	248
Grass seed cropping for sustainable agriculture (WA, OR, ID)	454	0	454
Greenhouse nurseries (OH)	149	0	0
Hispanic leadership in agriculture (TX)	447	0	500
Hoop barns (IA)	209	0	0
Human nutrition (IA)	727	0	727
Human nutrition (LA)	795	0	795

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE
RESEARCH AND EDUCATION ACTIVITIES

[In thousands of dollars]

	FY 2003 Enacted	FY 2004 Estimate	Committee Provisions
Human nutrition (NY)	611	0	611
Hydroponic tomato production (OH)	99	0	200
Illinois-Missouri Alliance for Biotechnology	1,206	0	1,206
Improved dairy management practices (PA)	397	0	397
Improved early detection of crop diseases (NC)	193	0	193
Improved fruit practices (MI)	237	0	237
Increasing shelf life of agricultural commodities (ID)	790	0	790
Infectious disease research (CO)	745	0	745
Institute for biobased products and food science (MT)	596	0	596
Institute for Food Science & Engineering (AR)	1,214	0	1,214
Integrated production systems (OK)	231	0	231
Intelligent quality sensor for food safety (ND)	358	0	358
International arid lands consortium	514	0	517
Iowa Biotechnology Consortium	1,754	0	2,000
Livestock and Dairy Policy (NY, TX)	600	0	1,000
Livestock genome sequencing (IL)	447	0	750
Lowbush blueberry research (ME)	263	0	263
Maple research (VT)	149	0	0
Meadow foam (OR)	293	0	293
Michigan Biotechnology Consortium	624	0	624
Midwest Advanced Food Manufacturing Alliance	477	0	477
Midwest agricultural products (IA)	628	0	628
Midwest poultry consortium (IA)	695	0	695
Milk safety (PA)	745	0	745
Minor use animal drugs	584	588	588
Molluscan shellfish (OR)	392	0	392
Montana Sheep Institute	556	0	0
Multi-commodity research (OR)	397	0	397
Multi-cropping strategies for aquaculture (HI)	123	0	123
National beef cattle genetic evaluation consortium (NY)	668	0	750
National Biological Impact Assessment	251	253	251
Nematode resistance genetic engineering (NM)	146	0	146
Nevada Arid Rangelands Initiative (NV)	522	0	0
New crop opportunities (AK)	487	0	0
New crop opportunities (KY)	737	0	737
Non-food uses of agricultural products (NE)	64	0	0
Nursery, greenhouse, turf specialties (AL)	308	0	308
Oil resources from desert plants (NM)	224	0	224
Olive fly (CA)	40	0	0
Organic Cropping (WA)	124	0	124
Organic waste utilization (NM)	99	0	99
Oyster post harvest treatment (FL)	447	0	447
Ozone air quality (CA)	427	0	427
Pasture and forage research (UT)	246	0	0
Peach tree short life (SC)	260	0	260
Perennial wheat (WA)	149	0	149
Pest control alternatives (SC)	303	0	303
Phytophthora root rot (NM)	184	0	184
Pierce's disease (CA)	2,235	0	2,235
Plant biotechnology (IA)	248	0	248
Plant, drought, and disease resistance gene cataloging (NM)	245	0	245
Potato research	1,574	0	1,574

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE
RESEARCH AND EDUCATION ACTIVITIES

[In thousands of dollars]

	FY 2003 Enacted	FY 2004 Estimate	Committee Provisions
Precision agriculture (KY)	737	0	737
Preharvest food safety (KS)	207	0	207
Preservation and processing research (OK)	223	0	223
Protein utilization (IA)	422	0	0
Rangeland ecosystems (NM)	318	0	318
Regional barley gene mapping project	755	0	755
Regionalized implications of farm programs (MO, TX)	318	0	600
Rice agronomy (MO)	199	0	199
Ruminant nutrition (MT, ND, SD, WY)	447	0	447
Rural Development Centers (LA, ND)	176	0	176
Rural obesity (NY)	199	0	199
Rural policies institute (NE, IA, MO)	1,262	0	1,262
Russian wheat aphid (CO)	318	0	318
Satsuma orange research (AL)	894	0	0
Seafood harvesting, processing and marketing (AK)	1,192	0	0
Seafood & aquaculture harvesting, processing & marktg (MS)	301	0	0
Seafood safety (MA)	422	0	422
Seed research (AK)	323	0	0
Small fruit research (OR, WA, ID)	397	0	397
Soil and environmental quality (DE)	129	0	129
Southwest consortium for plant genetics and water resources	390	0	392
Soybean cyst nematode (MO)	689	0	689
Soybean research (IL)	844	0	844
STEEP III -- water quality in Northwest	666	0	666
Sudden oak death (CA)	99	0	99
Sustainable agriculture (CA)	497	0	497
Sustainable agriculture (MI)	432	0	432
Sustainable agriculture and natural resources (PA)	149	0	147
Sustainable agriculture systems (NE)	59	0	0
Sustainable beef supply (MT)	994	0	994
Sustainable engineered materials from renewable sources (VA)	596	0	596
Sustainable pest management for dryland wheat (MT)	449	0	449
Swine and other animal waste management (NC)	492	0	492
Synthetic gene technology (OH)	167	0	167
Technological development of renewable resources (MO)	295	0	0
Tick borne disease prevention (RI)	99	0	99
Tillage, silviculture, waste management (LA)	422	0	422
Tri-state joint peanut research (AL)	596	0	596
Tropical aquaculture (FL)	238	0	238
Tropical and subtropical research/T-Star	8,942	0	10,000
Uniform farm management program (MN)	298	0	298
Value-added product development from ag resources (MT)	409	0	409
Value-added products (IL)	149	0	0
Viticulture consortium (NY, CA, PA)	1,788	0	1,788
Water conservation, (KS)	79	0	79
Water treatment (RI)	149	0	0
Water use efficiency and water quality enhancements (GA)	537	0	500
Weed control (ND)	432	0	432
West Nile Virus (IL)	373	0	0
Wetland plants (LA)	596	0	596
Wheat genetic research (KS)	263	0	263
Wheat sawfly research (MT)	502	0	502

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE
RESEARCH AND EDUCATION ACTIVITIES

[In thousands of dollars]

	FY 2003 Enacted	FY 2004 Estimate	Committee Provisions
Wood utilization (OR, MS, NC, MN, ME, MI, ID, TN, AK, WA)	6,130	0	6,130
Wool research (TX, MT, WY)	292	0	300
Subtotal, Special Research Grants	$111,535	$3,341	$101,241
Improved pest control:			
Expert IPM Decision Support System	176	177	177
Integrated pest management	2,707	2,725	2,725
Minor crop pest management (IR-4)	10,673	10,485	10,673
Pest Management Alternatives	1,608	1,619	1,619
Subtotal, Improved pest control	$15,164	$15,006	$15,194
National Research Initiative	166,045	200,000	149,248
Animal Health and Disease (Sec. 1433)	5,065	5,098	5,065
1994 Institutions research program	1,093	998	998
Joe Skeen Institute for Rangeland Restoration (NM,TX,MT)	993	0	1,000
Graduate fellowship grants	3,222	4,500	3,222
Institution challenge grants	4,888	5,500	4,888
Multicultural scholars program	992	998	992
Hispanic education partnership grants	4,073	3,492	4,073
Secondary/2-year Post-secondary	994	1,000	994
Capacity building grants (1890 institutions)	11,404	9,479	9,479
Payments to the 1994 Institutions	1,689	2,250	1,689
Alaska Native-serving & Native Hawaiian-serving educ. grants	3,477	2,997	2,997
Alternative crops:			
Canola	840	0	840
Hesperaloe and other natural products from desert plants	348	0	348
Aquaculture Centers (Sec. 1475)	4,471	3,996	3,996
Critical Agricultural Materials Act	1,242	0	0
Sustainable agriculture research and education (SARE)	13,661	9,230	13,661
Federal Administration:			
Ag-based industrial lubricants (IA)	447	0	447
Agriculture development in the American Pacific	548	0	548
Agriculture Waste Utilization (WV)	686	0	0
Agriculture Water Policy (GA)	710	0	1,000
Alternative fuels characterization laboratory (ND)	300	0	300
Animal Waste Management (OK)	333	0	333
Aquaculture (OH)	447	0	950
Aquaculture (PA)	248	0	0
Biotechnology research (MS)	745	0	0
Botanical research (UT)	636	0	0
Center for Agricultural and Rural Development (IA)	671	0	671
Center for Food Industry Excellence (TX)	248	0	248
Center for innovative food technology (OH)	760	0	1,165
Center for North American Studies (TX)	199	0	1,000
Climate forcasting (FL)	894	0	3,500
Cotton research (TX)	1,182	0	2,500
Data Information System	2,732	2,750	2,732
Electronic Grants Administration System	2,235	2,173	2,173
FECA Surcharge	0	51	51
Feed efficiency (WV)	159	0	0

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE
RESEARCH AND EDUCATION ACTIVITIES

[In thousands of dollars]

	FY 2003 Enacted	FY 2004 Estimate	Committee Provisions
Fruit/vegetable market analysis (AZ, MO)	338	0	338
Geographic information system	1,391	0	1,600
Germplasm development in forage grasses (OH)	99	0	99
Greenhouse nurseries (OH)	0	0	797
High value horticultural crops (VA)	248	0	500
Information Technology (GA)	248	0	248
Livestock marketing information center (CO)	195	0	195
Mariculture (NC)	358	0	358
Mississippi Valley State University	1,043	0	1,043
Monitoring agricultural sewage sludge application (OH)	0	0	1,200
Office of Extramural Programs	445	448	448
Pay costs and FERS	2,081	2,540	2,540
Pasteurization of shell eggs (MI)	248	0	248
Peer Panels	347	349	349
Phytoremediation plant research (OH)	636	0	636
PM-10 study (WA)	435	0	435
Precision Agriculture, Tenn. Valley Research Center (AL)	477	0	477
Produce pricing (AZ)	80	0	80
Rural Systems (MS)	348	0	348
Salmon quality standards (AK)	139	0	0
Shrimp aquaculture (AZ, HI, MS, MA, SC, LA, TX)	4,187	0	4,187
Sustainable Agricultural Development (OH)	497	0	200
Sustainable agricultural freshwater conservation (TX)	0	0	2,000
Urban Silviculture (NY)	240	0	240
Water pollutants (WV)	596	0	0
Water Quality (ND)	431	0	431
Wetland Plants (WV)	179	0	200
Subtotal, Federal Administration	$29,466	$8,311	$36,815
Total, Research and Education Activities	$616,792	$514,228	$594,772

Indirect costs.—The Committee has recommended a general provision to this bill which limits indirect costs charged against competitively awarded grants to 20 percent of total Federal funds provided under each award, except for grants available under the Small Business Innovation and Development Act. By statute, indirect costs are not an allowable expense under Special Research Grants, but this limitation does not apply to Federal Administration grants. The Committee is interested in the level of indirect costs associated with Federal Administration grants and therefore directs the Administrator to report to the Committee by January 15, 2004, on the percentage of indirect costs charged to each Federal Administration Grant (under Research and Education Activities, as well as Extension Activities) during fiscal year 2003.

Hydroponic tomato production (OH).—The Committee provides an increase of $101,000 to support continuing demonstrations at Toledo Botanic Gardens.

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

Aquaculture (OH).—The Committee provides an increase of $503,000 for this project for the establishment of the Ohio Aquaculture Consortium and utilization by extension programs in the northwest and central coastal Lake Erie counties in Ohio.

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

2003 appropriation	$7,054,000
2004 budget estimate	9,000,000
Provided in the bill	9,000,000
Comparison:	
2003 appropriation	+1,946,000
2004 budget estimate	- - -

COMMITTEE PROVISIONS

For the Native American Institutions Endowment Fund, the Committee provides $9,000,000, an increase of $1,946,000 above the amount available in fiscal year 2003 and the same as the budget request.

EXTENSION ACTIVITIES

2003 appropriation	$450,520,000
2004 budget estimate	422,268,000
Provided in the bill	438,242,000
Comparison:	
2003 appropriation	−12,278,000
2004 budget estimate	+15,974,000

COMMITTEE PROVISIONS

For Extension Activities, the Committee provides an appropriation of $438,242,000, a decrease of $12,278,000 below the amount available for fiscal year 2003 and an increase of $15,974,000 above the budget request.

The following table reflects the amount provided by the Committee:

EXTENSION ACTIVITIES

[In thousands of dollars]

	FY 2003 Enacted	FY 2004 Estimate	Committee Provisions
Smith-Lever Sections 3(b) & 3(c)	$279,390	$275,940	$275,940
Smith-Lever Section 3(d):			
Farm safety	5,489	0	5,489
Food & nutrition education (EFNEP)	58,185	60,909	58,185
Indian reservation agents	1,983	1,996	1,983
Pest management	10,689	10,759	10,689
Sustainable agriculture research and education (SARE)	4,843	3,792	4,843
Youth at risk	8,426	8,481	8,426
Youth Farm Safety Education and Certification	496	499	496
1890 Colleges and Tuskegee	31,908	32,117	31,908
1890 facilities grants	14,903	13,500	13,500
Renewable Resources Extension Act	4,516	4,093	4,093
Rural health and safety education	2,605	0	0
Extension services at the 1994 institutions	3,365	3,273	3,273
Grants to Youth Serving Institutions	2,981	0	0
Subtotal	$429,779	$415,359	$418,825
Federal Administration and special grants:			
Ag in the classroom	695	750	695
Agricultural and Entrepreneurship education (WI)	129	0	260
Ag telecommunications (NY)	380	0	0
Alabama beef connection	124	0	124
Beef producers' improvement (AR)	194	0	194
Botanical Garden Initiative (IL)	238	0	238
Conservation Technology Transfer (WI)	497	0	500
Dairy Education (IA)	234	0	234
Dairy industry revitalization (WI)	219	0	375
Diabetes detection, prevention (WA, PA)	918	0	1,218
E-Commerce (MS)	373	0	250
Efficient Irrigation (NM/TX)	2,027	0	2,300
Entrepreneurial alternatives (PA)	248	0	248
Extension Specialist (MS)	149	0	0
Family farm industry network (OH)	1,377	0	1,386
FECA Surcharge	0	46	46
Food Animal Residue Avoidance Database (FARAD)	795	0	795
Food preparation and marketing (AK)	298	0	0
Food product development (AK)	447	0	0
General Administration	5,643	6,113	6,113
Health Education Leadership (KY)	894	0	894
Income enhancement demonstration (OH)	239	0	239
Iowa Vitality Center	278	0	0
National Center for Agriculture Safety (IA)	197	0	0
Nursery production (RI)	248	0	248
Pilot technology transfer (OK, MS)	336	0	336
Pilot technology transfer (WI)	162	0	240
Potato Pest Management (WI)	298	0	400
Range improvement (NM)	243	0	243
Resilient communities (NY)	124	0	124
Rural development (AK)	695	0	0
Rural development (NM)	392	0	392
Rural development (ND)	99	0	0
Rural Technologies (HI, WI)	696	0	0
Urban horticulture (WI)	537	0	875
Urban market development (NY)	124	0	250
Wood biomass as an alternative farm product (NY)	194	0	200
Subtotal, Federal Administration	$20,741	$6,909	$19,417
Total, Extension Activities	$450,520	$422,268	$438,242

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.

Indirect costs.—This matter is addressed under Research and Education Activities.

INTEGRATED ACTIVITIES

2003 appropriation	$46,439,000
2004 budget estimates	62,865,000
Provided in the bill	62,942,000
Comparison:	
2003 appropriation	+16,503,000
2004 budget estimate	+77,000

COMMITTEE PROVISIONS

For Integrated Activities, the Committee provides an appropriation of $62,942,000, an increase of $16,503,000 above the amount available for fiscal year 2003 and an increase of $77,000 above the budget request.

The following table reflects the amount provided by the Committee.

INTEGRATED ACTIVITIES
[In thousands of dollars]

	FY 2003 Enacted	FY 2004 Estimate	Committee Provisions
Water Quality	$12,887	$12,971	$12,887
Food Safety	14,870	14,967	14,870
Regional Pest Management Centers	4,501	4,531	4,501
Crops at Risk from FQPA Implementation	1,487	1,497	1,487
FQPA Risk Mitigation Program for Major Food Crop Systems	4,857	4,889	4,857
Methyl Bromide Transition Program	3,229	2,498	3,229
Organic Transition Program	2,111	499	2,111
Subtotal	$43,942	$41,852	$43,942
International Science and Education Grants Program	497	1,000	1,000
Critical Issues Program	497	2,500	497
Regional Rural Development Centers Program	1,503	1,513	1,503
Subtotal	$2,000	$4,013	$2,000
Homeland Security	0	16,000	16,000
Total, Integrated Activities	$46,439	$62,865	$62,942

International Science and Education Grants.—The Committee will expect that funding for this program should be concentrated in those countries where a multi-agency U.S. Government strategy has been developed.

OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS

2003 appropriation	$3,470,000
2004 budget estimate	4,003,000
Provided in the bill	3,470,000
Comparison:	
2003 appropriation	- - -
2004 budget estimate	−533,000

COMMITTEE PROVISIONS

For the Outreach for Socially Disadvantaged Farmers and Ranchers Program, the Committee provides an appropriation of $3,470,000, the same as the amount available for fiscal year 2003 and a decrease of $533,000 below the budget request.

OFFICE OF THE UNDER SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

2003 appropriation	$725,000
2004 budget estimate	791,000
Provided in the bill	725,000
Comparison:	
2003 appropriation	- - -
2004 budget estimate	−66,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Marketing and Regulatory Programs, the Committee provides an appropriation of $725,000, the same as the amount available for fiscal year 2003 and a decrease of $66,000 below the budget request.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

	Appropriations	*User Fees*	*Total, APHIS Appropriations*
2003 appropriation	$682,757,000	($275,000,000)	$682,757,000
2004 budget estimate	694,897,000	(285,000,000)	694,897,000
Provided in the bill	725,502,000	(285,000,000)	725,502,000
Comparison:			
2003 appropriation	+42,745,000	- - -	+42,745,000
2004 budget estimate	+30,605,000	- - -	+30,605,000

COMMITTEE PROVISIONS

For the Animal and Plant Health Inspection Service, Salaries and Expenses, the Committee recommends an appropriation of $725,502,000, an increase of $42,745,000 above the amount appropriated in fiscal year 2003, and an increase of $30,605,000 above the budget request.

The following table reflects the amounts provided by the Committee:

Animal and Plant Health Inspection Service

[In Thousands of Dollars]

Program	FY 2003 enacted	FY 2004 request	Committee provisions
Pest and Disease Exclusion:			
Agricultural quarantine inspection	$24,152 1/	$21,300	$26,902
Cattle ticks	6,313	6,575	6,313
Foreign animal diseases/FMD	7,937	9,039	9,039
Fruit fly exclusion and detection	56,449	61,273	57,330
Import-export inspection	9,494	12,429	12,429
Screwworm	30,480	30,751	30,480
Trade issues resolution management	11,452	11,621	15,542
Tropical bont tick	419	2,916	419
Total, Pest and Disease Exclusion	146,696	155,904	158,454
Plant and Animal Health Monitoring:			
Animal health monitoring & surveillance	93,216	93,962	94,062
Animal and plant health regulatory enforcement	8,483	9,566	9,494
Emergency management systems	8,985	11,693	9,985
Pest detection	21,652	27,051	26,168
Total, Plant & Animal Health Monitoring	132,336	142,272	139,709
Pest and Disease Management:			
Aquaculture	1,388	968	1,130
Biological control	9,059	9,329	9,059
Boll weevil	61,597	26,722	51,000
Brucellosis	10,191	8,747	10,191
Chronic wasting disease	14,836	14,979	16,815
Emerging plant pests	74,800	109,463	96,196
Golden nematode	626	971	971
Grasshopper and Mormon cricket	4,341	4,287	4,541
Gypsy moth	4,647	4,755	4,647
Imported fire ant	2,421	2,140	2,421
Johnes disease	20,863	3,104	15,771
Low pathogen avian influenza	-	2,003	2,003
Noxious weeds	1,899	1,142	1,999
Pink bollworm	1,987	1,710	1,987
Plum pox	4,025	3,471	3,471

Pseudorabies	4,258	4,344	4,344
Scrapie	15,373	17,068	15,373
Tuberculosis	14,798	15,135	15,135
Wildlife services operations	68,587	65,706	70,311
Witchweed	1,520	1,536	1,520
Total, Pest and Disease Management	317,216	297,580	328,885
Animal Care:			
Animal welfare	16,301	14,704	16,738
Horse protection	490	493	493
Total, Animal Care	16,791	15,197	17,231
Scientific and Technical Services:			
Biosecurity	-	2,920	2,920
Information technology infrastructure	4,214	4,602	4,214
Biotechnology/environmental protection	10,926	-	-
Biotechnology regulatory services	-	3,946	6,946
Environmental services	-	2,615	2,615
Plant methods development labs	5,338	8,260	8,260
Veterinary biologics	13,081	16,281	16,281
Veterinary diagnostics	17,209 2/	20,973	20,973
Wildlife services methods development	14,875	13,647	14,875
Total, Scientific and Technical Services	65,643	73,244	77,084
Contingency fund	4,076	4,139	4,139
Physical security	-	6,273	-
FECA	-	288	-
Total, Salaries and Expenses	$682,758	$694,897	$725,502

1./ FY 2003 amount does not include $31.472 million transfer to Department of Homeland Security.

2./ FY 2003 amount does not include $6.557 million transfer to Department of Homeland Security.

Animal health laboratory network.—The Committee directs the agency to report on a comprehensive, coordinated, and modern Federal/State animal health laboratory network to address emergent biological and chemical threats to animal agriculture and the Nation's food supply including the cost to implement such a system. The Committee notes that while a basic Federal/State laboratory infrastructure is in place critical features to address new threats are missing including: secure communication, reporting, and alerting systems; standardized, rapid diagnostic techniques; modern equipment and experienced personnel trained in the detection of emergent, foreign, and bioterrorist agents; training proficiency testing, and quality assurance to ensure that laboratories within the system meet quality standards; Federal and State facility upgrades to meet biocontainment requirements; and periodic scenario testing of this National Animal Health Laboratory Network. This report shall be submitted to the Committee no later than April 1, 2004.

Trade issues resolution management.—The Committee provides an increase of $4,000,000 for cross-cutting trade negotiations and biotechnology resources in the trade issues resolution management program.

Pest detection.—The Committee provides an increase 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 an increase of $1,000,000 for a cooperative agreement with the California County Pest Detection Augmentation Program.

Animal Health Monitoring and Surveillance (AHM&S).—The Committee provides $1,000,000 to continue a cooperative agreement with the Wisconsin Animal Health Consortium for a pilot project to aid in creating a universal identification and database retrieval system for tracking the movement of animal and animal-based food products.

The Committee provides $300,000, an increase of $100,000, to assist in creating a data base of North Carolina's agricultural industry to enable a rapid response to acts of terrorism.

The Committee provides $500,000 for the continuation of the National Farm Animal Identification and Records Program. This will allow the Holstein Association, through a cooperative agreement with APHIS, to complete a pilot phase of an identification system that will qualify as a national system.

Greater Yellowstone Interagency Brucellosis Committee (GYIBC).—The Committee provides $900,000 for the GYIBC and encourages the coordination of Federal, State, and private actions aimed at eliminating brucellosis from wildlife in the Greater Yellowstone area.

Chronic wasting disease.—For chronic wasting disease, the Committee provides $16,815,000 for fiscal year 2004, an increase of $1,979,000 above the amount available in fiscal year 2003. The Committee directs that of this amount $1,500,000 shall go to the State of Wisconsin.

The recent emergence of chronic wasting disease in Wisconsin and Illinois is of grave concern. Even though, the Secretary has di-

rected USDA's General Counsel to lead a review of Departmental policy regarding pest and disease testing by private laboratories, the Committee is unaware of any effort by anyone within the Department conducting such a review. The Committee is concerned that the Department has failed to take all the necessary steps to increase testing capacity to detect chronic wasting disease among farmed and free-ranging deer and elk, such as certifying experienced private laboratories to conduct testing and approving rapid testing protocols at laboratories that are capable of conducting such testing.

The Committee directs the Department to move aggressively to confront the disease and expand testing capacity by certifying experienced and qualified private laboratories and by approving rapid testing at both public and private laboratories that have the ability, equipment, and staffing to conduct such testing.

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 provides an increase of $21,396,000 above the amount available in fiscal year 2003. Within this amount, the Committee provides an increase of $9,000,000 for citrus canker, $8,000,000 for Asian long-horned beetle, and $4,396,000 for Pierce's Disease.

The Committee continues the fiscal year 2003 funding level of $2,000,000 for Sudden Oak Death (SOD). The Committee encourages the agency to monitor plant importations for SOD, to harmonize federal and state SOD regulations, and to conduct outreach and education activities with outdoor recreational users and commercial entities (e.g., construction companies) that could contribute to soil movement as well as with affected industries, including nurseries.

The Committee continues the fiscal year 2003 funding level for hydrilla eradication around Smith Mountain Lake in Virginia, and Lake Gaston in Virginia and North Carolina.

The Committee continues to provide $320,000 for olive fruit fly trapping and pest management data, the same as in fiscal year 2003.

Grasshopper.—The Committee provides an increase of $250,000 above the budget request for grasshopper and mormon cricket suppression.

Imported fire ant.—The Committee provides $2,421,000 for imported fire ant of which $45,000 is for New Mexico.

Johne's Disease.—The Committee encourages the agency to cooperate with those States with Johne's Disease management and control programs.

Noxious weeds.—The Committee notes that APHIS is devoting $180,000 from the noxious weeds line item to control and eradicate tropical soda apple. The Committee encourages the agency to continue this work, and to report to the Committee by February 1, 2004 on its plan to carry out this work in fiscal year 2004.

The Committee provides an increase of $100,000 over the fiscal year appropriation for noxious weeds for the Nez-Perce Biocontrol Center, and continues $300,000 for the Kiski Basin Initiative in Pennsylvania.

Tuberculosis.—The Committee provides that of the total amount provided for bovine tuberculosis, that no less than $5,000,000 shall be for activities in Michigan. The Committee is concerned about the potential threats that wildlife poses for transmitting bovine tuberculosis to domestic livestock and directs the Agency to increase technical and operational assistance to Michigan producers to prevent or reduce the transmission of tuberculosis between wildlife and cattle.

Wildlife services.—The Committee is concerned with the degradation of the population of both mule deer and pronghorn antelope in the Trans-Pecos area of Texas due to predation, and directs APHIS, in conjunction with the National Academy of Sciences, to conduct a study on the reintroduction of sodium monofluoroacetate to address this problem.

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 provides a $1,000,000 increase above the fiscal year 2003 level for a cooperative oral rabies vaccination program.

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

The Committee provides an increase of $500,000 for a total of $1,000,000, through APHIS's Wildlife Services Programs for hazing programs to manage the growth of cormorants in central New York watersheds.

The Committee directs the continuation of the following programs that were included in fiscal year 2003: $250,000 to assist North Carolina's Beaver Management Assistance Program; $300,000 for wildlife services to contain crop and aquaculture losses in southeastern Missouri; $625,000 for a cooperative agreement with Georgia Wildlife Services and the University of Georgia to conduct research on and control of game bird predation in Georgia; $100,000 for trapping in Virginia to combat increased predation by coyotes; $100,000 for wildlife biologist to serve North Florida, southeast Louisiana, and southwest Georgia; $150,000 for blackbird control efforts for reduction in blackbird damage to rice in Louisiana; $240,000 for rodent control in Hawaii; $1,300,000 for predator control programs for livestock operators in Montana, Idaho, and Wyoming; and, $1,000,000 for Wildlife Services in the State of Texas.

Wildlife Services Methods Development.—The Committee directs APHIS to continue a $500,000 project to develop a reproductive inhibitor for Canadian geese at the National Wildlife Research Center.

Physical security.—The Committee does not concur with the budget request for $6,273,000 for APHIS physical and operational security. The Committee notes that of the $328,000,000 available under the Homeland Security Supplemental of 2002, USDA has obligated $154,270,000, or 47 percent of the funds available. Specifically, APHIS has an unobligated balance of more than $16,000,000

for physical and operational security, and the Office of the Secretary has $15,700,000 of physical security funding unobligated. The Committee will continue to monitor the agency's physical and operational security needs.

Monkeypox.—The Committee is aware of the Monkeypox outbreak in Wisconsin and other midwestern states, including a number of cases of human to human transmission of the disease. The Committee understands that APHIS is working with the Centers for Disease Control to facilitate a comprehensive federal response to the outbreak. The Committee urges APHIS to continue to take all necessary steps to deal with the problem and provide the Committee with regular reports on the status of the situation.

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 problems in pest surveys, and oversight by APHIS personnel and including the diversion of Mexican avocados to other than approved destinations. The Committee directs APHIS to include independent, third party scientists in the development of any Pest Risk Assessment for Mexican avocados, prior to publication of any such Pest Risk Assessment in the Federal Register. The Committee also directs APHIS to report to Congress prior to publishing any rules expanding the approved areas or lengthening time periods for importation of Mexican avocados.

The Committee is aware that avocado growers in the Valley Center area of San Diego County continue to experience the devastating effects of the worst Mexican fruit fly infestation ever experienced in the State of California. The Committee encourages the Secretary to use existing authority to provide financial assistance to avocado growers in the Valley Center area of San Diego County, California, who have incurred losses associated with the quarantine that has been imposed by the Department as a result of Mexican fruit fly infestation.

Cormorants.—The Committee notes the growing problem due to cormorants in the State of Michigan and urges APHIS to provide support, as deemed necessary, to assist in the management of cormorants in the state.

Ralstonia solanacearum.—The Committee is concerned about the significant delays in getting test results from the Animal and Plant Health Inspection Service to State inspectors, and a lack of clarity regarding what specific actions inspectors should take in connection with the recent introduction into the United States of *Ralstonia solanacearum*, race 3, biovar 2, through infected imported geraniums, and the subsequent quarantine. Economic losses to U.S. growers totaled over $6 million. Pursuant to section 212 of the Agricultural Bioterrorism Protection Act of 2002 (7 U.S.C. 8401), the Secretary of Agriculture has listed *Ralstonia solanacearum*, race 3, biovar 2, as a biological agent and toxin that has the potential to pose a severe threat to plant health or plant products. Not later than 60 days after the date of the enactment of this Act, the Secretary shall submit to the Committees on Appropriations a report detailing what new or revised procedures the Animal and Plant Health Inspection Service will implement, pos-

sibly including a clean stock certification program and insurance requirements for companies that import plants, to improve instructions for State inspectors, to product test results to State inspectors within two weeks, and to help prevent future outbreaks.

BUILDINGS AND FACILITIES

2003 appropriation	$9,924,000
2004 budget estimate	4,996,000
Provided in the bill	4,996,000
Comparison:	
2003 appropriation	−4,928,000
2004 budget estimate	- - -

COMMITTEE PROVISIONS

For Animal and Plant Health Inspection Service, Buildings and Facilities, the Committee provides an appropriation of $4,996,000, a decrease of $4,928,000 below the amount available for fiscal year 2003 and the same as the budget request.

The following table summarizes the committee's provisions:

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

[In thousands of dollars]

	FY 2003 enacted	FY 2004 request	Committee provisions
Buildings and Facilities:			
Miami Animal Import Center, FL	$4,967	- - -	- - -
Basic buildings and facilities repair, alterations, and preventative maintenance	4,957	$4,996	$4,996
Total, Buildings & Facilities	$9,924	$4,996	$4,996

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

2003 appropriation	$75,210,000
2004 budget estimate	75,071,000
Provided in the bill	75,953,000
Comparison:	
2003 appropriation	+743,000
2004 budget estimate	+882,000

COMMITTEE PROVISIONS

For Marketing Services of the Agricultural Marketing Service, the Committee provides an appropriation of $75,953,000, an increase of $743,000 above the amount available for fiscal year 2003 and an increase of $882,000 above the budget request.

LIMITATION ON ADMINISTRATIVE EXPENSES

2003 limitation	($61,619,000)
2004 budget limitation	(62,577,000)
Provided in the bill	(62,577,000)
Comparison:	
2003 limitation	+958,000
2004 budget limitation	- - -

COMMITTEE PROVISIONS

For a Limitation on Administrative Expenses of the Agricultural Marketing Service, the Committee provides $62,577,000, an increase of $958,000 above the amount available for fiscal year 2003 and the same as the budget request.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY

(SECTION 32)

MARKETING AGREEMENT AND ORDERS

2003 appropriation	($14,910,000)
2004 budget estimate	(15,392,000)
Provided in the bill	(15,392,000)
Comparison:	
2003 appropriation	(+482,000)
2004 budget estimate	- - -

The following table reflects the status of this fund for fiscal years 2002 through 2004:

ESTIMATED TOTAL FUNDS AVAILABLE AND BALANCE CARRIED FORWARD, FISCAL YEARS 2002–2004

	FY 2002 actual	FY 2003 current estimate	FY 2004 budget estimate
Appropriation (30 percent of Customs Receipts)	$6,139,942,369	$5,798,093,321	$5,927,395,463
FY 2003 Appropriation (P.L. 108–7)		250,000,000	
Rescission (P.L. 107–206)	−468,370		
Less Transfers:			
Food and Nutrition Service	−5,172,458,000	−4,745,663,000	−4,699,661,000
Commerce Department	−79,126,813	−75,223,778	−79,724,463
Total, Transfers	$−5,251,584,813	$−4,820,886,778	$−4,779,385,463
Budget Authority	887,889,186	1,227,206,543	1,148,010,000
Unobligated Balance Available, Start of Year	107,824,527	192,156,087	0
Recoveries of Prior Year Obligations	0	13,000,000	0
Available for Obligation	$995,713,713	$1,432,362,630	$1,148,010,000
Less Obligations:			
Commodity Procurement:			
Child Nutrition Purchases	399,934,661	15,000,000	400,000,000
State Option contract		5,000,000	5,000,000
Removal of Defective Commodities		1,000,000	1,000,000
Emergency Surplus Removal	206,898,187	182,232,371	0
Diversion Payments	0	0	0
Direct Payments	172,867,307	897,000,000	0
Lamb Grading and Certification Support	592,057	950,626	0
Disaster Relief	0	500,000	0
Fruit and Vegetable Pilot Program (P.L. 107–171)	6,000,000	0	0
Estimated Future Purchases	0	304,036,633	415,575,000
Total, Commodity Procurement	$786,292,212	$1,406,719,630	$821,575,000
Administrative Funds:			
Commodity Purchase Service	6,906,166	10,733,000	11,043,000
Marketing Agreements & Orders	10,359,248	14,910,000	15,392,000
Total, Administrative Funds	17,265,414	25,643,000	26,435,000

ESTIMATED TOTAL FUNDS AVAILABLE AND BALANCE CARRIED FORWARD, FISCAL YEARS 2002–2004—Continued

	FY 2002 actual	FY 2003 current estimate	FY 2004 budget estimate
Total, Obligations	803,557,626	1,432,362,630	848,010,000
Unobligated Balance Available, End Of Year	$192,156,087	$0	$300,000,000

COMMITTEE PROVISIONS

For the Marketing Agreements and Orders Program, the Committee provides a transfer from section 32 funds of $15,392,000, an increase of $482,000 above the amount available for fiscal year 2003 and the same as the budget request.

In the utilization of section 32 funds for USDA feeding programs, the USDA shall not exclude or disciminate against Farmer-owned cooperatives when awarding contracts involving small business and any other preferences.

PAYMENTS TO STATES AND POSSESSIONS

2003 appropriation	$1,338,000
2004 budget estimate	1,347,000
Provided in the bill	1,347,000
Comparison:	
2003 appropriation	+9,000
2004 budget estimate	- - -

COMMITTEE PROVISIONS

For Payments to States and Possessions, the Committee provides an appropriation of $1,347,000, an increase of $9,000 over the amount available for fiscal year 2003, and the same as the budget request.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

2003 appropriation	$39,690,000
2004 budget estimate	41,688,000
Provided in the bill	39,690,000
Comparison:	
2003 appropriation	- - -
2004 budget estimate	– 1,998,000

COMMITTEE PROVISIONS

For Grain Inspection, Packers and Stockyards Administration, the Committee provides $39,690,000, the same amount available for fiscal year 2003, and a decrease of $1,998,000 below the budget request.

The recommendation does not include $5,238,000 in standardization user fees or $23,542,000 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.

The Committee provides $600,000 for cross-cutting trade negotiation and biotechnology resources. Funds for this purpose were re-

quested under the account of the Office of the Secretary, but are provided under the individual agency accounts. Also provided is $3,350,000 for high priority information technology investments and evaluation of carcass technologies. The Committee does not provide resources for packer audits, as included in the budget request.

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 regular updates on the study plan and to report on the Department's progress.

LIMITATION ON INSPECTION AND WEIGHING SERVICES EXPENSES

2003 limitation	($42,463,000)
2004 budget limitation	(42,463,000)
Provided in the bill	(42,463,000)
Comparison:	
2003 limitation	- - -
2004 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 2003 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

2003 appropriation	$599,000
2004 budget estimate	792,000
Provided in the bill	599,000
Comparison:	
2003 appropriation	- - -
2004 budget estimate	−193,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Food Safety, the Committee provides an appropriation of $599,000, the same as the amount provided for fiscal year 2003 and a decrease of $193,000 below the budget request.

FOOD SAFETY AND INSPECTION SERVICE

2003 appropriation	$754,821,000
2004 budget estimate	797,149,000
Provided in the bill	785,261,000
Comparison:	
2003 appropriation	+30,440,000
2004 budget estimate	−11,888,000

COMMITTEE PROVISIONS

For the Food Safety and Inspection Service, the Committee provides an appropriation of $785,261,000, an increase of $30,440,000 above the amount available for fiscal year 2003 and a decrease of $11,888,000 below the budget request.

The recommendation does not include $122,000,000 in user fees to be paid by 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 Committee provides the full amount requested for inspection activities, including funds to meet needs caused by industry growth; scientific training for personnel; pathogen sampling and risk assessment; laboratory capacity; an educational campaign; and international audits. The Committee notes that activities related to enforcement of the Humane Methods of Slaughter Act are fully funded; in addition to funds provided for inspections in the Committee recommendation for fiscal year 2004, the fiscal year 2003 appropriations act provided $5,000,000 in funds for inspection that remain available through fiscal year 2004. The Committee did not fund the request for non-salary related inflation and retirement costs, as these were not requested—or funded—in any other account.

The Committee provides the agency with $1,650,000 solely to outsource microbiological testing, as requested in the President's budget, 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.

Food Safety Education Campaign Pilot.—The Committee is aware of the Department's efforts to enhance their activities and promotional campaigns to better educate the general public about the risks associated with food borne pathogens. However, given the limited focus of specific media outreach efforts to some of the most "at risk" audiences such as our senior citizens, the Committee expects the Department to establish a regional pilot project to provide outreach to this segment of the population. In particular, the Committee is very concerned about the risks posed to seniors in regions of the country such as the northeast, southeast, and Great Lakes representing the highest concentrated populations of older Americans in the country and encourages the Department to target such areas.

FARM ASSISTANCE PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES

2003 appropriation	$618,000
2004 budget estimate	916,000
Provided in the bill	636,000
Comparison:	
2003 appropriation	+18,000
2004 budget estimate	−280,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Farm and Foreign Agricultural Services, the Committee provides an appropriation of $636,000, an increase of $18,000 above the amount available for fiscal year 2003 and a decrease of $280,000 below the budget request.

FARM SERVICE AGENCY

SALARIES AND EXPENSES

	Appropriation	*Transfer from program accts.*	*Total, FSA, S&E*
2003 appropriation	$970,389,000	($279,209,000)	($1,249,598,000)
2004 budget estimate	1,016,836,000	(294,096,000)	(1,310,932,000)
Provided in the bill	1,016,836,000	(294,096,000)	(1,310,932,000)
Comparison:			
2003 appropriation	+46,447,000	(+14,887,000)	(+61,334,000)
2004 budget estimate	0	0	0

COMMITTEE PROVISIONS

For Salaries and Expenses of the Farm Service Agency (FSA), the Committee provides an appropriation of $1,016,836,000 and transfers from other accounts of $294,096,000, for a total program level of $1,310,932,000. This is an increase of $61,334,000 above the amount available for fiscal year 2003 and the same as the budget request.

County Offices.—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.

Milk Income Loss Contract program.—Local county FSA offices are struggling with record workloads due to the requirements of the Farm Security and Rural Investment Act of 2002. Wisconsin is especially burdened because of the nearly 17,000 dairy farmers who are eligible to receive benefits under the Milk Income Loss Contract (MILC) program, approximately 20 percent of all dairy operations in the United States. It is estimated that Wisconsin needs 30–35 additional employees just to administer the MILC program. Short staffing at county offices is taking a tremendous toll on loyal

employees and hurting the services that farmers receive. As such, the Committee directs the Department to increase staffing levels at county offices in Wisconsin by at least 30 staff years.

Peanut Promotion Assessments.—Historically, the Farm Services Administration (FSA) has deducted assessments mandated by Federal and State laws when peanuts go into the USDA loan program. These assessments are used to fund research and promotion programs that peanut growers vote for in referenda conducted pursuant to Federal and State laws.

In the course of implementing the new peanut program authorized by the Farm Security and Rural Investment Act of 2002, FSA for the first time, refused to collect the assessments when peanuts are put into the loan program. However, the changes in the law for the new program did not require FSA to cease collecting the assessments. The new policy created great confusion in the marketplace and has inhibited the ability of peanut growers to fund their research and promotion programs. It is especially confusing because private entities who buy peanuts from producers must comply with State and Federal law and collect these assessments. Therefore, the Committee encourages FSA to revert to its previous practice of collecting assessments mandated by Federal and State statutes on peanuts when a producer places peanuts under loan. The Committee directs FSA to report within six months how it plans to comply with the Committee's directive.

STATE MEDIATION GRANTS

2003 appropriation	$3,974,000
2004 budget estimate	4,000,000
Provided in the bill	3,974,000
Comparison:	
2003 appropriation	- - -
2004 budget estimate	−26,000

COMMITTEE PROVISIONS

For State Mediation Grants, the Committee provides an appropriation of $3,974,000, the same as the amount available in fiscal year 2003 and a decrease of $26,000 below the budget request.

DAIRY INDEMNITY PROGRAM

2003 appropriation	$100,000
2004 budget estimate	100,000
Provided in the bill	100,000
Comparison:	
2003 appropriation	- - -
2004 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 2003 and the same as the budget request.

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

ESTIMATED LOAN LEVELS

2003 loan level	$3,937,000,000
2004 budget estimate	3,518,398,000
Provided in the bill	3,385,583,000
Comparison:	
2003 loan level	−551,417,000
2004 budget estimate	−132,815,000

COMMITTEE PROVISIONS

Approximate loan levels provided by the Committee for fiscal year 2004 for the agricultural credit insurance fund programs are: $1,083,143,000 for farm ownership loans, of which $133,143,000 is for direct loans and $950,000,000 is for guaranteed loans; $2,200,440,000 for farm operating loans, of which $617,503,000 is for direct loans, $252,937,000 is for guaranteed subsidized loans, and $1,330,000,000 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 2003 level	FY 2004 estimate	Committee provisions
Farm loan programs:			
Farm ownership:			
Direct	$130,000	$140,149	$133,143
Guaranteed	1,000,000	1,000,000	950,000
Farm operating:			
Direct	605,000	650,000	617,503
Unsubsidized guaranteed	1,700,000	1,400,000	1,330,000
Subsidized guaranteed	400,000	266,249	252,937
Indian tribe land acquisition	2,000	2,000	2,000
Boll Weevil Eradication	100,000	60,000	100,000
Total, farm loans	$3,937,000	$3,518,398	$3,385,583

ESTIMATED LOAN SUBSIDY AND ADMINISTRATIVE EXPENSES LEVELS

	Direct loan subsidy	*Guaranteed loan subsidy*	*Administrative expenses*
2003 appropriation	$118,917,000	$107,884,000	$285,309,000
2004 budget estimate	124,675,000	86,020,000	298,136,000
Provided in the bill	118,442,000	81,719,000	298,136,000
Comparison:			
2003 appropriation	−475,000	−26,165,000	+12,827,000
2004 budget estimate	−6,233,000	−4,301,000	.....

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

	FY 2003 estimate	FY 2004 estimate	Committee provisions
Loan subsidies:			
Farm ownership:			
Direct	$14,995,000	$30,945,000	$29,398,000
Guaranteed	7,451,000	5,400,000	5,130,000

	FY 2003 estimate	FY 2004 estimate	Committee provisions
Subtotal	22,446,000	36,345,000	34,528,000
Farm operating:			
Direct	103,744,000	93,730,000	89,044,000
Guaranteed unsubsidized	53,540,000	46,620,000	44,289,000
Guaranteed subsidized	46,893,000	34,000,000	32,300,000
Subtotal	204,177,000	174,350,000	165,633,000
Indian tribe land acquisition	178,000	0	0
Total, Loan subsidies	$226,801,000	$210,695,000	$200,161,000
ACIF expenses:			
Salaries and expenses	277,361,000	290,136,000	290,136,000
Administrative expenses	7,948,000	8,000,000	8,000,000
Total, ACIF expenses	$285,309,000	$298,136,000	$298,136,000

RISK MANAGEMENT AGENCY

2003 appropriation	$70,248,000
2004 budget estimate	78,488,000
Provided in the bill	71,509,000
Comparison:	
2003 appropriation	+1,261,000
2004 budget estimate	−6,979,000

COMMITTEE PROVISIONS

For the Risk Management Agency, the Committee provides an appropriation of $71,509,000, an increase of $1,261,000 above the amount available for fiscal year 2003 and a decrease of $6,979,000 below the budget request.

The Committee directs the Agency to develop a cost-of-production insurance program for specialty crop growers. If the Agency develops this program as a pilot, it should include New York as one of the states in the pilot.

The budget request included a proposal to cap the amount of delivery expense reimbursement that companies may receive at 20 percent for each of the 2004 and subsequent reinsurance years. This proposal would be a decrease from the existing cap of 24.5 percent. The Office of Management and Budget estimated that savings of $81,000,000 during fiscal year 2004 would result from enactment of this proposal. The Committee does not recommend any change to the existing cap.

CORPORATIONS

FEDERAL CROP INSURANCE CORPORATION FUND

2003 appropriation	[1] $2,886,000,000
2004 budget estimate	[1] 3,368,000,000
Provided in the bill	[1] 3,368,000,000
Comparison:	
2003 appropriation	+482,000,000
2004 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 $3,368,000,000 in the President's fiscal year 2004 Budget Request), an increase of $482,000,000 above the amount provided in fiscal year 2003 and the same as the budget request.

COMMODITY CREDIT CORPORATION FUND

REIMBURSEMENT FOR NET REALIZED LOSSES

2003 appropriation	[1] $16,285,000,000
2004 budget estimate	[1] 17,275,000,000
Provided in the bill	[1] 17,275,000,000
Comparison:	
2003 appropriation	+990,000,000
2004 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 $17,275,000,000 in the President's fiscal year 2004 Budget Request), an increase of $990,000,000 above the amount provided in fiscal year 2003 and the same as the budget request.

HAZARDOUS WASTE MANAGEMENT

2003 limitation	$5,000,000
2004 budget estimate	5,000,000
Provided in the bill	5,000,000
Comparison:	
2003 limitation	- - -
2004 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 2003 and the same as the budget request.

TITLE II—CONSERVATION PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

2003 appropriation	$745,000
2004 budget estimate	918,000
Provided in the bill	745,000
Comparison:	
2003 appropriation	- - -
2004 budget estimate	−173,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Natural Resources and Environment, the Committee provides an appropriation of $745,000, the same as the amount available for fiscal year 2003 and a decrease of $173,000 below the budget request.

NATURAL RESOURCES CONSERVATION SERVICE

CONSERVATION OPERATIONS

2003 appropriation	$819,641,000
2004 budget estimate	703,605,000
Provided in the bill	850,004,000
Comparison:	
2003 appropriation	+30,363,000
2004 budget estimate	+146,399,000

COMMITTEE PROVISIONS

For Conservation Operations, the Committee provides an appropriation of $850,004,000, an increase of $30,363,000 above the amount available for fiscal year 2003 and an increase of $146,399,000 above the budget request.

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 2004 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 2003 Conservation Operations allocation by State, fiscal year 2004 Conservation Operations allocation by State, the fiscal year 2004 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 $5,000,000 for the continued implementation and acceleration 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.

Assistance to Puerto Rico.—The Committee encourages the NRCS to provide assistance for the preservation and improvement of water and soil resources in Juana Diaz and Santa Isabel, Puerto Rico.

The committee urges NRCS to make EQIP funding available for public land contracts to the maximum extent permitted under the law. In particular, the Committee is concerned that EQIP funding be made available for public land ranchers in states such as AZ, NM, ID, UT, OR, CA, CO, and WY to help meet regulatory demands and to relieve utilization pressure on private lands in those states.

The Committee encourages the Department to construct wetlands to treat critical pollutants in the McDowell Creek (NC) Watershed.

The Committee encourages continued work in the Bosque River watershed by the Texas Institute for Applied Environmental Research to monitor water quality and implement practices and other actions to improve water quality.

Funding for fiscal year 2003 projects is not continued in fiscal year 2004 unless specifically mentioned: Implementation, through a cooperative agreement, of environmental, educational, and demonstration of conservation practices (AL)—$250,000; National Water Management Center (AR)—$2,750,000; Little Red River Irrigation Project—$375,000; Walnut Bayou (AR) Irrigation Project—$300,000; East Valley Conservation District/Santa Ana Watershed Authority (CA) non-native plant removal—$1,000,000; Monterey Bay Sanctuary—$600,000; Expand cooperative efforts w/Delaware State for plant materials—$290,000; Manatee (FL) Agriculture Reuse System—$2,000,000; Georgia Soil and Water Conservation Commission Cooperative Agreement—$3,600,000; PMC for Native Plants to clean up the Island of Kahoolawe (HI)—$120,000; 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—$350,000; 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—$380,000; Lake Tahoe Basin Soil Conservation Project (NV/CA)—$500,000; Lake Tahoe Basin area soil survey (NV/CA)—$200,000; State conservation cost share program

(NJ)—$900,000; Pastureland Management/Rotational Grazing (NY)—$500,000; Best management practices/Skaneateles and Owasco Watersheds (NY)—$250,000; Address non-point pollution in Onondaga Lake Watershed (NY)—$250,000; Beaver Swamp Brook project (NY) implementation and environmental restoration—$300,000; Phase II/Watershed Agriculture Council in Walton (NY)—$700,000, of which $80,000 is for monitoring the easements purchased by the WAC's Whole Farm Easement Program; Technical assistance to livestock/poultry industry (NC)—$500,000; 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)—$900,000; Bexar, Medina, Uvalde Counties irrigation in Edwards Aquifer (TX)—$500,000; Field office telecommunications pilot program/advanced soil survey methods (TX)—$2,000,000; Leon River restoration project (TX)—$150,000; Range vegetation pilot project, Ft. Hood (TX)—$500,000; $500,000 for a cooperative agreement with the Texas Water Resources Institute to implement a watershed protection plan for Tarrant County (TX); Walla Walla (WA) watershed alliance—$500,000; Design/implement natural stream restration initiatives (WV)—$900,000; Soil survey geographic database in the Mid-Atlantic Highlands (WV)—$200,000; Grazing Lands Initiative/Wisconsin Department of Agriculture—$950,000; Global Environment Mgmt. Education Center at Stevens Point (WI)—$2,000,000; Audubon at Home Pilot Program—$500,000; Great Lakes Basin Program for Soil & Erosion Sediment—$2,500,000; Watershed management demo program/NPPC—$600,000; Source water protection project to States showing greatest need—$2,500,000; technical assistance to address water quality problems in Sodus Bay Watershed, Wayne County (NY)—$250,000; New York State Agriculture and Environmental Management Program—$750,000; Community Nutrient Management Facilities (GA)—$300,000; Cooperative agreement for comprehensive irrigation district management plans (WA)—$250,000; Tipton Creek watershed project (IA)—$150,000; Operation Oak Program to restore hardwoods in the South—$300,000; Dairy and poultry waste treatment in Suwannee, Dixie, and Lafeyette Counties (FL)—$350,000; Soil survey mapping and digitization with State of Wisconsin—$415,000; Study to determine the logistics of transportation and coordination of excess nutrient management (AR)—$250,000; 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; Indian Creek (PA) watershed—$500,000; Basalt and Ground Water protection project (ID)—$250,000; Innovative environmental technology program (IN)—$400,000; Choupique Drainage Canal Improvements (LA)—$250,000; for a cooperative agreement with the Green Institute (FL)—$350,000; and Ciudad Soil and Water Conservation District (NM)—$50,000.

Hawaii Plant Materials Center.—The Committee provides the fiscal year 2003 level of funding for the Hawaii Plant Materials Center.

The Committee directs the NRCS to provide technical and financial assistance to the Arkansas, Missouri, Oklahoma Common Wa-

tershed region to address water quality concerns, and to the Upper White River Initiative.

The Committee recognizes the successful results that have been achieved in the West Texas Pilot Project with broadband mobile wireless services. The Committee encourages the Department to support the deployment of nomadic vehicles by modifying current vehicles to enhance the continuity of operation for USDA service centers.

WATERSHED SURVEYS AND PLANNING

2003 appropriation	$11,124,000
2004 budget estimate	5,000,000
Provided in the bill	11,124,000
Comparison:	
2003 appropriation	- - -
2004 budget estimate	+6,124,000

COMMITTEE PROVISIONS

For Watershed Surveys and Planning, the Committee provides an appropriation of $11,124,000, the same as the amount available for fiscal year 2003 and an increase of $6,124,000 above the budget request.

WATERSHED AND FLOOD PREVENTION OPERATIONS

2003 appropriation	$109,285,000
2004 budget estimate	40,000,000
Provided in the bill	90,000,000
Comparison:	
2003 appropriation	−19,285,000
2004 budget estimate	+50,000,000

COMMITTEE PROVISIONS

For Watershed and Flood Prevention Operations, the Committee provides an appropriation of $90,000,000, a decrease of $19,285,000 below the amount available for fiscal year 2003 and an increase of $50,000,000 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, Poinsett, and the Big Slough Watersheds in Arkansas; Martinez 5 flood detention dam in Bexar County, TX; southwest VA waterways of Clinch, Powell, Holston, Pound and Bluestone Rivers and tributaries; Lower Hamakua Ditch Watershed (HI); Aowa Creek Watershed, Dixon County (NE); Ditch 26 Project (AR); Elm Creek Watershed, Floodwater Structure Number 5A (TX); Bentley Creek Watershed (PA); Neshaminy Creek Watershed Project, Bucks County (PA); Tuplehocken Creek (PA); Bayou Bourbeux Watershed (LA); Town Creek in Flowood (MS); Christina River Basin Clean Water Partnership (PA); Florence (AZ) Flood Retention Structure; Rockhouse Creek in Leslie County (KY); Upper Petit Jean Watershed Project (AR); Elm Creek (TX); Big Sandy Creek, Trinity River, Wise County (TX); Cave Creek Watershed (CA); Whitewater East Watershed

Project No. 57 and Whitewater West Watershed Project No. 58 (KS); Taos Flood Control Project (NM); Highlands Creek Land Treatment Watershed (KY); Luxapalila Creek Erosion and Flood Control Project (MS); Central Sonoma Watershed (CA); Marrowbone Creek Dam, Henry County (VA); Bayou Meto (AR) Project; Buena Vista (VA) Watershed; North Chickamauga Creek, City of Soddy Daisy, Hamilton County, TN; and, Sumter County (SC) to complete flood mitigation projects with Sumter County Soil and Water Conservation District.

The Committee includes funds for DuPage County, Illinois and Rockhouse Creek Watershed, Leslie County, Kentucky for financial and technical assistance.

Beardsley Wash Watershed.—The Committee urges the NRCS to complete the Beardsley Wash Watershed Project in Ventura County, CA.

Devils Lake.—The Committee is aware of continued flooding in the Devils Lake basin in North Dakota, and notes that the lake has risen 25 feet over the last several years. The Committee encourages the NRCS in cooperation with the FSA to assist in the locally coordinated flood response and water management activities being developed with the Federal Emergency Management Agency. NRCS and FSA utilize conservation programs in providing water holding and storage areas on private land as necessary intermediate measures in watershed management.

Lake Waco Watershed.—The Committee is aware of continued water quality problems in the Lake Waco Watershed of Texas, particularly in the North Bosque River. The Committee encourages the NRCS, in cooperation with the Texas Natural Resource Conservation Commission, local communities and dairy producers, to assist in a locally coordinated program targeted at improving watershed management activities that address residential, commercial, and agricultural runoff.

WATERSHED REHABILITATION PROGRAM

2003 appropriation	$29,805,000
2004 budget estimate	10,000,000
Provided in the bill	40,000,000
Comparison:	
2003 appropriation	+10,195,000
2004 budget estimate	+30,000,000

COMMITTEE PROVISIONS

For the Watershed Rehabilitation Program, the Committee provides an appropriation of $40,000,000, an increase of $10,195,000 above the amount available for fiscal year 2003 and an increase of $30,000,000 above the budget request.

RESOURCE CONSERVATION AND DEVELOPMENT

2003 appropriation	$50,668,000
2004 budget estimate	49,943,000
Provided in the bill	52,894,000
Comparison:	
2003 appropriation	+2,226,000
2004 budget estimate	+2,951,000

COMMITTEE PROVISIONS

For Resource Conservation and Development, the Committee provides an appropriation of $52,894,000, an increase of $2,226,000 above the amount available for fiscal year 2003 and an increase of $2,951,000 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

2003 appropriation	- - -
2004 budget estimate	$432,160,000
Provided in the bill	- - -
Comparison:	
2003 appropriation	- - -
2004 budget estimate	−432,160,000

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

2003 appropriation	$636,000
2004 budget estimate	913,000
Provided in the bill	636,000
Comparison:	
2003 appropriation	- - -
2004 budget estimate	−277,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Rural Development, the Committee provides an appropriation of $636,000, the same as the amount available for fiscal year 2003 and a decrease of $277,000 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: Lincoln Parish (LA) Alternative Water Supply; Sustainable Economic Development Institute (LA); Southern University (LA) Center for Community and Economic Development; Southern University (LA) Center for Excellence for Educational Outreach Technology; Neuse Regional Water and Sewer Authority (NC); SW Georgia Low Income modular/mobile home demonstration; Abraham Baldwin Ag College (GA) Blackbelt initiative; Pine Barren (AL) Channel improvements; Northwest Arkansas Conservation authority; Floyd County Industrial Shell Building; Grayson County Industrial Shell Building; Buchanan County Small Business Incubator; Shockley Heights and Wekiva Falls, Lake County (FL) drinking water quality improvements; Hernando County (FL) Fairgrounds Facility; Freewood Farms (SC); Saginaw Chippewa (MI) Water Main Extension Project; Saginaw Chippewa (MI) Sewer Main Extension Program; Luray (VA) water clarifier and selector tank; Page County (VA) economic development; raw water storage basin in Orange (VA); Gordonsville (VA) water system upgrade; Clay County Park (WV); Upper Fishers Branch/Guthrie Water Project (WV); Town of New Haven (WV) Water System Upgrades; Helvetia (WV) Swiss Revitalization Project; East Bank/Multi-Purpose (WV) Building; Central Coast (CA) Agritourism Council Program in San Luis Obispo and Santa Barbara Counties; East Kauai (HI) Water Users' Cooperative; Honomalino (HI) Irrigation Cooperative; Sanitary sewer system evaluation survey in St. Croix (VI); Reinforce west berm of the Airport Lagoon wastewater treatment plant in St. Thomas (VI); plans and specifications to construct new Power Boyd Pump Station and construction of new Power Boyd Pump Station in St. John (VI); Summerton (SC) water and wastewater treatment system upgrade; Pamplico (SC) wastewater treatment facility; Albany (OR)

water conservation and steel water line replacement; establish a minimum of 20 First Book Local Advisory Boards in rural communities across Connecticut; Plantation (FL) stormwater management improvements; Cowanshannock Township (PA) community development; Erie County (PA) wastewater system evaluation and upgrades; Leetsdale Industrial Park, Alleghany County (PA); Big Beaver Industrial Business Park (PA); South Florida Fair Agriplex; Cabarrus Arena and Events Center (NC); Water and sewer projects in the Village of Saugerties (NY); water and wastewater projects in the Town of Nichols (NY); Southern Tier Sports and Recreation Development Center in Vestal (NY); financial assistance for the Valley of Innovation Initiative in Binghamton (NY); Proyecto Azteca in South Texas for community facilities and housing; Community Development of South Texas; Dairy Manure Compost Plant, Tillamook County (OR); Opal Creek Wilderness and Scenic Recreation Area (OR); Southern Maryland Regional Processing Kitchen and Agriculture Business Incubator Park, Prince George's County (MD); Sugarcane and Renewable Energy/Ethanol Project, Imperial Valley (CA); Snohomish Basin BioGas Partnership (WA); Louisiana Native Plant Materials Laboratory; Little Milligan/Fish Springs water construction project Carter County (TN); Neuse Regional Water and Sewer Authority in Lenoir County (NC); Agri-Waste to ethanol projects in Northwest Wisconsin and Southeast Iowa; Sustainable agricultural/rural freshwater resource conservation initiative in the Rio Grande Basin region of South Texas; North Morgan (IL) Water Cooperative for water system installation and improvements; City of Winchester (IL) for the construction of a new combination city hall/police station/fire department; Cass County, (IL) financial assistance to expand water treatment plant facilities; Western Washington Regional Agricultural Marketing Program (WA); Skykomish River Basin for the lower Skykomish HCP/NW Chinook Recovery Program (WA); Skagit County rural business expansion (WA); Whatcom County (WA) fiber optics development program; Hi-Desert Regional Neonatal Medical Center (CA); Ohio County Regional Wastewater District (KY); Livestock exhibition center for Germantown (KY) Fair Board; Refrigerated facility in Mason County (KY); Northern Kentucky regional farmers' market; Maine rural community innovation center; Caswell County (NC) high-speed telecommunications; Vandalia Heritage Foundation (WV) for revitalization through community and economic development; Kiski-Conemaugh River Basin Economic Action Project (PA); Agriculture Entrepreneurial Alternative for Small Farmers (PA); Southeastern Massachusetts Agricultural Partnership (MA); Town of Ione (WA) water system upgrades; Community Facility, Belmont (OH); International Agri-Center, Tulare (CA); Central Valley Applied Agricultural Technology Center (CA); Sewer system in Cutler and Orosi Counties (CA); Farm to market road construction, Tulare County (CA); Buckhorn Water Treatment Plant Replacement in Amador County (CA); Food Innovation Research and Extension Center in Bridgeton (NJ); Multi-Purpose center for the Southern New Mexico State Fair (NM); community facility for the City of Tatum (NM); Pueblo of Laguna (NM) for Phase II and Phase III rehabilitation of the San Jose Valley Domestic Water System; Cesar Chavez Education and Retreat Center (CA); Elk Regional

Health System Telehealth Project (PA); Keystone Community Network (PA); Monroe Township, Clarion County (PA) wastewater treatment; Industrial/warehouse building in Pike County (OH); Peanut marketing cooperatives (NC); 21st Century Fredonia Vineyard Lab Infrastructure (NY); Chautauqua County Agritourism Strategic Plan (NY); Chautauqua County Fair Infrastructure Improvements (NY); Chautauqua County Fair equestrian and agricultural exhibition center (NY); Western New York Equestrian Center construction, Erie County (NY); Technology Venture Center (MT); Springdale Farm (NY) milking parlor demonstration project; Dorton Branch, City of Pineville (KY) water and waste systems; multi-purpose/senior center for the City of Pineville (KY); Mt. Vernon (KY) for water and wastewater systems; Dallas County (AR) water system; Franklin County (PA) agriculture service center; Quinebaug-Shetucket Heritage Corridor (CT) economic and community development; Brushy Island (AR) Water Improvement Association-water improvements; White County (AR) emergency warning systems; Morrilton (AR) community facility; Middleport (OH) community facility; Salisbury Township in Meigs County (OH) water treatment facility; water line extension in northern Lawrence County (OH); Northern Initiatives, Marquette (MI); City of Menominee (MI) community facilities upgrades; Northern Lakes Economic Alliance (MI); City of Munising (MI) Water and Sewer Improvements; Tuscarora Township (MI) Wastewater treatment system; Online Louisiana; St. Martin Parish (LA) Water and Wastewater; St. James and St. John Parish (LA) water and wastewater; Choupique Drainage Canal improvements (LA); Iberia Parish conference center (LA); Chitimacha Tribe (LA) drainage and road improvements; Buncombe County (NC) emergency operating center; Westside Healthcare District in Taft (CA); community youth center in Atascadero (CA); Tehachapi Valley Healthcare District in Kern County (CA) for medical facilities; Laytonville (CA) wastewater treatment project; City of Bogalusa (LA) for development of Town Square and for rehabilitation of Main Street; St Charles Parish (LA) farmers' market; Tangipahoa Parish (LA) wastewater improvements; Washington Parish (LA) for water treatment repairs; Lincoln Parish (LA) for water and wastewater treatment improvements; Rural family health and diabetes outreach (NM); Klamath County (OR) Economic Development Association; Lake County (OR) Economic Development Association; Gilliam County (OR) Wheat Quality Initiative; Blue Mountain (OR) Value-Added Agriculture Product Development and Education Center; Union and Wallowa Counties Railroad Project (OR); Oregon Trail Beef Cooperative (OR); Grainger County (TN) water line construction; St. Cloud (FL) storm water and rehabilitation project; Purchase (KY) Area Regional Industrial Park; Ohio County (KY) Regional Wastewater Project; Digital Translators demonstration project (NM); rail line upgrade in Perry County (OH); community facility for Portsmouth (OH); Water Project, City of Marlin, Falls County (TX); Telework Consortium, Roanoke (VA); DeSoto County (FL) water and wastewater facility; and, Salkehatchie Leadership Center (SC).

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

2003 appropriation	$901,837,000
2004 budget estimate	477,864,000
Provided in the bill	706,006,000
Comparison:	
2003 appropriation	−195,831,000
2004 budget estimate	+228,142,000

COMMITTEE PROVISIONS

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 2003 level	FY 2004 estimate	Committee provisions
Community facilities:			
Community facility direct loans	$15,762	0	0
Community facility grants	14,838	$17,000	$17,000
Rural community development initiative	6,954	0	6,000
Other	59,610	0	4,000
Rescission	629	0	0
Subtotal, Community facilities	96,800	17,000	27,000
Business:			
Business and industry loans:			
Guaranteed	35,498	29,280	27,000
Rural business enterprise grants	46,684	44,000	44,000
Rural business opportunity grants	2,981	3,000	3,000
Delta regional authority	1,987	0	0
Rescission	570	0	0
Subtotal, business	87,720	76,280	74,000
Utilities:			
Water and waste disposal loans:			
Direct	102,642	35,132	35,132
Water and waste disposal grants	612,968	345,952	566,374
Solid waste management grants	3,500	3,500	3,500
Rescission	4,107	0	0
Subtotal, utilities	723,217	384,584	608,006
Rescission	(5,900)	0	0
Total, loans and grants	$901,837	$477,864	$706,006

The following earmarks are included in bill language for the Rural Community Advancement Program: $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; $6,000,000 for the Rural Community Development Initiative; $500,000 for rural transportation technical assistance; $25,000,000 for water and

waste disposal systems in the Colonias; $17,465,000 for technical assistance for rural water and waste systems; $13,000,000 for a circuit rider program; and $22,132,000 for empowerment zones and enterprise communities (EZ/EC) and communities designated by the Secretary of Agriculture as Rural Economic Area Partnership Zones, of which $1,000,000 is for community facilities, of which $12,582,000 shall be for rural utilities programs, and of which $8,550,000 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.

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) 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.

RURAL DEVELOPMENT SALARIES AND EXPENSES

	FY 2003 estimate	*FY 2004 estimate*	*Committee provisions*
Appropriations	$144,789,000	$147,520,000	$146,495,000
Transfer from:			
Rural Housing Insurance Fund Loan Program Account	429,564,000	482,787,000	447,151,000
Rural Electrification and Telecommunications Loans Program Account	37,587,000	41,562,000	38,166,000
Rural Telephone Bank Program Account	3,062,000	3,462,000	3,182,000
Rural Development Loan Fund Program Account	4,163,000	4,850,000	4,283,000
Total, RD Salaries and Expenses	$619,165,000	$680,181,000	$639,277,000

COMMITTEE PROVISIONS

For Salaries and Expenses of the Rural Development mission areas, the Committee provides an appropriation of $146,495,000, an increase of $1,706,000 above the amount available for fiscal year 2003 and a decrease of $1,025,000 below the budget request.

RURAL HOUSING SERVICE

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

ESTIMATED LOAN AND GRANT LEVELS

2003 loan levels	$4,156,048,000
2004 budget estimate	4,319,012,000
Provided in the bill	4,364,727,000
Comparison:	
2003 loan level	+208,679,000
2004 budget estimate	+45,715,000

COMMITTEE PROVISIONS

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

[In thousands of dollars]

	FY 2003 level	FY 2004 estimate	Committee provisions
Rural Housing Insurance Fund Loans and Grant:			
Single family housing (sec. 502):			
Direct	$1,037,868	$1,366,462	$1,366,462
Unsubsidized guaranteed	2,845,318	2,725,172	2,725,172
Rental housing (sec. 515)	115,805	70,830	116,545
Multi-family guaranteed (sec. 538)	100,000	100,000	100,000
Housing repair (sec. 504)	35,000	35,003	35,003
Credit sales of acquired property	12,000	11,500	11,500
Housing site development (sec. 524)	5,046	5,045	5,045
Self-help housing land development fund	5,011	5,000	5,000
Total, Loan authorization	$4,156,048	$4,319,012	$4,364,727

ESTIMATED LOAN SUBSIDY, GRANTS, AND ADMINISTRATIVE EXPENSES LEVELS

[In thousands of dollars]

	FY 2003 level	FY 2004 estimate	Committee provisions
Rural Housing Insurance Fund Program Account (loan subsidies):			
Single family housing (sec. 502):			
Direct	$201,035	$126,018	$126,018
Unsubsidized guaranteed	32,388	39,903	39,903
Rental housing (sec. 515)	53,649	30,464	50,126
Multi-family guaranteed (sec. 538)	4,471	5,950	5,950
Housing repair (sec. 504)	10,786	9,612	9,612
Credit sales of acquired property	928	663	663
Housing site development (sec. 524)	55	- - -	- - -
Self-help housing land development fund	220	154	154
Total, Loan subsidies	303,532	212,764	232,426
RHIF expenses:			
Administrative expenses	429,564	482,787	447,151

RENTAL ASSISTANCE PROGRAM

2003 appropriation	$721,281,000
2004 budget estimate	740,000,000
Provided in the bill	731,000,000
Comparison:	
2003 appropriation	+9,719,000
2004 budget estimate	−9,000,000

COMMITTEE PROVISIONS

For the Rental Assistance Program, the Committee provides a program level of $731,000,000, an increase of $9,719,000 above the amount available in fiscal year 2003 and a decrease of $9,000,000 below the budget request.

MUTUAL AND SELF-HELP HOUSING GRANTS

2003 appropriation	$34,772,000
2004 budget estimate	34,000,000
Provided in the bill	34,772,000
Comparison:	
2003 appropriation	- - -
2003 budget estimate	+772,000

COMMITTEE PROVISIONS

For Mutual and Self-Help Housing Grants, the Committee provides an appropriation of $34,772,000, the same as the amount available in fiscal year 2003 and an increase of $772,000 above the budget request.

RURAL HOUSING ASSISTANCE GRANTS

2003 appropriation	$42,222,000
2004 budget estimate	41,500,000
Provided in the bill	42,222,000
Comparison:	
2003 appropriation	.....
2004 budget estimate	+722,000

COMMITTEE PROVISIONS

For the Rural Housing Assistance Grants program, the Committee provides an appropriation of $42,222,000, the same as the amount provided in fiscal year 2003 and an increase of $722,000 above the budget request. The appropriated amount includes $1,000,000 for supervisory and technical assistance.

FARM LABOR PROGRAM ACCOUNT

	Loan level	Subsidy level	Grants
2003 appropriation	$37,480,000	$18,373,000	$17,698,000
2004 budget estimate	42,167,000	18,018,000	17,000,000
Provided in the bill	42,827,054	18,300,000	18,007,000
Comparison:			
2003 appropriation	+5,347,054	−73,000	+309,000
2004 budget estimate	+660,054	+282,000	+1,007,000

COMMITTEE PROVISIONS

For the Farm Labor program account, the Committee provides a loan subsidy of $18,300,000 which supports a loan level of $42,827,054, a decrease of $73,000 in loan subsidy and an increase of $5,347,054 in loan level above the amount available in fiscal year 2003, and an increase in loan subsidy of $282,000 and an increase of $660,054 above the budget request.

The Committee also provides $18,007,000 in grants, an increase of $309,000 above the amount available in fiscal year 2003 and an increase of $1,007,000 above the budget request.

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

ESTIMATED LOAN LEVEL

2003 loan level	$40,000,000
2004 budget estimate	40,000,000
Provided in the bill	40,000,000
Comparison:	
2003 loan level	.....
2004 budget estimate	.....

COMMITTEE PROVISIONS

For the Rural Development Loan Fund program account, the Committee provides for a loan level of $40,000,000, the same as the amount provided in fiscal year 2003 and the same as the budget request.

ESTIMATED LOAN SUBSIDY AND ADMINISTRATIVE EXPENSES LEVELS

	Direct loan subsidy	*Administrative expenses*
2003 appropriation	$19,179,000	$4,163,000
2004 budget estimate	17,308,000	4,850,000
Provided in the bill	17,308,000	4,283,000
Comparison:		
2003 appropriation	−1,871,000	+120,000
2004 budget estimates	- - -	−567

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

ESTIMATED LOAN LEVEL

2003 loan level	$14,967,000
2004 budget estimate	15,002,000
Provided in the bill	16,120,000
Comparison:	
2003 loan level	+1,153,000
2004 budget estimate	+1,118,000

COMMITTEE PROVISIONS

For the Rural Economic Development Loans program account, the Committee provides for a loan level of $16,120,000, an increase of $1,153,000 above the amount provided for fiscal year 2003, and an increase of $1,118,000 above the budget request.

ESTIMATED LOAN SUBSIDY

	Direct loan subsidy
2003 appropriation	[1] $3,176,000
2004 budget estimate	[1] 2,792,000
Provided in the bill	[1] 3,000,000
Comparison:	
2003 appropriation	−176,000

	Direct loan subsidy
2004 budget estimate	+208,000

[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 $3,000,000, a decrease of $176,000 below the amount provided in fiscal year 2003 and an increase of $208,000 above the budget request.

RURAL COOPERATIVE DEVELOPMENT GRANTS

2003 appropriation	$8,941,000
2004 budget estimate	11,000,000
Provided in the bill	13,000,000
Comparison:	
2003 appropriation	+4,059,000
2004 budget estimate	+2,000,000

COMMITTEE PROVISIONS

For Rural Cooperative Development Grants, the Committee provides an appropriation of $13,000,000, an increase of $4,059,000 above the amount available in fiscal year 2003 and an increase of $2,000,000 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 $4,000,000 is for value-added market development grants.

RURAL EMPOWERMENT ZONES AND ENTERPRISE COMMUNITIES GRANTS

2003 appropriation	$14,870,000
2004 budget estimate	0
Provided in the bill	10,967,000
Comparison:	
2003 appropriation	−3,903,000
2004 budget estimate	+10,967,000

COMMITTEE PROVISIONS

For Rural Empowerment Zones and Enterprise Communities Grants, the Committee provides an appropriation of $10,967,000, a decrease of $3,903,000 below the amount available in fiscal year 2003 and an increase of $10,967,000 above the budget request.

RENEWABLE ENERGY PROGRAM

2003 appropriation	- - -
2004 budget estimate	$3,000,000
Provided in the bill	3,000,000
Comparison:	
2003 appropriation	+3,000,000
2004 budget estimate	- - -

COMMITTEE PROVISIONS

For the Renewable Energy Program, the Committee concurs with the budget request and provides an appropriation of $3,000,000 for this program authorized by section 9006 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8106).

RURAL UTILITIES SERVICE

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT

ESTIMATED LOAN LEVEL

2003 loan level	$5,566,132,000
2004 budget estimate	3,135,000,000
Provided in the bill	4,655,000,000
Comparison:	
2003 loan level	−911,132,000
2004 budget estimate	+1,520,000,000

COMMITTEE PROVISIONS

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

[Dollars in thousands]

	FY 2003 enacted	FY 2004 estimate	Committee provisions
Loan authorizations:			
Electric:			
Direct, 5%	$121,103	$240,000	$240,000
Direct, Municipal rate	100,000	100,000	1,000,000
Direct, FFB	2,600,000	1,500,000	2,000,000
Direct, Treasury Rate	1,150,000	700,000	750,000
Guaranteed electric	100,000	100,000	100,000
Guaranteed underwriting	1,000,000	- - -	- - -
Subtotal	5,071,103	2,640,000	4,090,000
Telecommunications:			
Direct, 5%	75,029	145,000	145,000
Direct, Treasury rate	300,000	250,000	300,000
Direct, FFB	120,000	100,000	120,000
Subtotal	495,029	495,000	565,000
Total, Loan authorizations	$5,566,132	$3,135,000	$4,655,000

ESTIMATED LOAN SUBSIDY AND ADMINISTRATIVE EXPENSES LEVELS

[Dollars in thousands]

	FY 2003 enacted	FY 2004 estimate	Committee provisions
Loan subsidies:			
Electric:			
Direct, 5%	$6,870	- - -	- - -
Direct, Municipal rate	4,004	- - -	- - -
Private Sector Guarantee	79	$60	$60
Subtotal	$10,953	$60	$60
Telecommunications:			
Direct, 5%	1,275	- - -	- - -
Direct, Treasury rate	149	125	125
Subtotal	1,424	125	125
Total, Loan subsidies	$12,377	$185	$185

[Dollars in thousands]

	FY 2003 enacted	FY 2004 estimate	Committee provisions
E & T expenses:			
Administrative expenses	37,857	41,562	38,166

RURAL TELEPHONE BANK PROGRAM ACCOUNT

ESTIMATED LOAN LEVEL

2003 loan level	$174,615,000
2004 budget estimate	- - -
Provided in the bill	- - -
Comparison:	
2003 loan level	−174,615,000
2004 budget estimate	- - -

COMMITTEE PROVISIONS

For the Rural Telephone Bank Program, the Committee concurs with the budget request authorizing the Rural Telephone Bank to make expenditures within the limits of funds available to carry out authorized programs.

The Committee includes the same provision from the fiscal year 2003 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*
2003 appropriation	$2,394,000	$3,062,000
2004 budget estimate	- - -	3,462,000
Provided in the bill	- - -	3,182,000
Comparison:		
2003 appropriation	−2,394,000	+120,000
2004 budget estimate	- - -	−280,000

DISTANCE LEARNING, TELEMEDICINE AND BROADBAND PROGRAM

	Loan level	*Subsidy level*	*Grants*
2003 appropriation	$380,000,000	0	$56,571,000
2004 budget estimate	386,000,000	9,116,000	27,000,000
Provided in the bill	636,000,000	9,116,000	33,000,000
Comparison:			
2003 appropriation	+256,000,000	+9,116,000	−23,571,000
2004 budget estimates	+250,000,000	- - -	+6,000,000

COMMITTEE PROVISIONS

For the Distance Learning, Telemedicine, and Broadband Program, the Committee provides an appropriation of $42,116,000, a decrease of $14,455,000 below the amount available for fiscal year 2003 and an increase of $6,000,000 above the budget request, including $25,000,000 for Distance Learning and Telemedicine Grants, $9,116,000 for Broadband Telecommunications loan subsidy, and $8,000,000 for Broadband Grants.

TITLE IV—DOMESTIC FOOD PROGRAMS

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

2003 appropriation	$599,000
2004 budget estimate	786,000
Provided in the bill	599,000
Comparison:	
2003 appropriation	- - -
2004 budget estimate	– 187,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Food, Nutrition and Consumer Services the Committee provides $599,000, the same as the amount provided in fiscal year 2003 and a decrease of $187,000 below the budget request.

The Committee recommends that $100,000 be directed to the State of New York to complete their pilot program to provide wireless equipment and services capable of supporting Food Stamp Electronic Benefit Transfer transactions in farmers' markets authorized by the Department and operating in the State.

CHILD NUTRITION PROGRAMS

	Direct appropriation	*Transfer from section 32*	*Total program level*
2003 appropriation	$5,834,480,000	$4,745,663,000	$10,580,143,000
2004 budget estimate	6,819,340,000	4,599,101,000	11,418,441,000
Provided in the bill	6,718,780,000	4,699,661,000	11,418,441,000
Comparison:			
2003 appropriation	+884,300,000	−46,002,000	+838,298,000
2004 budget estimate	−100,560,000	+100,560,000	- - -

COMMITTEE PROVISIONS

For the Child Nutrition Programs, the Committee provides a total of $11,418,441,000, an increase of $838,298,000 above the amount available for fiscal year 2003 and the same amount as included in the budget request. Of the total amount provided, $6,718,780,000 is by direct appropriation and $4,699,661,000 is by transfer from Section 32.

Child Nutrition Programs:	
School lunch program	$6,683,704,000
School breakfast program	1,797,923,000
Child and adult care food program	2,019,045,000
Summer food service program	308,653,000
Special milk program	15,270,000
State administrative expenses	140,240,000
Commodity procurement	421,936,000
School meals initiative	10,025,000
Food safety education	1,000,000
Coordinated review effort	5,235,000
Computer support	9,373,000
Program pay cost	37,000
Certification and data match assessment	6,000,000
Total	$11,418,441,000

The Committee recommendation includes $6,000,000 in one-time funding for an assessment of National School Lunch and School Breakfast program certification procedures, accuracy in the program, and the feasibility of data matching regarding eligibility. This amount is in addition to other Food and Nutrition Service program integrity funds provided. The Committee has been informed that this amount of funding is adequate for the stated purpose, and that no out-year or additional costs are anticipated.

The Committee notes that nutrition-related illnesses are at an all-time high, and the poor nutrition status of American youth presents a potential public health crisis. The Committee fully funds the request for nutrition education under the School Meals Initiative program in this account at $10,025,000. The Committee urges the Department to build upon the program to make it a more effective tool for encouraging healthy nutrition choices among schoolchildren. Should additional resources become available, the Committee would encourage the Department to increase grant funding to States to enable the appointment of a nutrition education specialist in each State. The specialist would coordinate and implement State-wide nutrition education programming; assess the nutrition education needs of the State; thoroughly disseminate all visual aids and materials provided currently through Team Nutrition; develop a State plan of operation and management for nutrition

education; plan, develop and conduct nutrition education programs and workshops for food service and education personnel; and coordinate and promote nutrition education and training activities in local school districts.

Authorization for the Child Nutrition Programs expires at the end of fiscal year 2003, and at the time of this Committee action, the House authorizing committee had not yet taken action on reauthorization. Therefore, the budget request and the Committee assume extension of current services into fiscal year 2004.

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

2003 appropriation	$4,696,000,000
2004 budget estimate	4,769,232,000
Provided in the bill	4,588,310,000
Comparison:	
2003 appropriation	−107,690,000
2004 budget estimate	−180,922,000

COMMITTEE PROVISIONS

For the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) the Committee provides an appropriation of $4,588,310,000, a decrease of $107,690,000 below the amount available in fiscal year 2003 and $180,922,000 below the budget request.

The Committee recommendation for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) is $4,588,310,000, which will provide the program with the resources to serve approximately 7.8 million women, infants and children, as estimated in the President's budget. 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 declined and participation in fiscal year 2003 is below the budgeted amount. Therefore, the recommended funding level, although significantly below the budget request, is sufficient to meet program needs and to allow for certain additional investments in the program, as requested by the President. The Committee recommendation assumes a carryout of $100,000,000 into fiscal year 2005.

The recommended funding level includes $20,000,000 for a breastfeeding peer counselor program, $25,000,000 for investments in management information systems, and $4,000,000 for pilot projects to combat obesity in children. The Committee provides $25,000,000 for the WIC contingency fund, as requested. The Committee notes that it provided $125,000,000 for the WIC contingency fund in the fiscal year 2003 appropriations act, to remain available until expended. The Committee has been informed that the Secretary does not anticipate use of these funds in fiscal year 2003; therefore, the Secretary will have a total contingency fund of $150,000,000 available for WIC food costs if necessary.

Authorization for the WIC program expires at the end of fiscal year 2003, and at the time of this Committee action, the House authorizing committee had not yet taken action on reauthorization.

Therefore, the budget request and the Committee assume extension of current services into fiscal year 2004.

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 infrastructure 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.—Although the Department has requested that the National Academy of Sciences, Institute of Medicine, review and comment on the WIC food packages and make recommendations to the Department, the Committee continues to be concerned that this review will further delay the publication of proposed rules to revise the regulations governing the WIC food packages. The Committee directs the Secretary to report to Congress on the status and progress of the 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 proposed rule prior to February 1, 2004.

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 the 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.

Interim Regulations on Infant Formula.—The Committee is concerned that the Department has published interim infant formula cost containment regulations without the benefit of public comment, failing to consider State agencies' experience with bidding and contracting and preventing States from negotiating the best contract for individual circumstances. The Committee directs the Department to partner with WIC State agency directors to review the interim regulations and propose regulatory changes to appropriately respond to States' concern assuring maximum participant benefits.

FOOD STAMP PROGRAM

2003 appropriation	$26,313,692,000
2004 budget estimate	27,745,981,000
Provided in the bill	27,745,981,000
Comparison:	
2003 appropriation	+1,432,289,000
2004 budget estimate	- - -

COMMITTEE PROVISIONS

For the Food Stamp Program, the Committee provides $27,745,981,000, an increase of $1,432,289,000 above the amount available in fiscal year 2003 and the same as the budget request. The total amount includes $2,000,000,000 for a contingency reserve in fiscal year 2004; $1,402,805,000 for nutrition assistance for Puerto Rico and American Samoa; and $140,000,000 for The Emergency Food Assistance Program (TEFAP).

COMMODITY ASSISTANCE PROGRAM

2003 appropriation	[1] $164,505,000
2004 budget estimate	166,072,000
Provided in the bill	166,072,000
Comparison:	
2003 appropriation	+1,567,000
2004 budget estimate	- - -

[1] Includes $1,074,000 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 $166,072,000 for the commodity assistance program, an increase of $1,567,000 above the amount available for fiscal year 2003 and the same as the budget request.

The recommended funding level for the Commodity Supplemental Food Program (CSFP) is $94,991,000. The Committee notes that approximately $11,400,000 is expected to be available to the CSFP as carryover from the current year into fiscal year 2004, making the total available for the program approximately $106,391,000.

The Committee has included $50,000,000 for administration of TEFAP, the same amount available in fiscal year 2003 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 $7,000 above the amount available for fiscal year 2003, 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 2004.

NUTRITION PROGRAMS ADMINISTRATION

2003 appropriation	$135,672,000
2004 budget estimate	144,849,000
Provided in the bill	140,512,000
Comparison:	
2003 appropriation	+4,840,000
2004 budget estimate	−4,337,000

COMMITTEE PROVISIONS

For Nutrition Programs Administration, the Committee has provided $140,512,000, an increase of $4,840,000 above the amount available for fiscal year 2003, and a decrease of $4,337,000 below the budget request.

The recommended level includes $7,500,000 for program integrity activities for the Food Stamp and Child Nutrition Programs.

The Committee recommendation includes the full amounts requested to increase nutrition education and promotion, to update the Healthy Eating Index, develop the *Year 2005 Dietary Guidelines for Americans*, to promote the *Food Guide Pyramid*, and to support the obesity prevention campaign.

TITLE V—FOREIGN ASSISTANCE AND RELATED PROGRAMS

FOREIGN AGRICULTURAL SERVICE

	Appropriation	*Transfer from loan accounts*	*Total, FAS*
2003 appropriation	$129,103,000	($4,229,000)	($133,332,000)
2004 budget estimate	140,798,000	(4,393,000)	(145,191,000)
Provided in the bill	133,924,000	(4,393,000)	(138,317,000)
Comparison:			
2003 appropriation	+4,821,000	+164	+4,985,000
2004 budget estimate	−6,874,000	- - -	−6,874,000

COMMITTEE PROVISIONS

For the Foreign Agricultural Service, the Committee provides an appropriation of $133,924,000 and transfers of $4,393,000, for a total salaries and expenses level of $138,317,000, an increase of $4,985,000 above the amount available for fiscal year 2003 and a decrease of $6,874,000 below the budget request.

The Committee recommendation includes: $2,000,000 for trade and biotechnology resources; $594,000 for increased ICASS costs; and $356,000 for increased overseas rent costs. The Committee does not concur with the President's budget request of $5,000,000 for the Montreal Protocol Fund.

Azores.—The Committee urges the Department to devote necessary resources to establish the Azores Collaborative Research and Education Group to assist the U.S. Government in meeting its treaty obligations to the government of Portugal.

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

PUBLIC LAW 480

PROGRAM AND GRANT ACCOUNTS

COMMITTEE PROVISIONS

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

	FY 2003 enacted	FY 2004 estimate	Committee provisions
Public Law 480 Program Account:			
Title I—Credit sales:			
Direct loans	($154,664,000)	($132,000,000)	($132,000,000)
Loan subsidies	115,416,000	103,887,000	103,887,000
Ocean freight differential	24,995,000	28,000,000	28,000,000
Title II—Commodities for disposition abroad:			
Program level	(1,192,200,000)	(1,185,000,000)	(1,192,000,000)
Appropriation	1,192,200,000	1,185,000,000	1,192,000,000
Salaries and expenses:			
FAS	1,026,000	1,066,000	1,066,000

	FY 2003 enacted	FY 2004 estimate	Committee provisions
FSA	1,019,000	2,975,000	2,975,000
Total	2,045,000	4,041,000	4,041,000

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

2003 appropriation	$4,032,000
2004 budget estimate	4,312,000
Provided in the bill	4,312,000
Comparison:	
2003 appropriation	+280,000
2004 budget estimate	- - -

COMMITTEE PROVISIONS

For administrative expenses of the Commodity Credit Corporation Export Loans Program Account, the Committee provides an appropriation of $4,312,000, an increase of $280,000 above the amount available for fiscal year 2003 and the same amount as the budget request.

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

2003 appropriation	- - -
2004 budget estimate	$50,000,000
Provided in the bill	56,874,000
Comparison:	
2003 appropriation	+56,874,000
2004 budget estimate	+6,874,000

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 $56,874,000, an increase of $6,874,000 above the 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 and device user fees*	*Total, FDA, S&E*
2003 appropriation	$1,373,714,000	$248,025,000	$1,621,739,000
2004 budget estimate	1,394,617,000	279,015,000	1,673,632,000
Provided in the bill	1,389,234,000	279,015,000	1,668,249,000
Comparison:			
2003 appropriation	+15,520,000	+30,990,000	+46,510,000
2004 budget estimate	−5,383,000	0	−5,383,000

COMMITTEE PROVISIONS

The Committee recommendation includes $1,668,249,000 for the salaries and expenses of the Food and Drug Administration. Of the total, $1,389,234,000 is provided in budget authority, and the Committee makes available $249,825,000 in prescription drug user fees and $29,190,000 in medical device user fees. The budget authority provided is $15,520,000 over the fiscal year 2003 level, and $5,383,000 under the budget request. Included in this funding level are increases of $8,000,000 for the generic drugs program, $20,500,000 for food safety and counter-terrorism activities, as requested, $4,000,000 for implementation of the Better Pharmaceuticals for Children Act, $3,000,000 for patient safety and adverse event reporting, $700,000 for review of over-the-counter drugs, and $4,000,000 for relocation expenses.

The Committee has also provided an increase of $8,934,000 over the budget authority amount in the President's budget request for the medical device program, for a total of $193,477,000 in budget authority and $209,285,000 including user fees. To maintain agency functions the Committee provides the requested amount for cost of living requirements.

The Committee fully supports the agency's efforts to streamline the generic drug application review function. The Committee recommendation includes $53,750,000 for the generic drugs program, a 20 percent increase over the current level. The $8,000,000 increase provided specifically for the generic drug program, as well as that program's share of the pay cost increase provided, will allow FDA to hire 28 additional reviewers and inspectors in order to review at least 85 percent of applications within 180 days of receipt, with the goal of decreasing average review time by at least one and a half months.

In a Subcommittee hearing this year, the FDA Commissioner noted studies that found that physicians are confused about the efficacy of generic drugs compared to brand name products and about cost differences between generics and name brand drugs. He suggested that an education campaign targeted at physicians and medical students would be something he would be interested in pursuing if additional funds were available. The Committee shares the Commissioner's interest in this matter, and therefore, requests FDA to submit a report to the Committee, in advance of the conference on the FY 2004 bill, on how such a campaign might be designed and what it would cost.

The Committee notes that the proposed budget for the Food and Drug Administration included a reduction to the base programs of $57,575,000 due to management and information technology efficiencies, as well as $35,972,000 in cost absorptions. Although the Committee is in favor of creating greater efficiency in programs, it is concerned about the effect of such reductions on program delivery. For example, the President's budget request includes a total of $14,332,000 in cuts to the medical devices program. That amount represents over seven percent of that program's current budget authority, although program performance has not been at an acceptable level.

The Committee recommendation includes adequate budget authority to meet the required level of funding for human prescription drug review activities, so that prescription drug user fee funds may continue to be collected and available to the agency. The Committee notes that its recommendation includes a transfer of the biologics therapeutic review function and funds, which total $32,872,000, into the human drugs program from the biologics program, as requested in the President's budget.

The recommended funding level includes $4,000,000 for relocation expenses related to the move of the Center for Drug Evaluation and Research offices to the consolidated White Oak campus instead of $6,000,000, as requested. It is expected that carryover funds available in the Prescription Drug User Fee Account can fund the remaining $2,000,000 needed, since this phase of the move involves the new drug review functions of the Center.

Within the animal drugs and feeds program, the recommendation does not include $5,000,000 in user fees for animal drug application review. 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 Committee recommendation for the animal drugs and feeds programs preserves funding for Bovine Spongiform Encephalopathy (BSE) prevention activities at $21,607,000.

The Committee recommendation includes an increase of $600,000 for the Office of Women's Health (OWH), to make total funding for OWH not less than $3,675,000. Of this increase, not less than $500,000 should be dedicated to supporting and implementing important women's health outreach activities, including the hormone replacement education initiative that was started in fiscal year 2003. It is critical that the Office of Women's Health have the resources to partner with medical professional and women's health groups, as well as other Federal agencies, to conduct a comprehen-

sive public awareness outreach campaign about the appropriate use of hormone therapy, including the treatment of menopausal symptoms.

The recommended funding level includes a $700,000 increase for over-the-counter (OTC) drug programs, instead of $1,000,000 as requested. The Committee agrees that OTC drugs play an increasingly important role in the healthcare system. The increase in funding should be used to hire and train five additional FTEs to improve the OTC drug review process, develop and work toward finalizing OTC drug monographs, and conduct consumer behavior research that would be used to identify and manage potential risks of OTC drugs. The increase in funding should also be used to facilitate the approval of new drug applications to switch drugs from prescription to nonprescription status. The Committee expects that FDA's first priority should be to finalize switch applications currently under review. Next, the increase should be used to improve on the long history of cooperation between the agency and switch applicants that has resulted in over 70 successful switches since 1974, and FDA should work with industry to proactively identify future candidates for switch applications.

Prescription Drug Monograph System.—The Committee requests a report from FDA regarding the feasibility and cost of a new monograph system for prescription drug products that have been marketed to a material extent or for a material time without a premarket approval, provided such products are without apparent safety or efficacy problems. Enforcement resources regarding pharmaceutical products should be dedicated to activities that are most likely to improve public health.

The Committee recommendation includes a total of $8,300,000 for the Unified Financial Management System. Any additional costs for this purpose, either direct or by transfer, are subject to approval by the Committee. The Committee continues to request quarterly updates on the progress of the system, its ability to meet agency needs, and updated cost estimates for implementation.

The Committee should be kept fully informed of consolidation efforts in the Department of Health and Human Services (DHHS) that affect the Food and Drug Administration. The current proposal to consolidate human resources functions has not been sufficiently explained or justified. Indeed, the Department has been unable to identify the costs to the FDA of the consolidation for fiscal years 2003 or 2004. The FDA should not pay any bills to the Department for the consolidation of human resources functions without Committee approval through the reprogramming process. The cost to FDA of the consolidation should not exceed what it currently costs to operate human resources functions within the FDA, and the level of service should be equal to that provided by the FDA human resource staff.

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 no less than the fiscal year 2003 level.

Alpha-1 Antitrypsin Deficiency.—The Committee notes the importance of expedited review for new therapies for the progressive degenerative lung disease Alpha-1. Currently this patient population

is dependent on a sole source therapy that is in critical short supply. The Committee encourages the Center for Biologics Evaluation and Research to allocate adequate resources to the Office of Blood Research and Review to promote the timely review of new products that have been submitted for licensure and requests a report on the progress that has been made by March 31, 2004.

Shrimp/Chloramphenicol.—The Committee has concerns regarding the adequacy of FDA efforts to address seafood safety issues, particularly chloramphenicol contamination in farm-raised shrimp imports. The Committee understands that FDA has increased its sampling rate of farm-raised shrimp imports fourfold, and encourages increased sampling over the current rate. The Committee also expects FDA to validate and employ the most current test methods for chloramphenicol, including development of testing capability for cold-storage inventories. The Committee directs the agency to report on its sampling frequency and violation rates for imported shrimp, and its efforts to ensure that any shrimp that test positive for chloramphenicol will not be subsequently consumed.

Food Freshness.—The Committee understands that FDA has asked the National Advisory Committee on Microbiological Criteria for Foods (NACMCF) to provide advice on the necessary scientific parameters for establishing safety-based use-by dates for refrigerated ready-to-eat foods to help reduce the incidence of foodborne listeriosis. The Committee directs FDA to provide the NACMCF report when it becomes available in 2004.

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 this effort.

Color Certification Fees.—The Committee understands that fees paid by the color certification industry have been used to pay rent on a much larger facility than is needed in fiscal year 2003, due to logistics of using a temporary space, and that the same situation is expected in the budget year. The Committee is concerned that this temporary rent increase will be the basis for an increase in assessed fees for the industry. The Committee expects FDA to calculate fees based on reasonable expenses, excluding the anomaly of increased rent in fiscal years 2003 and 2004. The Committee notes that augmentation of the FDA budget by the color certification fees is allowable only to offset reasonable expenses of running the color certification function, and that a separate accounting of the fees and expenses must be kept.

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 2003 level.

Plasma Therapeutics Lot Release.—It is the Committee's understanding that the Center for Biologics Evaluation and Research (CBER) is analyzing the lot release process in order to determine

what factors increase the review time and to set a performance goal for lot release. The Committee is encouraged that CBER is evaluating its performance, and suggests that reviewing and acting on 90 percent of lots of plasma therapeutics within thirty days of receipt is an acceptable level of performance. The agency is directed to report its final plasma therapeutics performance goal, and its performance related to that goal, to the Committee within 90 days of enactment.

Detroit District Office.—The Committee is pleased that FDA plans to relocate the Detroit District Office within the city center of Detroit, and that a long-term lease has been signed. The Committee supports the increase in personnel assigned to the Detroit District Office to meet needs in that area, and expects that the current level of 112 Full Time Equivalent employees will be maintained or exceeded in the budget year.

Standard of Identity for Yogurt.—The Committee supports the agency's plans to issue an Advanced Notice of Proposed Rulemaking (ANPR) in August 2003 to solicit comments on the petition regarding the standard of identity for yogurt. The Committee expects to receive notice when the ANPR is published, and to be briefed within 120 days of the close of the ANPR comment period on the comments received and on agency plans to issue a proposed rule on the yogurt standard of identity.

The Committee requires that the Commissioner of Food and Drugs work in consultation with the Director of the National Cancer Institute on a strategic plan to expedite the development of chemoprevention cancer drugs and report back to the Committee by March 31, 2004.

The Committee is aware that FDA has under review a petition to allow for the use of ultrafiltered milk as an ingredient in standardized dairy products such as cheese and that cheesemakers may seek similar treatment for imported Milk Protein Concentrate (MPC). The Committee is concerned about this petition, and directs FDA to provide it with regular quarterly reports on the status of its review of any petitions to use ultrafiltered milk, casein or MPC in dairy products that have standards of identity.

Seafood Safety.—The Committee is concerned that seafood Hazard Analysis and Critical Control Points (HACCP) requirements for imported seafood are not being met. FDA's HACCP guidelines contain recommendations regarding temperature and time requirements for certain seafood products. However, as agency inspectors cannot check the temperature of the seafood while it is in transit, compliance with this guideline cannot be ensured. Regarding seafood, FDA has the duty to identify preventive measures the processor and importer can apply to control microbiological hazards. The Committee requests a report from the FDA, including the following information: a description of the HACCP temperature requirements for imported seafood products and controls currently in place to test temperature in transit; identification of tests or technology to aid in determining compliance with the temperature requirements; a description of the frequency of inspection and the sampling performed, and if temperature of the product was taken upon arrival, before the product entered a chill facility. The report should also identify any planned or ongoing FDA research projects

on the effectiveness of new technologies to control hazards due to improper temperature. The report should be submitted to the Committee by January 1, 2004.

BUILDINGS AND FACILITIES

2003 appropriation	$7,948,000
2004 budget estimate	11,500,000
Provided in the bill	6,000,000
Comparison:	
2003 appropriation	−1,948,000
2004 budget estimate	−5,500,000

COMMITTEE PROVISIONS

For Buildings and Facilities of the Food and Drug Administration, the Committee provides an appropriation of $6,000,000, decrease of $1,948,000 below the amount available for fiscal year 2003 and a decrease of $5,500,000 below the budget request.

The funding in this account is directed toward repairs and improvements to existing facilities. The Committee recommendation does not include funding for construction at the Arkansas Regional Lab, as requested.

INDEPENDENT AGENCIES

COMMODITY FUTURES TRADING COMMISSION

2003 appropriation	$85,426,000
2004 budget estimate	88,435,000
Provided in the bill	88,435,000
Comparison:	
2003 appropriation	+3,009,000
2004 budget estimate	- - -

COMMITTEE PROVISIONS

For the Commodity Futures Trading Commission, the Committee provides an appropriation of $88,435,000, an increase of $3,009,000 above the amount available for fiscal year 2003 and the same as the budget request.

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

2003 limitation	($38,400,000)
2004 budget estimate	(40,900,000)
Provided in the bill	(40,900,000)
Comparison:	
2003 limitation	+2,500,000
2004 budget estimate	.....

COMMITTEE PROVISIONS

For a limitation on the expenses of the Farm Credit Administration, the Committee provides $40,900,000, an increase of $2,500,000 above the amount available for fiscal year 2003 and the same as the budget request.

TITLE VII—GENERAL PROVISIONS

The General Provisions contained in the accompanying bill for fiscal year 2004 are fundamentally the same as those included in last year's appropriations bill.

Section 710: 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 20 percent of total direct costs, except for grants available under the Small Business Innovation and Development Act. A limitation of 19 percent was established in the fiscal year 2000 appropriations act.

Section 720: Language is included to prohibit funds from being used to carry out the Initiative for Future Agriculture and Food Systems.

Section 721: 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 722: Language is included that provides that no funds may be used to close or relocate a state Rural Development office unless or until cost effectiveness and enhancement of program delivery have been determined.

Section 723: Language is included that provides $3,000,000 for a hunger fellowship program.

Section 724: 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 725: 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 726: 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 727: Language is included that provides that certain locations shall be considered as meeting the eligibility requirements of rural development programs.

Section 728: Language is included that provides that Natural Resources Conservation Service shall provide assistance to certain locations under the Watershed and Flood Prevention Operations program.

Section 729: 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 730: Language is included that permits the use of any unobligated salaries and expenses funds to reimburse the Office of General Counsel for representing agencies in the resolution of complaints by employees before the Equal Employment Opportunity Commission and other employment dispute agencies.

Section 731: Language is included that limits the dam rehabilitation program.

Section 732: Language is included that limits the rural strategic investment program.

Section 733: Language is included that limits the rural firefighters and emergency personnel grant program.

Section 734: Language is included that limits study of the Agricultural Research Service.

Section 735: Language is included regarding certain accounting procedures of the Agricultural Marketing Service and the Grain Inspection, Packers and Stockyards Administration.

Section 736: Language is included regarding costs associated with the distribution of commodities.

Section 737: Language is included that limits the wetlands reserve program.

Section 738: Language is included that limits the environmental quality incentives program.

Section 739: Language is included that permits certain outlease agreements.

Section 740: Language is included that limits the renewable energy program.

Section 741: Language is included that limits the broadband program.

Section 742: Language is included that limits the value-added market development grant program.

Section 743: Language is included regarding country of origin labeling for meat or meat products.

Section 744: Language is included that rescinds any unobligated balances in the Alternative Agricultural Research and Commercialization Revolving Fund.

Section 745: Language is included that limits the conservation security program.

Section 746: Language is included regarding the Emerson Leland fellowship program.

Section 747: Language is included that appropriates $5,000,000 for the Tree Assistance Program, and reduces the Rural Community Advancement Program by $5,000,000.

Section 748: Language is included regarding a reporting requirement on the provision of agricultural commodities to foreign countries.

Section 749: Language is included regarding prescription drug reimportation.

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 UNEXPENDED BALANCES

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 unexpended balances provided in the accompanying bill. Transfers of unexpended balances are assigned to the jurisdiction of the Committee on Appropriations by clause 1(b)(3) of rule X.

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

11. 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.

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

13. 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.

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

15. 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.

16. 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.

17. 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, as well as language that prohibits funds from being used to carry out research related to the production, processing or marketing of tobacco or tobacco products.

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 five-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, except for verification of claims.

19. *Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).*—Language is included to: earmark funds for a breastfeeding support initiative; earmark funds for a management information system initiative; establish a reserve should costs or participation exceed budget estimates; earmark funds for pilot projects to prevent childhood obesity; 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.

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 permits the Secretary to transfer discretionary funds made available by this Act, as well as other

available unobligated discretionary balances of the Department of Agriculture, to the Working Capital fund for the acquisition of plant and capital equipment, and provides that no funds appropriated to an agency shall be transferred to the Working Capital Fund without the approval of the agency administrator. The time of availability of funds has been extended until November 8, 2003, for unobligated balances that may be transferred in order to allow the Department the time it needs to close out its books for the fiscal year. Only after the books have been closed, will the Department be able to determine if unobligated balances exist to transfer to the Working Capital Fund.

Section 705: 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 availability 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: Office of the Secretary, $28,250,000 to remain available until expended for building security and terrorism prevention costs; 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, and up to $2,000,000 for costs associated with colocating regional offices; Grain Inspection, Packers and Stockyards Administration, packer concentration study; 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 708: 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 709: 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 710: 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 20 percent of total direct costs, except for grants available under the Small Business Innovation and Development Act.

Section 711: 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 712: 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; the Rural Housing Insurance Fund program account; and the Rural Economic Development Loans 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 unobligated 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 713: Provides that not more than 5 percent of the Class A stock of the Rural Telephone Bank may be retired in fiscal year 2003. 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 714: 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 715: Provides that none of the funds may be used to carry out certain provisions of meat and poultry inspection acts.

Section 716: 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 717: 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 718: 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 719: Language is included that requires certain reprogramming procedures of funds provided in Appropriations Acts.

Section 720: Language is included to prohibit funds from being used to carry out the Initiative for Future Agriculture and Food Systems.

Section 721: 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 722: Language is included that provides that no funds may be used to close or relocate a state Rural Development office unless or until cost effectiveness and enhancement of program delivery have been determined.

Section 723: Language is included that provides $3,000,000 for a hunger fellowship program.

Section 724: 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 725: 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 726: 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 727: Language is included that provides that certain locations shall be considered as meeting the eligibility requirements of rural development programs.

Section 728: Language is included that Natural Resources Conservation Service shall provide certain assistance to certain locations under the Watershed and Flood Prevention Operations program.

Section 729: 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 730: Language is included that permits the use of any unobligated salaries and expenses funds to reimburse the Office of General Counsel for representing agencies in the resolution of complaints by employees before the Equal Employment Opportunity Commission and other employment dispute agencies.

Section 731: Language is included that limits the dam rehabilitation program.

Section 732: Language is included that limits the rural strategic investment program.

Section 733: Language is included that limits the rural firefighters and emergency personnel grant program.

Section 734: Language is included that limits study of the Agricultural Research Service.

Section 735: Language is included regarding certain accounting procedures of the Agricultural Marketing Service and the Grain Inspection, Packers and Stockyards Administration.

Section 736: Language is included regarding costs associated with the distribution of commodities.

Section 737: Language is included that limits the wetlands reserve program.

Section 738: Language is included that limits the environmental quality incentives program.

Section 739: Language is included that permits certain outlease agreements.

Section 740: Language is included that limits the renewable energy program.

Section 741: Language is included that limits the broadband program.

Section 742: Language is included that limits the value-added market development grant program.

Section 743: Language is included regarding country of origin labeling for meat or meat products.

Section 744: Language is included that rescinds any unobligated balances in the Alternative Agricultural Research and Commercialization Revolving Fund.

Section 745: Language is included that limits the conservation security program.

Section 746: Language is included regarding the Emerson Leland fellowship program.

Section 747: Language is included that appropriates $5,000,000 for the Tree Assistance Program, and reduces the Rural Community Advancement Program by $5,000,000.

Section 748: Language is included regarding a reporting requirement on the provision of agricultural commodities to foreign countries.

Section 749: Language is included regarding prescription drug reimportation.

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 performance 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 italics, 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 [$26,499,000] *$26,998,000* to carry out this section.

* * * * * * *

SECTION 726 OF THE AGRICULTURE, RURAL, DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2003

(Division A of Public Law 108–7)

SEC. 726. In addition to amounts otherwise appropriated or made available by this Act, $3,000,000 is appropriated for the purpose of providing Bill Emerson and Mickey Leland Hunger Fellowships[, as authorized by section 4404 of Public Law 107–171 (2 U.S.C. 1161)] *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 Administrator 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
P.L. 105–336 William F. Goodling Child Nutrition Reauthorization of 1998			
Food and Nutrition Service:			
National School Lunch Program			
FY 2003	Indefinite	$5,861,488	$6,683,704
School Breakfast Program			
FY 2003	Indefinite	1,680,563	1,797,923
Summer Food Service Program			
FY 2003	Indefinite	288,212	308,653
Child & Adult Care Food Program			
FY 2003	Indefinite	1,925,111	2,019,045
Special Milk Program			
FY 2003	Indefinite	15,357	15,270
Commodity Procurement			
FY 2003	Indefinite	646,377	421,936
WIC Program			
FY 2003	Indefinite	4,696,000	4,588,310

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 $3,000,000 of funds derived from interest on the cushion of credit payments in fiscal year 2004 under the Rural Economic Development Loans Program Account, which is an annual technical adjustment contained in the budget estimates.

The bill proposes rescission of any unobligated balances in the Alternative Agricultural Research and Commercialization Revolving Fund. The Congressional Budget Office estimates that savings of $1,000,000 during fiscal year 2004 will result from enactment of this proposal.

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	$17,005	$17,686	$17,005	$17,663
Mandatory	55,143	39,142	55,143	39,142
Total	72,148	56,828	72,148	56,805

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]

Budget Authority	$77,493
Outlays:	
2004	48,596
2005	5,558
2006	978
2007	525
2008 and beyond	627

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	$22,257
Fiscal year 2004 outlays resulting therefrom	17,630

PROGRAM, PROJECT, AND ACTIVITY

During fiscal year 2004, 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 2004, 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 2004 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 2004 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

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLLCALL NO. 1

Date: June 25, 2003.

Measure: Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Bill, FY 2004.

Motion by: Mrs. Northup.

Description of motion: To prevent Food and Drug Administration funds from being used to take enforcement actions related to prescription drugs being imported by individuals, wholesalers, or pharmacists, unless those drugs are misbranded, adulterated or unapproved.

Results: Adopted 24 yeas to 22 nays.

Members Voting Yea	*Members Voting Nay*
Mr. Berry	Mr. Aderholt
Mr. Bishop	Mr. Bonilla
Mr. Boyd	Mr. Crenshaw
Mr. Clyburn	Mr. Culberson
Mr. Cramer	Mr. Doolittle
Ms. DeLauro	Mr. Frelinghuysen
Mr. Edwards	Mr. Hobson
Mrs. Emerson	Ms. Kaptur
Mr. Fattah	Mr. Knollenberg
Mr. Goode	Mr. Latham
Ms. Granger	Mr. Lewis
Mr. Hinchey	Mr. Nethercutt
Mr. Istook	Mr. Obey
Mr. Kennedy	Mr. Pastor
Ms. Kilpatrick	Mr. Price
Mr. Kingston	Mr. Regula
Mr. Kirk	Mr. Rogers
Mrs. Lowey	Mr. Rothman
Mr. Mollohan	Ms. Roybal-Allard
Mrs. Northup	Mr. Tiahrt
Mr. Olver	Mr. Walsh
Mr. Peterson	Mr. Young
Mr. Sabo	
Mr. Serrano	
Mr. Sherwood	
Mr. Simpson	
Mr. Sweeney	
Mr. Taylor	
Mr. Visclosky	
Mr. Vitter	
Mr. Wamp	
Dr. Weldon	
Mr. Wicker	
Mr. Wolf	

BUDGET AUTHORITY FOR 2003 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE I - AGRICULTURAL PROGRAMS					
Production, Processing, and Marketing					
Office of the Secretary	3,320	10,068	3,468	+148	-6,600
Executive Operations:					
Chief Economist	8,510	12,264	8,716	+206	-3,548
National Appeals Division	13,670	14,242	13,670	---	-572
Office of Budget and Program Analysis	7,270	7,980	7,749	+479	-231
Homeland Security staff	---	1,479	---	---	-1,479
Office of the Chief Information Officer	14,993	31,334	14,993	---	-16,341
Common computing environment	132,289	177,714	133,155	+866	-44,559
Office of the Chief Financial Officer	5,496	7,902	5,785	+289	-2,117
Working capital fund	11,922	---	---	-11,922	---
Total, Executive Operations	194,150	252,915	184,068	-10,082	-68,847
Office of the Assistant Secretary for Civil Rights	397	808	397	---	-411
Office of the Assistant Secretary for Administration	660	793	678	+18	-115
Agriculture buildings and facilities and rental payments	(186,879)	(199,332)	(156,891)	(-29,988)	(-42,441)
Payments to GSA	120,796	124,332	124,332	+3,536	---
Building operations and maintenance	32,327	41,000	32,559	+232	-8,441
Repairs, renovations, and construction	33,756	34,000	---	-33,756	-34,000
Hazardous materials management	15,583	15,713	15,713	+130	---
Departmental administration	37,629	45,128	38,592	+963	-6,536
Office of the Assistant Secretary for Congressional Relations	3,796	4,186	3,796	---	-390
Office of Communications	9,031	10,084	9,245	+214	-839
Office of the Inspector General	73,417	81,895	77,314	+3,897	-4,581
Office of the General Counsel	34,700	37,328	34,700	---	-2,628

BUDGET AUTHORITY FOR 2003 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
Office of the Under Secretary for Research, Education and Economics	584	792	597	+13	-195
Economic Research Service	68,674	76,657	71,402	+2,728	-5,255
National Agricultural Statistics Service	138,448	136,182	129,800	-8,648	-6,382
Census of Agriculture	(41,274)	(25,279)	(25,279)	(-15,995)	---
Agricultural Research Service:					
Salaries and expenses	1,035,130	987,303	1,014,000	-21,130	+26,697
Buildings and facilities	118,703	24,000	35,900	-82,803	+11,900
Supplemental appropriations (P.L. 108-11)	110,000	---	---	-110,000	---
Total, Agricultural Research Service	1,263,833	1,011,303	1,049,900	-213,933	+38,597
Cooperative State Research, Education, and Extension Service:					
Research and education activities	616,792	514,228	594,772	-22,020	+80,544
Native American Institutions Endowment Fund	(7,054)	(9,000)	(9,000)	(+1,946)	---
Extension activities	450,520	422,268	438,242	-12,278	+15,974
Integrated activities	46,439	62,865	62,942	+16,503	+77
Outreach for socially disadvantaged farmers	3,470	4,003	3,470	---	-533
Total, Cooperative State Research, Education, and Extension Service	1,117,221	1,003,364	1,099,426	-17,795	+96,062
Office of the Under Secretary for Marketing and Regulatory Programs	725	791	725	---	-66
Animal and Plant Health Inspection Service:					
Salaries and expenses	682,757	694,897	725,502	+42,745	+30,605
Buildings and facilities	9,924	4,996	4,996	-4,928	---
Total, Animal and Plant Health Inspection Service	692,681	699,893	730,498	+37,817	+30,605

BUDGET AUTHORITY FOR 2003 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
Agricultural Marketing Service:					
Marketing Services	75,210	75,071	75,953	+743	+882
Standardization user fees	(5,000)	(5,000)	(5,000)	---	---
(Limitation on administrative expenses, from fees collected)	(61,619)	(62,577)	(62,577)	(+958)	---
Funds for strengthening markets, income, and supply (transfer from section 32)	14,910	15,392	15,392	+482	---
Payments to states and possessions	1,338	1,347	1,347	+9	---
Total, Agricultural Marketing Service	91,458	91,810	92,692	+1,234	+882
Grain Inspection, Packers and Stockyards Administration:					
Salaries and expenses	39,690	41,688	39,690	---	-1,998
Limitation on inspection and weighing services	(42,463)	(42,463)	(42,463)	---	---
Office of the Under Secretary for Food Safety	599	792	599	---	-193
Food Safety and Inspection Service	754,821	797,149	785,261	+30,440	-11,888
Lab accreditation fees 1/	(1,000)	(1,000)	(1,000)	---	---
Total, Production, Processing, and Marketing	4,728,296	4,518,671	4,525,452	-202,844	+6,781
Farm Assistance Programs					
Office of the Under Secretary for Farm and Foreign Agricultural Services	618	916	636	+18	-280

BUDGET AUTHORITY FOR 2003 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
Farm Service Agency:					
Salaries and expenses	970,389	1,016,836	1,016,836	+46,447	---
(Transfer from export loans)	(829)	(985)	(985)	(+156)	---
(Transfer from P.L. 480)	(1,019)	(2,975)	(2,975)	(+1,956)	---
(Transfer from ACIF)	(277,361)	(290,136)	(290,136)	(+12,775)	---
Subtotal, transfers from program accounts	(279,209)	(294,096)	(294,096)	(+14,887)	---
Total, Salaries and expenses	(1,249,598)	(1,310,932)	(1,310,932)	(+61,334)	---
State mediation grants	3,974	4,000	3,974	---	-26
Dairy indemnity program	100	100	100	---	---
Subtotal, Farm Service Agency	974,463	1,020,936	1,020,910	+46,447	-26
Agricultural Credit Insurance Fund Program Account:					
Loan authorizations:					
Farm ownership loans:					
Direct	(130,000)	(140,149)	(133,143)	(+3,143)	(-7,006)
Guaranteed	(1,000,000)	(1,000,000)	(950,000)	(-50,000)	(-50,000)
Subtotal	(1,130,000)	(1,140,149)	(1,083,143)	(-46,857)	(-57,006)
Farm operating loans:					
Direct	(605,000)	(650,000)	(617,503)	(+12,503)	(-32,497)
Unsubsidized guaranteed	(1,700,000)	(1,400,000)	(1,330,000)	(-370,000)	(-70,000)
Subsidized guaranteed	(400,000)	(266,249)	(252,937)	(-147,063)	(-13,312)
Subtotal	(2,705,000)	(2,316,249)	(2,200,440)	(-504,560)	(-115,809)

BUDGET AUTHORITY FOR 2003 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
Indian tribe land acquisition loans.....	(2,000)	(2,000)	(2,000)	---	---
Boll weevil eradication loans.....	(100,000)	(60,000)	(100,000)	---	(+40,000)
Total, Loan authorizations.....	(3,937,000)	(3,518,398)	(3,385,583)	(-551,417)	(-132,815)
Loan subsidies:					
Farm ownership loans:					
Direct.....	14,995	30,945	29,398	+14,403	-1,547
Guaranteed.....	7,451	5,400	5,130	-2,321	-270
Subtotal.....	22,446	36,345	34,528	+12,082	-1,817
Farm operating loans:					
Direct.....	103,744	93,730	89,044	-14,700	-4,686
Unsubsidized guaranteed.....	53,540	46,620	44,289	-9,251	-2,331
Subsidized guaranteed.....	46,893	34,000	32,300	-14,593	-1,700
Subtotal.....	204,177	174,350	165,633	-38,544	-8,717
Indian tribe land acquisition.....	178	---	---	-178	---
Total, Loan subsidies.....	226,801	210,695	200,161	-26,640	-10,534
ACIF expenses:					
Salaries and expense (transfer to FSA)....	277,361	290,136	290,136	+12,775	---
Administrative expenses.....	7,948	8,000	8,000	+52	---
Total, ACIF expenses.....	285,309	298,136	298,136	+12,827	---
Total, Agricultural Credit Insurance Fund...	512,110	508,831	498,297	-13,813	-10,534
(Loan authorization).....	(3,937,000)	(3,518,398)	(3,385,583)	(-551,417)	(-132,815)

BUDGET AUTHORITY FOR 2003 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
Total, Farm Service Agency	1,486,573	1,529,767	1,519,207	+32,634	-10,560
Risk Management Agency	70,248	78,488	71,509	+1,261	-6,979
Total, Farm Assistance Programs	1,557,439	1,609,171	1,591,352	+33,913	-17,819
Corporations					
Federal Crop Insurance Corporation:					
Federal crop insurance corporation fund	2,886,000	3,368,000	3,368,000	+482,000	---
Commodity Credit Corporation Fund:					
Reimbursement for net realized losses	16,285,000	17,275,000	17,275,000	+990,000	---
Hazardous waste management (limitation on administrative expenses)	(5,000)	(5,000)	(5,000)	---	---
Total, Corporations	19,171,000	20,643,000	20,643,000	+1,472,000	---
Total, title I, Agricultural Programs	25,456,735	26,770,842	26,759,804	+1,303,069	-11,038
(By transfer)	(279,209)	(294,096)	(294,096)	(+14,887)	---
(Loan authorization)	(3,937,000)	(3,518,398)	(3,385,583)	(-551,417)	(-132,815)
(Limitation on administrative expenses)	(109,082)	(110,040)	(110,040)	(+958)	---
TITLE II - CONSERVATION PROGRAMS					
Office of the Under Secretary for Natural Resources and Environment	745	918	745	---	-173

BUDGET AUTHORITY FOR 2003 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
Natural Resources Conservation Service:					
Conservation operations	819,641	703,605	850,004	+30,363	+146,399
Watershed surveys and planning	11,124	5,000	11,124	---	+6,124
Watershed and flood prevention operations	109,285	40,000	90,000	-19,285	+50,000
Watershed rehabilitation program	29,805	10,000	40,000	+10,195	+30,000
Resource conservation and development	50,668	49,943	52,894	+2,226	+2,951
Farm bill technical assistance	---	432,160	---	---	-432,160
Total, Natural Resources Conservation Service	1,020,523	1,240,708	1,044,022	+23,499	-196,686
Total, title II, Conservation Programs	1,021,268	1,241,626	1,044,767	+23,499	-196,859
TITLE III - RURAL DEVELOPMENT PROGRAMS					
Office of the Under Secretary for Rural Development	636	913	636	---	-277
Rural Development:					
Rural community advancement program	901,837	477,864	706,006	-195,831	+228,142
Tree assistance (sec. 747)	---	---	-5,000	-5,000	-5,000
(Transfer out)	(-29,805)	---	---	(+29,805)	---
Total, Rural community advancement program	901,837	477,864	701,006	-200,831	+223,142
RD expenses:					
Salaries and expenses	144,789	147,520	146,495	+1,706	-1,025
(Transfer from RHIF)	(429,564)	(482,787)	(447,151)	(+17,587)	(-35,636)
(Transfer from RDLFP)	(4,163)	(4,850)	(4,283)	(+120)	(-567)
(Transfer from RETLP)	(37,587)	(41,562)	(38,166)	(+579)	(-3,396)
(Transfer from RTB)	(3,062)	(3,462)	(3,182)	(+120)	(-280)
Subtotal, Transfers from program accounts	(474,376)	(532,661)	(492,782)	(+18,406)	(-39,879)

BUDGET AUTHORITY FOR 2003 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
Total, RD expenses	(619,165)	(680,181)	(639,277)	(+20,112)	(-40,904)
Total, Rural Development	1,046,626	625,384	847,501	-199,125	+222,117
Rural Housing Service:					
Rural Housing Insurance Fund Program Account:					
Loan authorizations:					
Single family (sec. 502)	(1,037,868)	(1,366,462)	(1,366,462)	(+328,594)	---
Unsubsidized guaranteed	(2,845,318)	(2,725,172)	(2,725,172)	(-120,146)	---
Subtotal, Single family	(3,883,186)	(4,091,634)	(4,091,634)	(+208,448)	---
Housing repair (sec. 504)	(35,000)	(35,003)	(35,003)	(+3)	---
Rental housing (sec. 515)	(115,805)	(70,830)	(116,545)	(+740)	(+45,715)
Site loans (sec. 524)	(5,046)	(5,045)	(5,045)	(-1)	---
Multi-family housing guarantees (sec. 538)	(100,000)	(100,000)	(100,000)	---	---
Multi-family housing credit sales	(2,000)	(1,500)	(1,500)	(-500)	---
Single family housing credit sales	(10,000)	(10,000)	(10,000)	---	---
Self-help housing land develop. (sec. 523)	(5,011)	(5,000)	(5,000)	(-11)	---
Total, Loan authorizations	(4,156,048)	(4,319,012)	(4,364,727)	(+208,679)	(+45,715)
Loan subsidies:					
Single family (sec. 502)	201,035	126,018	126,018	-75,017	---
Unsubsidized guaranteed	32,388	39,903	39,903	+7,515	---
Subtotal, Single family	233,423	165,921	165,921	-67,502	---
Housing repair (sec. 504)	10,786	9,612	9,612	-1,174	---
Rental housing (sec. 515)	53,649	30,464	50,126	-3,523	+19,662

BUDGET AUTHORITY FOR 2003 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
Site loans (sec. 524)	55	---	---	-55	---
Multi-family housing guarantees (sec. 538)	4,471	5,950	5,950	+1,479	---
Multi-family housing credit sales	928	663	663	-265	---
Single family housing credit sales	---	---	---	---	---
Self-help housing land develop. (sec. 523)	220	154	154	-66	---
Total, Loan subsidies	303,532	212,764	232,426	-71,106	+19,662
RHIF administrative expenses (transfer to RD)	429,564	482,787	447,151	+17,587	-35,636
Rental assistance program:					
(Sec. 521)	715,419	734,100	725,100	+9,681	-9,000
(Sec. 502(c)(5)(D))	5,862	5,900	5,900	+38	---
Total, Rental assistance program	721,281	740,000	731,000	+9,719	-9,000
Total, Rural Housing Insurance Fund	1,454,377	1,435,551	1,410,577	-43,800	-24,974
(Loan authorization)	(4,156,048)	(4,319,012)	(4,364,727)	(+208,679)	(+45,715)
Mutual and self-help housing grants	34,772	34,000	34,772	---	+772
Rural housing assistance grants	42,222	41,500	42,222	---	+722
Farm labor program account	36,071	35,018	36,307	+236	+1,289
Subtotal, grants and payments	113,065	110,518	113,301	+236	+2,783
Total, Rural Housing Service	1,567,442	1,546,069	1,523,878	-43,564	-22,191
(Loan authorization)	(4,156,048)	(4,319,012)	(4,364,727)	(+208,679)	(+45,715)

BUDGET AUTHORITY FOR 2003 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
Rural Business-Cooperative Service:					
Rural Development Loan Fund Program Account:					
(Loan authorization)	(40,000)	(40,000)	(40,000)	---	---
Loan subsidy	19,179	17,308	17,308	-1,871	---
Administrative expenses (transfer to RD)	4,163	4,850	4,283	+120	-567
Total, Rural Development Loan Fund	23,342	22,158	21,591	-1,751	-567
Rural Economic Development Loans Program Account:					
(Loan authorization)	(14,967)	(15,002)	(16,120)	(+1,153)	(+1,118)
Direct subsidy	3,176	2,792	3,000	-176	+208
Rural cooperative development grants	8,941	11,000	13,000	+4,059	+2,000
Rural empowerment zones and enterprise communities grants	14,870	---	10,967	-3,903	+10,967
Renewable energy program	---	3,000	3,000	+3,000	---
Total, Rural Business-Cooperative Service	50,329	38,950	51,558	+1,229	+12,608
(Loan authorization)	(54,967)	(55,002)	(56,120)	(+1,153)	(+1,118)
Rural Utilities Service:					
Rural Electrification and Telecommunications Loans Program Account:					
Loan authorizations:					
Electric:					
Direct, 5%	(121,103)	(240,000)	(240,000)	(+118,897)	---
Direct, Municipal rate	(100,000)	(100,000)	(1,000,000)	(+900,000)	(+900,000)
Direct, FFB	(2,600,000)	(1,500,000)	(2,000,000)	(-600,000)	(+500,000)
Direct, Treasury rate	(1,150,000)	(700,000)	(750,000)	(-400,000)	(+50,000)
Guaranteed electric	(100,000)	(100,000)	(100,000)	---	---
Guaranteed underwriting	(1,000,000)	---	---	(-1,000,000)	---
Subtotal, Electric	(5,071,103)	(2,640,000)	(4,090,000)	(-981,103)	(+1,450,000)

BUDGET AUTHORITY FOR 2003 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
Telecommunications:					
Direct, 5%	(75,029)	(145,000)	(145,000)	(+69,971)	---
Direct, Treasury rate	(300,000)	(250,000)	(300,000)	---	(+50,000)
Direct, FFB	(120,000)	(100,000)	(120,000)	---	(+20,000)
Subtotal, Telecommunications	(495,029)	(495,000)	(565,000)	(+69,971)	(+70,000)
Total, Loan authorizations	(5,566,132)	(3,135,000)	(4,655,000)	(-911,132)	(+1,520,000)
Loan subsidies:					
Electric:					
Direct, 5%	6,870	---	---	-6,870	---
Direct, Municipal rate	4,004	---	---	-4,004	---
Guaranteed electric	79	60	60	-19	---
Subtotal, Electric	10,953	60	60	-10,893	---
Telecommunications:					
Direct, 5%	1,275	---	---	-1,275	---
Direct, Treasury rate	149	125	125	-24	---
Subtotal, Telecommunications	1,424	125	125	-1,299	---
Total, Loan subsidies	12,377	185	185	-12,192	---
RETLP administrative expenses (transfer to RD)	37,587	41,562	38,166	+579	-3,396
Total, Rural Electrification and Telecommunications Loans Program Account	49,964	41,747	38,351	-11,613	-3,396
(Loan authorization)	(5,566,132)	(3,135,000)	(4,655,000)	(-911,132)	(+1,520,000)

BUDGET AUTHORITY FOR 2003 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
Rural Telephone Bank Program Account:					
(Loan authorization)	(174,615)	---	---	(-174,615)	---
Direct loan subsidy	2,394	---	---	-2,394	---
RTB administrative expenses (transfer to RD)	3,062	3,462	3,182	+120	-280
Total, Rural Telephone Bank Program Account	5,456	3,462	3,182	-2,274	-280
High energy costs grants (by transfer)	(29,805)	---	---	(-29,805)	---
Distance learning, telemedicine and broadband program:					
Loan authorizations:					
Distance learning and telemedicine	(300,000)	(50,000)	(300,000)	---	(+250,000)
Broadband telecommunications	(80,000)	(336,000)	(336,000)	(+256,000)	---
Total, Loan authorizations	(380,000)	(386,000)	(636,000)	(+256,000)	(+250,000)
Loan subsidies:					
Distance learning and telemedicine:					
Grants	46,636	25,000	25,000	-21,636	---
Broadband telecommunications:					
Direct	---	9,116	9,116	+9,116	---
Grants	9,935	2,000	8,000	-1,935	+6,000
Total, Loan subsidies and grants	56,571	36,116	42,116	-14,455	+6,000
Total, Rural Utilities Service	111,991	81,325	83,649	-28,342	+2,324
(Loan authorization)	(6,120,747)	(3,521,000)	(5,291,000)	(-829,747)	(+1,770,000)

BUDGET AUTHORITY FOR 2003 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
Total, title III, Rural Economic and Community Development Programs	2,777,024	2,292,641	2,507,222	-269,802	+214,581
(By transfer)	(504,181)	(532,661)	(492,782)	(-11,399)	(-39,879)
(Loan authorization)	(10,331,762)	(7,895,014)	(9,711,847)	(-619,915)	(+1,816,833)
TITLE IV - DOMESTIC FOOD PROGRAMS					
Office of the Under Secretary for Food, Nutrition and Consumer Services	599	786	599	---	-187
Food and Nutrition Service:					
Child nutrition programs	5,830,506	6,819,340	6,718,780	+888,274	-100,560
Transfer from section 32	4,745,663	4,599,101	4,699,661	-46,002	+100,560
Discretionary spending	3,974	---	---	-3,974	---
Total, Child nutrition programs	10,580,143	11,418,441	11,418,441	+838,298	---
Special supplemental nutrition program for women, infants, and children (WIC)	4,696,000	4,769,232	4,588,310	-107,690	-180,922
Contingency fund	(125,000)	(25,000)	(150,000)	(+25,000)	(+125,000)
Food stamp program:					
Expenses	22,772,692	24,208,981	24,203,176	+1,430,484	-5,805
Reserve	2,000,000	2,000,000	2,000,000	---	---
Nutrition assistance for Puerto Rico and Samoa	1,401,000	1,397,000	1,402,805	+1,805	+5,805
The emergency food assistance program	140,000	140,000	140,000	---	---
Total, Food stamp program	26,313,692	27,745,981	27,745,981	+1,432,289	---
Commodity assistance program	163,431	166,072	166,072	+2,641	---
Food donations programs:					
Needy family program	1,074	---	---	-1,074	---
Nutrition programs administration	135,672	144,849	140,512	+4,840	-4,337

BUDGET AUTHORITY FOR 2003 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
Total, Food and Nutrition Service.....	41,890,012	44,244,575	44,059,316	+2,169,304	-185,259
Total, title IV, Domestic Food Programs.....	41,890,611	44,245,361	44,059,915	+2,169,304	-185,446
TITLE V - FOREIGN ASSISTANCE AND RELATED PROGRAMS					
Foreign Agricultural Service:					
Salaries and expenses, direct appropriation.....	129,103	140,798	133,924	+4,821	-6,874
(Transfer from export loans).....	(3,203)	(3,327)	(3,327)	(+124)	---
(Transfer from P.L. 480).....	(1,026)	(1,066)	(1,066)	(+40)	---
Total, Salaries and expenses program level.....	(133,332)	(145,191)	(138,317)	(+4,985)	(-6,874)
Public Law 480 Program and Grant Accounts:					
Program account:					
Loan authorization, direct.....	(154,664)	(132,000)	(132,000)	(-22,664)	---
Loan subsidies.....	115,416	103,887	103,887	-11,529	---
Ocean freight differential grants.....	24,995	28,000	28,000	+3,005	---
Title II - Commodities for disposition abroad:					
Program level.....	(1,192,200)	(1,185,000)	(1,192,000)	(-200)	(+7,000)
Appropriation.....	1,192,200	1,185,000	1,192,000	-200	+7,000
Supplemental appropriations (P.L. 108-11).....	369,000	---	---	-369,000	---
Salaries and expenses:					
Foreign Agricultural Service (transfer to FAS)	1,026	1,066	1,066	+40	---
Farm Service Agency (transfer to FSA).....	1,019	2,975	2,975	+1,956	---
Subtotal.....	2,045	4,041	4,041	+1,996	---

BUDGET AUTHORITY FOR 2003 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
Total, Public Law 480:					
Program level	(1,192,200)	(1,185,000)	(1,192,000)	(-200)	(+7,000)
Appropriation	1,703,656	1,320,928	1,327,928	-375,728	+7,000
CCC Export Loans Program Account (administrative expenses):					
Salaries and expenses (Export Loans):					
General Sales Manager (transfer to FAS)	3,203	3,327	3,327	+124	---
Farm Service Agency (transfer to FSA)	829	985	985	+156	---
Total, CCC Export Loans Program Account	4,032	4,312	4,312	+280	---
McGovern-Dole international food for education and child nutrition program grants	---	50,000	56,874	+56,874	+6,874
Total, title V, Foreign Assistance and Related Programs	1,836,791	1,516,038	1,523,038	-313,753	+7,000
(By transfer)	(4,229)	(4,393)	(4,393)	(+164)	---
TITLE VI - RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION					
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Food and Drug Administration					
Salaries and expenses, direct appropriation	1,373,714	1,394,617	1,389,234	+15,520	-5,383
Prescription drug user fee act	(222,900)	(249,825)	(249,825)	(+26,925)	---
Medical device user fee act	(25,125)	(29,190)	(29,190)	(+4,065)	---
Subtotal	(1,621,739)	(1,673,632)	(1,668,249)	(+46,510)	(-5,383)

BUDGET AUTHORITY FOR 2003 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
Mammography clinics user fee (outlay savings)	(16,112)	(16,576)	(16,576)	(+464)	---
Export and color certification	(6,378)	(6,649)	(6,649)	(+271)	---
Payments to GSA	(108,269)	(120,045)	(120,045)	(+11,776)	---
Buildings and facilities	7,948	11,500	6,000	-1,948	-5,500
Total, Food and Drug Administration	1,381,662	1,406,117	1,395,234	+13,572	-10,883
INDEPENDENT AGENCIES					
Commodity Futures Trading Commission	85,426	88,435	88,435	+3,009	---
Farm Credit Administration (limitation on administrative expenses)	(38,400)	(40,900)	(40,900)	(+2,500)	---
Total, title VI, Related Agencies and Food and Drug Administration	1,467,088	1,494,552	1,483,669	+16,581	-10,883
TITLE VII - GENERAL PROVISIONS					
Hunger fellowships	2,981	---	3,000	+19	+3,000
National Sheep Industry Improvement Center revolving fund	496	---	499	+3	+499
Child and adult care feeding program	21,857	---	---	-21,857	---
P.L. 480 Title II	248,375	---	---	-248,375	---
Tree assistance (sec. 747)	---	---	5,000	+5,000	+5,000
Total, title VII, General provisions	273,709	---	8,499	-265,210	+8,499

BUDGET AUTHORITY FOR 2003 AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2004
(Amounts in thousands)

	FY 2003 Enacted	FY 2004 Request	Bill	Bill vs. Enacted	Bill vs. Request
Grand total:					
New budget (obligational) authority.....	74,723,226	77,561,060	77,386,914	+2,663,688	-174,146
(By transfer).....	(787,619)	(831,150)	(791,271)	(+3,652)	(-39,879)
(Loan authorization).....	(14,423,426)	(11,545,412)	(13,229,430)	(-1,193,996)	(+1,684,018)
(Limitation on administrative expenses).....	(147,482)	(150,940)	(150,940)	(+3,458)	---

1/ In addition to appropriation.

ADDITIONAL VIEWS OF THE HONORABLE MARCY KAPTUR

At a time of recession, rising unemployment, currency fluctuations, and greater dependency on the federal government by the farm sector for economic survival, this bill fails to meet the needs of today's economy for a counter cyclical boost.

In part, this is the fault of the administration, which submitted a request that did not provide necessary support in many areas. In part, it is the fault of the Republican Congress, which adopted a budget resolution that did not recognize the vital role agriculture plays in our economy. The allocation for this bill that is below the Administration's request and below the 2003 level. As a result, the bill underinvests in rural America and in value-added production, crippling producers' effort to earn more from the marketplace and less from support payments in the mailbox. The bill fails to meet the needs of other Americans who depend on agencies in the bill for nutrition, food safety and other important services.

The bill provides $17.005 billion for discretionary programs. It is about 1 percent below the budget request and nearly 5 percent below the 2003 level of $17.877 billion, a most astonishing set of cutbacks in America's leading domestic industry that still maintains a trade surplus in global markets.

Among the programs that are under-funded or at risk of inadequate support are farm loans, rural development, domestic food programs, international food aid, research, the FDA, and a number of important mandatory programs, for which funding is blocked. Funding for many new initiatives established in the farm bill to lead American agriculture into the 21st century is once again, deferred.

In some other accounts, it is highly likely that additional funds may be needed by the time the bill goes to conference. With the limited funds available for this bill, those funds will be difficult—if not impossible—to find.

Funding for rural America

There is a crisis in rural America. It is a crisis born of concentrated enterprises in our competitive market. It is a crisis of diminishing U.S. exports. It is a crisis of ignoring investment in new value-added developments such as bioenergy production. The economic crisis in agriculture has resulted in social consequences of crime and social instability in what was once our nation's most cherished repository of American values—family, faith, community, stewardship, free-holding.

The New York Times ran a powerful article in December, entitled "Pastoral Poverty: the Seeds of Decline." The articles detailed the systematic decline of the social fabric across rural America. Some of the conditions noted in the article:

- The rate of serious crime in predominantly rural states such as Kansas and Oklahoma is 50 percent higher than in New York State;
- Bank robberies are most likely in towns of 10,000 and 25,000 people;
- People in rural areas make much less than their urban counterparts, and are much more likely to have only minimum wage jobs; and
- There were 300 times more seizures of methamphetamine labs in Iowa in 1999 than in New York and New Jersey combined, based on DEA figures.

The economic impacts of the social fraying are clear.

USDA's chief economist testified that in recent years nearly fifty percent of farm income has been derived from government payments.

Additionally, more farmers and ranchers must depend on off-farm income to supplement an economy that is not working for them. USDA's economists recently reported that more than half of all farm operators have off-farm income, and when other household members are added in, the off-farm income level jumps to 85 percent.

The stresses of rural life were also illustrated in a story last year about an Iowa program to provide mental health counseling to struggling farmers and their families. The program also runs camps for children in stress. It has already served more than 1500 farmers and their families and trained 300 persons in how to identify stress problems affecting farm families.

Yet essential funding for farm loan programs—which help farmers buy a farm or operate it—and for rural development programs—which help both individuals and communities with homeownership, water and sewer needs, telecommunications and other vital services—to maintain and improve life in rural communities is denied. This bill falls far short of the need.

Farm loans programs

Overall, the bill cuts farm loans by 5 percent below the request, providing $173 million less in loans.

And for three critical programs—farm ownership guaranteed loans, farm operating direct loans and farm operating subsidized guaranteed loans—the bill provides $454 million less in loans than in 2003, a 20 percent cut.

Rural development programs

Many important programs are cut.

The Business and Industry Guaranteed Loan Program gets $339 million less for loans than in 2003, a reduction of 38 percent and $47 million less for loans than the request, a reduction of 8 percent.

Single family guaranteed home loans are 4 percent below the 2003 level, with $120 million less to offer borrowers.

The bill eliminates funding for the rural Telephone Bank, which made $175 million of loans last year, averaging $4.6 million each, in 23 states.

Water and waste disposal grants are one of the core programs of the Rural Development area. The bill does provide more funding than the request but it is still $43 million less than 2003, and almost $250 million below the level that numerous Members of both parties requested.

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

Funding for all electric loan programs is nearly $1 billion below this year, about a 20 percent reduction, at a time when energy costs across America are rising and putting a throttle on robust economic growth.

Domestic and international food programs

During hearings this year, Democrats focused on the record demand for domestic food programs, such as WIC and food stamps. Noting enormous lines at soup kitchens and food pantries this winter, the ranking Member, in particular, stressed the need for full funding for the Temporary Emergency Food Assistance Program, which is a critical part of funding for our Nation's food banks.

Members also questioned the adequacy of funding in the budget request for international food aid. As Democrats had predicted last year, the 2003 funding level proved far too low to meet world wide demands, and Congress was forced to provide more than 150% of the budget request.

TRhe bill does not respond adequately to these concerns, particularly in view of our major foreign policy objectives in Iraq, Afghanistan and Africa.

Domestic food programs

The Temporary Emergency Food Assistance Program—a key source of funding for food banks—is $10 million below the new authorized level in the farm bill, despite record lines at soup kitchens this year and repeated expressions of concern by the President and Secretary about the need to support food banks at a time rising unemployment.

Funding for WIC is reduced below the request, and this cut may prove to be too deep. If funds need to be restored when the bill gets to conference, the tight funding level for this bill will leave almost no place to go to adequately meet the need.

The Commodity Supplemental Food Program is almost $20 million below this year, and $35 million below the level requested by more than 50 Members.

Neither the administration request nor the bill provides an increase for the Senior Farmers Market Nutrition Program, despite the fact that applications in recent years outpaced available funds.

International food aid

There is a slight increase over the request for the PL 480, Title II, humanitarian food program. But this is still more than $620 million less than this year's level.

If Congress is forced to add money to this account to meet urgent needs overseas, it is unclear how there will be room to do so in this bill.

The bill provides $57 million for the McGovern-Dole international food program. But, again, at least 35 members asked for $300 million, including several Republicans, and the level in the bill is far less than the $100 million funded in the farm bill for the current year.

For PL 480, Title I, funding is $23 million lower than in 2003.

Other key problems with the bill

There are shortfalls in funding in other areas of the bill, including the FDA, important conservation and rural development mandatory programs, food safety, research, farm bill programs and a number of other issues.

The Food and Drug Administration

The FDA receives $10.9 million less than requested.

The bill does not provide full funding for the generic drug program, the Best Pharmaceuticals for Children act, the over-the-counter drug program, and the patient safety and adverse event reporting initiative. The bill will also halt work on the Arkansas regional lab, and reduce funding for ongoing maintenance at FDA facilities by 25 percent.

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

At least 46 Members of both parties requested that the full amount for devices be provided. The bill provides an increase of $9 million over the request for the medical device program, but this is still short of the required level.

Some believe the required level of appropriations will never be reached and that the agreement will have to be rewritten. If that is true, some or all of the $9 million for medical devices might have been put to better use in this bill.

But from either perspective, the bill does not do what it should.

Limitations on mandatory programs

The bill includes 10 provisions cutting mandatory agriculture programs by $540 million—programs that provide funding for rural firefighters, dam rehabilitation, renewable energy, conservation, telecommunications and research.

Again, these were areas where many Members pleaded with the Committee to maintain levels established just last year in the Farm Bill.

These cuts will have a real impact on rural programs.

Small Watershed Rehabilitation.—the bill cuts this program by $95 million, more than twice the cut in the 2003 bill, despite a rapidly growing number of dams reaching the end of their useful lives. Two years ago, NRCS had identified 1450 dams in need of rehabili-

tation, at a cost of more than $500 million. While the bill does provide an increase of $20 million. While the bill does provide an increase of $20 million in discretionary funding, the cut in the mandatory funding makes it much harder to meet identified needs. Further, there is an $80 million backlog just to finish projects already underway, so funding on both the discretionary and mandatory sides is needed.

Rural firefighters.—The bill eliminates funding for this program, which would provide $10 million a year to train rural firefighters and medical personnel to respond to hazardous materials and bioagents.

Conservation security program.—the bill eliminates all funding for this program, despite the fact that this program will provide assistance to farmers to adopt conservation measures on working farms, unlike a number of other programs that take land out of production for conservation. Assistance for conservation on working farms has been sorely neglected in the past and this program represents an important attempt to remedy that problem.

Wetlands Reserve Program.—in a recent publication, USDA referred to this program as the "premier wetland restoration program." But the bill cuts new enrollment in this program by 20 percent in 2004. The program has a backlog of 736,909 acres. That is why the farm bill conferees increased allowable acreage, and this amendment will thwart that effort.

Environmental Quality Incentive Program.—the bill reduces this program by $25 million in 2004. This cut will mean there will be 1450 producers who won't be able to get EQIP funding in 2004. And, in addition, the backlog last year for the program was $1.5 billion, which caused many producers to give up on the program. Another limit will discourage those who still want to participate.

Rural strategic investment.—the bill cuts virtually all the funding available for this program, which is designed to encourage regional boards to develop plans for basic infrastructure and services and for public-private investments to promote the economic well-being of rural areas.

Renewable energy.—the bill zeroes out funding for this program, which would provide grants and loans to farmers and ranchers and rural small businesses to buy renewable energy systems and make energy efficiency improvements. At a time when sharp increases in electric prices and spikes in natural gas prices are expected—increases that could devastate small farmers, ranchers and businesses—this is very ill-advised.

Value-added grants.—the bill eliminates all funding for this new program, which would provide competitive grants to individuals who have developed innovative marketing plans for value-added agricultural products. This is area of great interest now and one which promises some of the most important economic gains to our agricultural community. Valuable product research has been done by USDA and others, but without viable marketing plans, there will be no benefit to our farmers. Forty Members urged the Committee to maintain this funding, as well as the renewable energy funding discussed above.

Broadband loans.—the bill eliminates all funding for this program, which would provide loans and grants to small rural commu-

nities to help them get high-quality data lines. This is particularly shortsighted, as the foundation of economic development in our society is, increasingly, technology. If our small rural areas are left behind, their ability to keep and attract residents and businesses will be very limited.

Initiative for Future Agriculture and Food Systems.—The bill cuts $120 million from this competitive grant program, which is designed to address critical research issues, such as genomics, food safety, food technology, and human nutrition; new and alternative uses and production of agricultural commodities and products; agricultural biotechnology; natural resource management, including precision agriculture; and farm efficiency and profitability, including the viability and competitiveness of small- and medium-sized dairy, livestock, crop, and other commodity operations.

Other shortcomings in the bill

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

Meatpacker audits.—The administration asked for $1 million for the Grain-Inspection, Packers and Stockyards Administration to audit the four largest steer and heifer meatpackers, for compliance with the Packers and Stockyards Act. This might sound like a routine request, but it is not. This would be the first time in the 82-year history of the Packers and Stockyards Act that the agency has audited a large packer. But the bill does not provide this funding.

Food safety and inspection.—The bill provides about $12 million less than requested for the Food Safety and Inspection Service. Under the budget request, these funds would not have gone directly into inspection activities, but given the large number of recalls in 2002 and ongoing concerns about the agency's performance, the $12 million should have been provided for increased inspection and sampling.

Commodity Futures Trading Commission.—Although the bill funds the request for CFTC, there are indications that substantially more funding might be need in 2004. If that proves to be the case, it is unclear how this need would be accommodated within the limited funding in this bill.

Farm bill programs

The farm bill created a host of new programs. Some were funded on the mandatory side, but many others were discretionary programs, for which funds were authorized to be appropriated. In last year's report, the Committee estimated that there were 110 such programs, as well as requirements for 58 reports, studies and commissions. Numerous Members asked for funding for new programs and asked to fund existing programs at new, higher authorization levels, but most of these requests were not funded in this bill.

Research

For the Agricultural Research Service, the bill provides only half of the funding requested for upgrading security at ARS labs; and while funding for research programs is over the request, it is still $21 million short of this year's level.

Similarly, in the Cooperative Research Education and Extension Service, overall funding is over the request but $22 million lower than this year's level. As a result, many important research institutions and activities, including the 1890 and 1994 institutions, are shortchanged. In addition, at least 95 Members of both parties asked for a five percent increase in formula funds, but the bill does not provide this. Many members also asked for $200 million for the National Research Initiative, but the bill provides only $149 million, less than the request and the current year funding level.

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

Conclusion

The shortcomings of the bill are largely a result of the allocation assigned to the Subcommittee. There seems to be little chance that the allocation will be increased, and therefore, little opportunity to remedy cuts or shortfalls in key programs.

Budgets reveal priorities. And this year, we are seeing that the Republican Party in Congress is willing to put huge tax breaks for the most well-off in our society ahead of almost every other economic and social value.

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