

Appropriations Committee Releases the Fiscal Year 2017 Agriculture Appropriations Bill

*Legislation supports federal programs for rural communities, farmers, and ranchers,
maintains food and drug safety, provides food security for those in need*

Washington, Apr 12 -

The House Appropriations Committee today released the fiscal year 2017 Agriculture Appropriations bill, which will be considered in subcommittee tomorrow. The proposed legislation funds important agricultural and food programs and services, including food and medical product safety, animal and plant health programs, rural development and farm services, marketplace oversight, and nutrition programs.

The bill totals \$21.3 billion in discretionary funding, which is \$451 million lower than the fiscal year 2016 enacted level and \$281 million below the President's budget request. The legislation prioritizes programs to provide the most benefit to the American people and the U.S. economy, while reducing funding for inefficient, wasteful, or lower-priority programs and agencies. In addition, the bill contains several policy provisions to rein in unnecessary and burdensome regulations that harm U.S. food producers and that impede growth in important U.S. industries.

"America has the safest and most plentiful food supply, and the most cutting-edge pharmaceutical industry in the world, but that doesn't happen by accident. Our farmers, ranchers, and food and drug producers are the backbone of a healthy nation. This bill recognizes their importance by investing in programs to support these critical industries, and by reining in unnecessary regulations that slow economic growth, hold back production, and dampen innovation," House Appropriations Chairman Hal Rogers said.

"There is not a single person in the United States whose life is not touched by agriculture," said Agriculture Subcommittee Chairman Robert Aderholt. "This bill ensures that agriculture continues to be impactful from the field, to the family dinner table, to the sprouting of new business and opportunities across our nation."

Bill Highlights:

The legislation focuses investments in programs that bolster U.S. agriculture, support rural communities, maintain and promote food and drug safety, and provide nutrition for those in need.

In total, the bill allows for \$147.7 billion in both discretionary and mandatory funding – \$2.3 billion below the President’s request and \$7.2 billion above the fiscal year 2016 enacted level. Discretionary funding alone provided by the bill is \$21.3 billion, \$451 million below the fiscal year 2016 enacted level.

Agricultural Research – The bill provides \$2.85 billion for agriculture research programs, including the Agricultural Research Service and the National Institute of Food and Agriculture. This funding will support research to help mitigate and stop devastating crop diseases, improve food safety and water quality, increase production, and combat antimicrobial resistance. This funding also includes important research investments in U.S. land-grant colleges and universities. Included in this level is a \$25 million increase for USDA’s premier competitive research program – the Agriculture and Food Research Initiative.

Animal and Plant Health – The legislation includes \$934 million – \$29.6 million above the President’s budget request and \$36.4 million above the fiscal year 2016 enacted level – for the Animal and Plant Health Inspection Service. This funding will support programs to help control or eradicate plant and animal pests and diseases that can be crippling to U.S. producers. The increase will help address harmful outbreaks of citrus greening and highly pathogenic avian influenza, as well as funds to support the Zoonotic Disease Management Program for antimicrobial resistance activities.

Conservation Programs – The bill provides \$868 million to help farmers, ranchers, and private forest landowners conserve and protect their land. This includes \$12 million for infrastructure rehabilitation to help small communities meet current safety standards for watershed projects.

Farm Service Agency (FSA) – The legislation provides \$1.51 billion for FSA, which is the same as the fiscal year 2016 level. This funding will continue support for various farm, conservation, and emergency loan programs, and will help American farmers and ranchers with the implementation of the farm bill.

Rural Development – The bill provides a total of \$2.88 billion for rural development programs, which is \$113 million above the fiscal year 2016 enacted level. These programs help create an environment for economic growth by supporting basic rural infrastructure, providing loans to increase opportunities for rural businesses and industries, and helping balance the playing field in local rural housing markets.

- **Business and Industry Loans** – The legislation includes a loan level of \$920 million – the same as the fiscal year 2016 enacted level – for the rural business and industry loan program. This funding will help small businesses in rural areas, many of which face unique challenges due to local economic conditions.

- **Rural Infrastructure** – The legislation includes responsible investments in infrastructure to help rural areas of the country access basic utilities. This includes \$1.25 billion – the same as the fiscal year 2016 enacted level – for rural water and waste program loans, and \$533 million for grants and related costs, an increase of \$11 million above current levels and \$71.6 million above the request. In addition, \$6.94 billion is provided for rural electric and telephone infrastructure loans, the same level as fiscal year 2016.
- **Rural Housing Loans and Rental Assistance** – The bill provides a total of \$24 billion in loan authority for the Single Family Housing guaranteed loan program, which is equal to the fiscal year 2016 enacted level and the President’s request. In addition, the bill includes \$1 billion in direct loans – an increase of \$100 million from the fiscal year 2016 enacted level and the President’s request – to meet increased demand. These loans provide low-income rural families – many of whom would have few loan options for purchasing a home because of their geographical location – with home loan assistance. In addition, \$1.4 billion, an increase of \$15 million above current levels, is provided for rental assistance for affordable rental housing for low-income families and the elderly in rural communities.

Food Safety and Inspection Service – The legislation includes \$1 billion for food safety and inspection programs – an increase of \$15.5 million above the 2016 enacted level. These mandatory inspection activities help ensure the safety and productivity of the country’s \$185 billion meat and poultry industry, and keep safe, healthy food on American tables. The funding provided will maintain more than 8,000 frontline inspection personnel for meat, poultry, and egg products at approximately 6,400 facilities across the country.

Food and Drug Administration (FDA) – The FDA receives a total of \$2.7 billion in discretionary funding in the bill, an increase of \$33 million over the fiscal year 2016 enacted level. Total funding for the FDA, including revenue from user fees, is \$4.78 billion – \$97.4 million above fiscal year 2016. Within this total, food safety activities are increased by \$33.2 million, and medical product safety activities are increased by \$9.4 million.

The bill provides \$10 million in funding through the FDA to combat Zika and Ebola outbreaks by helping to fund ongoing response activities, and to expedite the development and availability of medical products to fight the viruses.

The bill also includes a policy provision delaying the implementation of a new menu labeling regulation by a year to give restaurants, local supermarkets, grocery stores, and similar retail establishments adequate time to comply with the law.

Commodity Futures Trading Commission (CFTC) – Included in the bill is \$250 million for the CFTC, the same as the 2016 enacted level and \$80 million below the President’s budget request. The agreement includes language allowing the CFTC to sublease its excess space to achieve savings identified by the Government Accountability Office and Inspector General.

International Programs – The legislation contains \$1.9 billion for overseas food aid and to promote U.S. agricultural exports. This includes \$1.5 billion – a \$116 million increase above the President’s request – for “Food for Peace” grants, and \$202 million for the McGovern-Dole International Food for Education and Child Nutrition program. These programs seek to reduce chronic hunger and increase food security by providing American-grown food, transported by U.S. ships, to foreign countries in need of aid. The bill also includes language ensuring the U.S. Agency for International Development provides the assistance required by the Food for Peace Act.

Food and Nutrition Programs – The legislation contains discretionary funding, as well as mandatory funding required by law, for food and nutrition programs within the Department of Agriculture. This includes funding for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), the Supplemental Nutrition Assistance Program (SNAP), and child nutrition programs.

- **Women, Infants, and Children (WIC)** – The bill provides \$6.35 billion in discretionary funding for WIC, which is the same as the fiscal year 2016 enacted level and the President’s request. Because of robust prior-year funding and declining enrollments in the program, WIC has record levels of carryover balances left over from previous years. Therefore, to make the best use of taxpayer dollars, the bill rescinds \$100 million in these unobligated balances, which will have no impact on participation in the program.
- **Child nutrition programs** – The bill provides for \$23.2 billion in required mandatory funding – which is outside the discretionary funding jurisdiction of the Appropriations Committee – for child nutrition programs. This is \$1 billion above the fiscal year 2016 enacted level. This funding will provide free or reduced-price school lunches and snacks for 32 million children who qualify for the program. The bill provides more than \$628 million for the Summer Food Service Program to ensure low-income children continue to receive nutritious meals when school is not in session. In addition, the bill continues funding for a pilot program that provides additional funds through SNAP or WIC electronic benefit transfer (EBT) cards to ensure children in underserved communities receive food during the summer months. The bill continues existing provisions that allow schools demonstrating a financial hardship to

seek an exemption from the whole grain nutrition standards, and prevents the implementation of further sodium reduction standards until the latest scientific research establishes the reduction is beneficial for children.

- **Supplemental Nutrition Assistance Program (SNAP)** – The bill provides for \$79.7 billion in required mandatory spending – which is outside the discretionary funding jurisdiction of the Appropriations Committee – for SNAP. This is \$1.2 billion below last year’s level and \$2.02 billion below the President’s budget request, reflecting declining enrollment. The total includes \$3 billion for the SNAP reserve fund, \$2 billion below the President’s request, which is used to cover any unexpected participation increases.

In addition, the bill includes a provision preventing fraudulent SNAP participation in multiple states by requiring households to report when they move out of the state in which they are certified to receive SNAP benefits. Provisions are also included to increase congressional oversight of administrative activities and expenses, such as nutrition research and evaluations.

The bill also provides \$19 million in discretionary funding to purchase commodities for the emergency food assistance program (TEFAP). This will maintain level funding for the program.

For the complete text of the Subcommittee Draft of the FY 2017 Agriculture Appropriations bill, please visit: <http://appropriations.house.gov/uploadedfiles/bills-114hr-sc-ap-fy2017-agriculture-subcommitteedraft.pdf>