

[FULL COMMITTEE PRINT]

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HOUSE OF REPRESENTATIVES !

REPORT
112-

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG
ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL, 2012

—, 2011.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

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

R E P O R T

[To accompany H.R.]

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 2012.

INTRODUCTION

OVERVIEW

Our country has reached a critical crossroads in terms of federal spending. On May 16th, spending soared past the \$14.1 trillion statutory debt ceiling. For every dollar that the Federal Government spends, 42 cents must be borrowed. Unbelievably, it has operated on deficit spending for 31 consecutive months.

The discretionary spending in this bill totals \$17,250,000,000, which is a decrease of \$2,669,000,000 below the amount included in the fiscal year 2011 Continuing Resolution and a decrease of \$5,039,000,000 below the budget request. Overall, the bill results in a 13.4 percent reduction in spending from fiscal year 2011. With this reduction, spending will be reduced below fiscal year 2008 levels.

In 2008, the nation's debt was \$9 trillion, which seemed unmanageable at the time. Today, the debt is more than \$5 trillion higher. Clearly, America is on an unsustainable spending path. With this bill, the Agriculture Appropriations Subcommittee is doing its

part to reverse this destructive spending pattern and restore the fiscal health of our nation.

While the bill reduces funding for the agencies and programs under its jurisdiction, it provides sufficient funding for them to focus on their core missions. USDA, FDA, and CFTC will be able to continue their critical missions of ensuring food and drug safety, supporting American agriculture and rural communities across the Nation, ensuring that agricultural research is science-based and focused on keeping American agriculture competitive, helping the most needy in our domestic feeding programs, working with private land owners to implement critical conservation practices, and maintaining the international food programs that have shown results.

The proposed cuts contained in the bill are not a reflection of those civil servants at USDA, FDA, and CFTC who are dedicated to carrying out their work on behalf of the American people. This bill allows them to continue their statutory responsibilities, while keeping spending on a sustainable and stable path.

The Committee is concerned about a number of unfunded mandates, overly burdensome rulemakings and various initiatives that USDA, FDA, and CFTC are leading or participating in, including unfunded mandates in the child nutrition programs that could cost states nearly \$7 billion; Know Your Farmer-Know Your Food; cultural transformation; rulemaking on television advertising; rulemaking related to the Packers and Stockyards Act; and the lack of cost-benefit analysis on various CFTC proposed rules, among others.

The bill and report include provisions related to these mandates, which harm small businesses, rural communities, and stifle economic growth. The Committee urges USDA, FDA, and CFTC, in this tough budget environment, to keep their priorities in line with their core responsibilities and jurisdictions.

While the fiscal challenges are evident, this bill demonstrates a fair balance between tough spending decisions and support for core Federal responsibilities.

OVERSIGHT AND HEARINGS

Consistent with the Committee on Appropriations Oversight Plan, as approved and transmitted to the Committee on Oversight and Government Reform and the Committee on House Administration on February 8, 2011, the Subcommittee began the fiscal year 2012 process by keeping the Committee's strong commitment to strident and comprehensive oversight of Federal discretionary spending under the Subcommittee's jurisdiction. In order to thoroughly review the President's budget request for fiscal year 2012 and examine how funds appropriated in previous years had been spent and managed, the Subcommittee held 11 hearings for the mission areas, agencies and programs of USDA, FDA, and CFTC. The hearings included:

- Secretary of Agriculture—March 1, 2011
- USDA Inspector General—March 2, 2011
- USDA Marketing and Regulatory Programs—March 10, 2011
- Food and Drug Administration—March 11, 2011
- USDA Food Safety—March 15, 2011
- USDA Research, Education, and Economics—March 16, 2011

Commodity Futures Trading Commission—March 17, 2011
USDA Farm and Foreign Agricultural Services—March 30, 2011
USDA Rural Development—March 31, 2011
USDA Food, Nutrition and Consumer Services—April 1, 2011
USDA Natural Resources and Environment—April 5, 2011

Several significant topics were covered at the hearings. The Subcommittee engaged the Secretary of Agriculture, Tom Vilsack, in a discussion on the future of farming and ranching in America and how to address the unique needs of Americans who live in rural areas. The Subcommittee reviewed USDA's management of the \$98 billion in annual funding for its domestic feeding programs, including the Supplemental Nutrition Assistance Program, the School Lunch Program and other emergency food programs, and expressed particular interest in error rates and whether sufficient controls exist to minimize fraud. The Subcommittee fully explored the Grain Inspection, Packers and Stockyards Administration's proposed rule regarding the marketing of livestock and was disappointed to learn that the agency had decided not to release USDA's economic analysis of the rule for public comment. The Subcommittee discussed the Federal food safety inspection system, particularly coordination between USDA and FDA, and implementation of the Food Safety Modernization Act of 2010. The Subcommittee reviewed Federal agricultural research agencies and programs. It discussed how investment in research programs today yields results in 10 to 15 years and considered how to balance competitively awarded research grants with support for the land-grant and other agricultural colleges and universities through formula funds. The Subcommittee received testimony on implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act and its effect on commodity markets. It considered the information technology needs of the Farm Service Agency and other USDA agencies. It challenged the administration's plans to eliminate funding for certain rural housing programs and considered the successes and challenges for conservation on private farm and ranch lands.

The Subcommittee will continuously monitor the issues identified and discussed at the hearings, as well as others relevant to the management of USDA, FDA, and CFTC, and will maintain its oversight efforts throughout the 112th Congress to ensure taxpayer dollars are being invested wisely and prudently on behalf of the American people.

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

2011 appropriation	\$5,051,000
2012 budget estimate	5,883,000
Provided in the bill	4,293,000
Comparison:	
2011 appropriation	– 758,000
2012 budget estimate	– 1,590,000

COMMITTEE PROVISIONS

For the Office of the Secretary, the Committee provides an appropriation of \$4,293,000.

Spending Plans.—Within 30 days from the enactment of this Act, the Secretary shall notify the Committees on Appropriations of both Houses of Congress, on the allocation of the funds provided herein by account, and within each account by program, project and activity.

Design-Build.—The Committee encourages the Department to use the design-build method of project delivery when appropriate.

CCC Report.—The Committee directs the Secretary to provide a report on November 15, 2011, and May 15, 2012, on planned uses of funding under the authorities of Section 4 and Section 11 of the Commodity Credit Corporation Act.

GPS Interference.—The Committee recognizes that the use of the Global Positioning System (GPS) is critical to USDA's mission, including natural resource monitoring, forest firefighting, law enforcement, and research. In addition, precision agriculture would not be possible without GPS. It is estimated that U.S. farmers and ranchers have invested more than \$3 billion in GPS technologies. The Committee is aware of a decision by the Federal Communications Commission that may disrupt the use of GPS, causing significant problems for USDA and our Nation's farmers and ranchers. The Committee directs USDA to ensure the FCC is aware of these concerns and to work with other Federal agencies, such as the Department of Defense and the Department of Transportation, to address them.

Report on Critical USDA Activities.—The Committee has funded critical research projects, conservation activities and pest and disease functions in the past. Some examples include water use reduction research, fresh produce food safety research, dairy education and extension, conservation fuels management and restoration, and Asian long-horned beetle control. The Committee directs the Department to report on how it is addressing the needs identified by

these and other similar activities. The report should be submitted to the Committee by December 1, 2011.

Know Your Farmer.—The Committee directs the Department to provide an electronic notification to the Committee at least 72 hours prior to any travel in support of the “Know Your Farmer-Know Your Food” initiative, and such notification shall include the agenda for the entire trip along with the cost to U.S. taxpayers. Additionally, the Committee directs the Department to post Media Advisories of all such trips on its website, and that such advisories include the same information.

Cultural Transformation.—USDA is carrying out initiatives such as cultural transformation without a budget request or a specific appropriation for this activity. One of the concerns is the way in which this initiative is spending scarce Federal resources. According to USDA documents, the Department spent \$50,000 to train 900 senior leaders on cultural transformation. This appears to be a legitimate expense; however, USDA spent nearly \$500,000 on personnel and travel to send 43 employees to one of the most expensive business schools on the East Coast for a week of training. This does not appear to be a wise expenditure of Federal dollars. Furthermore, the Committee does not believe that holding cultural transformation activities on the National Mall is a wise expenditure of funds either. Lastly, the Department has not defined what cultural transformation is, what requirement is attempting to be met, what the goals are, and what measurements are being used in order to determine its effectiveness.

Explanatory Notes.—The Committee appreciates the detailed information provided in the Explanatory Notes and relies on this information when considering budget proposals. For fiscal year 2013 and future years, the Department is directed to present them in a format consistent with the presentation used for the fiscal year 2012 budget with two exceptions. The Committee directs the Department to compare any proposed increase or decrease to the funding provided in fiscal years 2008 and 2012 for the related program or activity. The Committee further directs the Department to include an errata sheet in the Explanatory Notes of any proposed budget authority levels that do not conform to the budget appendix. The Explanatory Notes should be assembled with the accounts in the same order as the accounts in the bill. Any additional deviations from that format must be approved in advance by the Committee.

Late reports.—Reports requested by the House and Senate Appropriations Committees are an important part of the exercise of the Committees’ oversight responsibilities. The Committee is concerned about the Department’s delinquency in completing these reports. The Committee is also concerned that the delay is due to excessively long reviews, especially in the Office of the Secretary. The reports are due on the dates specified in either the House, Senate or conference report. Each agency of the Department is directed to comply with the deadlines and to cooperate fully with the Office of Budget and Program Analysis in providing these reports. The Committee reserves the right to call before it any agency that does not submit its report or reports on time.

State Office Collocation.—The Committee continues to direct that any reallocation of resources related to the collocation of state offices scheduled for 2011 and subsequent years is subject to the Committee's reprogramming procedures.

Administrative Provision.—The Committee directs the Secretary to advise the Committees on Appropriations, through the Office of Budget and Program Analysis, of the status of all reports requested of the Department in this bill at the time of submission of the fiscal year 2013 budget and monthly thereafter.

The Committee further directs that the dates established for the receipt of reports requested by the Committee in this report are firm, and that submission of reports is not to be delayed pending completion of the conference on this bill.

The Committee reminds the Secretary that all correspondence related to the directives in this bill must be addressed to the Committee on Appropriations.

Loan and Grant Programs.—The Committee directs the Department, through the Office of Budget and Program Analysis, to provide quarterly reports to the Committees on Appropriations of the House of Representatives and the Senate on the status of obligations and funds availability for the loan and grant programs provided in this bill.

The Committee further directs that if an estimate of loan activity for any program funded in Titles I and III of this bill indicates that a limitation on authority to make commitments for a fiscal year will be reached before the end of that fiscal year, or in any event whenever 75 per centum of the authority to make commitments has been utilized, the Secretary shall promptly notify the Committees in writing, through the Office of Budget and Program Analysis.

OFFICE OF TRIBAL RELATIONS

2011 appropriation	\$498,000
2012 budget estimate	1,015,000
Provided in the bill	423,000
Comparison:	
2010 appropriation	– 75,000
2011 budget estimate	– 592,000

COMMITTEE PROVISIONS

For the Office of Tribal Relations, the Committee provides an appropriation of \$423,000.

HEALTHY FOOD FINANCING INITIATIVE

2011 appropriation	0
2012 budget estimate	\$35,000,000
Provided in the bill	0
Comparison:	
2011 appropriation	0
2012 budget estimate	– 35,000,000

COMMITTEE PROVISIONS

The Committee does not provide an appropriation for the Healthy Food Financing Initiative.

EXECUTIVE OPERATIONS

OFFICE OF THE CHIEF ECONOMIST

2011 appropriation	\$12,008,000
2012 budget estimate	15,196,000
Provided in the bill	10,707,000
Comparison:	
2011 appropriation	– 1,301,000
2012 budget estimate	– 4,489,000

COMMITTEE PROVISIONS

For the Office of the Chief Economist, the Committee provides an appropriation of \$10,707,000.

NATIONAL APPEALS DIVISION

2011 appropriation	\$14,225,000
2012 budget estimate	15,254,000
Provided in the bill	12,091,000
Comparison:	
2011 appropriation	– 2,134,000
2012 budget estimate	– 3,163,000

COMMITTEE PROVISIONS

For the National Appeals Division, the Committee provides an appropriation of \$12,091,000.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

2011 appropriation	\$9,417,000
2012 budget estimate	9,436,000
Provided in the bill	8,004,000
Comparison:	
2011 appropriation	– 1,413,000
2012 budget estimate	– 1,432,000

COMMITTEE PROVISIONS

For the Office of Budget and Program Analysis, the Committee provides an appropriation of \$8,004,000.

OFFICE OF HOMELAND SECURITY

2011 appropriation	\$1,496,000
2012 budget estimate	4,272,000
Provided in the bill	1,272,000
Comparison:	
2011 appropriation	– 224,000
2012 budget estimate	– 3,000,000

COMMITTEE PROVISIONS

For the Office of Homeland Security, the Committee provides an appropriation of \$1,272,000.

OFFICE OF ADVOCACY AND OUTREACH

2011 appropriation	\$1,422,000
2012 budget estimate	7,000,000
Provided in the bill	1,209,000
Comparison:	
2011 appropriation	– 213,000
2012 budget estimate	– 5,791,000

COMMITTEE PROVISIONS

For the Office of Advocacy and Outreach, the Committee provides an appropriation of \$1,209,000.

OFFICE OF THE CHIEF INFORMATION OFFICER

2011 appropriation	\$39,920,000
2012 budget estimate	63,579,000
Provided in the bill	35,000,000
Comparison:	
2011 appropriation	– 4,920,000
2012 budget estimate	– 28,579,000

COMMITTEE PROVISIONS

For the Office of the Chief Information Officer, the Committee provides an appropriation of \$35,000,000.

OFFICE OF THE CHIEF FINANCIAL OFFICER

2011 appropriation	\$6,247,000
2012 budget estimate	6,566,000
Provided in the bill	5,310,000
Comparison:	
2011 appropriation	– 937,000
2012 budget estimate	– 1,256,000

COMMITTEE PROVISIONS

For the Office of the Chief Financial Officer, the Committee provides an appropriation of \$5,310,000.

The Committee directs the Department to submit a report concurrent with the Department's annual budget submission for the following fiscal year, updating the Committee on its contracting out policies, including agency budgets for contracting out, for fiscal years 2010 and 2011. The Committee is continuing bill language requiring the submission of the report on contracting out policies and agency budgets, prior to use of any funds appropriated to the Office of the Chief Financial Officer for FAIR Act or Circular A-76 activities.

Assessments.—The assessments that the Department charges its agencies for other government- and department-wide activities continue to escalate. Since these assessments are borne by the agencies, and Congress did not specifically provide increases to the agencies for these costs, most of the funding for the increase has come at the expense of programs. The Committee continues to direct the Office of the Chief Financial Officer to scrutinize the need for each activity, to consider its benefit to the mission of each agency, and to limit spending wherever possible.

OFFICE OF THE ASSISTANT SECRETARY FOR CIVIL RIGHTS

2011 appropriation	\$893,000
2012 budget estimate	895,000
Provided in the bill	760,000
Comparison:	
2011 appropriation	– 133,000
2012 budget estimate	– 135,000

COMMITTEE PROVISIONS

For the Office of the Assistant Secretary for Civil Rights, the Committee provides an appropriation of \$760,000.

OFFICE OF CIVIL RIGHTS

2011 appropriation	\$22,692,000
2012 budget estimate	24,922,000
Provided in the bill	19,288,000
Comparison:	
2011 appropriation	– 3,404,000
2012 budget estimate	– 5,634,000

COMMITTEE PROVISIONS

For the Office of Civil Rights, the Committee provides an appropriation of \$19,288,000.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

2011 appropriation	\$804,000
2012 budget estimate	820,000
Provided in the bill	683,000
Comparison:	
2011 appropriation	– 121,000
2012 budget estimate	– 137,000

COMMITTEE PROVISIONS

For the Office of the Assistant Secretary for Administration, the Committee provides an appropriation of \$683,000.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

2011 appropriation	\$246,476,000
2012 budget estimate	255,191,000
Provided in the bill	209,505,000
Comparison:	
2011 appropriation	– 26,717,000
2012 budget estimate	– 13,074,000

COMMITTEE PROVISIONS

For Agriculture Buildings and Facilities and Rental Payments, the Committee provides an appropriation of \$209,505,000.

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

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

[In thousands of dollars]

	<i>2011 enacted</i>	<i>2012 budget request</i>	<i>Committee recommendation</i>
Rental Payments	\$178,113	\$164,470	\$151,396
Department of Homeland Security			
Building Security	13,473	13,800	11,452
Building Operations	54,890	76,921	46,657
Total	246,476	255,191	209,505

HAZARDOUS MATERIALS MANAGEMENT

2011 appropriation	\$3,992,000
2012 budget estimate	5,125,000
Provided in the bill	3,393,000
Comparison:	
2011 appropriation	– 599,000
2012 budget estimate	– 1,732,000

COMMITTEE PROVISIONS

For Hazardous Materials Management, the Committee provides an appropriation of \$3,393,000.

DEPARTMENTAL ADMINISTRATION

2011 appropriation	\$29,647,000
2012 budget estimate	35,787,000
Provided in the bill	25,200,000
Comparison:	
2011 appropriation	– 4,447,000
2012 budget estimate	– 10,587,000

COMMITTEE PROVISIONS

For Departmental Administration, the Committee provides an appropriation of \$25,200,000.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL
RELATIONS

2011 appropriation	\$3,869,000
2012 budget estimate	4,041,000
Provided in the bill	3,289,000
Comparison:	
2011 appropriation	– 580,000
2012 budget estimate	– 752,000

COMMITTEE PROVISIONS

For the Office of the Assistant Secretary for Congressional Relations, the Committee provides an appropriation of \$3,289,000.

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

OFFICE OF COMMUNICATIONS

2011 appropriation	\$9,480,000
2012 budget estimate	9,722,000
Provided in the bill	8,058,000
Comparison:	
2011 appropriation	– 1,422,000
2012 budget estimate	– 1,664,000

COMMITTEE PROVISIONS

For the Office of Communications, the Committee provides an appropriation of \$8,058,000.

OFFICE OF INSPECTOR GENERAL

2011 appropriation	\$88,548,000
2012 budget estimate	90,755,000
Provided in the bill	80,000,000
Comparison:	
2011 appropriation	–8,548,000
2012 budget estimate	–10,755,000

COMMITTEE PROVISIONS

For the Office of Inspector General, the Committee provides an appropriation of \$80,000,000.

OFFICE OF THE GENERAL COUNSEL

2011 appropriation	\$41,416,000
2012 budget estimate	46,058,000
Provided in the bill	35,204,000
Comparison:	
2011 appropriation	–6,212,000
2012 budget estimate	–10,854,000

COMMITTEE PROVISIONS

For the Office of the General Counsel, the Committee provides an appropriation of \$35,204,000.

OFFICE OF THE UNDER SECRETARY FOR RESEARCH, EDUCATION AND ECONOMICS

2011 appropriation	\$893,000
2012 budget estimate	911,000
Provided in the bill	760,000
Comparison:	
2011 appropriation	–133,000
2012 budget estimate	–151,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Research, Education and Economics, the Committee provides an appropriation of \$760,000.

Foundational Research.—The Committee recognizes the broad responsibilities in agricultural research, education, extension, and economics that Congress has given to the Department. However, it is very concerned with the number and amount of grant awards going to support local and regional food systems, which do not advance knowledge and understanding of the agricultural sciences and appear to have little scientific merit. Given the current budget restraints, the Committee expects the Department to conduct and support only the highest quality, peer-reviewed foundational research.

Brown Marmorated Stink Bug.—The Committee appreciates the work of ARS and NIFA regarding the brown marmorated stink bug. This pest is causing significant damage to agricultural products, particularly tree fruit in the mid-Atlantic States. The Committee encourages ARS and NIFA to work collaboratively with APHIS and state partners to identify and implement appropriate controls.

ECONOMIC RESEARCH SERVICE

2011 appropriation	\$81,814,000
2012 budget estimate	85,971,000
Provided in the bill	70,000,000
Comparison:	
2011 appropriation	– 11,814,000
2012 budget estimate	– 15,971,000

COMMITTEE PROVISIONS

For the Economic Research Service, the Committee provides an appropriation of \$70,000,000.

ERS Reports.—The Committee concurs with the agency's proposed reductions and provides no funding for any work related to the Community Access to Local Food proposal.

NATIONAL AGRICULTURAL STATISTICS SERVICE

2011 appropriation	\$156,447,000
2012 budget estimate	165,421,000
Provided in the bill	149,500,000
Comparison:	
2011 appropriation	– 6,947,000
2012 budget estimate	– 15,921,000

COMMITTEE PROVISIONS

For the National Agricultural Statistics Service, the Committee provides an appropriation of \$149,500,000.

Included in this amount is \$40,000,000 for the Census of Agriculture.

NASS Reports.—The Committee concurs with the agency's proposed reductions and realignments.

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

2011 appropriation	\$1,133,230,000
2012 budget estimate	1,137,690,000
Provided in the bill	993,345,000
Comparison:	
2011 appropriation	– 139,885,000
2012 budget estimate	– 144,345,000

COMMITTEE PROVISIONS

For Salaries and Expenses of the Agricultural Research Service, the Committee provides an appropriation of \$993,345,000.

Priority Research.—The Committee directs the agency to focus its resources on only the highest priority research and building and facility repair and maintenance needs. The Committee remains concerned about the need to control the spread of Ug99 and provides \$1,250,000 for Ug99 research as requested.

Research Facilities.—The Committee concurs with the Department's proposal to close 10 research facilities in the following locations: Fairbanks, Alaska; Shafter, California; Brooksville, Florida; Watkinsville, Georgia; New Orleans, Louisiana; Coshocton, Ohio; Lane, Oklahoma; Clemson, South Carolina; Weslaco, Texas; and Beaver, West Virginia. The Committee provides the Secretary the authority to transfer a closed facility to an 1862, 1890, 1994 or His-

panic-serving agricultural college or university provided the institution agrees to maintain the facility for agricultural and natural resources research for a minimum of 25 years. The Committee directs the agency to provide a report on the disposition of these facilities by December 15, 2011.

Research Facility Plan.—The Committee directs ARS to establish a long-term, multi-year plan to guide capital asset construction decisions for new agricultural research buildings and facilities consistent with program missions, goals and requirements. The plan should establish a process for setting and ranking capital asset construction priorities, reflecting the agency's research priorities, and complement the agency's management plans for its planned and existing facilities. The plan should include estimated funding requirements. As the agency develops the plan, it should provide interested parties an opportunity to provide input. The agency should address whether various leasing options, including build-to-lease and building retrofits, are appropriate and under what condition they should be utilized. The Committee encourages the agency to consider planning processes utilized by other Federal agencies, such as the Department of Veterans Affairs and the Department of Defense, and to incorporate the best strategies from them into the agency's plan. The agency is directed to develop the plan and report to Congress within 90 days after enactment of this Act.

National Arboretum.—The Committee directs the National Arboretum to maintain its National Boxwood Collection and the Glenn Dale Hillside portion of the Azalea Collection. The Committee encourages the National Arboretum to work collaboratively with supporters of the National Arboretum to raise additional funds to ensure the long-term viability of these and other important collections.

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

Domestic and Bighorn Sheep.—The Committee recognizes the challenges caused by infectious disease problems arising from wild-life-domestic animal agriculture interactions, particularly between domestic sheep and wild bighorn sheep. Research has recently produced an experimental vaccine to protect bighorn populations from disease, but much work still needs to be done in this area. The Committee encourages ARS to work to determine the role of domestic sheep in causing die-offs of bighorn sheep from respiratory disease and develop methods to reduce transmission and enhance immunity in domestic and bighorn sheep.

Chemical Threat Agents.—The Committee supports the agency's research efforts on emerging chemical threat agents and biological threats. However, it is unsure of the funding needs and requirements for these activities in fiscal year 2012, and as such is not able to recommend a specific appropriation. The Committee looks forward to working with the Department to ensure it can continue this important research.

Verticillium wilt research.—The Committee commends the agency's research that seeks to minimize the effects the *Verticillium* wilt fungus can have on crops, such as lettuce, potatoes, tomatoes, and cotton, and encourages the agency to continue to work with industry, university, and other partners to develop effective control mechanisms.

Floriculture and Nursery Research.—The Committee recognizes the important research the agency has undertaken regarding floral and horticultural crops and encourages it to continue to work with industry, university, and other partners to address the unique challenges floral and horticultural crop growers face.

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE

RESEARCH AND EDUCATION ACTIVITIES

2011 appropriation	\$698,740,000
2012 budget estimate	708,107,000
Provided in the bill	600,800,000
Comparison:	
2011 appropriation	– 97,940,000
2012 budget estimate	– 107,307,000

COMMITTEE PROVISIONS

For Research and Education Activities, the Committee provides an appropriation of \$600,800,000.

Program Management.—The Committee concurs with the proposal to support activities under the Graduate Fellowship Grants and Institution Challenge Grants through the Agriculture and Food Research Initiative. The Committee also concurs with the proposal to consolidate pest control activities under the Integrated Pest Management and Biological Control Program.

Research Priorities.—The Committee regrets it cannot provide an increase for the Agriculture and Food Research Initiative for fiscal year 2012. While the Committee appreciates the work of the dedicated staff of NIFA, especially for their efforts to reorganize the agency and raise the profile of agricultural research as directed by the Food, Conservation, and Energy Act of 2008, it is concerned about some of the research being funded by the agency. For example, the agency recently awarded more than \$23 million in grants to improve regional and local food systems. Over the past few years, numerous reports from Federal agencies and private philanthropic and scientific organizations have highlighted the need for the United States to invest in agricultural research, particularly to ensure productivity growth and to develop and refine sound natural resources management practices for U.S. farmers and ranchers and others around the world. In light of this advice and the nation's serious budget deficit and debt problems, the agency should be focusing its research efforts on only the highest priority, scientifically merited research. While there are many interesting research topics and a multitude of issues that could be researched, the Committee expects the agency to focus on its core mission of agricultural research by setting a very high standard for research funded by the agency and requiring a rigorous peer review.

Policy Research.—The Committee directs the Director of NIFA to consult with the Office of the Chief Economist in developing any

requests for proposals for competitive grants, reviewing applications submitted to the Department, and awarding competitive grants for the activities authorized by 7 U.S.C. 3155.

Unexpended Balances.—The Committee is concerned that the agency continues to have significant unexpended balances. The Committee directs the agency to provide a report on the balances, including an explanation for its past practices and the agency's plans to improve the management of its appropriation and activities by September 1, 2011.

Blueberry and Cranberry Research.—The Committee recognizes that the production of blueberries and cranberries is vital to many local economies and encourages the agency to work with partners to support the development of new cultivars to enhance economic stability and develop environmentally sound insect and disease management strategies and technologies.

The following table reflects the amount provided by the Committee:

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE
RESEARCH AND EDUCATION ACTIVITIES
(Dollars in Thousands)

	2011 enacted	2012 budget	Committee provision
Hatch Act, Formula Funds	\$236,334	\$204,250	\$208,000
McIntire-Stennis, Cooperative Forestry, Formula Funds	32,934	27,550	30,000
Evans-Allen Program (1890 Colleges and Tuskegee University)	50,898	48,500	48,000
Special Grants for Global Change/Ultraviolet Radiation	1,405	1,408	1,250
Integrated Pest Management and Biological Control	16,153	16,185	14,000
Agriculture and Food Research Initiative	264,470	324,655	229,500
Animal Health and Disease Research	2,944	0	4,000
Veterinary Medicine Loan Repayment	4,790	4,800	4,200
Multicultural Scholars Program	1,239	1,241	1,000
Hispanic Education Partnership Grants	9,219	10,161	7,800
Alaska Native and Hawaiian Native Education Grants	3,194	3,200	2,700
Secondary, 2 Year Post Secondary and Ag in the Classroom	981	3,483	900
Aquaculture Grants	3,920	3,928	3,300
Sustainable Agriculture Research and Education	14,471	15,000	12,300
Capacity Building Grants for 1890 Institution	19,336	20,075	16,400
Payments to 1994 Institutions	3,335	3,676	2,800
Resident Instruction Grants for Insular Areas	898	900	900
Distance Education Grants for Insular Areas	749	750	750
Competitive Grants for Policy Research	0	0	3,000
Federal Administration	11,230	14,253	10,000
Data Information System (REEIS)	2,699	2,704	2,500
Electronic Grants Administration System	2,132	5,136	2,000
Total Research and Education Activities	698,740	708,107	600,800

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

2011 appropriation	(\$11,880,000)
2012 budget estimate	(11,880,000)
Provided in the bill	(11,880,000)
Comparison:	
2011 appropriation	---
2012 budget estimate	---

COMMITTEE PROVISIONS

For the Native American Institutions Endowment Fund, the Committee provides \$11,880,000.

EXTENSION ACTIVITIES

2011 appropriation	\$479,132,000
2012 budget estimate	466,788,000
Provided in the bill	411,200,000
Comparison:	
2011 appropriation	– 67,932,000
2012 budget estimate	– 55,588,000

COMMITTEE PROVISIONS

For Extension Activities, the Committee provides an appropriation of \$411,200,000.

The following table reflects the amount provided by the Committee:

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE
EXTENSION ACTIVITIES
(Dollars in Thousands)

	2011 enacted	2012 budget	Committee provision
Smith-Lever Sections 3(b) and 3(c)	\$293,911	\$282,625	\$259,200
Extension Services at 1994 Institutions	4,312	5,321	3,600
Expanded Food and Nutrition Education Program	67,934	68,070	58,000
Pest Management Program	9,918	9,938	8,400
New Technologies for Ag Extension	1,747	1,750	1,400
Facility Improvement Grants for 1890 Institutions	19,730	19,770	16,700
Youth at Risk Program	8,395	8,412	7,100
Renewable Resources Extension Act	4,060	4,068	3,400
Tribal Extension Program	3,039	8,000	2,600
Sustainable Agriculture Program	4,696	4,968	4,000
Rural Health and Safety Education	1,735	1,738	1,500
Cooperative Extension at 1890 Institutions	42,592	42,677	36,000
Grants to Youth Organizations	1,780	0	1,500
Food Animal Residue Avoidance Database	998	0	1,000
Federal Administration	7,996	8,012	6,800
Total Extension Activities	479,132	466,788	411,200

INTEGRATED ACTIVITIES

2011 Appropriation	\$36,926,000
2012 budget estimate	29,874,000
Provided in the bill	8,000,000
Comparison:	
2011 appropriation	– 28,926,000
2012 budget estimate	– 21,874,000

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE

INTEGRATED ACTIVITIES

COMMITTEE PROVISIONS

For Integrated Activities, the Committee provides an appropriation of \$8,000,000, of which \$4,000,000 is provided for the regional pest management centers and activities and \$4,000,000 for the organic transition program.

OFFICE OF THE UNDER SECRETARY FOR MARKETING AND
REGULATORY PROGRAMS

2011 appropriation	\$893,000
2012 budget estimate	911,000
Provided in the bill	760,000
Comparison:	
2011 appropriation	– 133,000
2012 budget estimate	– 151,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Marketing and Regulatory Programs, the Committee provides an appropriation of \$760,000.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

2011 appropriation	\$863,270,000
2012 budget estimate	832,706,000
Provided in the bill	790,000,000
Comparison:	
2011 appropriation	– 73,270,000
2012 budget estimate	– 42,706,000

COMMITTEE PROVISIONS

For the Animal and Plant Health Inspection Service, Salaries and Expenses, the Committee provides an appropriation of \$790,000,000.

Budget Restructure.—The Committee supports the request in the President's fiscal year 2012 budget for APHIS to manage 29 budgetary line items instead of 45 line items. It is expected that this increased flexibility will allow APHIS to apply the greatest resources to the greatest threats or risks within a line item and to prioritize funds accordingly. The Committee reiterates its previous statements on the need to apply appropriated funds to the agency's historical core programs and mission area first before allocating resources to those less critical functions or initiatives.

The following table reflects the amounts provided by the Committee in accordance with the newly proposed budget restructure:

Program	Amount
Safeguarding and Emergency Preparedness/Response:	
Animal Health Technical Services	\$32,500,000
Aquatic Animal Health	3,000,000
Avian Health	54,000,000
Cattle Health	100,000,000
Equine, Cervid, & Small Ruminant Health	22,000,000
National Veterinary Stockpile	2,300,000
Swine Health	23,000,000
Veterinary Biologics	16,000,000
Veterinary Diagnostics	29,000,000
Zoonotic Disease Management	9,000,000
Subtotal, Animal Health	290,800,000
Agricultural Quarantine Inspection	25,500,000
Cotton Pests	16,000,000
Field Crop & Rangeland Ecosystem Pests	9,000,000
Pest Detection	26,000,000
Plant Protection Methods Development	20,000,000

Program	Amount
Specialty Crop Pests	147,000,000
Tree & Wood Pests	52,000,000
Subtotal, Plant Health	295,500,000
Wildlife Damage Management	72,500,000
Wildlife Services Methods Development	17,000,000
Subtotal, Wildlife Services	89,500,000
Animal & Plant Health Regulatory Enforcement	14,500,000
Biotechnology Regulatory Services	17,000,000
Subtotal, Regulatory Services	31,500,000
Contingency Fund	2,000,000
Emergency Preparedness & Response	17,000,000
Subtotal, Safeguarding and Emergency Preparedness	19,000,000
Safe Trade & International Technical Assistance:	
Animal Agriculture Import/Export	12,000,000
Overseas Technical and Trade Operations	20,000,000
Subtotal, Safe Trade & International Technical Assistance	32,000,000
Animal Welfare:	
Animal Welfare	22,000,000
Horse Protection	500,000
Subtotal, Animal Welfare	22,500,000
Agency Management	
APHIS Information Technology Infrastructure	4,200,000
Physical/Operational Security	5,000,000
Subtotal, Agency Management	9,200,000
Total, Salaries & Expenses	790,000,000

Animal Disease Traceability/National Animal Identification System.—The Committee directs APHIS to continue funding the new traceability system with funding in the base budget. Although APHIS states that a newly devised, mandatory traceability approach is “low cost”, it must prove to the Committee and its stakeholders that the investment of public funds exceeding \$150 million in this process since fiscal year 2004 has not gone to waste. Additionally, this mandatory system must not create an excessive regulatory or financial burden on the livestock industry. APHIS is directed to provide the Committee with a status report on the progress of the system as proposed in the September 28, 2010, Comprehensive Report & Implementation Plan (amended January 28, 2011) by October 31, 2011; April 1, 2012; and by August 1, 2012. The report should provide updates on the cost, schedule, and milestones. The report is to provide a summary of the reasons for changes in the cost, schedule and/or milestones and plans for corrective actions.

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 (CCC) 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, not replacing, the use of CCC funding for emergency outbreaks.

Designated Qualified Person (DQP) Program.—The Committee directs APHIS to apply its resources towards the enforcement of

the Horse Protection Act for the most egregious violators and/or offenders of the Act. USDA should continue to use all options necessary to maintain industry self-regulation and an effective DQP program, including the use of more open and transparent communications with the Horse Industry Organizations (HIO). Even though APHIS did communicate with the HIOs at various points in the process leading up to the implementation of the mandatory penalty protocol, the Committee believes that APHIS would have been more effective in meeting the requirements of the Act and developed a more cooperative arrangement with the HIOs if the agency would have utilized the notice and comment rulemaking process. The Committee will mandate alternative action if it believes that APHIS has not exercised fairness and due process in the regulation of the industry.

Animal Welfare.—The bill provides \$22,000,000 for the Animal Welfare program, an amount above the level appropriated in fiscal year 2010, to ensure that minimum standards of care and treatment are provided for certain animals bred for commercial sale, used in research, transported, commercially, or exhibited to the public.

Animal Welfare Act.—It has been brought to the Committee's attention that APHIS is using vital animal welfare resources to regulate the pets of extras in filmed entertainment. While the Animal Welfare Act's intent is to establish minimally acceptable standards in the treatment of animals in research, exhibition, transport, and by dealers, the law was not aimed at regulating companion animals used as extras in the background of movies and television productions. The Committee urges the agency to use the Secretary's discretionary authority to seek alternative means of meeting its statutory mandate, including the option of issuing exemptions or master exhibitor licenses to these pet owners.

Pale or potato Cyst Nematode eradication.—The Committee encourages APHIS to continue funding the Pale Cyst Nematode eradication program above the President's budget request level in order to continue with successful efforts to eradicate this pest. If left untreated, this pest could spread, affecting crops other than potatoes.

Equine disease control and eradication.—The Committee is aware of equine disease outbreaks that have occurred with increased frequency over the last several years. These outbreaks threaten the health and welfare of U.S. horses and the economic viability of the \$102 billion horse industry. APHIS is encouraged to quickly respond to such threats through the use of its authorities. APHIS is directed to report to the Committee by July 1, 2011, on the estimated funds allocated for equine disease in fiscal years 2011 and 2012, as well as the range and degree of equine diseases currently existing within the U.S.

Brown Marmorated Stink Bug.—The Committee believes that there is increasing evidence of significant damage to U.S. agricultural products, including tree fruit, from an expanding infestation of the brown marmorated stink bug. The Committee directs APHIS to act expeditiously to assist ARS, NIFA, and state partners to implement a control program as soon as the appropriate agents are evaluated and approved for release.

Cotton pest.—This bill provides \$15 million for the cotton pest program. The Committee applauds the cooperative efforts between APHIS, the U.S. cotton industry, and the participating state departments of agriculture in their successful efforts towards eradicating the boll weevil and pink bollworm from U.S. cotton production by 2013.

Cost sharing with states and other cooperators.—The Committee directs APHIS to maximize the use of cost sharing agreements or matching requirements with states, territories, producers, foreign governments, non-governmental organizations, or any other recipient of services in order to reduce the cost burden on the agency.

Sudden Oak Death.—The Committee expects APHIS to use an appropriate portion of the funding provided for sudden oak death (*Phytophthora ramorum*) adequate to promote the development and testing of new systems of nursery pest and disease management, and for programs of inspection and regulation in partnership with the nursery industry. APHIS should also conduct a timely review of the current pre-notification program and cooperate with the U.S. Forest Service to ensure funds are available for *Phytophthora ramorum* suppression efforts.

Wildlife Damage Management.—The Committee provides \$72,500,000 for Wildlife Damage Control, approximately \$4 million above the President's request. While receiving support from co-operators to conduct wildlife management operations, special emphasis should be placed on those areas such as livestock protection, cormorant control in the northeast, oral rabies vaccination, predator control, and other threats to agricultural industries.

BUILDINGS AND FACILITIES

2011 appropriation	\$3,529,000
2012 budget estimate	4,712,000
Provided in the bill	3,200,000
Comparison:	
2011 appropriation	– 329,000
2012 budget estimate	– 1,512,000

COMMITTEE PROVISIONS

For Animal and Plant Health Inspection Service, Buildings and Facilities, the Committee provides an appropriation of \$3,200,000.

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

2011 appropriation	\$86,538,000
2012 budget estimate	94,755,000
Provided in the bill	77,500,000
Comparison:	
2011 appropriation	– 9,038,000
2012 budget estimate	– 17,255,000

COMMITTEE PROVISIONS

For Marketing Services of the Agricultural Marketing Service, the Committee provides an appropriation of \$77,500,000.

Microbiological Data Program.—The Committee does not include funding for the Microbiological Data Program. While food safety is a vitally important part of successfully marketing produce and

other agricultural products, other Federal and state public health agencies are better equipped to perform this function. In order for the Federal government to collect the necessary data for microbiological pathogens in produce, FDA, the Centers for Disease Control and Prevention, and/or the state departments of health and agriculture should collect such data under their purview. These organizations also may consider entering into reimbursable agreements with USDA's Agricultural Marketing Service to meet this need.

Country Origin of Labeling.—The Committee accepts the reduction of \$1.109 million for the Country of Origin Labeling Program as it relates to the completion of a data management system in 2011.

National Organic Program.—The Committee encourages AMS to continue funding for the National Organic Program at the fiscal year 2011 level or above. The Department is reminded that the fiscal year 2010 appropriation provided this program with an increase of 82 percent over the fiscal year 2009 level.

LIMITATION ON ADMINISTRATIVE EXPENSES

2011 limitation	(\$60,947,000)
2012 budget limitation	(62,101,000)
Provided in the bill	(61,000,000)
Comparison:	
2011 limitation	+53,000
2012 budget limitation	–1,101,000

COMMITTEE PROVISIONS

For a Limitation on Administrative Expenses of the Agricultural Marketing Service, the Committee provides \$61,000,000.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY

(SECTION 32)

MARKETING AGREEMENT AND ORDERS

2011 appropriation	(\$20,056,000)
2012 budget estimate	(20,056,000)
Provided in the bill	(20,056,000)
Comparison:	
2011 appropriation	---
2012 budget estimate	---

COMMITTEE PROVISIONS

For the Marketing Agreements and Orders Program, the Committee provides a transfer from section 32 funds of \$20,056,000.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY

(SECTION 32)

MARKETING AGREEMENT AND ORDERS

The following table reflects the status of this fund for fiscal years 2011 through 2012:

ESTIMATED TOTAL FUNDS AVAILABLE AND BALANCE CARRIED FORWARD
FISCAL YEARS 2011–2012
(Dollars in Thousands)

	FY 2011 estimate	FY 2012 estimate
Appropriation (30% of Customs Receipts)	\$6,605,946	\$7,947,046
Less Transfers:		
Food and Nutrition Service	— 5,277,574	— 6,644,834
Commerce Department	— 68,231	— 71,212
Total, Transfers	— 5,345,805	— 6,716,046
Budget Authority	1,260,141	1,231,000
Unobligated Balance Available, Start of Year	122,127	167,268
Unavailable for Obligations	— 167,268	— 114,478
Transfer of Prior Year Funds to FNS	— 117,000	— 167,268
Available for Obligation	1,098,000	1,116,522
Less Obligations:		
Child Nutrition Programs (Entitlement Commodities)	307,900	465,000
12 Percent Commodity Floor Requirement	0	120,000
Cotton, Soybean, Rice and Sweet Potato Disaster Program	390,000	0
State Option Contract	5,000	5,000
Removal of Defective Commodities	2,500	2,500
Emergency Surplus Removal	7,600	0
Disaster Relief	5,000	5,000
Additional Fruits, Vegetables, and Nuts Purchases	158,300	206,000
Fresh Fruit and Vegetable Program	33,000	20,000
Laboratory Testing of Ground Beef	1,452	0
Accounting Adjustment	800	0
Estimated Future Needs	139,282	196,713
Total, Commodity Procurement	1,050,834	1,020,813
Administrative Funds:		
Commodity Purchase Support	27,110	27,731
Marketing Agreements and Orders	20,056	20,056
Total, Administrative Funds	47,166	47,787
Total Obligations	1,098,000	1,068,000
Unobligated Balance Not Available, End of Year	167,268	114,478

PAYMENTS TO STATES AND POSSESSIONS

2011 appropriation	\$1,331,000
2012 budget estimate	2,634,000
Provided in the bill	1,331,000
Comparison:	
2011 appropriation	— — —
2012 budget estimate	— 1,303,000

COMMITTEE PROVISIONS

For Payments to States and Possessions, the Committee provides an appropriation of \$1,331,000.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

2011 appropriation	\$40,261,000
2012 budget estimate	44,192,000
Provided in the bill	37,000,000
Comparison:	
2011 appropriation	– 3,261,000
2012 budget estimate	– 7,192,000

COMMITTEE PROVISIONS

For Grain Inspection, Packers and Stockyards Administration, the Committee provides \$37,000,000.

GIPSA Marketing Rules.—The Committee is deeply concerned that GIPSA, while well intentioned, misinterpreted the intent of Congress when the agency proposed rules regulating livestock marketing practices as required by Section 11006 of Title XI of the Food, Conservation, and Energy Act of 2008 (2008 Farm Bill). Specifically, the Committee believes that the breadth of GIPSA's proposed rule at 75 FR 35338 unnecessarily extends beyond requirements of the 2008 Farm Bill. In addition, the proposed rule underestimates the future costs of implementing this rule. The bill includes language limiting funding for further action on the proposed rule at 75 FR 35338 until Congress takes additional legislative action to amend the Packers and Stockyards Act in the next Farm Bill.

The Committee also is concerned about the appropriateness of USDA's actions in this matter with regard to the requirements of the Administrative Procedure Act. Although the Department eventually complied with numerous requests for an extension of the comment period until November 22, 2010, it did so reluctantly and only after numerous members of the House of Representatives and the Senate submitted requests for an extension, noting the absence of a meaningful economic analysis. The Committee finds troubling the fact that the Department allowed the comment period to close before the last joint Department of Agriculture-Department of Justice Agriculture and Antitrust Workshop was held, possibly limiting public comment. Finally, the Committee is gravely concerned about the propriety of the Department publishing its "Farm Bill Regulations—Misconceptions and Explanations" document, which was posted on the GIPSA website more than a month after the proposed rule appeared in the Federal Register. This posting was an unprecedented action by USDA and was published in response to criticisms of the proposed regulations the Department received at a hearing. By all indications, the Department took a particular position and advocated in favor of the proposed regulations. If so, the Department may be discouraging interested persons from participating in the rule making process, and in that regard, the Committee questions whether such actions are compliant with the Administrative Procedure Act.

The Committee directs the Department to provide by June 10, 2011, all legal opinions and memos prepared by the Office of General Counsel to the Secretary or any other person or agency of the Department regarding this matter.

LIMITATION ON INSPECTION AND WEIGHING SERVICES EXPENSES

2011 limitation	(\$47,500,000)
2012 budget limitation	(50,000,000)
Provided in the bill	47,500,000
Comparison:	
2011 limitation	---
2012 budget limitation	-2,500,000

COMMITTEE PROVISIONS

The Committee includes a limitation on inspection and weighing services expenses of \$47,500,000. The bill includes authority to exceed by 10 percent the limitation on inspection and weighing services with notification to the Committees on Appropriations.

OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

2011 appropriation	\$811,000
2012 budget estimate	828,000
Provided in the bill	689,000
Comparison:	
2011 appropriation	-122,000
2012 budget estimate	-139,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Food Safety, the Committee provides an appropriation of \$689,000.

FOOD SAFETY AND INSPECTION SERVICE

2011 appropriation	\$1,006,503,000
2012 budget estimate	1,011,393,000
Provided in the bill	972,028,000
Comparison:	
2011 appropriation	-34,475,000
2012 budget estimate	-39,365,000

COMMITTEE PROVISIONS

For the Food Safety and Inspection Service, the Committee provides an appropriation of \$972,028,000.

While the Committee recommendation is \$34,475,000 below the fiscal year 2011 Continuing Resolution level, the Committee believes that adequate resources will be available to FSIS to carry out its statutory mandate of meat, poultry and egg products inspection and corresponding microbiological sampling activities. The recommendation includes nearly \$20,000,000 in efficiencies and reductions as requested in the budget including the program authorized by Section 11016 of P.L. 110-246. The Committee understands that the funding level may force FSIS to make some choices about the staffing levels that are currently maintained at district and headquarters offices, but the funding level ensures that inspection and sampling activities will be carried out uninterrupted.

HACCP Based Inspection Model Project.—FSIS has a pilot inspection program for poultry slaughter inspection called the Hazard Analysis and Critical Control Point Based Inspection Model Project (HIMP) that is operating in 20 facilities. After 10 years of data collection and several formal science-based studies, FSIS in-

formed the Committee the HIMP model is not only a more efficient means of ensuring the safe and humane slaughter of young chickens (broilers) than the current model, but that this model reduces incidence of salmonella when compared to non-HIMP broiler establishments. By transitioning to this more effective and more efficient poultry slaughter model, FSIS would improve food safety, reduce foodborne illness, and deliver consumer protections by implementing this system industry-wide. The Committee encourages USDA to eliminate any barriers to the expansion of this safer and science-based system.

Humane Methods of Slaughter.—The Committee directs FSIS, to the maximum extent practicable, to ensure that the inspectors hired to improve enforcement of the Humane Methods of Slaughter Act are dedicated to overseeing compliance with humane handling rules.

E. coli serotypes.—The Committee is aware that the latest foodborne illness estimates from the Centers for Disease Control and Prevention indicate that more than 113,000 Americans become sick from *E. coli* serotypes other than *E. coli* 0157:H7. *E. coli* 0157:H7 is already considered an adulterant by FSIS, and the Committee urges the Administration to take the necessary steps against these pathogens to protect the public health.

FARM ASSISTANCE PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES

2011 appropriation	\$893,000
2012 budget estimate	911,000
Provided in the bill	760,000
Comparison:	
2011 appropriation	– 133,000
2012 budget estimate	– 151,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Farm and Foreign Agricultural Services, the Committee provides an appropriation of \$760,000.

FARM SERVICE AGENCY

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

	<i>Appropriation</i>	<i>Transfer from program accts.</i>	<i>Total, FSA, S&E</i>
2011 appropriation	\$1,208,290,000	(\$308,137,000)	(\$1,516,427,000)
2012 budget estimate ¹	1,397,065,000	(316,340,000)	(1,713,405,000)
Provided in the bill	1,176,500,000	(263,470,000)	(1,439,970,000)
Comparison:			
2011 appropriation	– 31,790,000	(– 44,667,000)	(– 76,457,000)
2012 budget estimate	– 220,565,000	(– 52,870,000)	(– 273,435,000)

¹ Includes \$40,000,000 legislative proposal.

COMMITTEE PROVISIONS

For Salaries and Expenses of the Farm Service Agency (FSA), the Committee provides an appropriation of \$1,176,500,000 and transfers from other accounts of \$263,470,000, for a total program level of \$1,439,970,000.

The Committee recommends that funds be allocated to implement the National Agriculture Imagery Program, with images collected nationally on an annual basis, in order to provide the maximum benefit for USDA programs and other users of these images. The Committee encourages the Secretary to utilize all appropriate imagery sources to meet programmatic requirements. The Committee notes that some private companies utilize the images that are collected through the National Agriculture Imagery Program. Given the current fiscal environment, FSA is encouraged to work with these companies to determine if a fee could be paid to FSA for the use of these images.

Tobacco Assessments.—The Committee directs FSA, when calculating market shares used to establish quarterly Tobacco Transition Payment Program Assessments for each class of tobacco, to use the maximum federal excise tax rates in effect when the shares are determined, in order to conform to the methodology intended by Congress in establishing the Fair and Equitable Tobacco Reform Act class allocations under Title VI of the America Jobs Creation Act (P.L. 108–357). The Committee notes that the agency, in its own implementing regulations at 7 CFR Part 1463, established tobacco class assessments by multiplying net tobacco products sales in domestic commerce by the maximum excise tax rate for each class of tobacco, and further that the agency is required to periodically adjust class allocations based on each class's share of the excise taxes paid. Upon enactment of the Children's Health Insurance Program Reauthorization Act of 2009 (P.L. 111–3), these maximum excise tax rates increased, but the agency has failed to account for this change. Further, the Committee is concerned that this error will have additional consequences because these allocations are also used to determine user fee allocations paid to the Food and Drug Administration pursuant to the Family Smoking Prevention and Tobacco Control Act.

FSA IT.—The Committee does not approve reprogramming the \$23,600,000 from MIDAS. In providing the fiscal year 2011 funding level, the Committee expected that \$49,500,000 would be spent on MIDAS in 2011. The Committee has acknowledged the tenuous stability of the system and directs the agency to provide a briefing to the Committee by June 10, 2011, on this issue.

CCC Funds to FSA.—The Committee has learned that, through the Commodity Credit Corporation, an additional \$20 million has been made available to the agency. The Committee directs the agency to report by July 1, 2011, on its plans for the use of those funds.

STATE MEDIATION GRANTS

2011 appropriation	\$4,177,000
2012 budget estimate	4,369,000
Provided in the bill	3,550,000
Comparison:	
2011 appropriation	– 627,000
2012 budget estimate	– 819,000

COMMITTEE PROVISIONS

For State Mediation Grants, the Committee provides an appropriation of \$3,550,000.

GRASSROOTS SOURCE WATER PROTECTION PROGRAM

2011 appropriation	\$4,241,000
2012 budget estimate	0
Provided in the bill	3,605,000
Comparison:	
2011 appropriation	– 636,000
2012 budget estimate	+3,605,000

COMMITTEE PROVISIONS

For the Grassroots Source Water Protection Program, the Committee provides an appropriation of \$3,605,000.

DAIRY INDEMNITY PROGRAM

(INCLUDING TRANSFER OF FUNDS)

2011 appropriation	¹ \$876,000
2012 budget estimate	¹ 100,000
Provided in the bill	¹ 100,000
Comparison:	
2011 appropriation	– 776,000
2012 budget estimate	---

¹ Current indefinite appropriation.

COMMITTEE PROVISIONS

For the Dairy Indemnity Program, the Committee provides an appropriation of such sums as may be necessary (estimated to be \$100,000 in the President's fiscal year 2012 budget request).

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

ESTIMATED LOAN LEVELS

2011 loan level	\$4,651,283,000
2012 budget estimate	4,747,090,000
Provided in the bill	4,787,090,000
Comparison:	
2011 loan level	+135,807,000
2012 budget estimate	+40,000,000

COMMITTEE PROVISIONS

For the Agricultural Credit Insurance Fund program account, the Committee provides a loan level of \$4,787,090,000.

The following table reflects the loan levels for the Agricultural Credit Insurance Fund program account:

AGRICULTURE CREDIT PROGRAMS—LOAN LEVELS

[In thousands of dollars]

	FY 2011 level	FY 2012 estimate	Committee provisions
Farm loan programs:			
Farm ownership:			
Direct	\$474,050	\$475,000	\$475,000
Guaranteed	1,497,000	1,500,000	1,500,000
Farm operating:			
Direct	947,606	1,050,090	1,050,090
Unsubsidized guaranteed	1,497,000	1,500,000	1,500,000
Subsidized guaranteed	122,098	0	0
Indian tribe land acquisition	3,940	2,000	2,000
Conservation:			
Guaranteed	0	150,000	150,000
Indian highly fractionated land	0	10,000	10,000
Boll weevil eradication	100,000	60,000	100,000
Total	4,651,283	4,747,090	4,787,090

ESTIMATED LOAN SUBSIDY AND ADMINISTRATIVE EXPENSES LEVELS

	<i>Direct loan subsidy</i>	<i>Guaranteed loan subsidy</i>	<i>Grants/other</i>	<i>Administrative expenses</i>
2011 appropria- tion	\$90,229,000	\$57,455,000	0	\$312,881,000
2012 budget esti- mate	82,113,000	26,100,000	\$2,693,000	321,093,000
Provided in the bill	81,920,000	26,100,000	193,000	268,634,000
Comparison:				
2011 approp- riation	-8,309,000	-31,355,000	+193,000	-44,247,000
2012 budget estimate ...	---	---	-2,500,000	-52,459,000

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

AGRICULTURE CREDIT PROGRAMS—SUBSIDIES AND GRANTS

[In thousands of dollars]

	FY 2011 estimate	FY 2012 estimate	Committee provisions
Farm loan subsidies:			
Farm ownership:			
Direct	\$32,804	\$22,800	\$22,800
Guaranteed	5,689	0	0
Subtotal	38,493	22,800	22,800
Farm operating:			
Direct	57,425	59,120	59,120
Guaranteed unsubsidized	34,880	26,100	26,100
Guaranteed subsidized	16,886	0	0
Subtotal	109,191	85,220	85,220
Indian highly fractionated land	0	193	193
Total, Farm loan subsidies	147,684	108,213	108,213
Individual development accounts	0	2,500	0
Total	147,684	110,713	108,213

AGRICULTURE CREDIT PROGRAMS—SUBSIDIES AND GRANTS—Continued

[In thousands of dollars]

	FY 2011 estimate	FY 2012 estimate	Committee provisions
ACIF expenses:			
Salaries and expenses	304,977	313,173	260,730
Administrative expenses	7,904	7,920	7,904
Total, ACIF expenses	312,881	321,093	268,634

RISK MANAGEMENT AGENCY

2011 appropriation	\$78,842,000
2012 budget estimate	82,325,000
Provided in the bill	68,016,000
Comparison:	
2011 appropriation	– 10,826,000
2012 budget estimate	– 14,309,000

COMMITTEE PROVISIONS

For the Risk Management Agency, the Committee provides an appropriation of \$68,016,000.

CORPORATIONS

FEDERAL CROP INSURANCE CORPORATION FUND

2011 appropriation	¹ \$7,613,232,000
2012 budget estimate	¹ 3,142,375,000
Provided in the bill	¹ 3,142,375,000
Comparison:	
2011 appropriation	– 4,470,857,000
2012 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 \$3,142,375,000 in the President's fiscal year 2012 budget request).

COMMODITY CREDIT CORPORATION FUND

REIMBURSEMENT FOR NET REALIZED LOSSES

(INCLUDING TRANSFERS OF FUNDS) ¹

2011 appropriation	\$13,925,575,000
2012 budget estimate	14,071,000,000
Provided in the bill	14,071,000,000
Comparison:	
2011 appropriation	+145,425,000
2012 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 \$14,071,000,000 in the President's fiscal year 2012 budget request).

HAZARDOUS WASTE MANAGEMENT

(LIMITATION ON EXPENSES)

2011 limitation	(\$5,000,000)
2012 budget estimate	(5,000,000)
Provided in the bill	(5,000,000)
Comparison:	
2011 limitation	---
2012 budget estimate	---

COMMITTEE PROVISIONS

For CCC Hazardous Waste Management, the Committee provides a limitation of \$5,000,000.

TITLE II
 CONSERVATION PROGRAMS
 OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND
 ENVIRONMENT

2011 appropriation	\$893,000
2012 budget estimate	911,000
Provided in the bill	760,000
Comparison:	
2011 appropriation	– 133,000
2012 budget estimate	– 151,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Natural Resources and Environment, the Committee provides an appropriation of \$760,000.

NATURAL RESOURCES CONSERVATION SERVICE

CONSERVATION OPERATIONS

2011 appropriation	\$870,503,000
2012 budget estimate	898,647,000
Provided in the bill	770,956,000
Comparison:	
2011 appropriation	– 99,547
2012 budget estimate	– 127,691

COMMITTEE PROVISIONS

For Conservation Operations, the Committee provides an appropriation of \$770,956,000.

The Committee provides \$9,300,000 for the Snow Survey and Water Forecasting program; \$9,400,000 for the Plant Materials Centers; and \$80,000,000 for the Soil Surveys program. The Committee provides \$667,256,000 for conservation technical assistance. The Committee provides an increase of \$5,000,000 for the Conservation Effects Assessment Project and an increase of \$5,000,000 for the Conservation Delivery Streamlining Initiative. The Committee does not concur with the proposed increase in funding for the Strategic Watershed Action Teams. The Committee concurs with the agency that a set aside is not necessary for the Grazing Lands Conservation Initiative as grazing land conservation needs are adequately addressed through the Conservation Operations account.

National Marine Sanctuaries.—The Committee urges the agency to continue the collaborative agreement with the Office of National Marine Sanctuaries to address agricultural sources of runoff, such as sediments, nitrates and pesticides.

WATERSHED REHABILITATION PROGRAM

2011 appropriation	\$17,964,000
2012 budget estimate	---
Provided in the bill	15,000,000
Comparison:	
2011 appropriation	- 2,964,000
2012 budget estimate	+15,000,000

COMMITTEE PROVISIONS

For the Watershed Rehabilitation Program, the Committee provides an appropriation of \$15,000,000.

TITLE III RURAL DEVELOPMENT PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

2011 appropriation	\$893,000
2012 budget estimate	911,000
Provided in the bill	760,000
Comparison:	
2011 appropriation	– 133,000
2012 budget estimate	– 151,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Rural Development, the Committee provides an appropriation of \$760,000.

Regional Innovation Initiative.—The fiscal year 2012 budget request repropoed a Regional Innovation Initiative. Secretary Vilsack has said the purpose of the initiative is to take a different direction in rural development based on five pillars: rural broadband, biofuels and biobased products, linking local production with local consumption of farm products, ecosystem markets to pay farmers for storing carbon, and forest restoration and private land conservation. The Committee is unable to provide any funding or authorization for the initiative as requests for additional information on the specific purpose, need, and plans for the initiative have gone unanswered. However, the Committee does provide funding for the Rural Community Development Initiative (RCDI) under the Community Facility Program Account. The Committee directs the Department not to spend any RCDI funding on the initiative until it receives approval from the Committee.

Threat to Broadband Infrastructure.—In April 2011, the Committee was made aware of national security concerns regarding the introduction of potentially harmful technology into the U.S. broadband infrastructure through the Department's broadband program. The Committee directs the Department to fully investigate these concerns, work with Federal partners to determine the most appropriate response, and report to the Committee regarding this issue by September 1, 2011.

RURAL DEVELOPMENT SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

	<i>FY 2011 estimate</i>	<i>FY 2012 estimate</i>	<i>Committee provisions</i>
Appropriations	\$191,603,000	\$234,301,000	\$161,011,000
Transfer from:			
Rural Housing Insurance Fund Program Account	453,474,000	411,779,000	400,000,000

	<i>FY 2011 estimate</i>	<i>FY 2012 estimate</i>	<i>Committee provisions</i>
Rural Development Loan Fund Program Account	4,931,000	4,941,000	3,500,000
Rural Electrification and Telecommuni- cations Loan Pro- gram Account	38,297,000	39,959,000	30,000,000
Total, RD Salaries and Expenses	688,305,000	690,980,000	594,511,000

COMMITTEE PROVISIONS

For Salaries and Expenses of the Rural Development mission area, the Committee provides an appropriation of \$161,011,000.

RURAL HOUSING SERVICE

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

	Loan level	Subsidy level	Administrative expenses
2011 appropriation	\$25,292,428,000	\$111,855,000	\$453,474,000
2012 budget estimate	24,333,940,000	51,814,000	411,779,000
Provided in the bill	24,922,585,000	66,250,000	400,000,000
Comparison:			
2011 appropriation	— 369,843,000	— 45,605,000	— 53,474,000
2012 budget estimate	+588,645,000	+14,436,000	— 11,779,000

COMMITTEE PROVISIONS

For the Rural Housing Insurance Fund program account, the Committee provides a loan level of \$24,922,585,000.

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

[In thousands of dollars]

	<i>FY 2011 level</i>	<i>FY 2012 estimate</i>	<i>Committee provisions</i>
Rural Housing Insurance Fund Loans			
Single family housing (sec. 502):			
Direct	\$1,121,406	\$211,416	\$845,666
Unsubsidized guaranteed	24,000,000	24,000,000	24,000,000
Housing repair (sec. 504)	23,360	0	0
Rental housing (sec. 515)	69,512	95,236	58,617
Multi-family guaranteed (sec. 538)	30,960	0	0
Housing site development (sec. 524)	5,052	0	0
Credit sales of acquired property	11,448	0	0
Self-help housing land development fund	4,966	0	0
Farm labor housing	25,724	27,288	18,302
Total, Loan authorization	25,292,428	24,333,940	24,922,585

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

ESTIMATED LOAN SUBSIDY AND ADMINISTRATIVE EXPENSES LEVELS

[In thousands of dollars]

	FY 2011 level	FY 2012 estimate	Committee provisions
Rural Housing Insurance Fund Program Account (loan subsidies and grants):			
Single family housing (sec. 502):			
Direct	\$70,060	\$10,000	\$40,000
Unsubsidized guaranteed	0	0	0
Housing repair (sec. 504)	4,413	0	0
Rental housing (sec. 515)	23,399	32,495	20,000
Multi-family guaranteed (sec. 538)	2,994	0	0
Site development loans (sec. 524)	293	0	0
Credit sales of acquired property	555	0	0
Self-help housing land development fund	288	0	0
Farm labor housing	9,853	9,319	6,250
Total, Loan subsidies	102,002	51,814	66,250
Farm labor housing grants	9,854	9,873	6,250
RHIF expenses:			
Administrative expenses	453,474	411,779	400,000

RENTAL ASSISTANCE PROGRAM

2011 appropriation	\$953,724,000
2012 budget estimate	906,653,000
Provided in the bill	890,000,000
Comparison:	
2011 appropriation	- 63,724,000
2012 budget estimate	- 16,653,000

COMMITTEE PROVISIONS

For the Rental Assistance Program, the Committee provides a program level of \$890,000,000.

MULTIFAMILY HOUSING REVITALIZATION PROGRAM ACCOUNT

2011 appropriation	\$29,940,000
2012 budget estimate	16,000,000
Provided in the bill	11,000,000
Comparison:	
2011 appropriation	- 18,940,000
2012 budget estimate	- 5,000,000

For the Multifamily Housing Revitalization Program Account, the Committee provides an appropriation of \$11,000,000, which is for the rural housing voucher program.

MUTUAL AND SELF-HELP HOUSING GRANTS

2011 appropriation	\$36,926,000
2012 budget estimate	---
Provided in the bill	22,000,000
Comparison:	
2011 appropriation	- 14,926,000
2012 budget estimate	+22,000,000

COMMITTEE PROVISIONS

For Mutual and Self-Help Housing Grants, the Committee provides an appropriation of \$22,000,000.

RURAL HOUSING ASSISTANCE GRANTS

2011 appropriation	\$40,319,000
2012 budget estimate	11,520,000
Provided in the bill	32,000,000
Comparison:	
2011 appropriation	- 8,319,000
2012 budget estimate	+20,480,000

COMMITTEE PROVISIONS

For the Rural Housing Assistance Grants program, the Committee provides an appropriation of \$32,000,000.

RURAL COMMUNITY FACILITIES PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

2011 appropriation	\$41,379,000
2012 budget estimate	38,400,000
Provided in the bill	18,000,000
Comparison:	
2011 appropriation	- 23,379,000
2012 budget estimate	- 20,400,000

COMMITTEE PROVISIONS

For the Rural Community Facilities Program Account, the Committee provides an appropriation of \$18,000,000.

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

[In thousands of dollars]

	FY 2011 level	FY 2012 estimated	Committee provisions
Loan levels:			
Community facility direct loans	(\$290,526)	(\$1,000,000)	(\$1,000,000)
Community facility guaranteed loans	(167,747)	(0)	(105,708)
Subsidy and grants:			
Community facility direct loans	3,856	0	0
Community facility guaranteed loans	6,613	0	5,000
Community facility grants	14,970	30,000	10,000
Rural Community Development Initiative	4,990	8,400	3,000
Total, Rural Community Facilities Program sub- sidy and grants	41,379	38,400	18,000

The following programs are included in bill language for the Rural Community Facilities Program: \$3,000,000 is for the Rural Community Development Initiative.

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL BUSINESS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

2011 appropriation	\$85,280,000
2012 budget estimate	89,857,000
Provided in the bill	64,500,000
Comparison:	
2011 appropriation	- 20,780,000
2012 budget estimate	- 25,357,000

COMMITTEE PROVISIONS

For the Rural Business Program Account, the Committee provides an appropriation of \$64,500,000.

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

[In thousands of dollars]

	FY 2011 level	FY 2012 estimated	Committee provisions
Loan level:			
Business and industry guaranteed loans	(\$889,111)	(\$822,900)	(\$626,959)
Subsidy and grants:			
Business and industry guaranteed loans	44,899	52,500	40,000
Rural business enterprise grants	34,930	29,874	20,000
Rural business opportunity grants	2,478	7,483	2,250
Delta regional authority	2,973	0	2,250
Total, Rural Business Program subsidy and grants	85,280	89,857	64,500

The following programs are included in bill language for the Rural Business Program account: \$500,000 for rural transportation technical assistance; and \$3,400,000 for Federally Recognized Native American Tribes, of which \$250,000 is for transportation technical assistance.

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

	Loan level	Subsidy level	Administrative expenses
2011 appropriation	\$19,181,000	\$7,385,000	\$4,931,000
2012 budget estimate	36,376,000	12,324,000	4,941,000
Provided in the bill	14,758,000	5,000,000	3,500,000
Comparison:			
2011 appropriation	— 4,423,000	— 2,385,000	— 1,431,000
2012 budget estimate	— 21,618,000	— 7,324,000	— 1,441,000

COMMITTEE PROVISIONS

For the Rural Development Loan Fund program account, the Committee provides for a loan level of \$14,758,000.

For the loan subsidy, the Committee provides an appropriation of \$5,000,000.

In addition, the Committee provides \$3,500,000 for administrative expenses.

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

(INCLUDING RESCISSION OF FUNDS)

	Loan level
2011 appropriation	\$33,077,000
2012 budget estimate	33,077,000
Provided in the bill	33,077,000
Comparison:	
2011 appropriation	---
2012 budget estimate	---

COMMITTEE PROVISIONS

For the Rural Economic Development Loans Program Account, the Committee provides for a loan level of \$33,077,000.

RURAL COOPERATIVE DEVELOPMENT GRANTS

2011 appropriation	\$30,193,000
2012 budget estimate	35,854,000
Provided in the bill	22,500,000
Comparison:	
2011 appropriation	– 7,693,000
2012 budget estimate	– 13,354,000

COMMITTEE PROVISIONS

For Rural Cooperative Development Grants, the Committee provides an appropriation of \$22,500,000.

The Committee provides a total of \$22,500,000 for the Rural Cooperative Development Grant program, of which: \$2,000,000 is provided for a cooperative agreement for the Appropriate Technology Transfer for Rural Areas program; \$3,000,000 is for cooperatives or associations of cooperatives whose primary focus is to provide assistance to small, minority producers; and \$12,500,000 is for the value-added agricultural product market development grant program.

RURAL UTILITIES SERVICE

RURAL WATER AND WASTE DISPOSAL PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

2011 appropriation	\$527,944,000
2012 budget estimate	488,978,000
Provided in the bill	500,000,000
Comparison:	
2011 appropriation	– 27,944,000
2012 budget estimate	+11,022,000

COMMITTEE PROVISIONS

For the Rural Water and Waste Disposal Program Account, the Committee provides an appropriation of \$500,000,000.

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

[Dollars in thousands]

	FY11 level	FY12 level	Committee provisions
Loan levels:			
Water and waste direct loans	(\$898,263)	(\$770,000)	(\$730,689)
Water and waste guaranteed loans	(75,000)	(12,000)	0
Subsidy and Grants:			
Direct Subsidy	76,917	73,788	70,000
Guaranteed Subsidy	0	190	0
Water and Waste Revolving Fund	497	497	497
Water Well System Grants	993	993	993
Grants for the Colonias and AK/HI	68,600	65,000	65,000
Water and Waste Technical Assistance Grants	19,110	19,000	19,000
Circuit Rider Program	14,700	14,000	14,000

[Dollars in thousands]

	FY11 level	FY12 level	Committee provisions
Solid Waste Management Grants	3,434	4,000	3,400
High Energy Cost Grants	11,976	0	0
Water and Waste Disposal Grants	331,717	311,510	327,110
Total Subsidies and Grants	527,944	488,978	500,000

**RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM
ACCOUNT**

(INCLUDING TRANSFER OF FUNDS)

	Loan level	Subsidy level	Administrative expenses
2011 appropriation	\$7,790,000,000	\$699,000	\$38,297,000
2012 budget estimate	6,790,000,000	0	39,959,000
Provided in the bill	7,290,000,000	0	30,000,000
Comparison:			
2011 appropriation	– 500,000,000	– 699,000	– 8,297,000
2012 budget estimate	+500,000,000	– – –	– 9,959,000

COMMITTEE PROVISIONS

For the Rural Electrification and Telecommunications Loans Program Account, the Committee provides a loan level of \$7,290,000,000. In addition, the Committee provides \$30,000,000 for administrative expenses.

The Committee does not concur with the proposal to limit the use of rural electrification loans and instead expects USDA to work with borrowers to finance the most reliable and cost-effective electricity source that meets their needs.

Baseload Generation Report.—The Committee directs USDA to provide a report on baseload generation needs in rural America and to work with interested parties and the Office of Management and Budget to conduct a subsidy analysis that incorporates the most up to date data. The Committee directs the Department to provide the report to the Committee by December 31, 2011.

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

[Dollars in thousands]

	FY 2011 enacted	FY 2012 estimate	Committee provisions
Loan authorizations:			
Electric:			
Direct, 5%	\$100,000	\$100,000	\$100,000
Direct, FFB	6,500,000	6,000,000	6,500,000
Guaranteed underwriting	500,000	0	0
Subtotal	7,100,000	6,100,000	6,600,000
Telecommunications:			
Direct, 5%	145,000	145,000	145,000
Direct, Treasury rate	250,000	250,000	250,000
Direct, FFB	295,000	295,000	295,000

[Dollars in thousands]

	FY 2011 enacted	FY 2012 estimate	Committee provisions
Subtotal	690,000	690,000	690,000
Total, Loan authorizations	7,790,000	6,790,000	7,290,000

DISTANCE LEARNING, TELEMEDICINE AND BROADBAND PROGRAM

	<i>Loan level</i>	<i>Subsidy level</i>	<i>Grants</i>
2011 appropriation	\$400,000,000	\$22,276,000	\$45,814,000
2012 budget estimate	0	0	47,976,000
Provided in the bill	0	0	15,000,000
Comparison:			
2011 appropriation	– 400,000,000	– 22,276,000	– 30,814,000
2012 budget estimate	---	---	– 32,976,000

COMMITTEE PROVISIONS

For the Distance Learning, Telemedicine, and Broadband Program, the Committee provides an appropriation of \$15,000,000 for distance learning and telemedicine grants.

Broadband Program Report.—The Committee is very concerned that numerous broadband projects around the country which were approved by the Department for funding under the American Recovery and Reinvestment Act, particularly for rural communities not served or underserved by broadband, are not under contract yet. The Committee directs the Department to submit a report which details the status of all approved broadband projects, when work is expected to start and be completed, within 60 days of enacted of this Act.

TITLE IV

DOMESTIC FOOD PROGRAMS

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

2011 appropriation	\$811,000
2012 budget estimate	828,000
Provided in the bill	689,000
Comparison:	
2011 appropriation	– 122,000
2012 budget estimate	– 139,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Food, Nutrition and Consumer Services, the Committee provides an appropriation of \$689,000.

The Committee directs FNS to continue making all policy documents related to the WIC program (including, but not limited to, instructions, memoranda, guidance, and questions and answers) available to the public on the internet within one week of their release to state WIC administrators.

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAMS

(INCLUDING TRANSFERS OF FUNDS)

2011 appropriation	\$17,319,950,000
2012 budget estimate	18,810,571,000
Provided in the bill	18,770,571,000
Comparison:	
2011 appropriation	+1,450,638,000
2012 budget estimate	– 40,000,000

COMMITTEE PROVISIONS

For the Child Nutrition Programs, the Committee provides \$18,770,571,000.

INCLUDING TRANSFER OF FUNDS

New Nutrition Requirements for the School Lunch and School Breakfast Programs.—The Committee notes that FNS has responded to the actions required by the Healthy, Hunger-Free Kids Act of 2010, P.L. 111–296. The Committee urges restraint and practical timelines for implementing new national nutrition standards in the school breakfast and lunch programs. As many of the representatives in states and local school districts have cautioned, an overly aggressive implementation schedule and unrealistic demands on changes in nutrient content can lead to burdensome

costs, estimated to be about \$7 billion over 5 years. Therefore, the Committee directs FNS to issue a new proposed rule that would not require an increase in the cost of providing school meals.

The following table reflects the Committee recommendations for the child nutrition programs:

[Dollars in thousands]

Child Nutrition Programs:	
School lunch program	\$10,884,019,000
School breakfast program	3,337,699,000
Child and adult care food program	2,818,405,000
Summer food service program	400,505,000
Special milk program	13,069,000
State administrative expenses	279,034,000
Commodity procurement	972,651,000
Healthier US Schools Challenge	1,500,000
Team nutrition	15,016,000
Food safety education	2,510,000
Coordinated review	9,763,000
Computer support and processing	9,525,000
CACFP training and technical assistance	3,537,000
Studies and other activities	19,000,000
Hunger free community grants	0
Farm to school tactical team	2,000,000
CN payment accuracy	2,338,000
Child nutrition reauthorization	0
Total	18,770,571,000

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

2011 appropriation	\$6,734,027,000
2012 budget estimate	7,390,100,000
Provided in the bill	5,901,250,000
Comparison:	
2011 appropriation	– 832,777,000
2012 budget estimate	– 1,488,850,000

COMMITTEE PROVISIONS

For the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), the Committee provides an appropriation of \$5,901,250,000.

The Committee notes that since the budget request was submitted in February 2011, estimates for participation and food costs in the WIC program have declined from the original estimates for fiscal years 2011 and 2012.

The Committee will continue to monitor WIC food costs, participation, and carry-over funds, and take additional action as necessary to ensure that funding provided in fiscal year 2012 is sufficient to serve all eligible applicants.

Although the total allocation for this bill is 13.4 percent below the FY 2011 enacted level, WIC is reduced by a lesser amount or 12.4 percent below the FY11. While funding for this program represents a relatively significant reduction, the Secretary can utilize funding mechanisms at his discretion, including the use of fiscal year 2011 carryover funds, the contingency fund for this account in the amount of \$125 million, as well as other funding options currently authorized in law.

Transfer of WIC funds in FY 2011.—The Committee is troubled by the action that transferred \$562 million from WIC for an unrelated activity in fiscal year 2011 and insists that USDA work towards ensuring that funds appropriated for this program, and solely intended for this program, benefit this program and WIC participants.

WIC Services and Administrative Costs.—While the average participation in WIC has grown by 26 percent over the past 10 years, administrative costs for WIC have grown by 72 percent or \$800 million dollars between 2001 and 2010. Keeping in mind that some of WIC's program offerings (i.e., nutrition and smoking cessation programs) have expanded over the past 10 years and state salary and benefit costs have grown with inflation, administrative and service delivery costs as a percentage of the overall cost of the program are excessively high. By the Committee's estimation, administrative costs of operating WIC are well above 40 percent. In contrast to other social service organizations, the model guidelines by the Federal Government's Combined Federal Campaign require a justification from any local charity that has administrative costs exceeding 25 percent and the Better Business Bureau's Wise Giving Alliance charity standards set a rate not to exceed 35 percent to cover administrative costs. FNS needs to achieve increased savings through greater use of benchmarking across states or achieve economies of scale whereby the agency and its state partners can decrease the delivery or program costs per participant. These costs pose the greatest threat to fully supporting the vital nutritional needs of all WIC participants. The Committee directs FNS to submit a plan by July 29, 2011, to reduce administrative costs.

Electronic Benefits Transfer.—The Committee recommendation includes language to allow funds to be used for WIC electronic benefit transfer (EBT) systems and sets the level of infrastructure funding at \$14,000,000, which includes funding to develop EBT systems. The Healthy, Hunger-Free Kids Act of 2010, P.L. 111–296 mandated that each state implement EBT for WIC no later than October 1, 2020. A few states are leading the way on WIC EBT implementation and should serve as models required by other states, including those state plans that take advantage of the states' existing food stamp or SNAP EBT system. As a reminder, the SNAP program did not require states to fully develop Management Information Systems (MIS) or meet MIS standards before implementation of SNAP EBT, and the WIC program also should not make such a requirement. The Committee directs FNS to develop an implementation plan for a more accelerated schedule in order to take advantage of the benefits that WIC EBT would yield for both the Federal, state and private sector stakeholders. FNS should work with state WIC agencies to provide the Committee with the plan by December 31, 2011.

Categorical eligibility.—WIC provides nutritional support to some of the most vulnerable individuals in the U.S. population. However, due to the Nation's overall financial crisis and the rapidly expanding needs of other Federal nutrition programs administered by FNS, the Committee recommends that the agency focus first on the nutritional needs of those originally envisioned in the creation of this program. While the Committee understands the need to seek

efficiencies through the use of Categorical Eligibility, the Committee is concerned that USDA is expanding eligibility well beyond the neediest or hardest hit during the economic downturn. In particular, USDA has confirmed that the WIC program is now serving significant numbers of individuals with incomes above 185 percent of the U.S. Poverty Income Guidelines, including seven states that use income eligibility limits above 250 percent of poverty.

The recommended funding level includes \$75,000,000 for continuation of the breastfeeding peer counselor program. The Committee also provides \$7,500,000 for breastfeeding performance bonuses to WIC state agencies.

The Committee provides \$50,000,000 for investments in management information systems.

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

2011 appropriation	\$65,206,693,000
2012 budget estimate	73,183,808,000
Provided in the bill	71,173,308,000
Comparison:	
2011 appropriation	+5,966,615,000
2012 budget estimate	-2,010,500,000

COMMITTEE PROVISIONS

For the Supplemental Nutrition Assistance Program, the Committee provides \$71,173,308,000. The total amount includes \$3,000,000,000 for a contingency reserve in fiscal year 2012 and \$200,000,000 for the Emergency Food Assistance Program (TEFAP).

Fast food pilot programs in SNAP.—The Committee disapproves of the Department's allowance of SNAP funds for fast food restaurants in Puerto Rico and in other state programs. USDA's own Amber Waves magazine (March 2010) contained an article entitled "SNAP Benefits and Eating Out: Wise Choices Required" that stated the following: 'Allowing SNAP participants to use their benefits to purchase food away from home is not likely to result in the healthy food choices found by the researchers' model. Most U.S. households make poorer nutritional choices than those recommended by the Thrifty Food Plan and the Dietary Guidelines. Allowing for SNAP benefits to be spent on food away from home, which is generally nutritionally inferior to food at home, may help SNAP participants balance time constraints and other needs but could also make eating healthy even more challenging. USDA should be consistent in its policies and practices for all nutrition assistance programs by ending this practice.

Fraud, Waste, and Abuse.—While SNAP provides a vital food security safety net to nearly 45 million people in this Nation, the Committee is concerned about the amount of waste, fraud, and abuse in this immense Federal nutrition program. The Committee is deeply concerned about reports of fraud and overpayments in SNAP. During the testimony before this Committee, fraud alone was estimated at around \$330 million in a single year. As this Committee noted last year, overpayments were expected to exceed \$1.2 billion, while fiscal year 2009 actual overpayments totaled \$1.78 billion and fiscal year 2010 overpayments are projected to approach \$2.6 billion. Between fiscal year 2008 and fiscal year 2011,

USDA estimates overpayments at a staggering cost of \$9.1 billion. This amount clearly constitutes waste that this Nation cannot afford. While the Committee is committed to ensuring that all eligible families receive the assistance to which they are entitled, record budget deficits also require vigilance in defense of precious taxpayer funds. Therefore, the Committee directs USDA to submit a report to the House and Senate Committees on Appropriations by December 31, 2011, detailing plans to prevent future improper payments and to reduce future state administrative fees in amounts equal to the estimated overpayments by such states.

The following table reflects the Committee recommendations for the Supplemental Nutrition Assistance Program:

Supplemental Nutrition Assistance Program Account:	
Benefits	61,816,683,000
Contingency Reserve	3,000,000,000
<i>Administrative Costs:</i>	
State Administrative Costs	3,332,000,000
Nutrition Education and Obesity Prevention Grant Program	381,000,000
Employment and Training	396,006,000
Mandatory Other Program Costs	114,358,000
Discretionary Other Program Costs	1,000,000
<i>Total Administrative Costs</i>	4,224,364,000
Nutrition Assistance for Puerto Rico	1,751,583,000
American Samoa	7,034,000
Food Distribution Program for Indian Reservations	102,746,000
TEFAP Commodities	248,750,000
Commonwealth of the Northern Mariana Islands	12,148,000
Community Food Project	5,000,000
Program Access	5,000,000
<i>Subtotal</i>	2,333,496,000
Total	71,173,308,000

COMMODITY ASSISTANCE PROGRAM

2011 appropriation	\$246,126,000
2012 budget estimate	249,619,000
Provided in the bill	192,500,000
Comparison:	
2011 appropriation	– 53,626,000
2012 budget estimate	– 57,119,000

COMMITTEE PROVISIONS

The Committee provides an appropriation of \$192,500,000 for the Commodity Assistance Program.

The recommended funding level for the Commodity Supplemental Food Program (CSFP) is \$138,500,000.

The Committee has included \$38,000,000 for administrative funding for the Emergency Food Assistance Program (TEFAP). In addition to the grant funds appropriated for commodity handling and distribution costs, the bill permits states to use up to 10 percent of the funds provided for purchasing TEFAP commodities to help with the costs of storing, transporting and distributing commodities. The Committee expects state agencies to consult with their emergency feeding organizations on the need for the conversion of such funds.

Increasing Efficiency within the Domestic Food Assistance Programs.—The Committee believes there are potential savings in the delivery of nutrition food assistance services designed to address food insecurity in the United States. The Government Account-

ability Office issued a report on April 15, 2010, entitled “Domestic Food Assistance: Complex System Benefits Millions, but Additional Efforts Could Address Potential Inefficiency and Overlap among Smaller Programs”, that outlines some of the opportunities for more efficient delivery of services. The Committee directs the Secretary to prepare a report by December 1, 2011, that proposes methods for addressing inefficiencies and redundancies among all programs, particularly smaller programs, while ensuring access to the programs for those eligible. The Secretary should also include plans for transitioning those elderly participants in CSFP to SNAP, where possible, as well as options for combining the administrative functions of CSFP and TEFAP. Lastly, the report shall include options for creating greater savings within the state administrative expenses.

For the Food Donations Programs, the Committee provides an appropriation of \$1,000,000 for Pacific Island Assistance.

The Committee recommendation includes \$15,000,000 for the Farmers’ Market Nutrition Program.

Seniors Farmers’ Market Program.—Section 4406(c)(1) of the Food, Conservation, and Energy Act of 2008 directs mandatory funding for this program from funds available to the Commodity Credit Corporation. The funding level is \$20,600,000 in fiscal year 2012.

NUTRITION PROGRAMS ADMINISTRATION

2011 appropriation	\$147,505,000
2012 budget estimate	170,471,000
Provided in the bill	125,000,000
Comparison:	
2011 appropriation	– 22,505,000
2012 budget estimate	– 45,471,000

COMMITTEE PROVISIONS

For Nutrition Programs Administration, the Committee provides \$125,000,000.

Interagency Working Group on Food Marketing to Children.—The 2009 Omnibus Appropriations Act, P.L. 111–8, calling for the establishment of an Interagency Working Group on Food Marketed to Children, made up of members from FDA, CDC, USDA, and FTC. While Congress directed the Working Group to submit a report to the Committees on Appropriations no later than July 15, 2010, this Committee has not received a report to date. Almost two years after the initial meeting of the four agencies, FTC released a draft report entitled “Interagency Working Group on Food Marketed to Children: Preliminary Proposed Nutrition Principles to Guide Industry Self-Regulatory Efforts.”

While the goal of improving children’s diets and addressing the high rates of childhood obesity is laudable, this Committee strongly believes that a number of other critical existing responsibilities now take precedence over the previously required tasks of this Working Group. If the Secretary certifies in writing to the Committee that resources are available after all other statutory mandates are met, the Committee will consider directing USDA to collaborate with other members of the Interagency Working Group to

complete a study, based upon peer-reviewed evidence, which examines the extent to which food marketing directed to children (ages 2 to 12) contributes to long-term changes in eating behavior and which identifies a range of strategies that will address long-term eating behavior in children, in order of their effectiveness.

TITLE V
FOREIGN ASSISTANCE AND RELATED PROGRAMS
FOREIGN AGRICULTURAL SERVICE
SALARIES AND EXPENSES
(INCLUDING TRANSFERS OF FUNDS)

	<i>Appropriation</i>	<i>Transfer from loan accounts</i>	<i>Total, FAS</i>
2011 appropriation	\$185,628,000	(\$6,452,000)	(\$192,080,000)
2012 budget estimate	229,730,000	(6,465,000)	(236,195,000)
Provided in the bill	175,000,000	(6,465,000)	181,465,000
Comparison:			
2011 appropriation	– 10,628,000	+13,000,000	– 10,615,000
2012 budget estimate	– 54,730,000	---	– 54,730,000

COMMITTEE PROVISIONS

For the Foreign Agricultural Service (FAS), the Committee provides an appropriation of \$175,000,000 and transfers of \$6,465,000.

National Export Initiative.—The Committee does not provide any additional funds for the National Export Initiative, but it fully supports the Administration's effort to expand overseas markets for U.S. agricultural exporters. The Committee encourages the Secretary of Agriculture to develop a newly improved process by which the Department's professionals and experts, as well as private sector leaders such as those within the Agricultural Policy Advisory Committee and the six Agricultural Technical Advisory Committees, can provide more expeditious and coordinated support to FAS in their work with stakeholders.

Foreign Aid and Long-term Sustainability in Developing Countries.—This bill includes funding for two international food programs: the McGovern-Dole International Food for Education, a program designed to help support education, child development, and food security for some of the world's poorest children; and the Food for Peace, Public Law 480, Title II, which provides funding for donations of U.S. food agricultural commodities to meet emergency and nonemergency needs in other countries. The Committee directs FAS to submit a report within 60 days of enactment that provides options for shifting resources away from funds designated for emergency food aid and to programs that support FAS' duties that help developing countries improve their agricultural systems and build their trade capacity. In constructing this report, USDA must work with U.S. AID to develop long-term efforts that help build market-driven institutions and science-based regulatory frameworks that facilitate trade and create an environment conducive to agricultural growth.

FOOD FOR PEACE
TITLE I AND TITLE II
PROGRAM AND GRANT ACCOUNTS
(INCLUDING TRANSFERS OF FUNDS)
COMMITTEE PROVISIONS

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

	FY 2011 enacted	FY 2012 estimate	Committee provisions
Public Law 480 Program Account:			
Title II—Commodities for disposition abroad:			
Program level	(\$1,499,806,000)	(\$1,692,812,000)	(\$1,042,583,000)
Appropriation	1,497,000,000	1,690,000,000	1,040,198,000
Salaries and expenses:			
FAS	192,080,000	236,195,000	181,465,000
FSA	2,806,000	2,812,000	2,385,000
Total, P.L. 480—S&E	2,806,000	2,812,000	2,385,000

The Committee directs the Secretary, through the Office of Budget and Program Analysis, in consultation with the Administrator of the U.S. Agency for International Development, to submit quarterly reports to the Committee on the status of the Bill Emerson Humanitarian Trust, as well as immediately notify the Committee when the Trust has been drawn down.

CCC EXPORT LOANS PROGRAM ACCOUNT

ADMINISTRATIVE EXPENSES

2011 appropriation	\$6,806,000
2012 budget estimate	6,820,000
Provided in the bill	6,820,000
Comparison:	
2011 appropriation	+14,000
2012 budget estimate	— — —

COMMITTEE PROVISIONS

For administrative expenses of the Commodity Credit Corporation Export Loans Program Account, the Committee provides an appropriation of \$6,820,000.

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

2011 appropriation	\$199,101,000
2012 budget estimate	200,500,000
Provided in the bill	180,000,000
Comparison:	
2011 appropriation	— 19,101,000
2012 budget estimate	— 20,500,000

COMMITTEE PROVISIONS

For McGovern-Dole International 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 \$180,000,000.

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

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

[In thousands of dollars]

	Appropriation	Drug, device and animal drug user fees	Total, FDA, S&E
2011 appropriation	\$2,447,021	\$1,233,480	\$3,680,501
2012 budget estimate	2,730,910	1,520,415	4,251,325
Provided in the bill	2,163,451	1,525,763	3,689,214
Comparison:			
2011 appropriation	— 283,570	+292,283	+8,713
2012 budget estimate	— 567,459	---	— 562,111

COMMITTEE PROVISIONS

The Committee provides an appropriation of \$2,163,451,000 in new budget authority. In addition, the Committee makes available \$856,041,000 in prescription drug user fees; \$67,118,000 in medical device user fees; \$21,768,000 in animal drug user fees; \$5,706,000 in generic animal drug user fees; \$14,700,000 in Reinspection user fees; \$12,364,000 in Food and Feed Export Certification user fees; \$36,000,000 in Voluntary Qualified Importer user fees; and \$477,000,000 in tobacco product user fees, for total Salaries and Expenses of \$3,654,148,000.

Between fiscal year 2004 and fiscal year 2011, net budget authority provided to FDA increased by \$2,015,243,000, a 121 percent increase. Over this same time period, direct appropriations increased by \$1,052,404,000 or 75 percent. Implementation of the Food Safety Modernization Act of 2010, P.L. 111–353, would require an additional \$1.4 billion in new budget authority. If the President's Budget request for 2012 were adopted, the result would be a 156 percent increase for FDA since 2004. This level of spending is unsustainable. While the recommended funding level for FDA in this bill is an 11.5 percent decrease below the amount provided in the fiscal year 2011 Continuing Resolution, the Subcommittee's overall allocation was reduced by 13.4 percent.

Spending Plans.—Within 30 days from the enactment of this Act, the Commissioner shall notify the Committees on Appropriations of both Houses of Congress, on the allocation of the funds provided herein by account, and within each account by program, project and activity.

Food Safety Research.—The Committee urges FDA to collaborate on its research needs where possible to reduce redundancy regard-

ing food safety research in produce and to find efficiencies where possible when constructing new research facilities.

Trade Facilitation & Interagency Cooperation.—The current fiscal environment requires that efforts to enhance safety must be directed towards the most serious compliance infractions. The Committee strongly encourages FDA to establish a pilot project to expedite imports for highly compliant importers. Such project could be modeled on the Customs and Border Protection (CBP) Customs-Trade Partnership Against Terrorism and Importer Self-Assessment programs. The goal would be new trade facilitation methods for low-risk, shippers and cargo that could be incorporated into the import inspection process, thereby enabling FDA to better target Federal resources. FDA is strongly encouraged to provide clear guidelines for those shippers who are low-risk and to collaborate with CBP and other relevant agencies on this work. FDA is directed to provide a report to the Committee on its efforts in this regard by December 1, 2011.

Independent Post-Market Surveillance.—Concerns have been raised that those at FDA who approve drugs also have a large role in determining how they are regulated for safety in post-marketing surveillance. The Committee directs FDA to issue a report by March 31, 2012, that would outline the process necessary to create an independent office within the agency that is focused on post-market evaluation with the controls and separation of duties necessary to make unbiased decisions on safety and advocacy. This process should also ensure that the post-market surveillance and pre-market functions can work collaboratively so that science-based, post-market assessments can formally feed back to officials involved with making pre-market drug approvals.

Pediatric Devices.—The Committee supports FDA's efforts in addressing the need for improved pediatric medical devices. Since the inception of Demonstration Grants for Improving Pediatric Device Availability, four consortia funded by the Office of Orphan Products Development have assisted in the development of more than 80 potential pediatric devices. While the Committee does not have additional resources to provide an increase, the Committee directs that FDA maintain level funding for this program.

Influenza Vaccines.—The Committee is aware FDA has not yet exercised its authority under the Accelerated Approval of Biological Products regulation to approve licenses for adjuvanted seasonal influenza vaccines that have a proven safety record. While discussions about licensing such a vaccine have been ongoing at FDA, no pathway for approval has been established. The Committee believes FDA has the authority to approve these vaccines and encourages FDA to exercise that authority. The Committee is also aware that clinical studies are needed to further the development of new treatments for emerging public health requirements and for pandemic preparedness. The Committee urges FDA to work with inter-agency partners to ensure funding is available to conduct these needed clinical studies.

Pediatric Cancer.—The Committee notes cancer remains the leading cause of disease-related death in children. The incidence of childhood cancer is increasing and more effective and less toxic treatments are needed. The Committee recognizes that only one

drug has been approved for pediatric cancer in the last twenty years. The Committee encourages FDA to collaborate with industry and the pediatric cancer community to promote the development of new therapies.

Sunscreen.—In August 2007, FDA published a proposed rule for over-the-counter sunscreens that would require UVB and UVA testing and labeling. Given the importance of this rule to protecting Americans against skin cancer, the Committee is concerned that FDA has not issued a final rule. The Committee instructs FDA to issue a final rule before December 31, 2011.

Gluten-free Rulemaking.—Public Law 108–282 required a final rule to define and permit the use of the term “gluten-free” on food labels not later than August 2008. Given the importance of this rule to protecting consumers, the Committee is concerned that FDA has not issued a final rule. The Committee instructs FDA to issue a final rule before December 31, 2011.

OTC Cold Medicines for Children.—The Committee is concerned that FDA has not issued a proposed rule revising the monograph regulating the labeling of over-the-counter cough and cold products for children. The Committee directs the agency to publish a proposed rule by December 31, 2011, based on scientific evidence for safety and efficacy in pediatric populations and consistent with the October 19, 2007, joint recommendations of its Pediatric Advisory Committee and Nonprescription Drugs Advisory Committee.

Medical Devices Advisory Committee.—The Committee commends FDA for convening the General and Plastic Surgery Devices Panel of the Medical Devices Advisory Committee in March 2010 to review the medical device classification of tanning beds. The Committee encourages the agency to act in a timely fashion to finalize its review and make formal recommendations regarding this classification.

Seafood Advisory.—The Committee is concerned about differing messages from Federal agencies to pregnant women regarding the nutritional value of seafood consumption during pregnancy. The Committee directs FDA to initiate formal reconsideration of the 2004 advisory in consideration of the 2010 Dietary Guidelines. FDA shall report to the Committee within 90 days of enactment of this Act on progress made and a timeline for final action on a new FDA advisory.

Nutrition Labeling.—The Committee is concerned with the proposed rule that FDA issued on April 6, 2011, on nutrition labeling of standard menu items in restaurants and similar retail food establishments. The proposed rule would include establishments that are not primarily in the business of selling food for immediate consumption or selling food that is prepared or processed on the premises. These establishments are not similar to restaurants and the Committee believes that FDA should define the term “restaurant” to mean only restaurants doing business marketed under the same name or retail establishments where the primary business is the selling of food for immediate consumption. The Committee urges FDA to use the proposed alternative definition in the rule that would encompass only establishments where the primary business is the selling of food for immediate consumption or selling food that is prepared and processed on the premises.

FDA Spending.—The Committee is deeply troubled about the expenditure of scarce appropriated funds investigating alleged use of performance enhancing drugs. The Committee can discern no prudent interest for the FDA to investigate allegations that unapproved drugs may have been used outside the United States, where there is no allegation that they were sought to be imported into the U.S. and no risks to public health in the U.S. It exemplifies the problems identified by the GAO in 2010, which found that the FDA has failed to exercise appropriate oversight of the Office of Criminal Investigation or to ensure that its activities are consistent with the FDA's mission and priorities. The Committee takes no position on the merits of any pending allegations, but holds concerns about the use of taxpayer funds for investigations falling outside the agency's core missions.

BUILDINGS AND FACILITIES

2011 appropriation	\$9,980,000
2012 budget estimate	13,055,000
Provided in the bill	8,788,000
Comparison:	
2011 appropriation	– 180,000
2012 budget estimate	– 3,255,000

COMMITTEE PROVISIONS

For Buildings and Facilities of the Food and Drug Administration, the Committee provides \$8,788,000.

INDEPENDENT AGENCIES

COMMODITY FUTURES TRADING COMMISSION

2011 appropriation	\$202,270,000
2012 budget estimate	308,000,000
Provided in the bill	171,930,000
Comparison:	
2011 appropriation	– 30,340,000
2012 budget estimate	– 136,070,000

COMMITTEE PROVISIONS

For the Commodity Futures Trading Commission (CFTC), the Committee provides an appropriation of \$171,930,000.

Spending Plans.—Within 30 days from the enactment of this Act, the Commissioner shall notify the Committees on Appropriations of both Houses of Congress, on the allocation of the funds provided herein by account, and within each account by program, project and activity.

Implementation and Sequencing.—The Committee directs CFTC to develop and publish, with a 60-day comment period, a schedule of implementation and sequencing of all rules and regulations under subtitle A of Title VII of Public Law 111–203.

IG Report on Cost-Benefit Analysis.—A report completed by CFTC Inspector General (IG) analyzed the limited cost-benefit analysis performed by CFTC during rulemaking under Title VII of the Dodd-Frank Act, P.L. 111–203, as required by Section 15(a) of the Commodity Exchange Act. The Committee wishes to highlight several of the IG's findings. First, the role of the Office of the Gen-

eral Counsel (OGC) during the cost-benefit analysis was “dominant . . . (and) had the greater ‘say’” during the entire process. To begin with, the formulation by the OGC of an analysis template that did not change from a 10-year precedent due to fear of supposed litigation risk, although CFTC has never been presented with such a challenge in court. The Committee finds this revealing at a time when the Commission, in both its budget proposal and testimony, highlights the need for expanded resources due to ever-growing responsibility. Moreover, the OGC disregarded the opinions of those on the various analysis teams and injected its own views as superior. The Commission’s expanded role under the Dodd-Frank Act will drastically effect the financial industry and U.S. economy as a whole. As such, the Commission should adapt its cost-benefit analysis practices to its new responsibilities. Second, the lack of participation, and in certain cases, exclusion of CFTC’s Office of the Chief Economist in the cost-benefit analysis process shows a lack of due diligence to wholly consider the economic impact of the rulemaking process. Finally, the report noted the haste with which the cost-benefit analysis took place due to the ill-conceived July rulemaking deadline set forth under the Dodd-Frank Act. Such expediency jeopardizes the diligence of the cost-benefit analysis. The Committee encourages CFTC to reexamine its procedures for cost-benefit analysis and follow the recommendations of the IG in doing so. While the Committee acknowledges that the Commission is not subject to complying with Executive Orders, it nonetheless encourages the Commission to conduct cost-benefit analysis on its proposed rules and regulations in the spirit of Executive Order 13563—Improving Regulation and Regulatory Review.

Exemptions.—The Committee directs the Commission to exempt from the definition of end users any entity whose primary business is a producer, processor, commercial user, or an entity that uses agricultural commodity swaps to hedge or mitigate commercial risk; and, to exempt from margin requirements any commercial end users.

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

2011 limitation	(\$59,281,000)
2012 budget estimate	(62,000,000)
Provided in the bill	(62,000,000)
Comparison:	
2011 limitation	+2,719,000
2012 budget estimate	— —

COMMITTEE PROVISIONS

For a limitation on the expenses of the Farm Credit Administration, the Committee provides \$62,000,000.

TITLE VII
GENERAL PROVISIONS

INCLUDING RESCISSIONS AND TRANSFERS OF FUNDS

The General Provisions contained in the accompanying bill for fiscal year 2012 are fundamentally the same as those included in last year's appropriations bill.

The following general provisions are included in the bill:

Section 701: Limitation on the purchase of passenger motor vehicles.

Section 702: Transfer authority regarding the Working Capital Fund.

Section 703: Limitation on certain obligations.

Section 704: Indirect cost rates for cooperative agreements with nonprofit institutions.

Section 705: Disbursement of rural development loans.

Section 706: Limitation on funds for an advisory committee.

Section 707: Authority of the Chief Information Officer relating to new IT systems.

Section 708: Availability of mandatory conservation program funding.

Section 709: Rural Utility Service borrower eligibility.

Section 710: Indirect costs related to research grants.

Section 711: Availability of agency funds for information technology.

Section 712: Funding availability for liquid infant formula.

Section 713: Prohibition on first-class airline travel.

Section 714: Use of funds authorized by the Commodity Credit Corporation Act.

Section 715: Language regarding Rural Housing Service Loan Guarantees.

Section 716: Language regarding the extension of a program.

Section 717: Disbursement of loans made under the Rural Electrification Act.

Section 718: Rescission/limitation of certain funds.

Section 719: Funding for advisory committees.

Section 720: Indirect costs for competitive agricultural research grants.

Section 721: Regulations under the Grain Inspection, Packers and Stockyards Administration.

Section 722: Rescission of certain unobligated balances.

Section 723: Rescission of certain unobligated balances.

Section 724: Language regarding the Conservation Stewardship Program.

Section 725: Language regarding the Environmental Quality Incentives Program.

- Section 726: Language regarding the Farmland Protection Program.
- Section 727: Language regarding the Wildlife Habitat Incentives Program.
- Section 728: Language regarding certain limitations.
- Section 729: Rescission of certain unobligated balances.
- Section 730: Limitation on certain funds.
- Section 731: Conveyance authority of certain facilities.
- Section 732: Modification of National School Lunch Act.
- Section 733: Rescission of certain unobligated balances.
- Section 734: Language on questions for the record.
- Section 735: Language on reprogramming.
- Section 736: Language on user fee proposals without offsets.
- Section 737: Language regarding prepackaged news stories.
- Section 738: Language on prohibition on paid details in excess of 30 days.
- Section 739: Spending Reduction Account.

HOUSE OF REPRESENTATIVES REPORT REQUIREMENTS

CONSTITUTIONAL AUTHORITY

Clause 3(d)(1) of rule XIII requires each committee report on a public bill or joint resolution to contain a statement citing the specific powers granted to 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 on clause 7 of section 9 of article I of the Constitution of the United States, which states “No money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law. . . .”

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

TRANSFER OF FUNDS

Pursuant to clause 3(f)(2) of rule XIII of the Rules of the House of Representatives, the following lists the transfers of unexpended balances included in the accompanying bill.

1. *Agriculture Buildings and Facilities and Rental Payments.*—The bill allows funds to be transferred to recover the full cost of space and security expenses.

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. *Funds for Strengthening Markets, Income, and Supply.*—The bill limits the transfer of section 32 funds to purposes specified in the bill.

7. *Farm Service Agency Salaries and Expenses.*—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. *Commodity Credit Corporation.*—The bill includes language allowing certain funds to be transferred to the Foreign Agricultural Service for information resource management activities.

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 Community Facilities Program Account, Rural Business Program Account, and Rural Water and Waste Disposal Program Account.*—The bill provides that balances from the Rural

Community Advancement Program may be transferred to and merged with these accounts.

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

13. *Foreign Agricultural Service Salaries and Expenses*.—The bill allows for the transfer of funds from the Commodity Credit Corporation Export Loan Program Account.

14. *Food for Peace Title I Direct Credit and Food for Progress Program Account*.—The bill allows funds to be transferred to the Farm Service Agency, Salaries and Expenses account. The bill also provides that funds made available for the cost of title I agreements and for title I ocean freight differential may be used interchangeably.

15. *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.

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

17. *General Provisions*.—The bill allows unobligated balances of discretionary funds to be transferred to the Working Capital Fund.

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 that directly or indirectly change the application of existing law.

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. *Office of the Chief Financial Officer*.—Language is included that no funds may be obligated for FAIR Act or A-76 activities until the Secretary provides a report to the Congress on contracting out policies.

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

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

5. *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.

Language is included to limit the amount of funds for representational allowances.

6. *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.

7. *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.

8. *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.

9. *Agricultural Credit Insurance Fund Program Account.*—Language is included that deems the pink bollworm a boll weevil for the purposes of administering the boll weevil loan program.

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

11. *Commodity Credit Corporation Fund.*—Language is included to provide for the reimbursement appropriation. Language is also included to allow certain funds transferred from the Commodity Credit Corporation to be used for information resource management. In addition, language is included which limits the amount of funds that can be spent on operation and maintenance costs of CCC hazardous waste sites.

12. *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.

13. *Rural Development Salaries and Expenses.*—Language is included to allow funds to be used for advertising and promotional activities and to limit the amount of funds to provide modest non-monetary awards to non-USDA employees.

14. *Rental Assistance Program.*—Language is included which provides that agreements entered into during the current fiscal year be funded for a one-year period.

15. *Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).*—Language is included to purchase infant formula except in accordance with law and pay for activities that are not fully reimbursed by other departments or agencies unless authorized by law.

16. *Supplemental Nutrition Assistance Program.*—Language is included on funds availability for Employment and Training and to enter into contracts and employ staff to conduct studies, evaluations, or to conduct activities related to program integrity.

17. *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 de-

velopment and technical cooperation. Language is included to limit the amount of funds for official reception and representation expenses.

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

19. *General Provisions*.—

Section 704: 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 National Institute of Food and Agriculture in excess of 10 percent of total direct costs.

Section 705: This provision allows funds made available in the current fiscal year for the Rural Development Loan Fund program account; the Rural Electrification and Telecommunications Loans program account; and the Rural Housing Insurance Fund program account to remain available until expended to disburse obligations.

Section 706: Provides that none of the funds may be used to carry out certain provisions of the meat and poultry inspection act.

Section 707: 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 708: Language is included regarding the availability of funds for certain conservation programs.

Section 709: Language is included regarding certain Rural Utilities Service Programs.

Section 710: Language is included regarding indirect costs to grants made under section 412 of the Agricultural Research, Extension, and Education Reform Act of 1998.

Section 711: Language is included that allows unobligated balances of the Farm Service Agency and Rural Development mission areas to be used for information technology purposes.

Section 712: Language is included regarding reconstituted liquid concentrate infant formula issuance to WIC participants.

Section 713: Language is included regarding the prohibition of first-class travel by the employees of agencies funded in this Act.

Section 714: Language is included regarding the use of authorities of the Commodity Credit Corporation.

Section 715: Language is included regarding the Rural Housing Insurance Fund Program account that authorities under Section 502 of the program may be used for Section 538 of the program.

Section 716: Language is included regarding the Agricultural Management Assistance Program.

Section 717: Language is included regarding the disbursement of valid obligations for certain Rural Electrification Loans.

Section 718: Language is included that limits and rescinds section 32 balances.

Section 719: Language is included that limits the amount of spending for USDA Advisory Committees.

Section 720: Language is included modifying matching requirements for certain research grants.

Section 721: Language is included regarding regulations under the Packers and Stockyards Act.

Section 722: Language is included regarding the rescission of certain unobligated balances.

Section 723: Language is included regarding the rescission of certain unobligated balances.

Section 724: Language is included regarding the Conservation Stewardship Program.

Section 725: Language regarding the Environmental Quality Incentives Program.

Section 726: Language regarding the Farmland Protection Program.

Section 727: Language regarding the Wildlife Habitat Incentives Program.

Section 728: Language regarding certain limitations.

Section 729: Rescission of certain unobligated balances.

Section 730: Limitation on certain funds.

Section 731: Conveyance authority of certain facilities.

Section 732: Modification of National School Lunch Act.

Section 733: Rescission of certain unobligated balances.

Section 734: This provision prohibits the Department of Agriculture or the Food and Drug Administration from transmitting or making available to any non-Department of Agriculture or non-Department of Health and Human Services employee questions or responses to questions that are a result of information requested for the appropriations hearing process.

Section 735: Language is included that requires certain reprogramming procedures of funds provided in Appropriations Acts.

Section 736: Language is included that prohibits funds from being used to prepare a budget submission to Congress that assumes reductions from the previous years budget due to user fee proposals unless the submission also identifies spending reductions which should occur if the user fees are not enacted.

Section 737: Language regarding prepackaged news stories.

Section 738: 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 739: Spending Reduction Account.

DISCLOSURE OF EARMARKS AND CONGRESSIONALLY DIRECTED SPENDING ITEMS

Neither the bill nor the report contains any Congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

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

ance goals and objectives for which this measure authorizes funding:

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

COMPLIANCE WITH RULE XIII, CL. 3(e) (RAMSEYER RULE)

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

RICHARD B. RUSSELL NATIONAL SCHOOL LUNCH ACT

SECTION 9. NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS.

(a) * * *

* * * * *

(1) *FOOD DONATION PROGRAM.*—

(1) *IN GENERAL.*—*Each school and local educational agency participating in the school lunch program under this Act may donate any food not consumed under such program to eligible local food banks or charitable organizations.*

(2) *GUIDANCE.*—

(A) *IN GENERAL.*—*Not later than 180 days after the date of the enactment of this subsection, the Secretary shall develop and publish guidance to schools and local educational agencies participating in the school lunch program under this Act to assist such schools and local educational agencies in donating food under this subsection.*

(B) *UPDATES.*—*The Secretary shall update such guidance as necessary.*

(3) *LIABILITY.*—*Any school or local educational agency making donations pursuant to this subsection shall be exempt from civil and criminal liability to the extent provided under the Bill Emerson Good Samaritan Food Donation Act (42 U.S.C. 1791).*

(4) *DEFINITION.*—*In this subsection, the term 'eligible local food banks or charitable organizations' means any food bank or charitable organization which is exempt from tax under section 501(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. 501(c)(3)).*

FOOD SECURITY ACT OF 1985

SECTION 1238E. CONSERVATION STEWARDSHIP PROGRAM.

(a) *ESTABLISHMENT AND PURPOSE.*—*During each of fiscal years 2009 through [2012] 2014, the Secretary shall carry out a conservation stewardship program to encourage producers to address resource concerns in a comprehensive manner—*

SECTION 1240B. ESTABLISHMENT AND ADMINISTRATION.

(a) *ESTABLISHMENT.*—*During each of the 2002 through [2012] 2014 fiscal years, the Secretary shall provide payments to pro-*

ducers that enter into contracts with the Secretary under the program.

SECTION 1241. COMMODITY CREDIT CORPORATION.

(a) IN GENERAL.—For each of fiscal years 2002 through [2012] 2012 (and fiscal years 2014 in the case of the farmland protection program), the Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out the following programs under subtitle D (including the provision of technical assistance):

(1) * * *

* * * * *

The farmland protection program under subchapter C of chapter 2, using, to the maximum extent practicable—

(A) * * *

(E) \$200,000,000 in [fiscal year 2012] each of fiscal years 2012 through 2014.

* * * * *

(7) The wildlife habitat incentives program under section 1240N, using, to the maximum extent practicable—

(A) * * *

(D) \$85,000,000 in each of fiscal years 2005 through [2012] 2014.

FEDERAL CROP INSURANCE ACT

SECTION 524(B). AGRICULTURAL MANAGEMENT ASSISTANCE.

(1) * * *

* * * * *

(4)(B) FUNDING—

(i) * * *

(ii) Exception for [fiscal years 2008 through 2012] certain fiscal years—For each of fiscal years 2008 through [2012] 2014, the Commodity Credit Corporation shall make available to carry out this subsection \$15,000,000.

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 for the period concerned:

[In thousands of dollars]

Agency/program	Last year of authorization	Authorization level	Appropriations in last year of authorization	Appropriations in this bill
Office of the Secretary:				
Healthy Food Financing Initiative	N/A	N/A	N/A	
Rural Housing Service:				
Multi-family Housing Revitalization Program	9/30/2010	43,191	43,191	
Rural Utilities Service:				
Broadband Telecommunications Grants	9/30/2010	17,976	17,976	

RESCISSIONS

Pursuant to clause 3(f)(2) of rule XIII of the Rules of the House of Representatives, the following lists the rescissions of unexpended balances included in the accompanying bill:

The bill proposes rescissions of \$155,000,000 of funds derived from interest on the cushion of credit payments under the Rural Economic Development Loans Program Account; \$150,000,000 from Section 32 funds; \$11,000,000 from Supplemental Nutrition Assistance Program employment and training funds; \$5,500,000 from the Forestry Incentives Program; \$500,000 from the Great Plains Conservation Program; \$90,000,000 from Trade Adjustment Assistance for farmers; and \$63,000,000 from unobligated balances at the Department of Agriculture.

COMPARISON WITH THE BUDGET RESOLUTION

Pursuant to clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a)(1)(A) of the Congressional Budget Act of 1974, the following table compares the levels of new budget authority provided in the bill with the appropriate allocation under section 302(b) of the Budget Act:

[In millions of dollars]

FIVE-YEAR OUTLAY PROJECTIONS

Pursuant to section 308(a)(1)(B) of the Congressional Budget Act of 1974, the following table contains five-year projections prepared by the Congressional Budget Office of outlays associated with the budget authority provided in the accompanying bill:

[In millions of dollars]

ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

Pursuant to section 308(a)(1)(C) of the Congressional Budget Act of 1974, the amounts of financial assistance to State and local governments is as follows:

[In millions of dollars]