

House Appropriations Committee

Chairman Rodney Frelinghuysen

Website address: <http://appropriations.house.gov/>

FY 2017 Omnibus Summary – Agriculture Appropriations

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

The Agriculture appropriations portion of the Omnibus focuses investments in programs that bolster U.S. agriculture, support rural communities, maintain and promote food and drug safety, and provide nutrition for those in need.

In total, the bill allows for \$153.4 billion in both discretionary and mandatory funding – \$16 billion below the previous Administration’s request and \$12.8 billion above the fiscal year 2016 enacted level. This net increase is related to mandatory spending outside the Committee’s jurisdiction. Discretionary funding alone provided by the bill is \$20.88 billion, \$623 million below the fiscal year 2016 enacted level and \$349 million below the previous Administration’s request.

Agricultural Research – The bill provides \$2.89 billion for agriculture research programs, including the Agricultural Research Service and the National Institute of Food and Agriculture. This funding will support research to help mitigate and stop devastating crop diseases, improve food safety and water quality, increase production, and combat antimicrobial resistance. This funding also includes important research investments in U.S. land-grant colleges and universities. Included in this level is a \$25 million increase for USDA’s premier competitive research program – the Agriculture and Food Research Initiative. The bill also includes \$5 million for a pilot program to enhance farming and ranching opportunities for military veterans.

Animal and Plant Health – The legislation includes \$949 million – \$45 million above the previous Administration’s budget request and \$51.8 million above the fiscal year 2016 enacted level – for the Animal and Plant Health Inspection Service. This funding will support programs to help control or eradicate plant and animal pests and diseases that can be crippling to U.S. producers. The increase will help address harmful outbreaks of citrus greening and emergency preparedness and response to deal with such devastating diseases such as highly pathogenic avian influenza. In addition, the bill provides increases for other high priority areas such as specialty crop pests and zoonotic disease management.

Conservation Programs – The bill provides more than \$1 billion to help farmers, ranchers, and private forest landowners conserve and protect their land. This includes \$12 million for infrastructure rehabilitation to help small communities meet current safety standards for watershed projects.

Farm Service Agency (FSA) – The legislation provides \$1.62 billion for FSA, which is \$29 million above the fiscal year 2016 level. Increased funding of \$1.6 billion in the farm operating and ownership loan levels above fiscal year 2016 is at little cost and will help support 60,000 American farmers and ranchers during a time of low commodity prices and restricted access to credit.

Rural Development – The bill provides a total of \$2.94 billion for rural development programs, which is \$166 million above the fiscal year 2016 enacted level. These programs help create an environment for economic growth by supporting basic rural infrastructure, providing loans to increase opportunities for rural businesses and industries, and helping balance the playing field in local rural housing markets.

- **Business and Industry Loans** – The legislation includes a loan level of \$920 million – the same as the fiscal year 2016 enacted level – for the rural business and industry loan program. This funding will help small businesses in rural areas, many of which face unique challenges due to local economic conditions.
- **Rural Infrastructure** – The legislation includes responsible investments in infrastructure to help rural areas of the country access basic utilities. This includes \$1.25 billion – the same as the fiscal year 2016 enacted level – for rural water and waste program loans, and \$571 million for grants and related costs, an increase of \$49 million above current levels and \$110 million above the previous Administration’s request. In addition, \$6.94 billion is provided for rural electric and telephone infrastructure loans, the same level as fiscal year 2016.

The bill also includes a “Buy American” provision for rural water and waste disposal programs.

- **Rural Housing Loans and Rental Assistance** – The bill provides a total of \$24 billion in loan authority for the Single Family Housing guaranteed loan program, which is equal to the fiscal year 2016 enacted level. In addition, the bill includes \$1 billion in direct loans – an increase of \$100 million from the fiscal year 2016 enacted level and the previous Administration’s request – to meet increased demand.

These loans provide low-income rural families – many of whom would have few loan options for purchasing a home because of their geographical location – with home loan assistance. In addition, \$1.4 billion, an increase of \$15 million above current levels, is provided for rental assistance for affordable rental housing for low-income families and the elderly in rural communities.

Food Safety and Inspection Service – The legislation includes over \$1 billion for food safety and inspection programs – an increase of \$17.2 million above the 2016 enacted level. These mandatory inspection activities help ensure the safety and productivity of the country’s \$185 billion meat and poultry industry, and keep safe, healthy food on American tables. The funding provided will maintain more than 8,000 frontline inspection personnel for meat, poultry, and egg products at approximately 6,400 facilities across the country.

Food and Drug Administration (FDA) – The bill provides the FDA with \$2.8 billion, an increase of \$39 million over the fiscal year 2016 enacted level. Within this total, food safety activities are increased by \$35.7 million, and medical product safety activities are increased by \$10.9 million. Total funding for the FDA, including revenue from user fees, is \$4.67 billion – \$23.3 million below fiscal year 2016. The decrease in total funds reflects changes to user fee amounts prior to the reauthorization of user fee programs.

Also included is a provision to protect life by prohibiting the FDA from considering or approving any proposals for using human embryos for the purpose of genetic modification.

Commodity Futures Trading Commission (CFTC) – The legislation provides \$250 million for the CFTC, the same as the 2016 enacted level and \$80 million below the previous Administration’s budget request.

International Programs – The legislation contains \$2 billion for overseas food aid, promote U.S. agricultural exports, and address barriers to trade. This includes \$1.466 billion in base funding for the Food for Peace program and a one-time, \$134 million increase to address famine crises around the world. It also includes \$202 million for the McGovern-Dole International Food for Education and Child Nutrition program. Both of these programs deliver food in need to those around the world and are flagship examples of the Administration’s goal to “Buy American, Hire American” by sending domestically-produced food on U.S. flagged ships around the world. The bill also includes language requiring the U.S. Agency for International Development to notify Congress and the public when reducing the amount of non-emergency assistance required by the Food for Peace Act.

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

- **Women, Infants, and Children (WIC)** – The bill provides \$6.35 billion in discretionary funding for WIC, which is the same as the fiscal year 2016 enacted level. Because of robust prior-year funding and declining enrollments in the program, WIC has record levels of carryover balances left over from previous years. Therefore, to make the best use of taxpayer dollars, the bill rescinds \$850 million of these unobligated balances, which will have no impact on participation in the program.
- **Child nutrition programs** – The bill provides for \$22.8 billion in required mandatory funding – which is outside the discretionary funding jurisdiction of the Appropriations Committee – for child nutrition programs. This is \$644 million above the fiscal year 2016 enacted level. This funding will provide free or reduced-price school lunches and snacks for 31 million children who qualify for the program. The bill provides more than \$627 million for the Summer Food Service Program to ensure low-income children continue to receive nutritious meals when school is not in session. In addition, the bill continues

funding for a pilot program that provides additional funds through SNAP or WIC electronic benefit transfer (EBT) cards to ensure children in underserved communities receive food during the summer months.

The bill also stops an Obama-era school meal regulation from being implemented – providing flexibility for whole grains and milk and preventing changes to sodium standards that have not been fully scientifically vetted.

- **Supplemental Nutrition Assistance Program (SNAP)** – The bill provides for \$78.5 billion in required mandatory spending – which is outside the discretionary funding jurisdiction of the Appropriations Committee – for SNAP. This is \$2.4 billion below last year’s level, reflecting declining enrollment. The total includes \$3 billion for the SNAP reserve fund, which is used to cover any unexpected participation increases.

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

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

For the full Committee Report on the Agriculture portion of the Omnibus, including a detailed funding table, please visit:

<https://rules.house.gov/sites/republicans.rules.house.gov/files/115/OMNI/DIVISION%20A-%20AG%20SOM%20OCR%20FY17.pdf>

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