



U.S. Senate Committee on Appropriations

PRESS RELEASE

March 4, 2011

Subcommittee on Agriculture, Rural Development, FDA and Related Agencies

Summary of Year-Long CR Provisions

In the Senate Continuing Resolution, the Agriculture Subcommittee reduces the budgets of the USDA and the Food and Drug Administration (FDA) by \$1.1 billion (5%) below the President's FY 11 budget request. In comparison, HR 1 reduces the budgets of the USDA and FDA by \$4.8 billion (22%) below the President's FY 11 budget request. Specific amounts are provided below.

FY 11 President's Budget:	\$22.851 billion
Senate CR:	\$21.700 billion
HR 1 (House CR):	\$18.008 billion

Below are specific account descriptions and comparisons:

Food and Drug Safety

The Senate CR provides \$2.504 billion for the FDA, which is the same as the President's request but \$400 million (16%) above HR 1. For the Food Safety and Inspection Service, the Senate CR provides \$1.011 billion, which is \$26 million (2%) below the President's request but \$81 million (8%) above HR 1.

The Senate CR takes into consideration the federal government's responsibilities to public health and safety, especially in the areas of food, drug, medical device and other agencies. HR 1 cuts the FDA and FSIS far more drastically than the Senate proposal, and would result in large-scale reductions of important food and drug inspections, and could result in furloughs of inspectors and the closure of meat and poultry plants.

Research

The Senate CR provides combined funding for the Agricultural Research Service (ARS) and the National Institute for Food and Agriculture (NIFA) of \$2.426 billion, which is \$116 million (5%) below the President's request. HR 1 reduces combined funding for ARS and NIFA by \$350 (14%) below the President's request. The Senate CR recognizes that steady investments in agricultural research are vital to maintain a competitive edge for U.S. production and that sharp decreases in research funding have effects well beyond the current year. Excessive reductions in research will weaken the federal/state partnership in this area and reduce the

positions of scientists and technicians at universities and federal laboratories throughout the nation.

Domestic Nutrition

The Senate CR provides \$6.853 billion for the Special Supplemental Nutrition Program for Women, Infants and Children (WIC). This amount is \$750 million below the President's budget and \$348 million above HR 1. With rising food prices, this level will meet anticipated program participation. The Senate CR also provides the President's budget request of \$177 million for the Commodity Supplemental Food Program.

Humanitarian Food Assistance

The Senate CR provides \$1.69 billion for PL 480 and \$210 million for the McGovern-Dole Food for Education Program, which is the President's request level. By contrast, HR 1 reduces combined funding for these two programs by nearly \$800 million, or 42 percent below the President's request levels. This reduced level of funding for the two premier food assistance programs will have drastic consequences for over 15 million people who rely on PL 480. These are often the hungriest and most vulnerable in the world. This level would also deprive as many as 2.5 million school children from what is often the only meal they get in a day.

Conservation

The Senate CR provides discretionary spending for conservation programs of \$875 million, which is \$89 million (9%) below the President's request, and \$19 million above HR 1.

Trade

The Senate CR funds trade-related activities of the Foreign Agriculture Service at more than \$50 million below the fiscal year 2011 request, which was designed to move the U.S. economy forward by expansion of global trade.

Farm Service Agency (FSA)

The Senate CR provides \$1.23 billion for the Farm Service Agency, Salaries and Expenses. This level is \$135 million below the President's request but \$166 million above HR 1. FSA provides a network throughout rural America where producers are provided assistance and payments through various farm bill and credit programs. The Senate CR acknowledges that farmers and ranchers rely on these offices in setting priorities for reduced spending. The House CR, especially this late in the fiscal year, will result in substantial employee furloughs and office closures and further delay upgrades to the agency's failing information technology structure that has resulted in work stoppages in recent years.

Regarding farm loan programs, the Senate CR is \$500,000 above the President's request and \$4 million above HR 1. These differences are accounted for by a higher guaranteed operating loan level coupled with eliminating small, less needed, conservation loans.

For other FSA programs, the Senate CR is \$4 million above the President's request, reflecting retaining the Grassroots Source Water Program, and only \$500,000 below HR 1.

Rural Development (RD)

The Senate CR provides almost \$704 million in RD Salaries and Expenses (S&E), which is over \$26 million below the President's request but \$24 million above HR 1. Adequate S&E is necessary to deliver over \$37 billion in development loans and grants to rural areas, while ensuring proper credit oversight on the \$145 billion in loans outstanding.

Both the President's budget and HR 1 make substantial cuts in rural housing programs. The Senate CR cuts are more strategic, and retain \$5 million above the President's request and \$40 million above HR 1. The Senate CR tends not to accept proposed eliminations of many smaller housing programs.

The Senate CR is \$6 million above HR 1 but \$43 million below the President's budget for rural business programs. This CR focused cuts on renewable energy programs and the new rural microenterprise loan program, based on slow program implementation and availability of mandatory funding for these purposes.

This CR invests substantially more in rural infrastructure programs than either the President's request or HR 1. Over \$37 million more is provided compared to the President's request and over \$193 million is provided above HR 1. This CR maintains investments in ensuring clean water systems and sanitary waste disposal systems are available for rural communities.

APHIS

The Senate CR provides \$885 million for the Animal and Plant Health Inspection Service, Salaries and Expenses, \$14 million above the President's request and \$55 million above HR 1. Americans are constantly under threat by invasive pests and diseases that destroy crops and forests and place livestock at grave risk. These threats result in millions of dollars in losses and expenses to individual producers and homeowners as well as state and local governments. The Senate CR reduces the amount available for the Animal and Plant Health Inspection Service compared to the recent past, but not so severe as to impair USDA's ability to respond to public health threats or contain the spread of invasive pests or exotic diseases.

Farm Bill Limitations and Rescissions

The Senate CR includes \$625 million in savings from Farm Bill limitations. This compares to \$735 million proposed in the President's budget request, and \$939 million included in HR1. The Senate also includes a variety of targeted rescissions of unobligated balances. HR 1 includes similar rescissions, but also includes a \$585 million general rescission of unspecified obligations on top of those specified.