



COMMITTEE *on* APPROPRIATIONS

CHAIRWOMAN BARBARA A. MIKULSKI

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Contact: Vince Morris w/Appropriations: (202) 224-1010
Pryor Press Office: (202) 224-2353

SUMMARY

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES

FISCAL YEAR 2015 APPROPRIATIONS BILL

Full Committee Mark: May 22, 2014

Washington, DC - The bill provides total funding of \$20.575 billion for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for fiscal year 2015. The bill also includes \$100 million in disaster relief spending. Discretionary funding is \$90 million below the fiscal year 2014 enacted level but \$228 million above the budget request.

U.S. Senator Mark Pryor (D-AR), Chairman of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Subcommittee, said:

“By making smart investments in agriculture, we’re helping secure America’s economic future. I was proud to work with Ranking Member Blunt as well as other members of the Agriculture Appropriations Subcommittee to craft this common-sense, bipartisan bill. It includes funding for agricultural research, rural development, and our farmers and producers to help strengthen our agricultural sector, grow the economy, and create jobs here at home.”

U.S. Senator Barbara A Mikulski (D-Md.), Chairwoman of the Appropriations Committee, issued the following statement:

“I would like to recognize Senators Pryor and Blunt for their presentations on the Agriculture Bill and commend them for their bipartisan cooperation on this important bill. This bill includes critical investments in agricultural research to ensure we continue to meet the increased demand for safe and affordable food. It provides assistance for essential rural development activities to create jobs and raise incomes in rural areas. It also invests in our children, delivering much needed nutritional assistance to the young and most vulnerable populations. The Agriculture bill funds the Food and Drug Administration (FDA), which is the gold standard in upholding drug, device and food safety and supports more than 10,300 jobs in my home state of Maryland. In this bill we increased the FDA’s funding so it can better combat counterfeit drugs made in the U.S. and abroad along with drugs sold illegally on Internet pharmacies. We also arm the FDA

so it can oversee compounding pharmacies, which is important to states like Tennessee where 16 people died from fungal infections and Maryland where 3 died and 23 were taken ill.”

Bill Summary

The Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Bill invests in a wide range of critical programs that affect the lives of every man, woman and child in the United States. The bill invests in essential programs that directly impact public health and safety. Through nutrition programs, such as the Special Supplemental Nutrition Program for Women, Infants and Children (WIC), the bill helps assist the young and most vulnerable populations. Increased funding for the Food and Drug Administration FDA will ensure our food and drug supply remains the safest and most reliable in the world.

The bill makes substantial investments in improving job opportunities and the quality of life in rural America. Almost \$25 billion in single family housing loans are made available, providing homeownership opportunities for more than 170,000 rural households. More than \$2.2 billion is provided for essential community facilities, including schools, hospitals, health clinics, day and elder care facilities, libraries, etc.

The bill provides level funding for critical programs such as PL 480 Title II, which will help feed millions of people around the world.

Highlights of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Bill

Agriculture Research

- The bill provides \$1.139 billion for the Agricultural Research Service (ARS), which is \$17 million above fiscal year 2014 and makes critical investments in agricultural research across the country.
- The research fund covers a wide array of critical problems affecting American agriculture from animal and crop protection and production to human nutrition, food safety and natural resources conservation. In fiscal year 2015, one of the many issues that ARS will focus on is increasing efforts to address the decline of honey bee health – which has widespread implications for the food and plants. ARS will develop and test the efficacy of best management practices to help prevent colony collapse disorder (CCD), reduce colony mortality to acceptable levels, and potentially isolate causal factors of CCD.
- The bill provides \$1.292 billion for National Institute of Food and Agriculture, or NIFA, which is \$15 million above fiscal year 2014. This amount includes \$325 million for the Agriculture and Food Research Initiative, \$244 million for Hatch Act and \$300 million for Smith-Lever funding.

- These programs support research, education and extension including plant and animal health, production and products, food safety, nutrition and health, bioenergy, natural resources and environment, agriculture systems and economics and rural communities. For example, these programs support research that affect pollinator health such as pests, diseases and environmental chemicals which significantly impact commercial beekeeping and pollination operations as well as native pollinators.

Nutrition

- The bill provides \$6.623 billion for WIC, which is \$93 million below fiscal year 2014, but fully funds the number of women expected to participate. WIC helps improve the health and nutritional intake of low-income pregnant, breastfeeding and postpartum women as well as infants and children up to their fifth birthday. Funding will support benefits for the more than 8 million individuals expected to participate in the program each month. Additionally, WIC participants are given access to nutrition assessments, blood tests for anemia, nutrition education, breastfeeding promotion and health care referrals.
- The bill provides \$25 million for school meal equipment grants. These equipment purchases are long-term investments that help schools serve healthier meals, improve food safety and expand access to nutrition programs.
- The grants will help replace outdated equipment with new, energy efficient appliances such as refrigerators, ovens and other food service related equipment. A recent survey of school food service personnel reported that 88 percent of schools need one or more pieces of equipment in order to meet the current lunch standards. Furthermore, only 42 percent reported having a budget ample enough to help them meet their equipment needs.

Rural Development

- The bill provides \$1.094 billion for rental assistance, which is \$16 million below fiscal year 2014, but renews all expiring rental assistance agreements. This funding will allow almost 245,000 very low-income, rural residents to continue to live in affordable rental housing. The majority of these households are headed by elderly, disabled, and women with average household income of just \$12,000.
- The bill maintains \$1.7 billion in water and waste loans and grants, restoring almost \$150 million in grants from the President's request. These funds will allow small, remote rural communities to obtain the clean water and sanitary waste disposal systems they need.
- The bill includes almost \$2.3 billion to finance essential community facilities in rural towns and villages. These projects span from providing fire trucks to constructing rural regional hospitals, schools, health clinics, town halls, libraries.

- The bill includes almost \$25 billion for single family housing financing. This will provide almost 170,000 very low to moderate-income rural households the opportunity to own their own home.

Food and Drug Administration

- The bill provides \$2.588 billion for the Food and Drug Administration (FDA), which is \$36 million above fiscal year 2014. FDA promotes and protects public health by overseeing the safety, efficacy, quality and security of food, human and veterinary drugs, biological products, medical devices and cosmetics.
- It includes all of the funding changes requested in the budget, including an increase of \$23 million for implementation of the Food Safety Modernization Act (FSMA) to make our food supply safer.
- This funding increase allows the FDA to improve compliance and inspection programs to ensure the successful implementation of the FSMA final rules for preventive controls for human food and produce safety. Funds will also be used to develop new risk assessment methodology; expand existing risk tools and collect data to enhance and refine existing models; and conduct risk prioritization and comparative risk assessment. The investment in these cutting-edge tools will significantly reduce the time it takes to respond to complex food and produce safety issues.
- FDA regulates all human and veterinary drugs, biological products, medical devices, foods and cosmetic products and investments in the agency result in better safety all around.

Food Aid

- The bill provides \$1.466 billion for PL 480 Title II, which is the same amount provided in fiscal year 2014.
- This funding will provide food assistance to meet emergency needs around the world. In an emergency where people face the threat of imminent starvation, Title II emergency programs save lives, help boost the resilience of disaster-affected communities and support the transition from relief to recovery. The food provides life-saving assistance to millions of vulnerable people facing disasters overseas.
- The bill provides \$185 million for the McGovern-Dole International Food for Education Grants. That program provides for the donation of food as well as logistical, financial and technical assistance to carry out school feeding programs for children in other countries. These funds will reduce the incidence of hunger and malnutrition, while also helping to improve literacy and primary education. These measures contribute to a healthy, literate workforce that can support a more prosperous, sustainable economy and

ensure long-term food security. This funding will help more than 4 million children and mothers gain access to improved nutrition in many countries around the world.

Farm Service Agency

- The bill provides \$1.183 billion for the Farm Service Agency (FSA) to support their local field service system. FSA has offices in most rural counties throughout the country, allowing agricultural producers better access to government programs they need.
- The bill also provides \$3.5 billion for farm ownership loans and \$2.645 billion for farm operating loans. The levels are expected to fully fund farmers' demands for these programs.

Food Safety and Inspection Service

- The bill provides \$1.023 billion for the Food Safety and Inspection Service, which is \$12 million above fiscal year 2014. This includes full funding for federal, state and international inspection services in order to staff our nation's beef, pork and poultry plants and ensure the continued safety of our food supply.

Animal and Plant Health Inspection service (APHIS)

- The bill continues the national \$20 million program to control and eradicate feral swine in the U.S. Feral swine are present in at least 37 states and cause over \$1.5 billion in damages to crops and the environment per year.
- The bill includes substantial funding for research and surveillance to combat the new PED virus that is decimating swine herds. Although not dangerous to humans, the PED virus is lethal to piglets up to three weeks old. After being identified in the U.S. in May 2013, the virus has already caused the death of millions of young pigs.
- In total, the bill provides \$876 million to protect the country from invasive plant pests and animal diseases, including keeping cattle herds free of Bovine Spongiform Encephalopathy, or BSE, preventing the introduction of foot and mouth disease, the Medfly and other potentially devastating threats.

Disaster Funding

- The bill provides \$85 million in disaster relief spending for the Emergency Watershed Protection Program. An additional \$25 million is provided out of the subcommittee allocation. These funds will help many states across the country respond to natural disasters. EWP is an emergency recovery program, designed to remove hazards to life and property caused by floods, fires, windstorms, and other natural disasters.

- The bill also provides \$15 million in disaster relief spending for the Emergency Forestry Restoration Program. These funds will help land owners across the country restore forests and forest resources damaged by natural disasters.
- The bill provides \$11.7 million for the Emergency Conservation Program. These funds are provided out of the subcommittee allocation and will help producers rehabilitate farmland damaged by natural disasters such as hurricanes and tornadoes.

Reforms

Department of Health and Human Services, Office of Inspector General (OIG)

- The bill includes \$1.5 million for the OIG of HHS to increase oversight of the programs and operations at the FDA.

Rental Assistance

- The bill prohibits renewals in less than 12 months, which saves \$15 million and forces project managers to better administer their resources.

Coordinated Environmental Reviews in Indian Country

- The bill directs the Secretary to work with the Department of Housing and Urban Development (HUD), who is leading the initiative, to design a coordinated environmental review process for tribal housing and related infrastructure development.

Agriculture Buildings and Facilities and Rental Payments

- The bill will decentralize the payments from the central rent account thereby holding each agency accountable for their physical space and associated security costs.
- This decentralization will require each agency to improve space utilization, encourage use of modern housing practices and recognize flexibilities provided by the use of the internet, cloud computing, flexi-place and other forms of alternative workplace scheduling.

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