House Appropriations Committee

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Fiscal Year 2018 Agriculture Appropriations Bill

Legislation prioritizes programs for rural communities, farmers, and ranchers, food and drug safety, and nutrition for those in need

The 2018 Agriculture Appropriations bill funds important agricultural and food programs and services, including food and medical product safety, animal and plant health programs, rural development and farm services, agricultural trade, financial marketplace oversight, and nutrition programs.

The bill includes \$23.3 billion in discretionary funding, which is \$2.1 billion above the fiscal year 2017 enacted level. In total, the bill allows for \$146 billion in both discretionary and mandatory funding – \$7.6 billion below the fiscal year 2017 enacted level. The legislation prioritizes this funding for programs supporting rural communities, farmers, ranchers, food and drug safety, rural infrastructure, and nutrition for those in need. In addition, the bill contains several policy provisions to rein in unnecessary and burdensome regulations that harm U.S. food producers and that impede growth in important U.S. industries.

Rural Development and Infrastructure – The bill provides a total of more than \$4 billion for rural development programs, \$1.125 billion above fiscal year 2017. 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.

• Rural Infrastructure – The legislation includes responsible investments in infrastructure to help rural areas of the country access basic utilities. This includes more than \$3 billion – \$1.8 billion above the fiscal year 2017 enacted level – for rural water and waste program loans, and nearly \$1 billion in water and waste grants – more than \$500 million above the fiscal year 2017 enacted level – for clean and reliable drinking water systems and sanitary waste disposal systems. In addition, \$6.9 billion is provided for rural electric and telephone infrastructure loans, the same level as fiscal year 2017.

The legislation includes more than \$685 million for expansion of broadband service – approximately \$625 million above fiscal year 2017 – and includes \$52 million for Distance Learning and Telemedicine grants to help rural communities connect to educational and health care services and help address the opioid epidemic in rural America.

- 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 2017 enacted level. In addition, the bill includes \$1.1 billion in direct loans, which provide home loan assistance to low-income rural families many of whom would have few loan options for purchasing a home because of their geographical location. In addition, \$1.35 billion is provided for rental assistance for affordable rental housing for low-income families and the elderly in rural communities for renewal of all existing rental assistance contracts.
- **Business and Industry Loans** The legislation includes a loan level of \$919 million 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.

Food and Drug Administration (FDA) – The FDA receives a total of \$2.9 billion in discretionary funding in the bill, \$135 million above the 2017 enacted level. Total funding for the FDA, including revenue from user fees, is \$5.15 billion. Within this total, food and animal drug safety activities are increased by \$20.2 million, and medical product safety activities are increased by \$113.2 million, including \$15 million to fully fund the new Oncology Center of Excellence.

As part of this increase, the bill provides a one-time payment of \$94 million to expand FDA's efforts at International Mail Facilities to address the opioid crisis. The bill also appropriates \$60 million to accelerate medical product development as authorized in the 21st Century Cures Act.

Agricultural Research – The bill provides \$3.03 billion – \$138.8 million above fiscal year 2017 – for agriculture research programs, including the Agricultural Research Service (ARS) and the National Institute of Food and Agriculture. This funding will support research at all ARS facilities to help mitigate and stop devastating crop diseases, improve food safety and water quality, increase production, and combat antimicrobial resistance. Continued investment in ARS buildings and facilities is included to ensure researchers have the facilities needed for a safe, stable, and abundant food supply. This funding also includes important research investments in U.S. land-grant colleges and universities and for the Agriculture and Food Research Initiative, the U.S. Department of Agriculture's premier competitive research program.

Animal and Plant Health – The legislation includes \$985.1 million – \$36 million above the fiscal year 2017 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 funding level provides increases which will help address harmful pests and diseases such as citrus greening disease, spotted lantern fly, oriental fruit fly, feral hogs, and the scale insect pest infestation that is destroying Roseau cane. Increases are also included for low pathogenic avian influenza indemnity and wildlife damage management.

Conservation Programs – The bill provides \$1.03 billion to help farmers, ranchers, and private forest landowners conserve and protect their land. This includes \$160 million for infrastructure rehabilitation to help small communities meet current safety standards for watershed projects.

Farm Programs – The legislation provides \$1.70 billion for farm programs, which is \$2 million above the fiscal year 2017 level. This funding will continue support for various farm, conservation, and emergency loan programs, and will help American farmers and ranchers. It will also ensure customer service through full staffing of local county Farm Service Agency offices, including additional funding for farm loan officers, and meet estimates of demand for farm loan programs.

Food Safety and Inspection Service – The legislation includes \$1.06 billion for food safety and inspection programs – an increase of \$25 million above the 2017 enacted level. These mandatory inspection activities help ensure the safety and productivity of the country's \$211 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 more than 6,400 facilities across the country.

Commodity Futures Trading Commission (CFTC) – Included in the bill is \$249 million for the CFTC. This funding level will ensure robust swaps, futures, and options markets while prioritizing resources and giving flexibility for enforcement and market oversight.

International Programs – The legislation contains \$2.1 billion for overseas food aid and to promote U.S. agricultural exports overseas, \$130 million above the fiscal year 2017 level. This includes \$1.716 billion for "Food for Peace" grants and \$207 million for the McGovern-Dole International Food for Education and Child Nutrition program. These programs seek to reduce chronic hunger and increase food security by providing American-grown food, transported by U.S. ships, to foreign countries in need of aid.

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 \$6.175 billion in discretionary funding for WIC, which is \$175 million below the fiscal year 2017 enacted level. Because of robust prior-year funding and declining enrollments in the program, WIC has large carryover balances left over from previous years. Therefore, to make the best use of taxpayer dollars, the bill rescinds \$800 million in these unobligated balances, which will have no impact on participation in the program.
- **Child nutrition programs** The bill provides for \$24.3 billion in required mandatory funding which is outside the discretionary funding jurisdiction of the Appropriations Committee for child nutrition programs. This is \$1.5 billion above the fiscal year 2017 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 approximately \$564 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 increases 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.

• **Supplemental Nutrition Assistance Program (SNAP)** – The bill provides for \$74 billion in required mandatory spending for SNAP. This is \$4.5 billion below last year's level and \$400 million above the President's budget request, reflecting the need to assist those affected by natural disasters. The total includes \$3 billion for the SNAP reserve fund, equal to the President's request, which is used to cover any unexpected participation increases.

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