

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG
ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL, 2016

JULY 14, 2015.—Committed to the Committee of the Whole House on the State of
the Union and ordered to be printed

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

R E P O R T

together with

MINORITY VIEWS

[To accompany H.R. 3049]

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 2016.

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OVERVIEW

The Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Subcommittee has jurisdiction over the U.S. Department of Agriculture (USDA), except for the Forest Service, the Food and Drug Administration (FDA), the Commodity Futures Trading Commission (CFTC), and the Farm Credit Administration (FCA). The Subcommittee's responsibility covers a vast and diverse group of agencies responsible for such things as promoting

the production of a plentiful food supply; assisting farmers and ranchers across the country with sound production practices; improving the quality of life and vitality of communities in Rural America; assisting indigent populations in the U.S. and abroad with basic nutritional needs; research and development in agriculture to improve productivity and stability; overseeing commodity markets that provide confidence for businesses, traders, investors, and the public; and supporting a safe food supply and safe and effective drugs and devices. The activities of these agencies impact every American every day of the year.

The fiscal year 2016 discretionary spending in this bill totals \$20,650,000,000, which is \$175,000,000 below the fiscal year 2015 enacted level and \$1,135,697,000 below the President's budget request for fiscal year 2016.

The funding levels provided in this appropriations bill continue to demonstrate how seriously this Committee takes its responsibility to fund the highest priority programs and activities while helping to address the Nation's debt, deficit, and economic challenges.

The Committee does not include funding to begin new programs, terminates eight outdated programs, and, except where specifically noted, does not provide additional funding for pay increases. The Committee identifies savings of almost \$1 billion at USDA, saves on leasing costs at the CFTC, and reins in regulatory overreach at the FDA.

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 in January 2015, the Subcommittee began the fiscal year 2016 process committed to maintaining the Committee's focus on comprehensive oversight of Federal discretionary spending under the Subcommittee's jurisdiction. In order to thoroughly review the President's budget request for fiscal year 2016 and examine how funds appropriated in previous years had been managed, the Subcommittee held 11 hearings for the mission areas, agencies, and programs of the USDA, the FDA, and the CFTC. The hearings included:

- Commodity Futures Trading Commission—February 11, 2015
- USDA Inspector General—February 13, 2015
- Secretary of Agriculture—February 25, 2015
- USDA Food Safety—February 26, 2015
- USDA Natural Resources and the Environment—February 27, 2015
- USDA Marketing and Regulatory Programs—March 3, 2015
- Food and Drug Administration—March 4, 2015
- USDA Food, Nutrition, and Consumer Services—March 17, 2015
- USDA Rural Development—March 18, 2015
- USDA Farm and Foreign Agricultural Services—March 19, 2015
- USDA Research, Education, and Economics—March 24, 2015

As stewards of the taxpayer's dollar, the Subcommittee is responsible for ensuring the funds under its jurisdiction are wisely in-

vested and properly used. As such, the Subcommittee established three objectives to guide its hearings, oversight activities, and the development of its bill and report recommendations for fiscal year 2016. These objectives include improving the management of the agencies and programs within the Subcommittee's purview; targeting funds to the most important programs and functions; and promoting U.S. agriculture, free and fair markets, and safe food and medicines.

Through its oversight activities, the Subcommittee can accomplish the goal of improving the management of the agencies and programs by identifying and reducing waste, fraud, and abuse. It is joined in this effort by USDA's Inspector General. During the hearing with the Office of the Inspector General (OIG), the Subcommittee focused on USDA information technology (IT) systems, improper payments, and how well USDA's agencies are managing their programs.

The Subcommittee discussed implementation of the 2014 farm bill and international, in-kind food aid during its hearing with USDA's Farm and Foreign Agricultural Services mission area. The Subcommittee ensured that adequate time is given to the nation's farmers, producers, and ranchers to receive assistance and highlighted the current flexibility of food aid across the whole-of-government. There were further discussions on the challenges with the management of the Modernize and Innovate the Delivery of Agricultural Systems (MIDAS), which has been scrutinized by both OIG and the Government Accountability Office (GAO).

During the hearing to review the USDA's Research, Education, and Economics mission area, important research projects and objectives were discussed. However, the Subcommittee also made clear its concerns with USDA's management of the Agricultural Research Service's (ARS) U.S. Meat Animal Research Center (MARC) in Clay Center, Nebraska.

The second objective of targeting funds to the most important programs and functions was the focus of the hearings with the Secretary of Agriculture, the Commissioner of the FDA, the Chairman of the CFTC, and USDA's Food Safety mission area. When it convened to review CFTC's increased budget request, the Subcommittee questioned the need for a 188 percent increase since the Financial Crisis of 2008 and continued to rein in wasteful spending by requesting a full audit of the agency's excessive leasing costs identified by the CFTC Inspector General. The Subcommittee made clear that it does not tolerate fraud, waste, or abuse in any program, knowing that these actions undermine support for all programs. The Subcommittee also examined the CFTC's regulations regarding the Swap Dealer de Minimis level.

The Subcommittee heard from USDA's Food, Nutrition, and Consumer Services mission area and reviewed implementation of school meal regulations as well as waste, fraud and abuse within nutrition programs. The Subcommittee also expressed concerns with the recommendations made by the 2015 *Dietary Guidelines for Americans* advisory committee. During review of the USDA's Rural Development (RD) mission area, the Subcommittee focused on rural housing, water and waste disposal programs, and other programs needed in rural areas.

The third objective is to promote U.S. agriculture, free and fair markets, and safe food and medicines. During USDA's Marketing and Regulatory Programs hearing, the Subcommittee focused on trade issues related to domestic avian influenza, the West Coast port dispute, and Midwest railway backlogs. When the FDA Commissioner testified, the Subcommittee was particularly interested in how the FDA is implementing the Food Safety Modernization Act (FSMA) and ensuring medical product safety. The FDA regulates over 20 percent of every consumer dollar spent on products in the U.S. The Subcommittee reminded the FDA to be aware of the comprehensive economic impact of their regulatory decisions.

Because the Subcommittee knows that it cannot fulfill all requests for funding, it focuses on those that are most effective, broadly supported, and address imminent threats. The Subcommittee will monitor the issues identified and discussed at the hearings, as well as others relevant to the management of USDA, FDA, CFTC, and FCA. The Subcommittee will maintain its oversight efforts throughout the 114th Congress to ensure taxpayer dollars are wisely and prudently used on behalf of the American people.

TITLE I

AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING, AND MARKETING

OFFICE OF THE SECRETARY

(INCLUDING TRANSFERS OF FUNDS)

2015 appropriation	\$45,805,000
2016 budget estimate	47,308,000
Provided in the bill	39,379,000
Comparison:	
2015 appropriation	- 6,426,000
2016 budget estimate	- 7,929,000

The following table reflects the amount provided by the Committee for each office and activity:

OFFICE OF THE SECRETARY

[Dollars in Thousands]

	FY 2015 enacted	FY 2016 estimate	Committee provision
Office of the Secretary	\$5,051	\$5,137	\$5,051
Office of Tribal Relations	502	507	498
Office of Homeland Security and Emergency Coordination	1,496	1,520	1,496
Office of Advocacy and Outreach	1,209	1,228	1,209
Office of the Assistant Secretary for Administration	804	816	804
Departmental Administration	25,124	25,688	22,786
Office of the Assistant Secretary for Congressional Relations	3,869	3,934	3,064
Office of Communications	7,750	8,228	4,471
Total	\$45,805	\$47,308	\$39,379

COMMITTEE PROVISIONS

For the Office of the Secretary, the Committee provides an appropriation of \$39,379,000. The Committee recommendation in-

cludes the following offices under the Office of the Secretary: Immediate Office of the Secretary; Office of Tribal Relations; Office of Homeland Security and Emergency Coordination; Office of Advocacy and Outreach; Office of the Assistant Secretary for Administration; Departmental Administration; Office of the Assistant Secretary for Congressional Relations; and Office of Communications.

Pay Cost.—The Committee does not include requested funding for a civilian pay increase across the Department. Should the President provide a civilian pay increase for 2016, it is assumed that the cost of such a pay increase will be absorbed within existing appropriations for fiscal year 2016.

Improper Payments.—In May 2015, USDA’s OIG released a report entitled “USDA’s Fiscal Year 2014 Compliance with Improper Payment Requirements”. The OIG noted that last year marked the fourth straight year the agency failed to comply with mandatory reporting requirements regarding improper payment information. For fiscal year 2014, USDA reported that these programs accounted for an estimated \$6.9 billion in improper payments, or a 5.53 percent improper payment rate. This represents an increase in the improper payment rate and an increase of \$700 million above the improper payments in fiscal year 2013. While there has been recent progress in some areas toward improving the Department’s processes to identify, report, and reduce wasteful spending, this level of improper payment is clearly unacceptable. As the report notes, it is critical for the Office of the Chief Financial Officer and senior officials for each noncompliant agency to set aggressive goals to help USDA achieve compliance with the Improper Payments Information Act of 2002.

In the fiscal year 2015 Explanatory Statement accompanying the Consolidated and Further Continuing Appropriations Act of 2015, the Committee required a report for the Department’s Chief Financial Officer to develop a plan to significantly reduce USDA’s improper payment rate in fiscal year 2015 and to release it simultaneously with the OIG’s report on improper payments for fiscal year 2014. USDA failed to comply with this directive and is still accountable for the plan.

Commodity Credit Corporation (CCC) Report.—The Committee directs the Secretary to provide a report on November 15, 2015, and May 16, 2016, on planned uses of funding under the authorities of Section 4 and Section 11 of the Commodity Credit Corporation Charter Act.

Avian Influenza.—The Committee appreciates the Department’s response to the recent outbreak of highly pathogenic avian influenza (HPAI) which is causing considerable devastation to America’s commercial poultry industry. The Department has diligently worked with Federal and State agencies, stakeholders and growers to implement the best surveillance and biosecurity efforts to stop and slow the spread of the disease. The Committee recognizes the Department’s efforts to assist growers in repopulating their flocks and strengthening biosecurity measures. The Department should utilize all resources necessary to expand technical assistance and outreach to the poultry community in order to prevent the spread of this virus. The Committee encourages the Department to continue their work with trading partners to minimize trade impacts on poultry and poultry products to the greatest extent possible. The

Committee will continue to closely monitor the situation and directs USDA to keep the Committee apprised of future developments.

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

State Office Collocation.—The Committee continues to direct that any reallocation of resources related to the collocation of state offices scheduled for fiscal year 2016 and subsequent years is subject to the Committee's reprogramming procedures required under law.

Administrative Provision.—The Committee directs the Secretary to advise the Committees on Appropriations of the House and Senate, through the Office of Budget and Program Analysis (OBPA), of the status of all reports requested of the Department in this bill at the time of submission of the fiscal year 2017 budget and monthly thereafter. The Department needs to improve its timeliness in adhering to a similar requirement in the fiscal year 2015 House appropriations report. 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 OBPA, to provide quarterly reports to the Committees on Appropriations of the House and 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 percent of the authority to make commitments has been utilized, the Secretary shall promptly notify the Committees through OBPA.

Communication from USDA.—The Department is reminded that the Members of the Committee must be informed of the activities, pending and proposed actions, and expenditures made by USDA and its respective agencies so that Congress can determine whether laws and programs are being implemented and carried out in accordance with the intent of Congress. A collaborative working relationship between the Committees and agencies is necessary to ensure efficient and effective implementation of Congress's funding decisions. USDA is directed to ensure the Committees are notified of major changes to existing policies and any significant developments in its operations prior to providing non-governmental stakeholders such information.

The Committee is dissatisfied with the Department's response to the allegations of animal mistreatment at the ARS MARC facility in Clay Center, Nebraska. The agency has been delinquent in meeting deadlines and slow to provide necessary information. The Department must improve their communication, and the Committee expects the Department to provide information and requested materials in a timely manner.

Decentralized Rent and Homeland Security.—In fiscal year 2015, the Committee provided the Department with authority to decentralize rent from the General Services Agency (GSA) and the Department of Homeland Security (DHS). The Secretary submitted this request “as part of USDA’s implementation of the President’s ‘Freeze the Federal Footprint’ initiative” to encourage efficiencies across the Department at individual agencies. On the contrary, USDA did not freeze, but expanded its footprint by approximately 141,000 square feet. Meanwhile, the Secretary has claimed savings of \$25.2 million, while there will be a projected increase of \$7.5 million since fiscal year 2014.

The Secretary is directed to find actual savings within the total estimated costs for fiscal year 2016, in accordance with the President’s new “Reduce the Federal Footprint” initiative. If USDA does not find ways to reduce its physical footprint or the cost of its existing footprint, such increased costs will need to be absorbed by the agency at the detriment of the core missions of these agencies. Further, the Committee in fiscal year 2015 directed that “any future requests for increases to rent and security costs will need to be accompanied by detailed justifications.” USDA has not provided such justification. The following table shows the increased costs, with the most recently available data as provided by USDA:

(Dollars in Thousands)

Year	GSA Rent and DHS Costs	Change
2014	\$215,767	\$- - -
2016	215,145	- 622
2016	223,261	+8,116
Total		+\$7,494

FSMA Implementation and Interagency Coordination.—The Committee provides the full amount requested in the fiscal year 2016 budget of \$2.5 million for the National Institute for Food and Agriculture (NIFA). This increase of \$2.5 million doubles the amount available for Food Safety Outreach for NIFA to be the sole agency providing education and technical assistance for farmers in implementing new requirements resulting from FSMA. The Committee commends NIFA’s extension programs for the relationships they have built with our nation’s producers and hopes that they will continue to build this trust through FSMA implementation. However, USDA must clearly communicate their lead role in the collaborative partnership with the FDA to administer and manage the National Food Safety Training, Education, Extension, Outreach, and Technical Assistance Program. The Secretary is directed to work with the Commissioner of the FDA to ensure that there is no duplication of efforts and resources for FSMA education and training at the farm level.

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

Invasive Species.—The Committee recognizes the threats posed by invasive plant species and the need to protect, restore, and enhance native plants, including those that are endangered or threatened. The Committee encourages ARS, the Natural Resources Con-

ervation Service (NRCS), and NIFA to support the research, education, and conservation of native plants.

Flexibility in Loan and Loan Guarantee Levels.—The bill includes language to exceed by up to 25 percent the limitation on loan and loan guarantee levels without budget authority upon written notification to the Committees on Appropriations of the House and Senate.

Scientific Integrity.—Pursuant to the President's 2009 memorandum and as directed by the Office of Science and Technology Policy, USDA adopted a scientific integrity policy in 2011. It appears to conform to the President's directive by requiring the use of information based upon well-established scientific processes, including peer review where appropriate, making the Department's scientific findings and conclusions publicly available, and ensuring a mechanism is in place to resolve disputes regarding scientific processes or the integrity of scientific information. The Committee directs the Secretary to ensure all USDA agencies are complying with the policy and using it as a requirement in their policy and regulatory decisions.

Rural Poverty.—The Department has statutory authorities and programs designed to help break the multi-generational trap of poverty in rural counties. The Committee recognizes that USDA may utilize existing programs and funding within RD and the Food and Nutrition Service (FNS) in order to assist families, create jobs and develop a path towards independence and self-sufficiency. Other existing resources such as the extension service and public universities can be used for coordination and outreach activities. The Committee directs the Secretary to provide a detailed plan including all funding resources if the Secretary chooses to bundle services to combat rural poverty. Before the plan can be implemented, the Committees on Appropriations of the House and Senate shall have no less than 30 days to review and approve the plan.

StrikeForce Initiative.—The Committee appreciates the Department's efforts to target assistance to at-risk communities through the StrikeForce Initiative for Rural Growth and Opportunity. USDA, in collaboration with public and private partners, helps rural counties experiencing chronic poverty improve economic opportunities and quality of life for local residents. The Committee encourages USDA to place special emphasis on persistent poverty counties and continue to utilize a strategy of partnering public resources with local expertise to grow rural economies and create jobs in these poverty-stricken areas.

Infrastructure Plan.—The United States has experienced record levels of agricultural exports for the past few years, and there is support for expanding trade opportunities. However, increasing trade without consideration for the domestic infrastructure to adequately support it is short-sighted. The Midwest rail situation and disruptions at the West Coast ports are prime examples of the fact that USDA is reacting to the domestic and international commerce circumstances instead of having a proactive plan in place. Having the commodities available but not being able to deliver them will jeopardize the U.S.'s ability to remain a reliable trading partner. The Committee directs the Secretary to submit a long-term infrastructure plan that benefits American producers and provides ex-

amples of how USDA is working with other Federal agencies to prevent future transportation mishaps.

Dietary Guidelines for Americans.—The Secretary, in coordination with the Secretary of Health and Human Services (HHS), is responsible for issuing the *Dietary Guidelines for Americans* every five years. This has traditionally been a science-based process that provides diet and nutrition recommendations according to statutory authority. However, the advisory committee selected to provide recommendations for consideration as the final 2015 guidelines has included suggestions beyond the historical scope of the panel, resulting in controversial, agenda-driven recommendations.

The guidelines have a far-reaching impact as they set the standards for many Federal nutrition programs, guide the health and medical community in assisting patients, and provide the foundation for nutrition education information. The guidelines influence consumer purchases and have a ripple effect throughout the economy and on consumer health. It is imperative that the guidelines be unequivocally based upon strong scientific evidence.

The Committee appreciates the Secretary acknowledging that the advisory committee had more latitude to consider topics outside of the statutory mandate, and recognizes the Secretary's commitment to follow the law. To preserve the scientific integrity of the dietary guidelines, bill language is included to provide transparency to the process and ensure the final recommendations are based upon strong scientific evidence and within scope. The Committee notes that the advisory committee report is merely a set of recommendations and reminds both USDA and HHS that the final 2015 *Dietary Guidelines for Americans* are a product of their scientific assessment that must comply with the statute.

Information Technology Waste.—GAO and USDA's OIG have issued reports that highlight poor program performance in the past and uncertainty regarding USDA's capacity to effectively manage IT acquisitions in the future. Auditors found that the Secretary halted further development on the MIDAS program after spending almost \$500 million for nearly a decade on planning and development of this critical system. This investment of time and limited resources has resulted in the delivery of about one-fifth of the functionality intended for twice the projected cost. While the Secretary has highlighted saving hundreds of millions of dollars on IT, the Committee notes that MIDAS is a prime example of government waste and inefficiency. MIDAS is still expected to cost another \$330 million over the lifecycle of the project, yet the system will have severely reduced capacity. The total cost will equal almost three times the original projections.

GAO noted that problems with MIDAS were due to the lack of implementation of USDA and Farm Service Agency (FSA) program management policies and best practices covering key disciplines such as requirements for development and management, project planning and monitoring, system testing, and executive-level governance. Following project stoppage, the Department has been exploring other options—at an additional cost to taxpayers and time spent on these modernization efforts—to provide the functionality that USDA had promised Congress and the agricultural community, including a modernized acreage reporting system and an online office for American farmers and ranchers to access. Given the

lack of IT leadership demonstrated by the Secretary on the MIDAS investment, the Committee remains concerned as to whether the Department will be any more successful with IT acquisition activities moving forward than it was in the past with MIDAS. The Committee includes statutory language that places spending controls on both MIDAS and other IT acquisitions.

Unachieved Savings.—On April 9, 2015, USDA’s OIG informed Congress of “480 open or unimplemented recommendations totaling over \$885 million”. This included 39 open recommendations and 441 unimplemented audit recommendations. The top three recommendations OIG identified were the Supplemental Nutrition Assistance Program’s (SNAP) controls for authorization of program retailers, USDA Cloud Computing Services, and the Risk Management Agency’s (RMA) controls over prevented planting. Many of these recommendations date back as far as 2001. The Committee finds it counterproductive to the Secretary’s effort to reduce costs when these items are still pending. The Committee directs the Secretary to develop a plan of action to address them, by priority, within 120 days of enactment of this Act and provide the plan to the Committees on Appropriations of the House and Senate.

Administrative Savings.—The Secretary recently announced that USDA has achieved \$1.4 billion in savings through the Blueprint for Stronger Service initiative. The Committee acknowledges that the Department has taken positive steps to cut costs and modernize operations, but USDA must also acknowledge that a majority of cost savings were made necessary by funding limitations instituted by Congress and at the direction from Congress. The Committee has repeatedly encouraged USDA to reduce administrative spending and find efficiencies through improved management of personnel and other resources. The Committee has also directed the Secretary to look beyond administrative costs and address improper payments and waste, fraud and abuse that occurs Department-wide. All of these measures have and will continue to result in significant savings to the taxpayer. While USDA’s achievement of \$1.4 billion in savings is to be commended, the Committee directs the Secretary to provide a detailed report describing each of the specific cost savings and the actions taken to achieve such savings for each agency in order to arrive at the estimated total.

Late Reports.—The Committee reminds the Secretary that the timelines specified by the Committees on Appropriations of the House and Senate for fiscal year 2015 reports are deadlines that must be met. While the Committee notes that the Department has made progress since 2014, the Department still has several outstanding reports that are delayed due to long reviews and clearances, especially in the Immediate Office of the Secretary. The Committee directs the Secretary to submit these overdue reports.

Food Safety Outreach.—The Committee is aware that for fiscal year 2015, the FDA and USDA are soliciting proposals for the establishment of one national and four regional food safety training centers. The Committee encourages the Secretary to ensure that funds are used efficiently to deliver education and technical training to producers in cooperation with nongovernmental and community-based organizations serving small and mid-sized farmers, producers, and processors, and other federal food safety agencies, as authorized in the FSMA.

Urban Agriculture.—The Committee acknowledges the need for an expanded USDA role in support of urban agriculture, in American cities. Support from the Department is lacking for urban producers who often have different needs than rural producers. Therefore, the Committee directs USDA to evaluate policies and programs and deliver a report to the Committees on Appropriations of the House and Senate explaining how to further advance urban agriculture.

CCC Payments to Growers.—The Committee directs the Secretary to provide, not later than 120 days after the date of the enactment of the bill to which this Committee Report pertains, a report on the amount of emergency funds that are transferred from the CCC to poultry owners and contract growers, respectively, to address outbreaks of HPAI.

U.S.-Mexico Cooperation.— The Committee directs the Secretary of Agriculture to work with his Mexican counterpart to develop a U.S.-Mexico working group to increase cooperation between the two countries in a similar manner as the “Beyond the Borders Initiative” between the United States and Canada. The working group shall develop proposals and create potential solutions aimed at facilitating commerce through improvements in the efficiency of the inspection process on both sides of the border, integrating small and large producers into the trade supply chain, and improving border wait times and transportation costs, among others.

Institute of Medicine (IOM) Study.—The Committee strongly urges the Secretary of Agriculture to engage the IOM to conduct a study on the process supporting the recommendations of the eighth edition of the Dietary Guidelines for Americans (DGA). The study should include, but not be limited to, an analysis of the following: how the DGA can ensure a nutritionally sufficient diet for all Americans; how transparency of the committee selection process can be improved; how the Nutrition Evidence Library (NEL) is used and how NEL reviews are conducted; what the evidence base was for the eighth edition recommendations; and how the DGA can ensure proper nutrition advice for a range of individual factors including metabolic, and other disease conditions.

EXECUTIVE OPERATIONS

OFFICE OF THE CHIEF ECONOMIST

2015 appropriation	\$17,377,000
2016 budget estimate	17,465,000
Provided in the bill	16,777,000
Comparison:	
2015 appropriation	– 600,000
2016 budget estimate	– 688,000

COMMITTEE PROVISIONS

For the Office of the Chief Economist (OCE), the Committee provides an appropriation of \$16,777,000.

Drought Resilience.—The Committee is concerned about the extent and severity of drought in the U.S. and recognizes the importance of understanding and being prepared for drought. The Committee encourages the OCE to continue research and work with partners on drought resilience efforts to better address the serious

threat posed by drought in the U.S., including in the U.S. territory of Puerto Rico.

Policy Research.—The Committee includes \$4,000,000 for policy research under 7 U.S.C. 3155 for entities with existing institutional capacity, including staff, databases, models, and long-term, well-documented experience, to conduct complex economic and baseline analysis for the benefit of USDA, the Congressional Budget Office, and the Congress.

Under Secretary for Trade and Foreign Affairs.—The Committee continues to support the establishment of a new Under Secretary for Trade and Foreign Affairs required by Public Law 113–79. The Committee urges the OCE to work in coordination with the National Academy of Public Affairs (NAPA) to complete the independent study commissioned by the Committee. The Committee also directs the Secretary to complete the study on this topic required in Section 3208(b)(4) of Public Law 113–79. The study required by the 2014 farm bill of the Secretary is almost a year overdue. The Committee notes that the study being performed by NAPA does not satisfy that required by the Secretary.

Food Manufacturing Efficiencies.—The Committee is aware of the potential for many new and promising food manufacturing processes and technologies. The nation’s food supply can be made safer, more secure, better and more affordable through such means as automation of equipment and modifying processes along the entire supply chain to work more efficiently and use less water, energy and other resources. The Committee urges the Department to promote enhanced technology, processes, and data analysis throughout the food manufacturing industry.

NATIONAL APPEALS DIVISION

2015 appropriation	\$13,317,000
2016 budget estimate	13,566,000
Provided in the bill	12,841,000
Comparison:	
2015 appropriation	– 476,000
2016 budget estimate	– 725,000

COMMITTEE PROVISIONS

For the National Appeals Division, the Committee provides an appropriation of \$12,841,000.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

2015 appropriation	\$9,392,000
2016 budget estimate	9,500,000
Provided in the bill	9,081,000
Comparison:	
2015 appropriation	– 311,000
2016 budget estimate	– 419,000

COMMITTEE PROVISIONS

For the Office of Budget and Program Analysis, the Committee provides an appropriation of \$9,081,000.

OFFICE OF THE CHIEF INFORMATION OFFICER

2015 appropriation	\$45,045,000
2016 budget estimate	53,071,000
Provided in the bill	44,031,000
Comparison:	
2015 appropriation	– 1,014,000
2016 budget estimate	– 9,040,000

COMMITTEE PROVISIONS

For the Office of the Chief Information Officer (CIO), the Committee provides an appropriation of \$44,031,000. This includes \$27,000,000 for cybersecurity activities.

IT Purchases and Oversight.—The Committee directs the CIO to comply with the spirit and letter of the Federal Information Technology Acquisition Reform Act and incorporate its principles into future planning and current oversight of IT activities across the Department and the performance plan required in H. Rpt. 113–468. The Committee notes the CIO has not submitted the performance plan and directs the CIO to do so before the end of fiscal year 2015.

OFFICE OF THE CHIEF FINANCIAL OFFICER

2015 appropriation	\$6,028,000
2016 budget estimate	9,154,000
Provided in the bill	6,028,000
Comparison:	
2015 appropriation	— — —
2016 budget estimate	– 3,126,000

COMMITTEE PROVISIONS

For the Office of the Chief Financial Officer (CFO), the Committee provides an appropriation of \$6,028,000.

GSA Rent and DHS Costs.—The estimates provided for rent and DHS costs vary greatly due to several factors. The amounts provided for fiscal year 2015 in the fall of 2014 and the summer of 2015 vary by \$24 million. Some of these factors are within the CFO’s control. The CFO is directed to establish a uniform estimate of charges for both appropriated and non-appropriated accounts and provide accurate estimates to the Committee for the current and future fiscal years.

Digital Accountability and Transparency Act (DATA).—The Committee supports the work of the CFO to bring the Department into compliance with the DATA.

Shared Costs Report.—While the Committee notes the Department did not find any increased costs in its Shared Costs Programs per the report required by the 2015 Appropriations Act, the Department also did not identify any savings. The Committee continues to direct the production of the report required in Public Law 113–235 and directs the agency to identify areas of savings and efficiencies.

OFFICE OF THE ASSISTANT SECRETARY FOR CIVIL RIGHTS

2015 appropriation	\$898,000
2016 budget estimate	907,000
Provided in the bill	893,000
Comparison:	
2015 appropriation	- 5,000
2016 budget estimate	- 14,000

COMMITTEE PROVISIONS

For the Office of the Assistant Secretary for Civil Rights, the Committee provides an appropriation of \$893,000.

OFFICE OF CIVIL RIGHTS

2015 appropriation	\$24,070,000
2016 budget estimate	24,443,000
Provided in the bill	23,871,000
Comparison:	
2015 appropriation	- 199,000
2016 budget estimate	- 572,000

COMMITTEE PROVISIONS

For the Office of Civil Rights, the Committee provides an appropriation of \$23,871,000.

AGRICULTURE BUILDINGS AND FACILITIES

(INCLUDING TRANSFERS OF FUNDS)

2015 appropriation	\$55,866,000
2016 budget estimate	125,469,000
Provided in the bill	54,730,000
Comparison:	
2015 appropriation	- 1,136,000
2016 budget estimate	- 70,739,000

For Agriculture Buildings and Facilities, the Committee provides an appropriation of \$54,730,000.

Report on Headquarters Modernization.—The Committee directs the Department to provide the report required in H. Rpt. 113-468.

HAZARDOUS MATERIALS MANAGEMENT

(INCLUDING TRANSFERS OF FUNDS)

2015 appropriation	\$3,600,000
2016 budget estimate	3,630,000
Provided in the bill	3,600,000
Comparison:	
2015 appropriation	- - -
2016 budget estimate	- 30,000

COMMITTEE PROVISIONS

For Hazardous Materials Management, the Committee provides an appropriation of \$3,600,000.

OFFICE OF INSPECTOR GENERAL

2015 appropriation	\$95,026,000
2016 budget estimate	98,902,000
Provided in the bill	95,643,000
Comparison:	
2015 appropriation	+617,000
2016 budget estimate	-3,259,000

COMMITTEE PROVISIONS

For the Office of Inspector General, the Committee provides an appropriation of \$95,643,000. This includes requested funding to support the Council of the Inspectors General on Integrity and Efficiency.

OFFICE OF THE GENERAL COUNSEL

2015 appropriation	\$44,383,000
2016 budget estimate	48,075,000
Provided in the bill	43,313,000
Comparison:	
2015 appropriation	-1,070,000
2016 budget estimate	-4,762,000

COMMITTEE PROVISIONS

For the Office of the General Counsel, the Committee provides an appropriation of \$43,313,000.

OFFICE OF ETHICS

2015 appropriation	\$3,654,000
2016 budget estimate	4,565,000
Provided in the bill	3,440,000
Comparison:	
2015 appropriation	-214,000
2016 budget estimate	-1,125,000

COMMITTEE PROVISIONS

For the Office of Ethics, the Committee provides an appropriation of \$3,440,000.

OFFICE OF THE UNDER SECRETARY FOR RESEARCH, EDUCATION, AND ECONOMICS

2015 appropriation	\$898,000
2016 budget estimate	907,000
Provided in the bill	893,000
Comparison:	
2015 appropriation	-5,000
2016 budget estimate	-14,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Research, Education, and Economics, the Committee provides an appropriation of \$893,000.

Administrative Reorganization.—The Committee does not concur with the agency’s proposal to combine NIFA Research and Education Activities, Extension Activities, and Integrated Activities into one account. While the Committee supports greater efficiency in the management of limited federal research dollars, the proposal fails to demonstrate that such reorganization would result in sig-

nificant savings or the improvement of programs offered through NIFA.

Coffee Plant Health.—The Committee appreciates ARS and NIFA's work to address existing and emerging challenges to coffee production in the United States and commends the agency's work with research partners and coffee grower groups. The Committee encourages ARS, NIFA, and its partners to maintain support for coffee plant health research.

Historically Black Colleges and Universities (HBCUs).—This year marks the 125th Anniversary of the signing of the Second Morrill Act of 1890, which provided land-grant status to selected HBCUs. For over 125 years, these HBCUs have had a long-standing tradition of institutional commitment to excellence in teaching, scholarship, and service. The legacy of these land-grant universities will be further strengthened based on current and future investments and on the quality of research and graduates produced in the fields of agriculture, STEM, and related academic areas. These schools are to be applauded for the significant contributions they have made to our nation.

However, the Committee is concerned regarding the financial challenges the schools continue to face, particularly, the lack of state matching funds and other resources. The Department is directed to develop and submit a plan of action to the Committees on Appropriations of the House and Senate not later than 180 days after enactment of this Act to cooperatively work with the states to meet the matching grant requirements for research and extension activities.

National Nutrition Research Roadmap.—The Committee notes that the Interagency Committee on Human Nutrition Research (ICHNR) is requesting public input on the draft National Nutrition Research Roadmap 2015–2020: Advancing Nutrition Research to Improve and Sustain Health. The ICHNR includes representatives from across all Federal agencies and recognized the need for a written plan to coordinate Federal human nutrition research activities. As the roadmap is finalized and implemented, it is critical that all research be conducted with a balanced approach and be free from bias. Furthermore, there must be coordination amongst all Federal agencies to prevent duplication of efforts and resources. The Secretary must ensure that there is greater coordination of nutrition research within USDA to include short- and long-term outcome measures; establishment of milestones to measure short and long-term success; alignment of resources with milestones and goals; an open and competitive process in the award of contracts, grants, and awards; and a clearer path between the application of data and knowledge gained by such research to the applicable audiences.

Within the REE mission area alone, USDA estimates spending approximately \$204 million in fiscal year 2015 on human nutrition research. Billions of dollars have been spent on human nutrition research government-wide in recent years, yet the impact and results are questionable since obesity rates remain high. The Committee expects the ICHNR to include research that will help Americans make positive lifestyle changes and reduce obesity rates.

The Committee is also aware that FNS conducts research and evaluation projects without full coordination with the REE mission area. Bill and report language have been included to bring more

oversight to FNS’ work in these areas and ensure the REE mission area is engaged in this process. FNS projects will likely have less duplication and greater cost effectiveness and efficiency by working with the REE mission area to develop and finalize the FNS Research and Evaluation Plan submitted each fiscal year.

Office of Pest Management Policy.—The Committee commends the Office of Pest Management Policy for its work providing the Department, other Federal agencies, producers, and other interested stakeholders scientifically sound analysis of pest management issues important to agriculture, especially methyl bromide transition, pesticide resistance management, and the development of antimicrobials to combat citrus greening. The Committee encourages the Under Secretary to better utilize this office and directs ARS to continue to support its vital work.

Pollinators and Colony Health Research.—The Committee recognizes that Colony Collapse Disorder and related colony health issues are a significant concern to beekeepers, honey producers, farmers, researchers, policymakers, and the public and appreciates USDA’s logical, scientifically based approach to studying these issues. The Committee directs the Department to continue to focus on the challenges facing pollinators.

Potato Research.—The Committee supports research efforts to combat crop-threatening pest and disease pressures including the potato cyst nematode. The Committee also recognizes the importance of research initiatives to improve and identify desired traits for new potato varieties and directs the Department to continue working with universities, industry and potato growers on these projects.

ECONOMIC RESEARCH SERVICE

2015 appropriation	\$85,373,000
2016 budget estimate	86,023,000
Provided in the bill	78,058,000
Comparison:	
2015 appropriation	– 7,315,000
2016 budget estimate	– 7,965,000

COMMITTEE PROVISIONS

For the Economic Research Service, the Committee provides an appropriation of \$78,058,000.

NATIONAL AGRICULTURAL STATISTICS SERVICE

2015 appropriation	\$172,408,000
2016 budget estimate	180,346,000
Provided in the bill	161,206,000
Comparison:	
2015 appropriation	– 11,202,000
2016 budget estimate	– 19,140,000

COMMITTEE PROVISIONS

For the National Agricultural Statistics Service, the Committee provides an appropriation of \$161,206,000, of which \$44,525,000 is for the Census of Agriculture.

AGRICULTURAL RESEARCH SERVICE

SALARIES AND EXPENSES

2015 appropriation	\$1,132,625,000
2016 budget estimate	1,191,540,000
Provided in the bill	1,122,454,000
Comparison:	
2015 appropriation	- 10,171,000
2016 budget estimate	- 69,086,000

COMMITTEE PROVISIONS

For Salaries and Expenses of the Agricultural Research Service, the Committee provides an appropriation of \$1,122,454,000.

The Committee does not concur with the agency's proposed closures, redirections of research programs, or increases for fiscal year 2016.

Animal Research.—The Committee was disturbed to read the January 19, 2015, *New York Times* article titled “U.S. Research Lab Lets Livestock Suffer in Quest for Profit” about MARC in Clay Center, Nebraska. The article made numerous allegations about the treatment of animals at MARC and described how the staff at MARC was not following ARS policies and procedures regarding the care of animals used in research.

The Committee understands that more information is needed to fully assess the details of the specific instances mentioned in the article. It also believes that ARS scientists sincerely care about the animals they work with. However, the Committee continues to be deeply disappointed in the Department's response and must take action to ensure the welfare of all animals used in research at ARS facilities. The Committee recognizes the need for and value of animal research, but it demands that all animals will be treated humanely, no type of abuse or mistreatment will be tolerated, and that the risk of premature death will be limited wherever possible.

As such, the Committee includes bill language to withhold 5 percent (\$56,123,000) of ARS' appropriations for fiscal year 2016 until the Department certifies in writing to the Committees on Appropriations of the House and Senate that ARS has updated its animal care policies and all ARS research facilities which conduct animal research have fully functioning, including all appropriate and necessary record-keeping, Institutional Animal Care and Use Committees (IACUC) in place.

The Committee directs ARS to execute an agreement with APHIS within 90 days of enactment of this Act by which APHIS will conduct inspections that are consistent with the Animal Welfare Act at each ARS research facility that uses animals in research. Inspection reports shall be provided to the Committees on Appropriations of the House and Senate immediately after they are completed. The Committee provides funding within the APHIS budget to cover the costs anticipated with this new responsibility. The Committee further directs the Department to provide a report at the same time it submits its fiscal year 2017 budget request regarding implementation of this directive and the findings of the APHIS inspections.

In addition, the Committee is very concerned that the failure by USDA to ensure that MARC had a functioning IACUC indicates that there was a total lapse in management at every level. Instead

of addressing that failure, the department's response appears to be to add new staff to do work that should have been done by existing staff.

The Committee directs ARS to conduct a full review of the easy care sheep research project currently underway at MARC. ARS should engage all stakeholders, including producers, industry and animal welfare experts. The Committee requests that ARS begin the review as soon as possible, but no later than August 1, 2015, and directs the agency to submit a report about the review by February 1, 2016. It should include the status of the existing project and any concerns, commendations and recommendations regarding the projects and the agency's actions.

Given the size and scope of MARC and the number of animals used in research at the location, the Committee directs ARS to consider hiring a second attending veterinarian for the Center. ARS should use existing resources to cover the cost of this position.

The Committee requests a detailed report on all of the actions taken by ARS to respond to the allegations in the article, including actions taken to correct any deficiencies or improve current policies and procedures. This report should be submitted to the Committees on Appropriations of the House and Senate, by October 1, 2015.

Aerial Application Research.—The Committee recognizes the importance of the ARS 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.

Alfalfa Research.—The Committee supports research into alfalfa seed and forage systems which hold the potential to increase yields and milk production and improve genetics.

Aquatic Animal Health.—The Committee supports ARS' work with land-grant universities and other Federal partners to develop solutions to aquatic animal pathogens including *Aeromonas* in catfish and viral *hemorrhagic septicemia* in finfish. ARS is encouraged to collaborate with industry stakeholders on the development of potential vaccines and therapeutants.

Citrus Greening Disease Research.—The Committee commends ARS' research efforts on citrus greening disease and encourages the agency to continue working to develop methods to reduce transmission and enhance immunity in citrus trees and to work with industry, universities, growers, and other partners to develop effective control mechanisms. The Committee also encourages ARS to coordinate its efforts with the Multi-Agency Coordination group.

Co-Location of Researchers.—The Committee encourages ARS to develop a plan to maximize its investments in plant science facilities and research by taking advantage of the synergies and efficiencies realized through the co-location of USDA researchers in state-of-the-art facilities with university and other stakeholders.

Cranberry Research.—The Committee recognizes the ongoing research needs of the cranberry sector, ranging from disease control to pesticide use to responsible management of water resources. The Committee urges ARS to continue these efforts.

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. 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.

Emerging Cereal Rust Diseases.—The Committee continues to be concerned about emerging cereal rust diseases, particularly Ug99, and the threat they pose to domestic and world food supplies. The Committee encourages ARS to continue its work on these diseases, including the development of Ug99-resistant wheat varieties.

Forest Products Research.—The forest products sector is an important part of the U.S. economy. The Committee supports research on wood quality, forest product evaluation standards and valuation techniques, developing pest and disease-resistant trees, and ARS' continuing work with the Forest Products Laboratory.

FOV Race 4 Cotton Research.—The Committee recognizes the serious threat that *fusarium oxysporum f. sp. Vasinfectum* (FOV), particularly the strain FOV Race 4, poses to the U.S. cotton industry. The Committee encourages ARS to continue research efforts to combat FOV Race 4 and to work with industry and other partners to develop effective control measures to eradicate this disease and prevent its spread nationwide.

Germplasm Enhancement of Maize.—The Committee supports the germplasm enhancement of maize project and encourages continued cooperation between ARS and industry.

Horticultural Research and Education.—The Committee recognizes the importance of the U.S. National Arboretum and its role as a center of discovery and education, as well as a destination for more than half a million visitors every year. The Committee encourages the agency to continue to support the Arboretum.

Human Nutrition Research.—There is strong evidence that nutrition plays a vital role in maintaining health throughout the lifespan and preventing obesity and chronic diseases. The Committee encourages ARS to continue research relating to obesity prevention strategies and the effect of nutrition on aging.

Lower Mississippi River Basin.—The Committee recognizes the groundwater problems in the Lower Mississippi River Basin and encourages ARS to continue research to quantify how appropriate use of conservation practices and technology affect water quality and quantity.

National Agricultural Library.—The Committee requests that ARS maintain a focus on agriculture-related legal issues within the National Agricultural Library. The Committee recognizes agriculture-related legal issues are being litigated on an increasingly frequent basis, the complexity and scope of these legal issues continues to broaden, and that the National Agricultural Library plays an important role in assisting all stakeholders with understanding these issues.

Porcine Virus Research.—The Committee is aware of ongoing research to identify mechanisms of viral pathogenesis, transmission, and immunity to porcine epidemic diarrhea virus (PEDv) and encourages ARS to continue its efforts to identify the genetic virulence factors of PEDv, identify a protective immune response including transmission of maternal antibodies through the milk,

and evaluate new vaccine platforms for the development of improved PEDv vaccines.

Pulse Health Initiative.—The Committee is aware of the need to investigate the ability of pulse crops, such as dry beans, dry peas, lentils, and chickpeas, to provide solutions to critical health issues and to improve the sustainability of crop rotations by improving the nitrogen-fixing abilities of pulse crops. The Committee encourages ARS to continue its work on these important issues.

Sage Grouse.—The Committee is aware that listing the greater sage grouse as endangered under the Endangered Species Act has the potential to negatively affect rural communities in the 11 states that have sage brush ecosystems. The Committee encourages ARS to work with its partners on sage brush and related rangeland research that will help preserve the greater sage grouse and the other species that rely on the sage brush ecosystem.

Sclerotinia Initiative.—The Committee is aware of the importance of controlling *Sclerotinia* in sunflowers, soybeans, canola, edible beans, peanuts, peas, lentils, and chickpeas and encourages ARS to continue its support of this initiative.

Small Grain Genomics.—The Committee supports research on small grain genomics and recognizes its importance in improving crop traits and developing new cultivars.

U.S. Sheep Experiment Station (USSES).—The USSES provides valuable information to increase the production efficiency of sheep, improve sustainable rangeland ecosystems and expand other research initiatives. The Committee encourages ARS to work with stakeholders regarding efforts to propose mission improvements for the experiment station.

U.S. Wheat and Barley Scab.—The Committee recognizes the fusarium head blight is a major threat to agriculture, inflicting substantial yield and quality losses throughout the U.S. The Committee supports research carried out through the U.S. Wheat and Barley Scab Initiative.

BUILDINGS AND FACILITIES

2015 appropriation	\$45,000,000
2016 budget estimate	205,901,000
Provided in the bill	45,000,000
Comparison:	
2015 appropriation	— — —
2016 budget estimate	– 160,901,000

COMMITTEE PROVISIONS

For Agricultural Research Service, Buildings and Facilities, the Committee provides an appropriation of \$45,000,000 for priorities identified in the USDA ARS Capital Investment Strategy, April 2012.

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE

RESEARCH AND EDUCATION ACTIVITIES

2015 appropriation	\$786,874,000
2016 budget estimate	998,593,000
Provided in the bill	781,510,000
Comparison:	
2015 appropriation	– 5,364,000
2016 budget estimate	– 217,083,000

COMMITTEE PROVISIONS

For Research and Education Activities, the Committee provides an appropriation of \$781,510,000.

Agricultural Research Enhancement Awards.—The Committee directs that not less than 15 percent of the competitive research grant funds be used for USDA's agriculture research enhancement awards program, including USDA-EPSCoR, in accordance with 7 U.S.C. 450i.

Antimicrobial Resistance.—The Committee provides an increase of \$5 million for the Agriculture and Food Research Initiative (AFRI) for research to combat antimicrobial resistance. In addition, the Committee directs NIFA to include an additional \$2.3 million of base funding to the program's current level of \$3.7 million, for a total investment of \$11 million in research on combating antimicrobial resistance.

Budget Request for Fiscal Year 2017.—The Committee appreciates NIFA's efforts to provide additional information in its budget requests over the past three years. For the fiscal year 2017 budget request, the Committee is particularly interested in the request for AFRI, and requests that the agency provide greater detail on the levels proposed to be allocated to and the expected publication date, scope, and allocation level for each request for awards to be published under each priority area specified in section 2(b)(2) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i(b)(2)).

Citrus Disease Research Program.—The 2014 farm bill established the Emergency Citrus Disease Research and Extension Program, which is intended to discover and develop tools for early detection, control, and eradication of diseases and pests that threaten domestic citrus production and processing, and provided \$25 million per year in mandatory funding for the program through the Specialty Crop Research Initiative. The Committee believes research projects funded under this authority should be prioritized based on the critical threat of citrus greening and encourages NIFA, to the maximum extent practicable, to follow the recommendations of the National Agricultural Research, Extension, and Education Advisory Board's citrus disease subcommittee and to collaborate with the Huanglongbing Multi-Agency Coordination group.

Classical Plant Breeding.—The Committee is aware of the need for classical plant breeding and encourages NIFA to invest in research to improve genetic resources and cultivars for the benefit of U.S. producers, seed companies, processors, and consumers. This research should focus on breeding improved germplasm and varieties with higher yields, improved disease and pest resistance, and resilience to weather extremes. Additionally, methods and tools should be developed to enable classical breeders to choose better breeding parents and speed up variety development.

Livestock and Poultry Waste Research.—The Committee recognizes the benefits of improved methods of managing animal waste in livestock and poultry production and encourages NIFA to support research and development of innovative technologies, particularly those that are operationally and economically feasible and have a high probability of widespread implementation.

National Animal Health Laboratory Network (NAHLN).—The laboratories within the NAHLN network provide a critical contribution to animal and public health in the detection of newly identified and reemerging animal diseases. NIFA provides funding for NAHLN laboratory infrastructure. The fiscal year 2015 appropriations Act provided funding for NAHLN through both APHIS and NIFA at approximately \$7 million and \$3 million, respectively. In addition to these base funds, USDA has spent millions of dollars in fiscal year 2015 to reimburse laboratories in the NAHLN network for work with the HPAI outbreak. The bill continues this base funding and includes an additional \$5 million for APHIS to support NAHLN, resulting in a total investment of \$15 million for fiscal year 2016.

Organic Agriculture.—The Economic Research Service has cited industry statistics that “organic sales account for over four percent of total U.S. food sales.” The Committee encourages USDA to ensure that the needs of the U.S. organic sector are more fully addressed through AFRI and to report back to the Committee with a plan for meeting this goal, including how the agency will ensure organic research conducted through AFRI is not duplicative of research conducted with mandatory funds through the Organic Agriculture Research and Extension Initiative and other research programs.

Research at Historically Black Colleges and Universities and Hispanic Serving Institutions.—The Committee encourages NIFA to continue to support biotechnology by promoting research at the land-grant colleges and universities, including the Historically Black Colleges and Universities and Hispanic Serving Institutions, and directs NIFA to encourage partnerships among universities and industry.

Zoonotic Disease Research.—The eradication of zoonotic livestock diseases has been a priority of Federal and state animal health officials, as was reflected in the 2014 farm bill. The Committee recognizes the need for this research and encourages NIFA to support the development of improved management tools for zoonotic livestock diseases that have significant wildlife reservoirs.

The following table reflects the amount provided by the Committee:

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE

RESEARCH AND EDUCATION ACTIVITIES

[Dollars in Thousands]

Program/Activity	Authorization	2015 enacted	2016 estimate	Committee provision
Hatch Act	7 U.S.C. 361a–i	\$243,701	\$243,701	\$243,701
McIntire-Stennis Cooperative Forestry Act	16 U.S.C. 582a through a–7 ...	33,961	33,961	33,961
Research at 1890 Institutions (Evans-Allen Program).	7 U.S.C. 3222	52,485	58,000	52,485
Payments to the 1994 Institutions	7 U.S.C. 301 note	3,439	3,654	3,439
Education Grants for 1890 Institutions	7 U.S.C. 3152(b)	19,336	20,410	19,336
Education Grants for Hispanic-Serving Institutions ..	7 U.S.C. 3241	9,219	9,219	9,219
Education Grants for Alaska Native and Native Hawaiian-Serving Institutions.	7 U.S.C. 3156	3,194	3,194	3,194
Research Grants for 1994 Institutions	7 U.S.C. 301 note	1,801	1,914	1,801
Capacity Building for Non Land-Grant Colleges of Agriculture.	7 U.S.C. 3319i	4,500	---	---

RESEARCH AND EDUCATION ACTIVITIES—Continued

[Dollars in Thousands]

Program/Activity	Authorization	2015 enacted	2016 estimate	Committee provision
Grants for Insular Areas	7 U.S.C. 3222b-2, 3363 and 3362.	2,000	1,800	1,800
Agriculture and Food Research Initiative	7 U.S.C. 450i(b)	325,000	450,000	335,000
Veterinary Medicine Loan Repayment	7 U.S.C. 3151a	5,000	5,000	5,000
Food and Agriculture Resiliency Program for Military Veterans.	7 U.S.C. 2662(e)	---	2,500	---
Continuing Animal Health and Disease Research Program.	7 U.S.C. 3195	4,000	---	4,000
Supplemental and Alternative Crops	7 U.S.C. 3319d	825	---	---
Critical Agricultural Materials Act	7 U.S.C. 178 et seq.	---	---	---
Multicultural Scholars, Graduate Fellowship and In- stitution Challenge Grants.	7 U.S.C. 3152(b)	9,000	---	9,000
Secondary and 2-year Post-Secondary Education	7 U.S.C. 3152(j)	900	---	900
Aquaculture Centers	7 U.S.C. 3322	4,000	4,000	4,000
Sustainable Agriculture Research and Education	7 U.S.C. 5811, 5812, 5831, and 5832.	22,667	22,667	22,667
Farm Business Management	7 U.S.C. 5925f	1,450	---	---
Sun Grant Program	7 U.S.C. 8114	2,500	---	---
Alfalfa and Forage Research Program	7 U.S.C. 5925	1,350	---	---
Minor Crop Pest Management (IR-4)	7 U.S.C. 450i(c)	11,913	11,913	11,913
Special Research Grants:				
Global Change/UV Monitoring	7 U.S.C. 450i(c)	1,405	1,405	1,405
Potato Research	7 U.S.C. 450i(c)	1,350	---	---
Aquaculture Research	7 U.S.C. 450i(c)	1,350	---	---
Total, Special Research Grants		4,105	1,405	1,405
Innovation Institutes		---	80,000	---
Necessary Expenses of Research and Education Ac- tivities:				
Grants Management Systems		7,830	9,830	6,750
Federal Administration—Other Necessary Ex- penses.		6,387	20,425	5,979
GSA Rent and DHS Security Expenses		6,311	---	5,960
Total, Necessary Expenses		20,528	30,255	18,689
Total, Research and Education Activi- ties.		\$786,874	\$998,593	\$781,510

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

2015 appropriation	(\$11,880,000)
2016 budget estimate	(11,880,000)
Provided in the bill	(11,880,000)
Comparison:	
2015 appropriation	---
2016 budget estimate	---

COMMITTEE PROVISIONS

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

EXTENSION ACTIVITIES

2015 appropriation	\$471,691,000
2016 budget estimate	475,565,000
Provided in the bill	472,051,000
Comparison:	
2015 appropriation	+360,000
2016 budget estimate	-3,514,000

COMMITTEE PROVISIONS

For Extension Activities, the Committee provides an appropriation of \$472,051,000.

Food Safety Outreach.—The Committee provides an increase of \$2.5 million for the Food Safety Outreach Program to provide education and training for farmers, producers, and processors to implement food safety guidelines resulting from FSMA. The Committee directs the Department to coordinate efforts with the FDA to ensure there is no duplication of efforts or resources. As stated in the President's fiscal year 2016 budget request, the Committee expects NIFA to be the sole agency supporting the educational needs of growers.

The following table reflects the amount provided by the Committee:

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE

EXTENSION ACTIVITIES

[Dollars in Thousands]

Program/Activity	Authorization	FY 2015 enacted	FY 2016 estimate	Committee provision
Smith-Lever Act, Section 3(b) and (c) programs and Cooperative Extension.	7 U.S.C. 343(b) and (c) and 208(c) of P.L. 93-471.	\$300,000	\$300,000	\$300,000
Extension Services at 1890 Institutions	7 U.S.C. 3221	43,920	48,350	43,920
Extension Services at 1994 Institutions	7 U.S.C. 343(b)(3)	4,446	4,724	4,446
Facility Improvements at 1890 Institutions	7 U.S.C. 3222b	19,730	21,703	19,730
Renewable Resources Extension Act	16 U.S.C. 1671 et. seq.	4,060	4,060	4,060
Rural Health and Safety Education Programs	7 U.S.C. 2662(i)	1,500	---	---
Food Animal Residue Avoidance Database Program	7 U.S.C. 7642	1,250	---	1,250
Women and Minorities in STEM Fields	7 U.S.C. 5925	400	---	400
Food Safety Outreach Program	7 U.S.C. 7625	2,500	5,000	5,000
Smith-Lever Act, Section 3(d):	7 U.S.C. 343(d).			
Food and Nutrition Education .....	.....	67,934	67,934	67,934
Farm Safety and Youth Farm Safety Education Programs. ....	.....	4,610	4,610	4,610
New Technologies for Agricultural Extension ....	.....	1,550	1,750	1,550
Children, Youth, and Families at Risk .....	.....	8,395	8,395	8,395
Federally Recognized Tribes Extension Program .....	.....	3,039	3,039	3,039
Total, Section 3(d) .....	.....	85,528	85,728	85,528
Necessary Expenses of Extension Activities:				
Agriculture in the K-12 Classroom	7 U.S.C. 3152 (j)	552	---	552
Federal Administration—Other Necessary Expenses for Extension Activities. ....	.....	7,805	---	7,165
Total, Necessary Expenses .....	.....	8,357	---	7,717
Total, Extension Activities .....	.....	\$471,691	\$475,565	\$472,051

INTEGRATED ACTIVITIES

2015 appropriation	\$30,900,000
2016 budget estimate	28,900,000
Provided in the bill	30,900,000
Comparison:	
2015 appropriation	---
2016 budget estimate	+2,000,000

COMMITTEE PROVISIONS

For Integrated Activities, the Committee provides an appropriation of \$30,900,000.

The following table reflects the amount provided by the Committee.

NATIONAL INSTITUTE OF FOOD AND AGRICULTURE

INTEGRATED ACTIVITIES

[Dollars in Thousands]

Program/Activity	Authorization	FY 2015 enacted	FY 2016 estimate	Committee provision
Water Quality Program	7 U.S.C. 7626	\$- - -	\$- - -	\$- - -
Methyl Bromide Transition Program	7 U.S.C. 7626	2,000	- - -	2,000
Organic Transition Program	7 U.S.C. 7626	4,000	4,000	4,000
Regional Rural Development Centers	7 U.S.C. 450i(c)	1,000	1,000	1,000
Food and Agriculture Defense Initiative	7 U.S.C. 3351	6,700	6,700	6,700
Crop Protection/Pest Management Program	7 U.S.C. 7626	17,200	17,200	17,200
Total, Integrated Activities		\$30,900	\$28,900	\$30,900

OFFICE OF THE UNDER SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

2015 appropriation	\$898,000
2016 budget estimate	907,000
Provided in the bill	893,000
Comparison:	
2015 appropriation	- 5,000
2016 budget estimate	- 14,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Marketing and Regulatory Programs, the Committee provides an appropriation of \$893,000.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

2015 appropriation	\$871,315,000
2016 budget estimate	855,803,000
Provided in the bill	870,945,000
Comparison:	
2015 appropriation	- 370,000
2016 budget estimate	+15,142,000

COMMITTEE PROVISIONS

For the Animal and Plant Health Inspection Service, Salaries and Expenses, the Committee provides an appropriation of \$870,945,000.

Included in this funding level are increases of \$3,000,000 for Avian Health; \$550,000 for Swine Health; \$5,000,000 for Veterinary Diagnostics; \$2,000,000 for Specialty Crop Pests; and \$400,000 for Animal Welfare. The Committee maintains recent increases for such functions as Overseas Technical and Trade Operations in order to help resolve sanitary and phytosanitary trade issues that could result in the opening of new markets and retaining and expanding existing market access for U.S. agricultural products.

The following table reflects the amounts provided by the Committee:

(Dollars in Thousands)

	Committee provision
Animal Health Technical Services	\$35,000
Aquatic Animal Health	2,253
Avian Health	55,340
Cattle Health	90,000
Equine, Cervid, and Small Ruminant Health	19,500
National Veterinary Stockpile	3,973
Swine Health	24,800
Veterinary Biologics	16,417
Veterinary Diagnostics	36,540
Zoonotic Disease Management	9,523
<i>Subtotal, Animal Health</i>	<i>293,346</i>
Agricultural Quarantine Inspection (Appropriated)	26,900
Cotton Pests	11,520
Field Crop & Rangeland Ecosystem Pests	8,826
Pest Detection	27,446
Plant Protection Methods Development	20,686
Specialty Crop Pests	158,000
Tree & Wood Pests	45,519
<i>Subtotal, Plant Health</i>	<i>298,897</i>
Wildlife Damage Management	90,027
Wildlife Services Methods Development	18,856
<i>Subtotal, Wildlife Services</i>	<i>108,883</i>
Animal & Plant Health Regulatory Enforcement	16,224
Biotechnology Regulatory Services	18,875
<i>Subtotal, Regulatory Services</i>	<i>35,099</i>
Contingency Fund	470
Emergency Preparedness & Response	16,966
<i>Subtotal, Safeguarding and Emergency Preparedness</i>	<i>17,436</i>
Agriculture Import/Export	14,099
Overseas Technical and Trade Operations	22,114
<i>Subtotal, Safe Trade & International Technical Assistance</i>	<i>36,213</i>
Animal Welfare	28,410
Horse Protection	697
<i>Subtotal, Animal Welfare</i>	<i>29,107</i>
APHIS Information Technology Infrastructure	4,251
Physical/Operational Security	5,146
GSA Rental and DHS Security Payments	42,567
<i>Subtotal, Agency Management</i>	<i>51,964</i>
Total, Salaries & Expenses	\$870,945

Agricultural Quarantine and Inspection (AQI).—The Committee continues to have concerns about the proposed rules regarding adjustment to fees for AQI services and overtime reimbursement rates. The proposed rule related to AQI services includes the increase of some existing fees and the establishment of several new fees that will affect a wide variety of industries, including pest treatment providers, cargo and passenger vessels, international and domestic shippers, importers, and the ports. The proposed changes are significant, and it is expected that comments received during the initial rulemaking process and comments received from the AQI Webinar in January 2015 will be considered in drafting

the final rule. The agency should exercise due diligence in determining the comprehensive impacts of these new fees on the related industries, especially given the coupling effect of the increased overtime reimbursement rates. The Committee encourages the agency to fully analyze these impacts and engage with additional stakeholders as necessary to determine if any additional time is necessary for those impacted by the fees to provide input as well as those industries requiring additional time to modify their business practices in order to accommodate higher costs.

Animal Welfare.—The bill funds the Animal Welfare program at \$28,410,000 in order 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. The Committee provides an additional \$400,000 to support a Memorandum of Understanding (MOU) between APHIS and ARS. The MOU is necessary for ARS to utilize the skills and expertise of APHIS' animal care staff and to help ARS address some of their recent failures to maintain high standards of care for animals used in ARS funded research. At a minimum, the MOU should ensure that ARS is adhering to its own standards and guidelines for research practices as required by the Humane Animal Care and Use policy, a policy that is closely aligned with the Animal Welfare Act; ensure that every ARS location engaging in research and testing on vertebrate animals has a fully functioning IACUC in place; and, ensure that each IACUC produces a semi-annual report with a description of and the reasons for any major deviations from the requirements outlined in ARS policy.

Aquatic Animal Health.—Nearly half of the seafood consumed across the world is the product of aquaculture. In addition, the aquaculture industry is a critical and growing part of the U.S. economy. Unfortunately, the monitoring of aquatic animal health issues is not adequate to meet the needs of a growing industry. For example, the shrimp and catfish aquaculture industries are losing revenue due to the lack of tracking and monitoring of aquatic animal pathogens. These losses could have been prevented if the pathogens had been promptly identified and effective treatments or prevention procedures were developed and available. The Committee encourages the agency to support and protect this important industry. Collaborative efforts among the agency, industry, and other Federal and state partners are essential to improving preparedness, surveillance, and response capabilities, as well as reducing the likelihood of disease spread.

Biotechnology Regulatory Services.—The Committee continues to be concerned about the time it takes the agency to review biotechnology product petitions for regulatory determination. The Committee encourages the agency to continue to find ways to improve the permit review process and to reduce the number of petitions awaiting determination. The Committee provides the requested funding necessary to ensure regulatory decisions can be made in a more timely and predictable manner. The Committee directs APHIS to provide the Committees on Appropriations of the House and Senate with quarterly reports on the agency's progress in meeting the targets the agency set for itself in 2011 starting on November 1, 2015.

Cervid Health.—Data from 2007 indicates that the cervid industry in the United States accounts for 5,600 deer farms and 1,900 elk farms, has an economic value of \$894 million, and supports nearly 30,000 jobs. This industry continues to participate in the agency's national, voluntary Herd Certification Program (HCP) that supports the domestic and international marketability of U.S. cervid herds. The Committee encourages APHIS to maintain its commitment to the HCP and the cervid industry and directs the agency to spend no less than \$3 million for cervid health activities. Within the funds provided, the agency should give consideration to indemnity payments if warranted.

Citrus Health Response Program (CHRP).—CHRP is a national effort to protect the U.S. industry from the ravages of invasive pests and diseases. These funds are designed to partner with state departments of agriculture and industry groups to address the challenges of citrus pests and diseases. In addition to the funds provided in this account, the Committee encourages APHIS to utilize the funds available in the Plant Pest and Disease Management and Disaster Prevention Programs account to the greatest extent possible in an attempt to sustain the economic viability of the citrus industry.

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, and any other recipient of services in order to reduce the cost burden on the agency.

Cotton Pests.—The Committee is concerned that every effort be made by APHIS and the cotton industry to ensure the boll weevil does not re-infest areas of the United States where it has been successfully eradicated. The Boll Weevil Eradication Program, an outstanding example of a public-private partnership, has successfully eradicated the boll weevil from all U.S. cotton-producing regions except for the extreme lower parts of Texas in the Lower Rio Grande Valley (LRGV) bordering Tamaulipas, Mexico. Growers in the LRGV, with assistance from APHIS and the support of the entire industry, continue to conduct an active program to eradicate the boll weevil. The LRGV serves as the barrier between boll weevil infested areas of Mexico and boll weevil-free areas of the United States. The Department is directed to work with the U.S. cotton industry to develop a plan of action to protect the United States from re-infestation and to report its findings to the Committee not less than 120 days after enactment of this Act.

Designated Qualified Person Program.—Due to the subjective nature of the horse inspections, the agency is encouraged to provide greater transparency, more written communication with stakeholders on the rules and regulations such as the scar rule, and improved consistency to the extent possible when enforcing the Horse Protection Act. The agency should also consider, as part of its Horse Inspection Organization (HIO) approval process, the utilization of "conditional approvals" so that the agency can work more closely with a proposed HIO in considering or developing new or additional inspection and training methodologies or protocols. Communication and coordination between the agency and HIOs is a key

component of the Horse Protection Act and should be enhanced whenever possible.

Emergency Outbreaks.—The Committee has included language and continues to include specific language relating to the availability of funds to address emergencies related to the arrest and eradication of contagious or infectious disease or pests of animals, poultry or plants. While the Administration eventually approved the release of a significant sum of emergency funds from the CCC to address the outbreaks of HPAI, the Committee is aware of some hesitancy to approve such funds. It is because of situations like the HPAI outbreak where chicken and turkey growers, egg layers, and those allied industries suffer devastating losses to their livelihoods that the Committee retains such language and authority. The Committee expects the Secretary to continue to use the authority provided in this bill to transfer funds from the 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.

Feral Swine Management.—The Committee provides an increase of \$550,000 for increased surveillance work. This increase will allow APHIS to continue monitoring and management activities for emerging and foreign animal diseases in swine, enhance knowledge and response to these diseases, and further develop a response framework for them. The Committee continues to support the agency's national feral swine management program in order to continue activities aimed at reducing the damage caused by these invasive pests.

Foreign Market Access Requests.—Increasingly U.S. agriculture is facing non-tariff trade barriers, which are limiting the ability for U.S. agriculture to open and maintain access to key export markets. The Committee directs APHIS to review and update the list of foreign market access requests submitted by U.S. producers, producer groups, companies and/or non-government agencies. All efforts should be made to assign the appropriate agency resources to opening and maintaining access to foreign markets for U.S. products. By March 2017, the agency should provide an update to the Committee on the number of foreign market access requests that have been successfully granted for U.S. agriculture; export volumes; the number of foreign market access requests that have been granted for imports to the U.S. market; the number of outstanding requests and the length of time each request has been pending before the agency. The agency should identify the limitations in achieving and maintaining foreign market access for U.S. agriculture.

Grapevine Import Regulations.—The Committee urges APHIS to update its import regulations for grapevines. The current regulatory review process and requirements for pathogen screening of imports are expensive, cumbersome and time-consuming. Complying without the use of available technology can take in excess of thirteen years to complete. APHIS should issue new regulations that dramatically shorten the review timeline, by using new technology, and prioritize the approval of new grape varieties suited for colder, harsher climates.

Huanglongbing Emergency Response.—The Committee provides an increase of \$2 million within the Specialty Crop Pests line item to increase vital management, control, and associated activities to address Huanglongbing (HLB), or citrus greening. This disease has infected all of Florida's citrus groves, reduced acreage and production, and cost Florida an estimated \$3.6 billion in revenue and over 6,600 jobs since 2006. HLB is also a threat to Texas and Puerto Rico citrus after the discovery of HLB in citrus growing areas. California's citrus industry, worth an estimated \$1.5 billion in production value, is at risk as well.

Specifically, the \$2 million increase will support priorities and strategies identified by the Huanglongbing Multi-Agency Coordination (HLB MAC) group. The MAC is focused on short-term solutions to help the citrus industry, and the cooperative nature of Federal, State, and industry representatives in this group is expected to result in the development of tools and techniques to address this devastating disease. Helping growers explore new possible solutions, the MAC has been an effective resource. The agency should appropriately allocate resources based on critical need and maximum impact to the citrus industry.

Light Brown Apple Moth.—The Committee encourages APHIS to engage state and international regulatory bodies to deregulate the light brown apple moth. The Committee is concerned that if APHIS simply withdraws federal regulation without the necessary work with other regulatory officials, APHIS will only shift and not reduce the regulatory burden. Should APHIS withdraw the federal order for light brown apple moth, it must take steps to reduce the overall burden on growers.

National Animal Health Laboratory Network (NAHLN).—The laboratories within the NAHLN network are on the frontline for detection of newly identified and reemerging animal diseases. NAHLN laboratories provide a critical contribution to animal and public health. The fiscal year 2015 appropriations Act provided funding for NAHLN through both APHIS and NIFA at approximately \$7 million and \$3 million, respectively. In addition to these base funds, USDA has spent millions of dollars in fiscal year 2015 to reimburse laboratories in the NAHLN network for work with the HPAI outbreak. The bill continues this base funding and includes an additional \$5 million for APHIS, resulting in a total investment of \$15 million for fiscal year 2016.

NAHLN laboratories have been invaluable during the recent outbreak of HPAI which has significantly increased testing needs. At the same time, NAHLN laboratories must also continue testing for other animal diseases of concern. The Committee encourages NAHLN to consider partnering with other accredited private laboratories as necessary to assist with increased testing demands in order to prevent backlogs and provide results as quickly as possible.

Phytophthora ramorum.—The Committee expects APHIS to continue its efforts to manage *P. ramorum* while minimizing disruption to the interstate movement of plant materials and commercial trade. The agency should use an appropriate portion of funds from the Specialty Crop Pests account to expeditiously implement the review of the Federal Order governing shipment of plant materials from quarantined and regulated counties as well as to continue its

review of the efficacy of the pre-notification requirements for western nurseries. APHIS also should continue efforts to partner with the regulated states to develop new best management practices regarding *P. ramorum* during the effective period of the Order.

Potato Cyst Nematode Eradication.—The Committee includes funding to maintain resources for the potato cyst nematode eradication program at the fiscal year 2015 level in order to continue with successful efforts to eradicate this pest. If left untreated, this pest could spread, affecting other crops.

Swine Fever.—The Subcommittee is very concerned about the emergence and continuing spread of African Swine Fever (ASF) in Eastern European countries. ASF is one of the most feared swine diseases because there is no vaccine and are no effective methods for controlling the disease. Lithuania is currently seeking approval from USDA to export pork and pork products to the United States, and Poland is already exporting pork to the U.S. Both of these countries have recent and well documented cases of ASF. Exports from Lithuania and Poland could lead to the introduction of ASF into the U.S. swine herd, which would have a devastating impact on the U.S. industry. The impact would be so severe that the industry would not likely recover for years. Since there is a potential for the disease reaching the U.S. through imports from these countries, APHIS is hereby directed to conduct an assessment of that risk. The risk assessment report should be provided to the Committees on Appropriations of the House and Senate not later than 90 days after enactment of this Act.

Vaccine for Foot-and-Mouth Disease.—Foot-and-mouth disease (FMD) is a highly contagious viral disease eradicated from the U.S. in 1929, but it is still a threat since countries around the globe continue grappling with the disease. This disease could cause billions of dollars in damage to the economy if unchecked. APHIS has publicly stated that the FMD vaccine bank is insufficient to deal with a large scale FMD outbreak in the U.S. and that a larger vaccine bank is needed. APHIS has also noted that expanding the current FMD vaccine supply is an expensive investment. Having sufficient quantities of vaccine rapidly available and deployable to control an FMD outbreak would appear to be a critical part of the USDA APHIS mission. Rapid control of FMD protects the security of the U.S. food supply, limiting the economic damage from livestock losses due to the disease, and also shortens disruptions to trade and commerce that would occur as long as FMD goes uncontrolled due to a lack of vaccine. The Committee is concerned that this potential vaccine shortage could result in the compromised management of an FMD outbreak in the United States. In order that the Committee can better understand the budget implications required to address this vaccine shortage, APHIS is directed to report to the Committees on Appropriations of the House and Senate within 90 days of enactment of this Act on contingency plans to develop an expanded vaccine bank and the estimated funding necessary for implementation and maintenance.

Wildlife Damage Management.—While receiving support from co-operators to conduct wildlife management operations, special emphasis should be placed on those areas such as oral rabies vaccination, livestock protection, predator damage management, and other such activities that will reduce or eliminate threats to agricultural

industries. The Committee expects APHIS to maintain the funding level for national rabies control and surveillance efforts at the same levels as provided in the fiscal year 2015 appropriations Act. The Committee also encourages USDA to continue providing tools and resources to assist aquaculture producers being adversely impacted by fish-eating birds.

Of particular concern is the continued and repeat depredation by wolves and packs in the Pacific Northwest. In certain states where state management plans require state agencies to utilize lethal control of wolves it is important these actions are taken to protect livestock. As experts in the field of managing predators to prevent depredation, USDA has valuable knowledge, tools and resources that can assist states in managing the federally reintroduced wolves. The Committee directs USDA to prioritize and complete the documentation and processes needed to allow them to assist states and local livestock producers with managing this situation.

BUILDINGS AND FACILITIES

2015 appropriation	\$3,175,000
2016 budget estimate	3,175,000
Provided in the bill	3,175,000
Comparison:	
2015 appropriation	— — —
2016 budget estimate	— — —

COMMITTEE PROVISIONS

For Animal and Plant Health Inspection Service, Buildings and Facilities, the Committee provides an appropriation of \$3,175,000.

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

2015 appropriation	\$81,192,000
2016 budget estimate	83,121,000
Provided in the bill	80,743,000
Comparison:	
2015 appropriation	— 449,000
2016 budget estimate	— 2,378,000

COMMITTEE PROVISIONS

For Marketing Services of the Agricultural Marketing Service, the Committee provides an appropriation of \$80,743,000.

Mandatory Country of Origin Labeling (COOL).—The Committee is aware that the World Trade Organization (WTO) Appellate Body ruled against the U.S. COOL requirements for meat products, upholding previous findings that the U.S. was in violation of its international trade obligations. The governments of Canada and Mexico have clearly expressed their intent to seek authority from the WTO to use retaliatory measures on U.S. agricultural and non-agricultural products, with U.S. exports expected to suffer an economic impact of almost \$4 billion. The Committee supports efforts that will prevent harm to U.S. jobs, the U.S. economy, and trade relations with our Nation's strongest trading partners. Therefore, the Committee directs the Secretary to continue to work with Congress to find a swift resolution.

LIMITATION ON ADMINISTRATIVE EXPENSES

2015 limitation	(\$60,709,000)
2016 budget limitation	(60,982,000)
Provided in the bill	(60,982,000)
Comparison:	
2015 limitation	+273,000
2016 budget limitation	- - -

COMMITTEE PROVISIONS

The Committee provides a limitation of \$60,982,000 on Administrative Expenses of the Agricultural Marketing Service.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY
(SECTION 32)

(INCLUDING TRANSFERS OF FUNDS)

2015 appropriation	(\$20,186,000)
2016 budget estimate	(20,489,000)
Provided in the bill	(20,186,000)
Comparison:	
2015 appropriation	- - -
2016 budget estimate	- 303,000

COMMITTEE PROVISIONS

For the Marketing Agreements and Orders Program, the Committee provides a transfer from Section 32 funds of \$20,186,000.

The following table reflects the status of this fund for fiscal years 2015 and 2016:

ESTIMATED TOTAL FUNDS AVAILABLE AND BALANCE CARRIED FORWARD FISCAL YEARS 2015–2016
[Dollars in Thousands]

	FY 2015 enacted	FY 2016 estimate
Appropriation (30% of Customs Receipts)	\$9,714,923	\$10,316,645
<i>Less Transfers:</i>		
Food & Nutrition Service	- 8,355,671	- 8,869,645
Commerce Department	- 143,738	- 144,000
Total, Transfers	- 8,499,409	- 9,013,645
Prior Year Appropriation Available, Start of Year	187,486	122,000
Prior Year Collections and Recoveries	0	0
Unavailable for Obligations (recoveries & offsetting collections)	0	0
Transfer of Prior Year Funds to FNS (F&V)	- 119,000	- 122,000
Budget Authority:	1,284,000	1,303,000
Rescission of Current Year Funds	- 121,094	- 216,020
Appropriations Reduced—Sequestration	- 81,906	- 77,000
Unavailable for Obligations (F&V Transfer to FNS)	- 122,000	- 125,000
Available for Obligation:	959,000	884,980
<i>Less Obligations:</i>		
Child Nutrition Programs (Entitlement Commodities)	465,000	465,000
State Option Contract	5,000	5,000
Removal of Defective Commodities	2,500	2,500
Emergency Surplus Removal	113,500	0
Small Business Support	0	0
Disaster Relief	5,000	5,000
Additional Fruits, Vegetables, and Nuts Purchases	92,500	206,000
Fresh Fruit and Vegetable Program	40,000	41,000
Estimated Future Needs	180,604	106,495
Total, Commodity Procurement	904,104	830,995

ESTIMATED TOTAL FUNDS AVAILABLE AND BALANCE CARRIED FORWARD FISCAL YEARS 2015–
2016—Continued
[Dollars in Thousands]

	FY 2015 enacted	FY 2016 estimate
Administrative Funds:		
Commodity Purchase Support	34,710	33,799
Marketing Agreements and Orders	20,186	20,186
Total, Administrative Funds	54,896	53,985
Total Obligations	959,000	884,980
Unobligated Balance, End of Year	0	0
Unavailable for Obligations (F&V Transfer to FNS)	122,000	125,000
Balances, Collections, and Recoveries Not Available	0	0
Total, End of Year Balances	\$122,000	\$125,000

PAYMENTS TO STATES AND POSSESSIONS

2015 appropriation	\$1,235,000
2016 budget estimate	1,235,000
Provided in the bill	1,235,000
Comparison:	
2015 appropriation	— — —
2016 budget estimate	— — —

COMMITTEE PROVISIONS

For Payments to States and Possessions, the Committee provides an appropriation of \$1,235,000.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

2015 appropriation	\$43,048,000
2016 budget estimate	44,101,000
Provided in the bill	43,048,000
Comparison:	
2015 appropriation	— — —
2016 budget estimate	– 1,053,000

COMMITTEE PROVISIONS

For the Grain Inspection, Packers and Stockyards Administration, the Committee provides an appropriation of \$43,048,000.

LIMITATION ON INSPECTION AND WEIGHING SERVICES EXPENSES

2015 limitation	(\$50,000,000)
2016 budget limitation	(55,000,000)
Provided in the bill	(55,000,000)
Comparison:	
2015 limitation	+5,000,000
2016 budget limitation	— — —

COMMITTEE PROVISIONS

The Committee includes a limitation on inspection and weighing services expenses of \$55,000,000. The bill includes authority to exceed by 10 percent the limitation on inspection and weighing services with notification to the Committees on Appropriations of the House and Senate.

OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

2015 appropriation	\$816,000
2016 budget estimate	824,000
Provided in the bill	811,000
Comparison:	
2015 appropriation	- 5,000
2016 budget estimate	- 13,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Food Safety, the Committee provides an appropriation of \$811,000.

FOOD SAFETY AND INSPECTION SERVICE

2015 appropriation	\$1,016,474,000
2016 budget estimate	1,011,557,000
Provided in the bill	1,011,557,000
Comparison:	
2015 appropriation	- 4,917,000
2016 budget estimate	- - -

COMMITTEE PROVISIONS

For the Food Safety and Inspection Service (FSIS), the Committee provides an appropriation of \$1,011,557,000. In order to ensure that microbiological baseline data is accurately capturing national prevalence, the Committee encourages the FSIS to increase baseline testing.

The following table reflects the Committee’s recommendations for fiscal year 2016:

FOOD SAFETY AND INSPECTION SERVICE
[Dollars in Thousands]

	Recommendation
Federal Inspection	\$895,481
Public Health Data Communication Infrastructure System	34,580
International Food Safety and Inspection	16,744
State Food Safety and Inspection	60,976
Codex Alimentarius	3,776
Total, Food Safety and Inspection Service	\$1,011,557

Humane Methods of Slaughter.—FSIS shall ensure that inspectors hired with funding previously specified for enforcement under the Humane Methods of Slaughter Act focus their attention on overseeing compliance with humane handling rules for live animals as they arrive and are offloaded and handled in pens, chutes, and stunning areas, and that all inspectors receive robust national training, including on the Regulatory Essentials, Humane Animal Tracking System, and Public Health Information System.

Catfish Inspection.—The Committee is disappointed with the continual delay of issuing the final rule providing for catfish inspection activities and directs the Secretary to publish the final regulation as soon as possible.

Water Conserving Technologies.—The Committee supports the agency’s efforts to encourage innovation and modernization at slaughter and processing establishments. The Committee is aware of technologies that allow hand-washing facilities to be immediately

activated and deactivated in a hands-free manner. In order to encourage water conservation and reduce cross-contamination, the Committee directs FSIS to utilize water-conserving technologies and pursue implementation as soon as practicable.

Screening Technologies.—There remains concern about countering economic fraud and improving the safety of the U.S. seafood supply. FSIS, in conjunction with other USDA research agencies, is encouraged to support developing technologies that will provide rapid, portable, and facile screening of food fish species at port sites and wholesale and retail centers.

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN
AGRICULTURAL SERVICES

2015 appropriation	\$898,000
2016 budget estimate	907,000
Provided in the bill	893,000
Comparison:	
2015 appropriation	- 5,000
2016 budget estimate	- 14,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Farm and Foreign Agricultural Services, the Committee provides an appropriation of \$893,000.

FARM SERVICE AGENCY

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

	Appropriation	Transfer from program accounts	Total, FSA S&E
2015 Appropriation	\$1,200,180,000	(\$309,880,000)	(\$1,510,060,000)
2016 Budget Estimate	1,185,251,000	(312,873,000)	(1,498,124,000)
Provided in the Bill	1,183,025,000	(309,880,000)	(1,492,905,000)
Comparison:			
2015 Appropriation	- 17,155,000	- - -	(- 17,155,000)
2016 Budget Estimate	- \$2,226,000	- \$2,993,000	(- \$5,219,000)

COMMITTEE PROVISIONS

For Salaries and Expenses of the Farm Service Agency, the Committee provides an appropriation of \$1,183,025,000 and transfers of \$309,880,000 for a total program level of \$1,492,905,000.

Budgetary Reductions.—FSA has submitted consecutive proposals for significant annual budget savings through “operational efficiencies” with little detail for achieving these goals. FSA proposed nearly \$80 million in reductions for fiscal year 2016. While the Committee adopts some reductions for 2016 over fiscal year 2015, this is a reflection of the increased need in fiscal year 2015 for farm bill implementation. The Committee is also cognizant of remaining balances from the additional \$100 million in mandatory funding provided through the 2014 farm bill that supplements these reductions in 2016. In particular, the Committee does not accept the proposed savings for non-Federal workers or other personnel savings, and the Committee supports full staffing levels for non-Federal workers. The Committee provides for proposed in-

creases in IT while requiring stringent oversight in the bill through the Comptroller General. As the Committee noted in fiscal year 2015, FSA is directed to provide detailed documentation and data when proposing such significant savings in future budget requests.

Beginning Farmers and Ranchers.—The Committee does not fund requested increases for Beginning Farmer and Rancher programs. This is due to a lack of coordination and strategy across the Department per USDA OIG report 5060–0003–31. USDA already spends \$332 million on these programs. The Committee directs the Secretary to implement the recommendations of the OIG before requesting further increases in funding.

International Food Aid Commodity Reports.—The Committee directs FSA to make publicly available reports detailing U.S. Commodities purchased for international food aid similar to those published in fiscal years 2010 and 2011. These reports identified U.S. international food aid by type, country, program, value, and region. The Committee also directs FSA to include the amount, value, destination, and type of commodity shipped by U.S. port of origination.

Proposal to Close County Offices.—The Committee expects FSA to complete its workload study of FSA county offices and an independent review to examine the study before FSA closes any offices. The Committee directs FSA to complete this study promptly and includes statutory language preventing the closure of these offices.

FSA IT.—FSA’s management of certain IT projects has produced increased costs, bloated budgets, and inaccurate budget estimates. These projects include the MIDAS program and increased or inaccurate charges from the National Information Technology Center, for which costs have tripled since fiscal year 2014. The agreement includes statutory language that allows FSA to release funds for farm program delivery IT projects only after review by the GAO and approval by the Committees on Appropriations of the House and Senate. The roadmap submitted by FSA in fiscal year 2015 was the first step to bringing accountability and guidance to almost a decade of mismanagement. In this regard, the GAO and the OIG are recommending that FSA establish a plan to guide the agency in adopting recognized best practices and in following agency policy. The GAO also recommends that the agency adhere to specific practices within key management disciplines before proceeding with further system development. FSA is directed to continue quarterly briefings in writing for the Committees on Appropriations of the House and Senate regarding all IT projects and activities related to farm program delivery.

Federal Geographic Data Committee (FGDC).—The Committee urges FSA to explore further cooperation on technologies that could benefit American agricultural conservation practices and crop yield through FGDC partners, including the National Aeronautics and Space Administration and National Oceanic and Atmospheric Administration.

STATE MEDIATION GRANTS

2015 appropriation	\$3,404,000
2016 budget estimate	3,404,000
Provided in the bill	3,404,000
Comparison:	
2015 appropriation	— — —
2016 budget estimate	— — —

COMMITTEE PROVISIONS

For State Mediation Grants, the Committee provides an appropriation of \$3,404,000.

GRASSROOTS SOURCE WATER PROTECTION PROGRAM

2015 appropriation	\$5,526,000
2016 budget estimate	- - -
Provided in the bill	5,526,000
Comparison:	
2015 appropriation	- - -
2016 budget estimate	+5,526,000

COMMITTEE PROVISIONS

For the Grassroots Source Water Protection Program, the Committee provides an appropriation of \$5,526,000.

DAIRY INDEMNITY PROGRAM

(INCLUDING TRANSFER OF FUNDS)

2015 appropriation	¹ \$500,000
2016 budget estimate	¹ 500,000
Provided in the bill	¹ 500,000
Comparison:	
2015 appropriation	- - -
2016 budget estimate	- - -

¹Current indefinite appropriation.

COMMITTEE PROVISIONS

For the Dairy Indemnity Program, the Committee provides an appropriation of such sums as may be necessary (estimated to be \$500,000 in the President's fiscal year 2016 budget request).

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

ESTIMATED LOAN LEVELS

2015 loan level	\$6,402,114,000
2016 budget estimate	6,402,114,000
Provided in the bill	6,402,114,000
Comparison:	
2015 loan level	- - -
2016 budget estimate	- - -

COMMITTEE PROVISIONS

For the Agricultural Credit Insurance Fund program account, the Committee provides a loan level of \$6,402,114,000.

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

AGRICULTURE CREDIT PROGRAMS—LOAN LEVELS

[Dollars in Thousands]

	FY 2015 level	FY 2016 estimate	Committee provisions
Farm Loan Programs			
Farm Ownership:			
Direct	\$1,500,000	\$1,500,000	\$1,500,000
Unsubsidized Guaranteed	2,000,000	2,000,000	2,000,000

AGRICULTURE CREDIT PROGRAMS—LOAN LEVELS—Continued

[Dollars in Thousands]

	FY 2015 level	FY 2016 estimate	Committee provisions
Farm Operating:			
Direct	1,252,004	1,252,004	1,252,004
Unsubsidized Guaranteed	1,393,443	1,393,443	1,393,443
Emergency Loans	34,667	34,667	34,667
Indian Tribe Land Acquisition Loans	2,000	2,000	2,000
Conservation Loans:			
Unsubsidized Guaranteed	150,000	150,000	150,000
Indian Highly Fractionated Land	10,000	10,000	10,000
Boll Weevil Eradication	60,000	60,000	60,000
Total	\$6,402,114	\$6,402,114	\$6,402,114

ESTIMATED LOAN SUBSIDY AND ADMINISTRATIVE EXPENSES LEVELS

[Dollars in Thousands]

	Direct loan subsidy	Guaranteed loan subsidy	Grants	Administrative expenses
2015 Appropriation	\$63,101	\$14,770	— — —	\$314,918
2016 Budget Estimate	53,961	14,352	2,500	317,911
Provided in the Bill	53,961	14,352	— — —	314,918
Comparison:				
2015 Appropriation	— 9,140	— 418	— — —	— — —
2016 Budget Estimate	— — —	— — —	— \$2,500	— \$2,993

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

AGRICULTURE CREDIT PROGRAMS—SUBSIDIES AND GRANTS

[Dollars in Thousands]

	FY 2015 enacted	FY 2016 estimate	Committee provisions
Farm Loan Subsidies:			
Farm Operating:			
Direct	\$63,101	\$53,961	\$53,961
Unsubsidized Guaranteed	14,770	14,352	14,352
Emergency Loans	856	1,262	1,262
Indian Highly Fractionated Land	— — —	— — —	— — —
Individual Development Accounts	— — —	2,500	— — —
Total	78,727	72,075	69,575
ACIF Expenses:			
Salaries and Expenses	306,998	309,991	306,998
Administrative Expenses	7,920	7,920	7,920
Total, ACIF Expenses	\$314,918	\$317,911	\$314,918

RISK MANAGEMENT AGENCY

SALARIES AND EXPENSES

2015 appropriation	\$74,829,000
2016 budget estimate	76,946,000
Provided in the bill	73,984,000
Comparison:	
2015 appropriation	— 845,000
2016 budget estimate	— 2,962,000

COMMITTEE PROVISIONS

For the Risk Management Agency, the Committee provides an appropriation of \$73,984,000.

Improper Payments.—The Committee accepts RMA’s proposed savings and directs the agency to supplement its discretionary funds with the \$32 million in farm bill funding for compliance with the Improper Payments Elimination and Recovery Act.

SRA Discrepancies.—In a manner consistent with the requirements of section 11012 of the 2014 farm bill and without adversely impacting other policies, the Committee encourages RMA to address the flaws in the current Standard Reinsurance Agreement (SRA), including addressing the negative impact to specialty crop agents caused by the cap on Administrative and Operating (A&O) reimbursement.

CORPORATIONS

FEDERAL CROP INSURANCE CORPORATION FUND

2015 appropriation	¹ \$8,930,502,000
2016 budget estimate	¹ 8,175,224,000
Provided in the bill	¹ 8,175,224,000
Comparison:	
2015 appropriation	– 755,278,000
2016 budget estimate	– – –

¹Current 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 \$8,175,224,000 in the President’s fiscal year 2016 budget request).

COMMODITY CREDIT CORPORATION FUND

REIMBURSEMENT FOR NET REALIZED LOSSES

(INCLUDING TRANSFERS OF FUNDS)

2015 appropriation	¹ \$13,444,728,000
2016 budget estimate	¹ 10,519,933,000
Provided in the bill	¹ 10,519,933,000
Comparison:	
2015 appropriation	– 2,924,795,000
2016 budget estimate	– – –

¹Current 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 \$10,519,933,000 in the President’s fiscal year 2016 budget request).

HAZARDOUS WASTE MANAGEMENT

(LIMITATION ON EXPENSES)

2015 limitation	(\$5,000,000)
2016 budget estimate	(5,000,000)
Provided in the bill	(5,000,000)
Comparison:	
2015 limitation	---
2016 budget estimate	---

COMMITTEE PROVISIONS

For 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

2015 appropriation	\$898,000
2016 budget estimate	907,000
Provided in the bill	893,000
Comparison:	
2015 appropriation	- 5,000
2016 budget estimate	- 14,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Natural Resources and Environment, the Committee provides an appropriation of \$893,000.

NATURAL RESOURCES CONSERVATION SERVICE

CONSERVATION OPERATIONS

2015 appropriation	\$846,428,000
2016 budget estimate	831,231,000
Provided in the bill	832,928,000
Comparison:	
2015 appropriation	- 13,500,000
2016 budget estimate	+ 1,697,000

COMMITTEE PROVISIONS

For Conservation Operations, the Committee provides an appropriation of \$832,928,000.

The Committee provides \$8,886,000 for the Snow Survey and Water Forecasting Program; \$9,103,000 for the Plant Materials Centers; and \$79,601,000 for the Soil Surveys Program. The Committee provides \$735,338,000 for Conservation Technical Assistance and directs NRCS to continue to invest in the Conservation Effects Assessment Project (CEAP). The Committee provides an increase of \$1,500,000 for the Conservation Delivery Streamlining Initiative (CDSI). The Committee is pleased with the results of CEAP and the agency's efforts to modernize the delivery of conservation programs and services through CDSI and encourages the continuation of these efforts.

Administrative Reorganization.—The Committee commends NRCS for its organizational realignment of administrative functions and appreciates the savings this will generate. NRCS has worked to become a more efficient, accountable organization, and the Committee encourages NRCS to work with other agencies within USDA to do the same.

Agricultural Conservation Easement Program.—Due to the unique ecological needs of each State, the Committee encourages NRCS to work with state and local partners to address these needs and to ensure the priority needs and projects in each State, such as those that are leveraged by public and private resources, are addressed, as appropriate.

Cheat Grass Eradication.—The Committee encourages NRCS to continue to assist farmers and ranchers to eradicate, control, and reduce the fuel loads associated with cheat grass and to collaborate with ARS, as appropriate, on research related to cheat grass.

Conservation Practice Standards.—The Committee is aware that NRCS has been pressured to modify its conservation practice standards in certain circumstances for purposes not related to the conservation of farm and ranch land. The Committee recognizes that conservation practice standards are science-based, undergo a thorough technical review, are open to the public for notice and comment, and reflect the best available knowledge on how to achieve the identified conservation and environmental objective. The Committee directs NRCS to maintain its long-standing process for developing and updating its conservation practice standards.

Data Collection.—The Committee recommends continued investment from NRCS for light detection and ranging (LiDAR) data collection for the LiDAR-Enhanced Soil Survey (LESS) model and other such activities within NRCS reliant on mapping, surveying and geospatial technologies, data, and products.

Harmful Algal Blooms.—The Committee supports NRCS' ongoing work to prevent soil erosion leading to harmful algal blooms through the introduction of cover crops, and encourages continued targeting of watersheds where harmful algal blooms pose a threat.

Herbicide Resistance.—The Committee reminds NRCS of the challenges many producers are facing due to the spread of herbicide-resistant weeds and encourages it to ensure agency staff, partners, and producers are aware of conservation practice standards and conservation activity plans to address herbicide-resistant weeds, and that financial assistance through certain conservation programs is available to assist producers in their efforts to control these weeds.

Locally Led Conservation.—The Committee recognizes that locally led conservation is the foundation of the Nation's highly successful legacy of conservation and encourages NRCS to work with State, Tribal, local, and other partners on voluntary stewardship projects that preserve working agricultural lands while protecting watersheds and wildlife habitat.

Loess Streambed Degradation.—The Committee encourages NRCS to provide technical assistance in implementing streambed stabilization practices and grade control structures on streams in areas affected by loess deposits.

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.

Resource Conservation and Development Councils (RC&Ds).—The Committee recognizes RC&Ds have been valuable partners in conservation and encourages NRCS to continue working with local councils, as appropriate, to ensure conservation programs meet local resource needs.

Sage Grouse Initiative.—The Committee supports NRCS’ sage grouse conservation efforts. Through the initiative, NRCS provides technical and financial assistance to help landowners conserve sage grouse habitat on their land. The initiative is an integral part of efforts by Federal agencies, several western states, and private landowners to help preclude the listing of the sage grouse as an endangered species.

Watershed Protection and Flood Prevention Plan.—NRCS has not yet established a long-term, multi-year plan to guide needed investments in watershed surveys and planning and watershed operations as directed in House Report 113–468. The Committee directs NRCS to complete this plan as soon as possible, taking into consideration existing investment in planning, infrastructure, and land treatment and future needs for investment to improve watershed condition or prevent or mitigate watershed impairments.

Water Use Efficiency.—The Committee is encouraged by the work being undertaken by the Bureau of Reclamation and NRCS under the California Bay-Delta Program Water Use Efficiency Grants Program, which coordinates the water use efficiency assistance authorized under the Secure Water Act. The Committee directs NRCS to work with Reclamation to identify and implement ways within existing authorities to extend the benefits of this collaborative effort.

WATERSHED REHABILITATION PROGRAM

2015 appropriation	\$12,000,000
2016 budget estimate	— — —
Provided in the bill	6,000,000
Comparison:	
2015 appropriation	– 6,000,000
2016 budget estimate	+6,000,000

COMMITTEE PROVISIONS

For the Watershed Rehabilitation Program, the Committee provides an appropriation of \$6,000,000.

TITLE III

RURAL DEVELOPMENT PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

2015 appropriation	\$898,000
2016 budget estimate	907,000
Provided in the bill	893,000
Comparison:	
2015 appropriation	– 5,000
2016 budget estimate	– 14,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Rural Development, the Committee provides an appropriation of \$893,000.

Resource Conservation and Development Councils.—The Committee recognizes RC&Ds have been valuable partners in rural economic development and encourages RD to continue working with local councils, as appropriate, to address local economic development needs.

Reporting Requirements.—The Committee reminds RD that any action that relocates an office or employees and reorganizes offices, programs, or activities must be reported to the Committees on Appropriations of the House and Senate as required by law.

StrikeForce Initiative.—The Committee appreciates the Department's efforts to target assistance to at-risk communities through the StrikeForce Initiative for Rural Growth and Opportunity. USDA, in collaboration with public and private partners, helps rural counties experiencing chronic poverty improve economic opportunities and quality of life for local residents. The Committee encourages USDA to place special emphasis on persistent poverty counties and continue to utilize a strategy of partnering public resources with local expertise to grow rural economies and create jobs in these poverty-stricken areas.

RURAL DEVELOPMENT SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

	FY 2015 level	FY 2016 estimate	Committee provisions
Appropriations	\$224,201,000	\$226,717,000	\$222,705,000
Transfer from:			
Rural Housing Insurance Fund Program Account	415,100,000	419,530,000	417,854,000
Rural Development Loan Fund Program Account	4,439,000	4,488,000	4,410,000
Rural Electrification and Telecommunications Loan Program Account	34,478,000	34,864,000	34,247,000
Total, RD Salaries and Expenses	\$678,218,000	\$685,599,000	\$679,216,000

COMMITTEE PROVISIONS

For Salaries and Expenses of the Rural Development mission area, the Committee provides an appropriation of \$222,705,000.

This includes \$19,500,000 for the Comprehensive Loan Accounting System.

RURAL HOUSING SERVICE
RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT
(INCLUDING TRANSFERS OF FUNDS)

[Dollars in Thousands]

	Loan level	Subsidy level	Administrative expenses
2015 Appropriation	\$25,148,279	\$87,507	\$415,100
2016 Budget Estimate	25,207,404	83,488	419,530
Provided in the Bill	25,148,531	79,377	417,854
Comparison:			
2015 Appropriation	+252	-8,130	+2,754
2016 Budget Estimate	-\$58,873	-\$4,111	-\$1,676

COMMITTEE PROVISIONS

For the Rural Housing Insurance Fund program account, the Committee provides a loan level of \$25,148,531,000.

Section 502 Intermediary Pilot Program.—The bill directs the Secretary to continue and expand the pilot program for packaging section 502 direct loans. The pilot requires not less than ten non-profit organizations to prepare and review applications for single family loans, saving Federal funds and staff time. The Committee expects the Rural Housing Service (RHS) to expeditiously implement this program upon enactment of the fiscal year 2016 appropriations Act and that USDA will promptly notify all pilot programs of the availability of national reserve funding and priority for loan review.

Rural Definition.—Communities need transparency and deserve to understand the criteria that are evaluated when determining eligibility for RHS programs. The Committee directs RHS to submit a report listing the criteria used to define “rural in character” in determining program eligibility. The report should also include how the agency considers incarcerated populations as well as college and university students in the population counts.

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

[Dollars in Thousands]

	FY 2015 level	FY 2016 estimate	Committee provisions
Rural Housing Insurance Fund Loans:			
Single Family Housing (sec. 502):			
Direct	\$900,000	\$900,000	\$900,000
Unsubsidized Guaranteed	24,000,000	24,000,000	24,000,000
Housing Repair (sec. 504)	26,279	26,278	26,278
Rental Housing (sec. 515)	28,398	42,271	28,398
Multi-family Guaranteed (sec. 538)	150,000	200,000	150,000
Site Development Loans	5,000	5,000	5,000
Credit Sales of Acquired Property	10,000	10,000	10,000
Self-help Housing Land Development Fund	5,000	--	5,000
Farm Labor Housing	23,602	23,855	23,855
Total, Loan Authorization	\$25,148,279	\$25,207,404	\$25,148,531

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

ESTIMATED LOAN SUBSIDY AND ADMINISTRATIVE EXPENSES LEVELS

[Dollars in Thousands]

	FY 2015 level	FY 2016 estimate	Committee provision
Rural Housing Insurance Fund Program Account (Loan Subsidies and Grants):			
Single Family Housing (sec. 502):			
Direct	\$66,420	\$60,750	\$60,750
Housing Repair (sec. 504)	3,687	3,424	3,424
Rental Housing (sec. 515)	9,800	12,525	8,414
Farm Labor Housing	7,600	6,789	6,789
Total, Loan Subsidies	87,507	83,488	79,377
Farm Labor Housing Grants	8,336	8,336	8,336
RHF Expenses:			
Administrative Expenses	\$415,100	\$419,530	\$417,854

RENTAL ASSISTANCE PROGRAM

2015 appropriation	\$1,088,500,000
2016 budget estimate	1,171,900,000
Provided in the bill	1,167,000,000
Comparison:	
2015 appropriation	+78,500,000
2016 budget estimate	-4,900,000

COMMITTEE PROVISIONS

For the Rental Assistance Program, the Committee provides a program level of \$1,167,000,000.

MULTIFAMILY HOUSING REVITALIZATION PROGRAM ACCOUNT

2015 appropriation	\$24,000,000
2016 budget estimate	34,000,000
Provided in the bill	24,000,000
Comparison:	
2015 appropriation	- - -
2016 budget estimate	- 10,000,000

For the Multifamily Housing Revitalization Program Account, the Committee provides an appropriation of \$24,000,000, including \$7,000,000 for the rural housing voucher program.

MUTUAL AND SELF-HELP HOUSING GRANTS

2015 appropriation	\$27,500,000
2016 budget estimate	10,000,000
Provided in the bill	27,500,000
Comparison:	
2015 appropriation	- - -
2016 budget estimate	+17,500,000

COMMITTEE PROVISIONS

For Mutual and Self-Help Housing Grants, the Committee provides an appropriation of \$27,500,000.

RURAL HOUSING ASSISTANCE GRANTS

2015 appropriation	\$32,239,000
2016 budget estimate	25,000,000
Provided in the bill	32,239,000
Comparison:	
2015 appropriation	- - -
2016 budget estimate	+7,239,000

COMMITTEE PROVISIONS

For the Rural Housing Assistance Grants program, the Committee provides an appropriation of \$32,239,000.

RURAL COMMUNITY FACILITIES PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

2015 appropriation	\$30,278,000
2016 budget estimate	62,000,000
Provided in the bill	30,278,000
Comparison:	
2015 appropriation	— — —
2016 budget estimate	– 31,722,000

COMMITTEE PROVISIONS

For the Rural Community Facilities Program Account, the Committee provides an appropriation of \$30,278,000.

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

(Dollars in Thousands)

	FY 2015 level	FY 2016 estimated	Committee provisions
Loan Levels:			
Community Facility Direct Loans	(\$2,200,000)	(\$2,200,000)	(\$2,200,000)
Community Facility Guaranteed Loans	(73,222)	(— — —)	(148,305)
Subsidy and Grants:			
Community Facility Guaranteed Loans	3,500	— — —	3,500
Community Facility Grants	13,000	50,000	13,000
Rural Community Development Initiative	4,000	4,000	4,000
Economic Impact Initiative	5,778	— — —	5,778
Tribal College Grants	4,000	8,000	4,000
Total, Rural Community Facilities Program Sub- sidy and Grants	\$30,278	\$62,000	\$30,278

The following is included in bill language for the Rural Community Facilities Program: \$4,000,000 for the Rural Community Development Initiative.

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL BUSINESS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

2015 appropriation	\$74,000,000
2016 budget estimate	81,444,000
Provided in the bill	59,686,000
Comparison:	
2015 appropriation	– 14,314,000
2016 budget estimate	– 21,758,000

COMMITTEE PROVISIONS

For the Rural Business Program Account, the Committee provides an appropriation of \$59,686,000.

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

[Dollars in Thousands]

	FY 2015 level	FY 2016 estimated	Committee provision
Loan Level:			
Business and Industry Guaranteed Loans	(\$919,765)	(\$758,222)	(\$919,765)
Subsidy and Grants:			
Business and Industry Guaranteed Loans	47,000	31,444	35,686
Rural Business Development Grants	24,000	30,000	24,000
Demonstration Projects	--	20,000	--
Delta Regional Authority	3,000	--	--
Total, Rural Business Program Subsidy and Grants	\$74,000	\$81,444	\$59,686

The following programs are included in bill language for the Rural Business Program account: \$500,000 for rural transportation technical assistance; and \$4,000,000 for Federally Recognized Native American Tribes, of which \$250,000 is for transportation technical assistance. The Committee notes that the 2014 farm bill consolidated the Rural Business Opportunity and Rural Business Enterprise grant programs.

INTERMEDIARY RELENDING PROGRAM FUND ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

[Dollars in Thousands]

	Loan Level	Subsidy level	Administrative expenses
2015 Appropriation	\$18,889	\$5,818	\$4,439
2016 Budget Estimate	10,014	2,766	4,488
Provided in the Bill	18,889	5,217	4,410
Comparison:			
2015 Appropriation	--	- 601	- 29
2016 Budget Estimate	+\$8,875	+\$2,451	-\$78

COMMITTEE PROVISIONS

For the Intermediary Relending Program Fund Account, the Committee provides for a loan level of \$18,889,000.

For the loan subsidy, the Committee provides an appropriation of \$5,217,000. In addition, the Committee provides \$4,410,000 for administrative expenses.

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

(INCLUDING RESCISSION OF FUNDS)

	Loan level
2015 Appropriation	\$33,077,000
2016 Budget Estimate	85,000,000
Provided in the Bill	33,077,000
Comparison:	
2015 Appropriation	--
2016 Budget Estimate	-\$51,923,000

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

2015 appropriation	\$22,050,000
2016 budget estimate	21,087,000
Provided in the bill	21,300,000
Comparison:	
2015 appropriation	- 750,000
2016 budget estimate	+213,000

COMMITTEE PROVISIONS

For Rural Cooperative Development Grants, the Committee provides an appropriation of \$21,300,000.

The total includes \$2,500,000 for a cooperative agreement for the Appropriate Technology Transfer for Rural Areas program and \$10,000,000 for the value-added agricultural product market development grant program.

The Committee notes that the 2014 farm bill provided mandatory funding for value-added agricultural product market development grants.

RURAL ENERGY FOR AMERICA PROGRAM

2015 appropriation	\$1,350,000
2016 budget estimate	10,000,000
Provided in the bill	842,000
Comparison:	
2015 appropriation	- 508,000
2016 budget estimate	-9,158,000

COMMITTEE PROVISIONS

For the Rural Energy for America Program, the Committee provides a loan level of \$12,760,000 and an appropriation of \$842,000 for the loan subsidy to make loans as authorized by section 9007 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107).

The Committee notes that the 2014 farm bill provides mandatory funding for this program in fiscal year 2016.

RURAL UTILITIES SERVICE

RURAL WATER AND WASTE DISPOSAL PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

2015 appropriation	\$464,857,000
2016 budget estimate	483,320,000
Provided in the bill	473,897,000
Comparison:	
2015 appropriation	+9,040,000
2016 budget estimate	-9,423,000

COMMITTEE PROVISIONS

For the Rural Water and Waste Disposal Program Account, the Committee provides an appropriation of \$473,897,000.

Water Supplies for Very Small Communities.—The Committee is aware of concerns that the Rural Utilities Service (RUS) grant programs do not adequately help small, disadvantaged, and severely disadvantaged communities access the funding and expertise necessary to develop sustainable water supplies or otherwise improve their wastewater systems and directs the agency to focus its efforts

to assist these communities with predevelopment planning to help them address their water supply needs.

Carryover Balances for AK, HI, and Colonias Grants.—The Committee is aware of significant carryover balances of unobligated funds provided in prior year appropriations for Water and Waste Disposal grants for Alaskan villages, Native American Tribes, Hawaiian Homelands, and the Colonias. The Committee urges the Department to work with state, local and Indian tribal organization stakeholders to provide assistance via water and waste disposal grant programs as long as such assistance is requested by the respective groups in the year in which the funds were appropriated. The Department has flexibility to shift these prior year funds among the four areas through a reprogramming of funds. Further, the Committee provides flexibility in fiscal year 2016 to move funds to other water and waste disposal priorities in order to reduce the backlog of related needs nationwide.

Open and Free Competition Policy.—The Committee supports the Department’s underlying adherence to free and open competition on water and waste projects as contained in 7 CFR 1780.70(b) and (d). However, there continues to be confusion with some vendors and contractors as to the procurement policies of specific materials. The Committee encourages USDA’s Rural Utilities Service to issue a memorandum as necessary to clarify that the agency does not advocate for one product over another and that the agency will ensure the best options for the respective communities in accordance with the technical requirements proposed by engineers and design professionals.

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

[Dollars in Thousands]

	FY 2015 level	FY 2016 level	Committee provisions
Loan Levels:			
Water and Waste Direct Loans	(\$1,200,000)	(\$1,200,000)	(\$1,200,000)
Water and Waste Guaranteed Loans	(50,000)	— — —	(50,000)
Subsidy and Grants:			
Direct Subsidy	— — —	31,320	31,320
Guaranteed Subsidy	295	— — —	275
Water and Waste Revolving Fund	1,000	— — —	1,000
Water Well System Grants	993	— — —	993
Grants for the Colonias and AK/HI	66,500	54,240	54,240
Water and Waste Technical Assistance Grants	19,000	13,560	19,000
Circuit Rider Program	15,919	11,300	15,919
Solid Waste Management Grants	4,000	4,000	4,000
High Energy Cost Grants	10,000	— — —	— — —
Water and Waste Disposal Grants	347,150	358,900	337,150
306A(i)(2) Grants	— — —	10,000	10,000
Total, Subsidies and Grants	\$464,857	\$483,320	\$473,897

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM
ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

[Dollars in Thousands]

	Loan level	Subsidy level	Administrative expenses
2015 Appropriation	\$6,190,000	— — —	\$34,478
2016 Budget Estimate	6,690,000	104	34,864
Provided in the Bill	6,190,000	207	34,247
Comparison:			
2015 Appropriation	— — —	+207	— 231
2016 Budget Estimate	— \$500,000	+\$103	— \$617

COMMITTEE PROVISIONS

For the Rural Electrification and Telecommunications Loans Program Account, the Committee provides a loan level of \$6,190,000. In addition, the Committee provides \$34,247,000 for administrative expenses.

Relief to Rural America Through Debt Refinancing.—The Committee encourages the Rural Utilities Service to favorably consider requests from its borrowers to refinance existing debt to permit the savings from that refinanced debt to provide needed relief to rural America through reduced electric utility rates, deferral of planned rate increases, enhanced use of renewable energy sources, compliance with environmental requirements and funding early retirement of generation assets.

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

[Dollars in Thousands]

	FY 2015 enacted	FY 2016 estimate	Committee provisions
Loan Authorizations:			
Electric:			
Direct, FFB	\$5,000,000	\$6,000,000	\$5,000,000
Guaranteed Underwriting	500,000	— — —	500,000
Subtotal	5,500,000	6,000,000	5,500,000
Telecommunications:			
Direct, Treasury Rate	690,000	345,000	690,000
Total, Loan Authorizations	\$6,190,000	\$6,690,000	\$6,190,000

DISTANCE LEARNING, TELEMEDICINE, AND BROADBAND PROGRAM

[Dollars in Thousands]

	FY 2015 enacted	FY 2016 estimate	Committee provisions
Broadband Program:			
Loan Authorization	\$24,077	\$44,239	\$24,077
Loan Subsidy	4,500	9,675	5,265
Grants	10,372	20,372	10,372
Distance Learning and Telemedicine:			
Grants	22,000	24,950	20,000
Total, Loan Subsidy and Grants	\$36,872	\$54,997	\$35,637

COMMITTEE PROVISIONS

For the Distance Learning, Telemedicine, and Broadband Program, the Committee provides an appropriation of \$35,637,000, which includes \$20,000,000 for distance learning and telemedicine grants.

Broadband Loan Program Priorities.—Funding provided for the broadband program is intended to promote broadband availability in those areas where there is not otherwise a business case for private investment in a broadband network. The Committee directs RUS to focus expenditures on projects that bring broadband service to currently unserved households.

The Committee notes that tribal communities continue to struggle with gaining access to broadband service. The Committee encourages the Secretary to provide a report that identifies the specific challenges Indian Tribal Organizations (ITOs) have in gaining access to broadband service and provide a plan for addressing these challenges, including how the Community Connect program can assist ITOs.

TITLE IV

DOMESTIC FOOD PROGRAMS

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

2015 appropriation	\$816,000
2016 budget estimate	824,000
Provided in the bill	811,000
Comparison:	
2015 appropriation	– 5,000
2016 budget estimate	– 13,000

COMMITTEE PROVISIONS

For the Office of the Under Secretary for Food, Nutrition, and Consumer Services, the Committee provides an appropriation of \$811,000.

Research and Evaluations.—The Committee is concerned that research and evaluation projects conducted by FNS do not include more coordination with the Research, Education, and Economics (REE) mission area. The Committee is also concerned that the FNS Research and Evaluation Plan is released well after funding has already been provided for the fiscal year, making it difficult for the Committee to exercise its oversight responsibility. Section 735 states that FNS cannot receive any funding for research and evaluation projects in fiscal year 2016 until the Committees on Appropriations of the House and Senate receive the fiscal year 2016 Research and Evaluation Plan that has been developed in coordination with the REE mission area.

In submitting the fiscal year 2017 and subsequent fiscal year budget justifications, FNS is directed to provide its Research and Evaluation Plan simultaneously with its budget request. FNS is further directed to coordinate and finalize its plan with the REE mission area in fiscal year 2016 and each fiscal year thereafter. The plan submitted for fiscal years 2016 and subsequent fiscal years shall include a brief description of the projects FNS expects

to pursue, the total projected cost of each project, whether it will be done in-house or contracted out, and whether it was mandated by law or not. By coordinating this plan with the REE mission area, FNS projects will be more cost effective, efficient and reduce duplication.

Communication from FNS.—The Committee recognizes the efforts made to increase communication and reduce delays by FNS in completing requested reports. Reports requested by the Committees on Appropriations of the House and Senate, as well as information regarding FNS programs, are an important part of the Committees' oversight responsibilities. The directives and issues that are specified in the House, Senate, or conference report are very important to the Committee, and dates are mandatory. FNS is expected to keep the Committee apprised of activities and issues, especially those mentioned in Committee reports. FNS is reminded that the Committee reserves the right to call before it any agency that does not submit reports on time.

Public Release of Information.—The Committee directs FNS to continue making all policy documents related to the Special Supplemental Nutrition Program for Women, Infants, and Children (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.

Program Eligibility.—The Committee directs FNS to work with states to ensure full compliance with the law that all WIC and SNAP participants meet all program eligibility requirements. FNS also is directed to ensure these programs are not being promoted to ineligible individuals, which would increase program costs.

Fruit and Vegetable Consumption.—The *Dietary Guidelines for Americans* emphasize that Americans should consume more fruits and vegetables in all of their forms. In order to maximize the value of the benefits nutrition program participants receive, the Committee urges FNS to recognize in relevant agency publications and regulations related to all Federal nutrition programs, including nutrition education programs and child nutrition programs, the nutritional benefits provided by all forms of fruits, vegetables, and beans, whether canned, dried, fresh, or frozen.

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAMS

(INCLUDING TRANSFERS OF FUNDS)

2015 appropriation	\$21,300,170,000
2016 budget estimate	21,587,277,000
Provided in the bill	21,507,426,000
Comparison:	
2015 appropriation	+207,256,000
2016 budget estimate	- 79,851,000

COMMITTEE PROVISIONS

For the Child Nutrition Programs, the Committee provides \$21,507,426,000.

Summer EBT.—The Committee includes funding for the summer electronic benefit transfer (EBT) pilot projects and notes that the

2010 agriculture appropriations Act provided the initial funding for demonstration projects to test various methods of providing food for low-income children during the summer months. The pilots have been ongoing for five years. If the pilots have been successful, the Secretary is encouraged to work through the authorization process to establish a summer EBT program rather than continue with pilot projects.

School Equipment.—The Committee provides funding for school meals equipment grants and directs the Department to provide a report that details the type of equipment that has been purchased by schools including but not limited to salad bars and equipment used to prepare foods offered on salad bars. The report should also include whether Federal Acquisition Regulations prevent schools from purchasing needed equipment or disqualify certain equipment purchases utilizing the school meals equipment grant program. If these, or any other regulations or requirements are impediments, the report should provide recommended solutions to ensure schools are able to procure a variety of needed equipment.

School Meals.—The Committee remains concerned about the challenges and costs that local schools face in implementing the various regulations from the Healthy, Hunger-Free Kids Act of 2010. Some schools are continuing to have difficulty complying with the whole grain requirements that went into effect on July 1, 2014, and there continues to be concern with further reductions in the sodium requirements for school meals. The Committee appreciates the Secretary providing guidance to the states so they can establish a process to exempt school food authorities demonstrating a hardship from the current whole grain standards, as required by the fiscal year 2015 appropriations Act. This flexibility is extended for the 2016–2017 school year. The Committee also retains bill language from the fiscal year 2015 appropriations Act requiring that sodium standards cannot be reduced below Target 1 until the latest scientific research establishes the reduction is beneficial for children.

As schools seek to implement the school meal standards, the Committee encourages USDA to consider ways to assist schools with technical assistance and training, including the services of not-for-profit culinary institutions, to provide healthy, cost-effective foods that students will eat.

The Committee directs FNS, in coordination with AMS, to issue guidance to school food authorities clarifying that commodities purchased with cash reimbursement funding must be bought in accordance with the Buy American Act, which contains exceptions for domestic product availability and price considerations. Such guidance can assist school food authorities in supplying products, such as canned tuna and other items, from private vendors while adhering to the Buy American Act.

Improper Payments.—The Committee remains concerned about the staggering error rates for the National School Lunch Program (NSLP) and School Breakfast Program (SBP), which were about 15 percent and 26 percent, respectively, in fiscal year 2014. This amounts to \$1.7 billion in improper payments for NSLP and \$923 million for SBP. The OIG completed an audit report in May 2015 to evaluate how FNS has attempted to lower the error rates for NSLP and SBP. OIG made recommendations such as requiring

households to provide proof of income when submitting an application for free or reduced-price meals and that school food authorities should verify questionable applications. The Committee directs FNS to provide a report on how the agency will implement the recommendations made by OIG.

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

(Dollars in Thousands)

Child Nutrition Programs:	
School Lunch Program	\$11,777,825
School Breakfast Program	4,230,498
Child and Adult Care Food Program	3,240,646
Summer Food Service Program	535,633
Special Milk Program	11,314
State Administrative Expenses	269,652
Commodity Procurement	1,322,088
Food Safety Education	2,737
Coordinated Review	10,000
Computer Support and Processing	11,374
Training and Technical Assistance	13,137
CNP Studies and Evaluations	20,353
CN Payment Accuracy	10,404
Farm to School Tactical Team	2,761
Team Nutrition	15,504
Healthier US School Challenge	1,500
School Meals Equipment Grants	20,000
Summer EBT Demonstration	12,000
<i>Total</i>	\$21,507,426

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

2015 appropriation	\$6,623,000,000
2016 budget estimate	6,623,000,000
Provided in the bill	6,484,000,000
Comparison:	
2015 appropriation	- 139,000,000
2016 budget estimate	- 139,000,000

COMMITTEE PROVISIONS

For the Special Supplemental Nutrition Program for Women, Infants, and Children, the Committee provides an appropriation of \$6,484,000,000.

USDA data shows that WIC participation rates have decreased steadily since fiscal year 2010. The President's budget request includes a projection of an average monthly participation rate of 8.5 million women, infants, and children for fiscal year 2016. However, the average monthly participation rate was 8.3 million for fiscal year 2014, and the current average for fiscal year 2015 is 8.1 million. This data indicates that the actual trajectory of WIC participation continues to decline. Birth rates also remain at an all-time low according to the Centers for Disease Control and Prevention.

USDA is estimating recovery and carryover funds to be approximately \$600 million. Furthermore, the Secretary has a sufficient WIC contingency reserve fund as a safety net to meet unexpected demand. With lower participation rates, higher carryover funds, and an ample reserve fund, the Committee provides funding that will ensure all eligible participants will be served. The Committee will continue to monitor WIC participation, carryover funds, and

food costs and take additional action as necessary to ensure that funding provided in fiscal year 2016 remains sufficient to serve all eligible applicants.

The Committee provides for continuation of the breastfeeding peer counselor program, infrastructure, and investments in management information systems including WIC EBT systems. The Committee continues to support transitioning WIC paper checks and vouchers to an EBT system. EBT is a proven, effective tool in combatting waste, fraud, and abuse. These funds will help WIC state agencies meet the statutory requirement to have an EBT system in place by October 1, 2020.

The Committee appreciates the Secretary's timely implementation of Section 753 of the fiscal year 2015 agriculture appropriations Act. WIC participants may now choose from all varieties of fresh fruits and vegetables. The Committee recognizes that the required review of the WIC food package is currently underway and directs USDA to keep the Committees on Appropriations of the House and Senate apprised as this process continues.

Income Eligibility Standards.—The Committee continues to monitor WIC income eligibility standards to ensure all procedures are followed by the WIC state and local agencies. USDA is directed to provide a report on the continuing efforts to ensure that only those households with incomes at or below 185 percent of the Federal poverty level are enrolled in the WIC program and that state and local agencies adhere to the income verification procedures that the Department has implemented. In the case of individuals who are adjacently eligible for the program through Medicaid, the Temporary Assistance for Needy Families (TANF) program or SNAP, the Committee encourages USDA to explore the use of income verification mechanisms already in use by State Medicaid programs, TANF and SNAP to enroll in the program those with household incomes consistent with the low income, nutritionally at risk enrollment goals of the WIC program.

Cost Management within WIC State Agencies.—The Committee is aware of an OIG audit report issued in September of 2014 stating that FNS has worked with state agencies to reduce food costs, but further steps could be taken. This report makes recommendations that could benefit the program such as coordinating with Medicaid for the potential program reimbursement for prescribed infant formulas and medical foods and evaluating cost containment measures in states with the lowest food costs to potentially expand successful initiatives nationwide. The Committee directs USDA to submit a report describing how they have responded to each of OIG's recommendations.

Fraudulent Activities.—The Committee remains concerned that some individuals are selling WIC benefits or WIC-purchased infant formula or food items on social media sites and by other means, which is a violation of Federal WIC regulations. During a Congressional hearing, the GAO also expressed concern with this type of online fraud. The Committee directs FNS to provide a report within 60 days of enactment of this Act describing how the agency is addressing this abuse and coordinating with state and local officials to prevent these activities.

SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

2015 appropriation	\$81,837,570,000
2016 budget estimate	83,693,067,000
Provided in the bill	81,653,207,000
Comparison:	
2015 appropriation	- 184,363,000
2016 budget estimate	- 2,039,860,000

COMMITTEE PROVISIONS

For the Supplemental Nutrition Assistance Program, the Committee provides \$81,653,207,000. The total amount includes \$3,000,000,000 for a contingency reserve to be used only in the amount necessary. The Committee does not support funding to establish Centers of Excellence or conduct unauthorized activities, which leads to an expectation that future funds will be provided to support activities and centers not authorized by Congress.

The Committee is aware that FNS is preparing a report describing purchases made by SNAP recipients as compared to non-SNAP recipients. FNS is directed to complete this report as soon as practicable and make this report publicly available.

Employment Verification.—The 2014 farm bill requires state agencies to use the National Directory of New Hires (NDNH) to verify wage and employment information. As of March 2015, only 20 states have completed the process and are conducting matches using NDNH. The Committee directs USDA to continue working with the remaining states to complete the process and implement the use of NDNH as soon as practicable.

Recruitment Activities.—The Committee continues to direct USDA to ensure Section 4018 of the 2014 farm bill is implemented and enforced in a manner consistent with the statute which prohibits USDA from conducting recruitment activities, advertising the program, and from entering into agreements with foreign governments to promote SNAP benefits. The Committee continues to direct USDA to enforce this provision to ensure state agencies are not reimbursed for similar activities consistent with the statute.

Issuance of SNAP Benefits.—The Committee notes that some states issue SNAP benefits to recipients in a compressed time frame, usually at the beginning of the month, which causes challenges for both SNAP participants and retailers. The Committee recognizes that other states issue benefits on different days throughout the month, which allows SNAP retailers to stock a consistent supply of food items to ensure participants have access to a variety of foods. The Committee directs FNS to work with those states with a compressed issuance schedule to provide benefits in a manner that will help SNAP retailers provide recipients with a steady supply of healthy food, and to report to the Committees on Appropriations of the House and Senate progress made on this issue within 90 days of enactment of this Act.

The following table reflects the Committee recommendations for SNAP:

[Dollars in Thousands]

Supplemental Nutrition Assistance Program Account:	
Benefits	\$70,895,726
Contingency Reserve	3,000,000

[Dollars in Thousands]

<i>Administrative Costs:</i>	
State Administrative Costs	4,238,438
Nutrition Education and Obesity Prevention Grant Program	411,000
Employment and Training	456,669
Mandatory Other Program Costs	179,955
Discretionary Other Program Costs	998
Administrative Subtotal	5,287,060
Nutrition Assistance for Puerto Rico (NAP)	1,971,415
American Samoa	7,917
Food Distribution Program on Indian Reservations	145,191
TEFAP Commodities	319,750
Commonwealth of the Northern Mariana Islands	12,148
Community Food Project	9,000
Program Access	5,000
Subtotal	2,470,421
Total	\$81,653,207

COMMODITY ASSISTANCE PROGRAM

2015 appropriation	\$278,501,000
2016 budget estimate	288,317,000
Provided in the bill	288,317,000
Comparison:	
2015 appropriation	+9,816,000
2016 budget estimate	- - -

COMMITTEE PROVISIONS

The Committee provides an appropriation of \$288,317,000 for the Commodity Assistance Program. The recommended funding level for the Commodity Supplemental Food Program is \$221,298,000.

The Committee recommendation includes \$16,548,000 for the Farmers' Market Nutrition Program.

The Committee has included \$49,401,000 for administrative funding for The Emergency Food Assistance Program (TEFAP).

For the Food Donations Programs, the Committee provides an appropriation of \$1,070,000 for Pacific Island Assistance.

TEFAP Handling and Distribution Costs.—In addition to the grant funds to support 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.

NUTRITION PROGRAMS ADMINISTRATION

2015 appropriation	\$150,824,000
2016 budget estimate	155,564,000
Provided in the bill	141,348,000
Comparison:	
2015 appropriation	-9,467,000
2016 budget estimate	-14,216,000

COMMITTEE PROVISIONS

For Nutrition Programs Administration, the Committee provides \$141,348,000.

The Committee does not provide funding for the Center for Nutrition Policy and Promotion to develop Federal dietary guidance for infants and children from birth to 24 months of age or to pro-

mote the *Dietary Guidelines for Americans* or MyPlate. The nutrition education services provided through WIC, along with other Federal nutrition education programs, are available to assist with the dietary and nutritional needs of infants and children. The Committee also notes that USDA does significant advertising of the Dietary Guidelines, MyPlate, and other resources to promote healthier lifestyles. These efforts are combined with the “Let’s Move!” campaign and use of this information by the public and private sectors.

Dietary Guidelines for Americans.—There continues to be concern with the 2015 Dietary Guidelines for Americans advisory committee (DGAC) recommendations. The fiscal year 2015 explanatory statement stated that Congress expected the Secretary to ensure that the DGAC remained focused on nutrient and dietary recommendations based upon sound nutrition science. However, the DGAC report released February 19, 2015, included extraneous factors and policy recommendations that are outside of the statutory requirement, such as agriculture production practices including sustainability, taxes, food labeling and marketing policies. This was the first time environmental factors impacted recommendations traditionally aimed at diet and nutrition. Questions have been raised regarding the scientific evidence and scientific process used to make the recommendations.

The Committee considers the scientific integrity of the Dietary Guidelines to be fundamental to Federal nutrition policy that best advances public health. Therefore, bill language is included to ensure both the Secretary of Agriculture and the Secretary of HHS use the most rigorous and objective science through the Nutrition Evidence Library (NEL) and that the final report adheres to the statutory authority of providing diet and nutrition information only. The Committee also expects the Departments to ensure the final guidelines do not conflict with sound scientific, nutritional guidance implemented by other federal agencies outside of USDA and HHS.

USDA and HHS received more than 29,000 comments during the public comment period for the DGAC report. Given the unprecedented number of comments and the fact that the DGAC included recommendations beyond its nutritional purview, greater transparency is needed as the Departments finalize the guidelines. The public will have no other opportunity to provide input or understand what the Departments might recommend before they release the final guidelines. Therefore, bill language directs the Departments to revise and publish the preliminary draft of the guidelines. The public notice shall also include a list of the specific scientific studies and evidence that has been rated “Grade I: Strong” by the NEL supporting each revised or new recommendation. Finally, the Secretaries shall allow for a minimum 90 day public comment period of the revised recommendations, and finalization shall not occur until at least 60 days after the comment period to allow the Departments time to review the comments.

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

	Appropriation	Transfer from export loan account	Total
2015 Appropriation	\$181,423,000	\$6,394,000	\$187,817,000
2016 Budget Estimate	191,631,000	6,394,000	198,025,000
Provided in the Bill	184,423,000	6,394,000	190,817,000
Comparison:			
2015 Appropriation	+3,000,000	---	+3,000,000
2016 Budget Estimate	-\$7,208,000	\$---	-\$7,208,000

COMMITTEE PROVISIONS

For the Foreign Agricultural Service, the Committee provides an appropriation of \$184,423,000 and transfer of \$6,394,000 for a total appropriation of \$190,817,000.

Farmer-to-Farmer.—The Farmer-to-Farmer program provides valuable outreach opportunities for U.S. agricultural exports. The program enhances agricultural efforts overseas and strengthens international ties. The Committee directs USDA to take a more prominent role in the Farmer-to-Farmer program.

FOOD FOR PEACE TITLE I DIRECT CREDIT AND FOOD FOR PROGRESS
PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

2015 appropriation	\$2,528,000
2016 budget estimate	2,528,000
Provided in the bill	2,528,000
Comparison:	
2015 appropriation	---
2016 budget estimate	---

COMMITTEE PROVISIONS

For the administrative expenses to carry out the credit program of Food for Peace Title I, Food for Peace Act, and the Food for Progress Act, the Committee provides an appropriation of \$2,528,000.

FOOD FOR PEACE TITLE II GRANTS

2015 appropriation	\$1,466,000,000
2016 budget estimate	1,400,000,000
Provided in the bill	1,417,000,000
Comparison:	
2015 appropriation	-49,000,000
2016 budget estimate	+17,000,000

For Food for Peace Title II grants, the Committee provides an appropriation of \$1,417,000,000, of which \$350,000,000 is for non-emergency assistance.

Food Aid Funding.—The Committee provides funding above the President's budget request level. While the Committee recognizes a

need for funding levels similar to the enacted level and supports the program, overall funding levels have placed severe limits on available resources.

Food Aid Reform.—The Committee again does not provide the changes to the Food for Peace Act requested in the President’s budget. The 2014 farm bill rejected similar changes just last year. Further, the Committee notes that the “flexibility” desired for various methods of delivery through cash, vouchers, and in-kind food assistance already exists across the whole-of-government. There are numerous programs that uniquely fit each of these needs. Finally, the Committee notes that continued efforts to change the sixty-year tradition of Food for Peace has only created internal divisions among the food aid community rather than a united front against combatting hunger abroad.

GAO Recommendations.—The Committee received the report required in Public Law 113–235 regarding responses to GAO recommendations and is encouraged by the direction USDA and the U.S. Agency for International Development are taking. The Committee directs both agencies to continue to update and ratify a written agreement that clearly defines roles and responsibilities for carrying out the Food for Peace Title II program. The Committee directs the agencies to provide a written report to the Committees on Appropriations of the House and Senate on the status of this agreement within 60 days of enactment of this Act.

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

2015 appropriation	\$191,626,000
2016 budget estimate	191,626,000
Provided in the bill	191,626,000
Comparison:	
2015 appropriation	---
2016 budget estimate	---

COMMITTEE PROVISIONS

For McGovern-Dole International Food for Education and Child Nutrition Program Grants, the Committee provides an appropriation of \$191,626,000.

COMMODITY CREDIT CORPORATION EXPORT (LOANS)

CREDIT GUARANTEE PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

2015 appropriation	\$6,748,000
2016 budget estimate	6,748,000
Provided in the bill	6,748,000
Comparison:	
2015 appropriation	---
2016 budget estimate	---

COMMITTEE PROVISIONS

For administrative expenses of the Commodity Credit Corporation Export Loans Credit Guarantee Program Account, the Committee provides an appropriation of \$6,748,000.

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

[Dollars in thousands]

	Appropriation	User fees	Total, FDA S&E
2015 Appropriation	\$2,588,536	\$1,854,820	\$4,443,356
2016 Budget Estimate	2,734,715	1,930,685	4,665,400
Provided in the Bill	2,618,534	1,930,685	4,549,219
Comparison:			
2015 Appropriation	+29,998	+75,865	+105,863
2016 Budget Estimate	-\$116,181	\$- - -	-\$116,181

The Committee provides an appropriation of \$2,618,534,000 in new budget authority for the Food and Drug Administration. In addition, the Committee recommends the following user fee amounts: \$826,072,000—prescription drugs; \$134,475,000—medical devices; \$320,029,000—human generic drugs; \$21,540,000—biosimilar biologicals; \$22,140,000—animal drugs; \$7,429,000—animal generic drugs; \$599,000,000—tobacco products; estimated \$1,434,000—food and feed recalls; estimated \$6,414,000—food reinspection; and, estimated \$5,300,000—voluntary qualified importers. The combination of new budget authority and user fees provides the FDA with a total discretionary salaries and expenses level of \$4,549,219,000. This total does not include permanent, indefinite user fees for mammography, pharmacy compounding, export, and color certification estimated at \$33,356,000. The Committee accepts proposed administrative savings of \$15,718,000.

The Committee recommendation does not include proposed user fees for Food Facility Registration and Inspection, Food Import, International Courier, Cosmetics, or Food Contact Notification.

The Committee does not include funding for a civilian pay increase across the agency. Should the President provide a civilian pay increase for 2016, it is assumed that the cost of such a pay increase will be absorbed within existing appropriations for fiscal year 2016.

The Committee recommendation maintains the fiscal year 2015 funding levels for the medical countermeasures initiative as well as recent funding increases for antimicrobial resistance, counterfeit drugs, food safety, foreign drug inspections, import safety, and pharmacy compounding.

Funding for Food Safety.—The Committee includes increases of \$41,500,000 for the implementation of the FSMA. These increases consist of: \$18,500,000 for Inspection Modernization and Training; \$5,000,000 for the National Integrated Food Safety System; \$11,500,000 for Education and Technical Assistance for Industry; \$2,500,000 for Technical Staffing and Guidance Development; \$3,000,000 for Import Safety; and \$1,000,000 for Risk Analytics and Evaluation. The increases provided in this bill and the in-

creases provided since fiscal year 2011 should assist the FDA in preparation for the implementation of FSMA prior to the effective dates of the seven foundational proposed rules. While the FDA has not implemented the final rules, the Committee understands that most businesses will not need to comply with the two rules for preventive controls for human food and for animal food until August 2016 and that the other five rules will not be effective until fiscal year 2017 and later.

The Committee notes that with these increases, the estimated total funding for food safety since FSMA was signed into law on January 4, 2011, would be over \$230 million. In addition to the increases for FSMA, the FDA utilizes base resources for its comprehensive food safety efforts. Prior to the Committee's investment in food safety activities related to FSMA over the past five years, FDA reported that it spent \$785 million for food safety in fiscal year 2009 and had an appropriation for food safety of \$952.9 million in fiscal year 2010. While some of these base resources prior to the enactment of FSMA covered statutory responsibilities that are not directly linked to FSMA, a large majority of such funds do relate to FSMA and should be accounted for accordingly. The Committee continues to seek far more information on how the agency is spending its resources for FSMA related activities from increased funding and base resources. Therefore, the Committee directs the FDA to provide a detailed accounting of its food safety resources in the fiscal year 2017 budget request, including which pre-2011 base resources are now repurposed for activities in support of FSMA and which resources are the result of appropriated increases from fiscal years 2011 to 2016, a detailed explanation of what the FDA has accomplished with increased food safety resources since fiscal year 2011, and how the aggregate total of these base resources for food safety will be utilized in fiscal year 2017.

Medical Product Safety Funding.—The Committee provides an increase of \$4,216,000 for medical product safety initiatives. Included in this amount is \$2,500,000 for combating antibiotic resistant bacteria as part of the National Strategy for Combating Antibiotic Resistant Bacteria (CARB), \$1,000,000 for the Precision Medicine initiative, and \$716,000 for the evaluation of over the counter sunscreen products. According to the FDA's fiscal year 2016 budget request, the Agency is spending approximately \$32.5 million on antimicrobial resistance activities in fiscal year 2015. With this increase, the FDA is expected to spend approximately \$35 million on combating antibiotic resistance in fiscal year 2016.

Active Pharmaceutical Ingredients.—The Committee is concerned that the FDA has not yet approved a list of Active Pharmaceutical Ingredients (APIs) for use by compounding pharmacists pursuant to the Drug Quality and Security Act (Public Law 112-43, 127 Stat. 587) and the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 353a et seq.). Within 90 days of enactment of this Act, the FDA shall report to Congress on when its review of proposed APIs pursuant to § 503A(1)(a)(iii) will be completed.

Antibiotics.—The Committee urges the FDA to work to foster the development of new antibiotics by supporting greater collaboration between industry and the FDA around adaptive clinical trials and labeling changes. The President's Council of Advisors on Science and Technology has recommended this proposal to help support the

type of robust drug development that will be needed to ensure patients are protected from bacterial resistance.

Bioethics.—The Committee notes that the FDA commissioned a consensus study from the Institute of Medicine (IOM) on “Ethical and Social Policy Considerations of Novel Techniques for Prevention of Maternal Transmission of Mitochondrial DNA Diseases.” The Committee further notes that the FDA has requested that the IOM produce a consensus report on the ethical and social policy issues related to genetic modification of eggs and zygotes to prevent transmission of mitochondrial disease. The Committee directs the FDA to establish an independent panel of experts, including those from faith-based institutions with expertise on bioethics and faith-based medical associations, and to submit this consensus report to the independent panel of experts upon its completion by the IOM. The Committee urges the independent panel of experts to review the IOM report and report their evaluation of its conclusions, along with any recommendations based on this review, to the Committee within 30 days of the completion of the report by the IOM.

Biological Products.—The Committee commends the FDA for issuing draft guidance to address the mixing, diluting, or repackaging of biological products outside the scope of an approved biologics license application. The Committee urges the FDA to finalize the guidance without delay following the public comment period and continues to emphasize the need for close FDA inspection and supervision of large-scale compounding and repackaging of sterile injectable drugs and biological products, particularly products that are administered into areas of the human body where there is tempered immunity, such as the eye or spinal column, to ensure that they are processed in keeping with current good manufacturing practice for sterile products, in particular 21 CFR 200.50 regarding ophthalmic preparations.

Biosimilars—Naming and Interchangeability—Five years post-enactment of the Biologics Price Competition and Innovation Act (BPCIA), FDA has only released guidances on general issues like scientific considerations in demonstrating biosimilarity, how exclusivity for innovator products may be applied, and how FDA will conduct industry/applicant meetings. These guidances do not address in any way the key considerations affecting patients or providers, such as what biosimilars will be named so that patients and their providers know which specific therapy a patient receives, for which indications can a biosimilar or interchangeable product be used, and scientific considerations for determining interchangeability. Due to the absence of these guidances the FDA was forced to approve biosimilar Zarxio with a “placeholder” name. The Committee finds this unacceptable and directs the FDA to issue naming and interchangeability guidances no later than November 30, 2015.

Blood Plasma Products.—The Committee notes that the FDA has followed the Committee’s advice from fiscal year 2015 and is addressing the issue of the use of plasma for post-collection manufacture into critical plasma derivatives, no matter the manner in which the blood is collected. The Committee urges the FDA to prioritize developing policies to allow for the more timely use of plasma from automated donations into other biologics and asks that the FDA update the Committee on its progress with a report no later than 60 days after enactment of this Act.

Blood Product Policies.—Last December, the FDA released draft guidance for industry entitled “Bacterial Detection Testing by Blood Collection Establishments and Transfusion Services to Enhance the Safety and Availability of Platelets for Transfusion.” As the agency is aware, the Committee issued report language in fiscal year 2012 expressing concern for the safety risks to transfusion patients from bacterially contaminated platelets. The Committee is pleased to see the agency take the step of releasing draft guidance. Unfortunately, when the FDA released its guidance agenda for 2015, the final version of this draft guidance was not listed among the agency’s priorities. This is an important safety issue, and it is essential that the agency complete the guidance process in a timely manner. The Committee urges the FDA to do so as quickly as possible.

Centers of Excellence.—The Committee is aware of the important contribution of CFSAN’s Food Safety Centers of Excellence in supporting critical basic research as well as facilitating the implementation of the Food Safety Modernization Act. The Committee encourages the agency to continue to fully utilize the Centers of Excellence to accomplish these goals and to enhance its level of support for Food Safety Modernization Act activities and to increase funding for base work.

Cord Blood Regulation.—The Committee directs the FDA to undergo a review and seriously consider the potential need for revision of the current regulatory requirements for cord blood licensure, particularly those related to manufacturing and storage, to ensure the correct applicability to this industry since the current regulatory requirements are the same ones that apply to pharmaceutical products. In addition, the Committee directs the FDA to create an advisory task force, comprised at a minimum of public and private cord blood bankers, transplanters and patients, to provide recommendations to the agency about the current licensing requirements and changes that may be necessary.

Cosmetics and Colors.—The Committee directs the FDA to spend no less than the fiscal year 2015 level for cosmetics activities as well as for the Office of Colors and Cosmetics (OCAC). Funding provided for OCAC is for direct support of the operation, staffing, compliance, research and international activities performed by this office.

The Committee notes that, for the past five years, it has directed the FDA to respond to the Citizen Petition requesting that the FDA establish a safe level for lead as a nonfunctional constituent in lipstick. The Committee is aware that in 1975 the cosmetic industry asked the FDA to evaluate the safety of ingredients found in its products. Consistent with this commitment, in 1976 the cosmetic industry established the Cosmetic Ingredient Review (CIR) under which the safety of approximately 3,880 ingredients has been reviewed by an Expert Panel of independent scientists, and the FDA has participated through a nonvoting liaison at all meetings of the Expert Panel. The Committee directs the FDA to respond to the Citizen Petition on this lipstick ingredient by December 31, 2015.

Cosmetic Ingredient Review Panel.—As noted, the cosmetic industry established the CIR as a means to assure the safety of ingredients in cosmetic products. Given the breadth and volume of ingredients reviewed and the scientific expertise applied to its process,

it is the Committee's belief CIR should be recognized and formalized as a public-private program. The Committee therefore directs that the FDA work with the cosmetic industry to transfer the CIR to the United States Pharmacopeia Convention (USP) or some other appropriate third body for the purpose of evaluating and determining the safety of ingredients found in cosmetics. USP is a widely respected independent scientific organization whose drug standards are explicitly incorporated under the Federal Food, Drug, and Cosmetic Act (FDCA). The Committee directs that the FDA, working cooperatively with the cosmetic industry, report back to the Committee no later than January 15, 2016, with a framework and a detailed plan.

Drug Compounding.—The Committee is concerned that, since passage of the Drug Quality and Security Act (DQSA) of 2013, the FDA has interpreted provisions of Section 503A of the FDCA in a manner inconsistent with its legislative intent and with the agency's own previous positions. Specifically, the FDA has taken the position that under 503A, a pharmacist may not compound medications prior to receipt of a prescription and transfer the drugs to a requesting physician or other authorized agent of the prescriber for administration to his or her patients without a patient-specific prescription accompanying the medication. This practice, which is often referred to as "office-use" compounding, is authorized in the vast majority of states and was intended to be allowable under DQSA. The Committee is aware that in 2012, prior to passage of the DQSA, FDA was working on a draft compliance policy guide for 503A of the FDCA that provided guidance on how "office-use" compounding could be done consistent with the provisions of 503A. The Committee understands the intent of the DQSA was not to prohibit compounding pharmacists from operation under existing 503A exemptions; therefore, the Committee directs the FDA to issue a guidance document on how compounding pharmacists can continue to engage in "office-use" compounding before the receipt of a patient-specific prescription consistent with the provisions of 503A within 90 days after the enactment of this Act.

Drug Labeling Approval.—The Committee acknowledges FDA's actions over the past six months regarding the proposed rule, "Supplemental Applications Proposing Labeling Changes for Approved Drugs and Biological Products," to include a listening session on March 27, 2015, and a reopened comment period that closed on April 27, 2015. However, the Committee continues to be concerned with FDA actions from the beginning of this process and the subsequent failure to find closure on this issue. As things currently stand, the rule would allow a generic drug manufacturer to alter its safety labeling unilaterally without FDA's prior approval, even if there is more than one generic manufacturer or an innovator manufacturer and generic manufacturer marketing the same bioequivalent drug (a "multisource" drug), and other companies are not required to make a corresponding labeling change.

The proposed rule has the potential to threaten public health by creating unprecedented patient and provider confusion by having multiple labels for bioequivalent products. The Committee urges the FDA to finalize the rule based upon comments it received in the docket and during the March 27 public meeting to meet the stated objectives of ensuring that patients have the most complete

and up-to-date information regarding their prescription drugs. The final rule should establish: (1) FDA as the final decision maker of whether or not a manufacturer should change its labeling in a multisource environment; (2) a process by which the FDA collects and utilizes all safety information to determine if a labeling change is required—from the new safety information from the manufacturer to sources such as the Sentinel System and other global databases; (3) a process by which the FDA has defined time parameters to take action on new safety information provided by innovator or generic application holders; and, (4) a process by which manufacturers should have a defined time period to make the corresponding labeling change. A final rule with these minimum requirements should be grounded in scientific evidence, and present no opportunity for mismatched dispensing or use information between the innovator drug and the generic version drug.

Drug Shortages.—The Committee is aware that shortages of critical drugs persist following the 2012 enactment of the Food and Drug Safety and Innovation Act (FDASIA). Surveys conducted by the American Association of Nurse Anesthetists, the American Hospital Association, and the American Society of Health-System Pharmacists report persistent shortages of drugs used in anesthesia care, oncology, and other services, owing primarily to problems in manufacturing, which impair patient access to care and patient experiences in the healthcare system, delay surgical procedures, and possibly increase overall healthcare costs. Therefore, within the funding provided the Committee directs the Commissioner to continue to prioritize the public reporting of manufacturing shortages, and to work with industry to prevent conditions that might lead to drug shortages.

The Committee remains concerned about national shortages of drugs to test for and treat Tuberculosis (TB), and recognizes that shortages could lead to further TB transmission as well as the development of drug resistance. The FDA is encouraged to ensure that TB control partners are participating in the Drug Shortages Interagency Task Force, including representatives of the Centers for Disease Control and Prevention, the Office of Emergency Preparedness and Response, and the Federal TB Task Force. The Committee requests a report on steps the FDA can take to prevent TB drug shortages and help maintain an adequate supply.

Duchenne Muscular Dystrophy.—The Committee is aware that the FDA recently released draft guidance for the development of drugs to treat Duchenne Muscular Dystrophy and related issues. The Committee commends FDA for working with patient groups and urges them to continue this collaborative approach when evaluating the medical needs of a rare disease community.

FDA Partnerships Under FSMA.—The purpose of FSMA is to reform the nation's food safety laws to ensure a safe public food supply. As the FDA continues implementation of FSMA, the Committee encourages the FDA to work in partnership with existing government food safety programs, including the use of MOUs, to verify compliance with FSMA rules once they are finalized as a way to eliminate duplication of activities under the law. In addition, the Committee provides an increase of \$2.5 million for the Food Safety Outreach Program under NIFA, and expects that, per the proposal in the President's fiscal year 2016 budget request,

NIFA will serve as the sole agency providing food safety training, education, outreach, and technical assistance at the farm level.

Food Contact Notification User Fees.—The funds made available by this Act include sufficient monies to fund the FDA's Food Contact Notification Program and shall be deemed to satisfy the requirements of 21 U.S.C. 348(h)(5)(A). The Committee recommendation does not include proposed user fees.

Generic Drug User Fee Facility Fees.—When the FDA begins the process for GDUFA reauthorization negotiations on June 15, 2015, the Committee urges all stakeholders to carefully consider providing fee waivers, exemptions, or otherwise reduced fees for small generic drug manufacturers to minimize the disproportionate financial burden on these companies.

Genomic Editing.—The Committee understands the potential benefits to society in the genetic modification of living organisms. However, researchers do not yet fully understand all the possible side effects of editing the genes of a human embryo. Editing of the human germ line may involve serious and unquantifiable safety and ethical issues. Federal and non-Federal organizations such as the National Academy of Sciences and National Academy of Medicine will soon engage in more extensive scientific analysis of the potential risks of genome editing and a broader public discussion of the societal and ethical implications of this technique. In accordance with the current policy at the National Institutes of Health, the Committee includes bill language that places a prohibition on the FDA's use of funds involving the genetic modification of a human embryo. The Committee continues to support a wide range of innovations in biomedical research, but will do so in a fashion that reflects well-established scientific and ethical principles.

Harm Reduction.—It is the Committee recommendation that the FDA consider the benefits of harm reduction as part of evaluations under the Deeming regulations for tobacco products.

Imported Pet Food Product Transparency.—As of May 15, 2015, the FDA had received approximately 5,200 reports of pet illness related to consumption of jerky pet treats, nearly all of which are imported from China. The reports involve more than 6,000 dogs, 26 cats, and 3 humans and include more than 1,100 canine deaths. These incidents date back to 2007. The Committee requests that the FDA provide it with a summary of all activities associated with the investigation into the pet illnesses associated these products, including any import alerts and import refusals, within 60 days of the enactment of this Act. In addition, the Committee requests that the agency provide it with semi-annual reports on the status of the investigation into these illnesses beginning in April 2016 until the issue has been resolved.

Late Reports.—The Committee reminds the Commissioner that the timelines specified by the Committees on Appropriations of the House and Senate for fiscal year 2015 reports are deadlines that must be met. While the Committee notes that the FDA has made progress in providing more timely information and updates, the FDA still has several outstanding reports that are delayed due to long reviews and clearances. The Committee directs the Commissioner to submit these overdue reports.

Local Port Cooperation.—The Committee directs FDA to work with local governments at high volume ports of entry to explore ac-

tivities which reduce the risk of food borne illnesses and enhance the capacity of local officials in dealing with food borne threats.

Mammography Quality Assurance Advisory Committee.—More than three years ago, in November 2011, the National Mammography Quality Assurance Advisory Committee approved a change to the mammogram patient report and physician report to include information regarding an individual’s breast density. This process has not been completed. The Committee urges the FDA to implement this change in an expedited manner and must report to Congress on the status of this change no more than 60 days from the enactment of this Act.

Medical Countermeasures.—The Committee directs that not less than \$24,552,000 shall be available for the FDA’s Medical Countermeasures Initiative. This total is in addition to the unobligated funds remaining to support the FDA’s emergency response to Ebola and related disease outbreaks.

Medical Gas Rulemaking.—The Committee is concerned that the FDA has not initiated rulemaking to address numerous longstanding regulatory issues for medical gases despite the statutory requirement in FDASIA to issue a final rulemaking addressing all necessary changes for medical gases by July 9, 2016. Designated medical gases are a unique class of drugs that differ significantly from traditional pharmaceuticals and therefore must be addressed in the Federal drug regulations to prevent safety and enforcement issues caused by current regulations. The FDA has never responded to a 1979 Citizens Petition on expiration dating or a 1994 Citizens Petition on calculation of yield, and has not responded to a January 2014 statutorily required report on medical gas regulatory review. Therefore, the FDA shall issue a proposed rulemaking to address each and every regulatory issue that creates safety and enforcement issues for medical gases by September 30, 2015.

Menu Labeling.—The Committee is concerned about recent FDA final determination that increased the size and scope of those affected under restaurant menu labeling regulations. Specifically, the final rule attempts to regulate local grocery chains that typically do not qualify as restaurants. These newly regulated entities do not have clear guidance from the FDA as to how they must comply with numerous provisions of the final regulation. The Committee includes bill language that directs the FDA to implement the final rule no earlier than December 1, 2016, and at least one-year following agency publication of related guidance to newly regulated stakeholders.

Molluscan Shellfish.—The Committee is concerned that non-tariff trade barriers continue to preclude trade in molluscan shellfish with European Union states. The Committee encourages the agency to expedite its audit of growing areas in Europe and to seek equivalency in sanitary standards where possible to allow a resumption of trade.

Off-Label Guidance.—The Committee notes that in December of 2011, the FDA issued “Guidance for Industry: Responding to Unsolicited Requests for Off-Label Information About Prescription Drugs and Medical Devices”, and a request for comment to assist the agency in evaluating policies for off-label uses of both approved and investigational drugs and devices. The comment period closed

on March 27, 2012. Further, the FDA responded in June 2014 to two citizen petitions that were submitted to the agency in July of 2011 and September of 2013 requesting clarification of regulations and policies regarding certain communications related to investigational new drugs and investigational new devices and off-label uses of drugs and devices. In the FDA's response, the agency stated, "that it plans to issue guidance that addresses unsolicited requests, distributing scientific and medical information on unapproved new uses and manufacturer discussions regarding scientific information more generally, by the end of the calendar year."

The Committee is concerned that the FDA has yet to issue new guidelines regarding the manner in which truthful and non-misleading scientific information outside of a product label for prescription drugs and medical devices can be conveyed. The Committee directs the FDA to address this issue comprehensively, outlining how manufacturers can communicate with all healthcare stakeholders, and to complete such guidelines within 60 days of enactment of this Act.

Over the Counter (OTC) Medicines for Children—The Committee is concerned that the FDA has not issued a proposed rule revising the monograph regulating the labeling of OTC cough and cold products for children. The Committee directs the agency to publish a proposed rule by November 30, 2015, based on scientific evidence for safety and efficacy in pediatric populations and taking into consideration the October 19, 2007 joint recommendations of its Pediatric Advisory Committee and Nonprescription Drugs Advisory Committee. While the Committee appreciates the agency's effort to explore possible improvements to the OTC drug monograph process; these efforts should not impede the prompt publication of this proposed rule.

Partially Hydrogenated Oils.—The Committee is concerned that the FDA's recent final determination that partially hydrogenated oils (PHOs) are no longer Generally Recognized as Safe (GRAS) could cause economic disruption in the marketplace and lead to unnecessary litigation. More importantly, the FDA should clarify that they have not concluded that PHOs are unsafe but that they no longer meet the general recognition element of the GRAS standard. Further, it is disturbing that the FDA would make such a determination without full public documentation of the data and process used to do so. Therefore, the Committee directs the FDA, in carrying out its enforcement of this determination, to: 1) issue a notice that it will delay the effective date of the final determination until acting on a Food Additive Petition following the procedures identified in 21 C.F.R. 170.38(c); 2) provide a reasonable transition period of 3 years for companies to reformulate products that would allow the marketing of current uses of PHOs during this transition period; 3) clarify that the final determination applies prospectively and after the agency issues the food additive regulation; and (4) that the FDA clarify that products containing PHOs prior to and during this transition period be deemed lawful and in compliance with the FDCA, and not seek to enforce any ban on the introduction of PHOs into commerce until after the revised effective date.

Pharmacy Compounding.—The Committee is very concerned with the draft MOU that the FDA has proposed under Section 503A of the FDCA. The proposed MOU would complicate patient

and prescriber access to compounded medications, and may have a deleterious effect on small pharmacies. Under the draft MOU, the FDA attempts to describe “distribution” as occurring when “a compounded human drug product has left the facility in which the drug was compounded.” In the DQSA, Congress only allowed the FDA to regulate “distribution.” But the MOU appears to exceed the authority granted in the statute by redefining “distribution” in a manner that includes dispensing—something unprecedented. This overreach could generate exactly the kind of costly and confusing litigation that Congress intended to avoid when it amended and reinstated Section 503A. The Committee expects that, when a final MOU is proposed as a model agreement for the states to consider, that distribution and dispensing are treated as the different and separate activities that they actually are.

Pollock Nomenclature.—The Committee directs the Commissioner to expedite consideration of whether it is appropriate to change the acceptable market name of *Gadus chalcogrammus* (formerly classified as *Theragra chalcogramma*) from “Alaska Pollock” to “Pollock” in the Seafood List. It is critical that seafood nomenclature (acceptable market names) is science-based, truthful, and not misleading to the consumer.

Prescription Drug Labeling Inserts.—The Committee is aware of FDA proposals that would subvert repeatedly expressed Congressional intent by permitting the distribution of prescription drugs without printed prescribing information on or within the packages from which such drugs are to be dispensed. The FDA intends to replace such printed labeling with an electronic labeling system for the majority of prescription drugs. On several occasions Congress has directly declined to provide the FDA the necessary statutory authority to implement this change. As recently as 2012, Congress commissioned a GAO report (GAO–13–592) discussing this issue. The GAO report concluded that such a change could adversely impact public health. Thus, the Committee is very concerned that the FDA is moving to promulgate a regulation that would generally eliminate printed prescribing information inserts for prescription drugs. Therefore, the Committee has included a provision prohibiting the FDA from utilizing any funds to propose or otherwise promulgate any rule that requires or permits any prescription drug or biologic products to be distributed without printed prescribing information on or within the packaging from which such products are to be dispensed, unless such actions are expressly provided by an amendment to the FDCA.

Scientific Integrity.—Pursuant to the President’s 2009 memorandum and as directed by the Office of Science and Technology Policy, the FDA adopted a scientific integrity policy in 2012. It appears to conform to the President’s directive by maintaining a firm commitment to science-based, data-driven decision making, facilitating the free flow of scientific and technical information, and requiring a fair and transparent approach to resolving scientific disputes. The Committee directs the Commissioner to ensure all FDA centers agencies are complying with the policy and using it to guide their policy and regulatory decisions.

Scientific Study Data.—Sound science, peer review and transparency are essential to effective protection of public health. The Committee is concerned that data from scientific studies utilized in

forming public policy may not be available for public review, even under Freedom of Information Act requests. The Committee believes that if public policy is based on a scientific study, that study should be available for public review. The Committee urges the FDA to immediately provide, on its website, the data and studies it uses to support public policy used by the FDA or other Federal agencies based on FDA studies.

Sodium Intake Levels.—The Committee is concerned about the FDA's continued focus on voluntary sodium reductions and recommendations to remove the GRAS status of sodium given the growing body of evidence that suggests low sodium consumption can lead to health problems in healthy individuals. The Committee requires the FDA, in coordination with CDC, to convene a panel at the IOM to determine the blood pressure effect and Cardiovascular Disease (CVD) implications for healthy people consuming sodium at 3000 mg or less per day. Federal funds should not be expended on sodium reduction activities below 3000 mg per day until the science is formally considered surrounding healthy and safe sodium intake, especially for healthy individuals, and the impact of lower sodium on blood pressure (and an extrapolation to health), including direct research suggesting a negative impact of lower sodium on health.

Spent Grains.—The Committee recognizes that the FDA took into consideration public comments and revised some of its proposed regulations on spent grains used for animal food. Processors already complying with FDA human food safety requirements would not need to implement additional preventive controls when supplying a by-product like wet spent grains for animal food. However, further processing a by-product for use as animal food such as drying spent grains, would require additional compliance under the proposed rule. The FDA has said potential hazards associated with spent grains are minimal, and steps to prevent contamination are likely already in place. The Committee includes bill language to ensure dry and wet spent grains used for animal food are regulated equally.

Sunscreen Ingredient Applications.—The Committee is concerned that another year has passed without the FDA completing its review of the pending Time and Extent Applications (TEAs) and the OTC Monograph rulemakings on sunscreens. Immediate action on sunscreen applications should be a priority since the need for sunscreens is evident by the nearly five million people that are treated annually for all skin cancers and the fact that melanoma is the fifth leading cause of cancer in the U.S. this year. The bill provides the requested funding of \$700,000 for the FDA to complete timely reviews of filed requests and determine the safety and efficacy of sunscreen ingredients.

Sunscreen Ingredients and Report.—Thirteen years have passed without FDA final decisions on sunscreen ingredients that have been used around the world for many years. FDA's inaction is particularly concerning because bipartisan reforms were enacted in the Sunscreen Innovation Act (SIA) addressing all of the issues identified as impediments by the FDA. The Surgeon General called on the Federal government to work with stakeholders to support skin cancer prevention and yet the FDA has still not approved a new sunscreen product since the 1990s. The FDA shall produce a report

to the Committee by September 1, 2015, that contains a detailed analysis of how the FDA is balancing the Surgeon General's Call to Action, the known public health benefits that regular sunscreen use provides to prevent skin cancer and melanoma, and the long history of safe and effective use of sunscreens currently backlogged at the FDA in comparable countries versus the hypothetical risk sunscreens posed to human health in FDA's GRAS standard. Furthermore, the FDA shall issue draft guidance for industry outlining data required for sunscreen active ingredients to meet the FDA's safety and efficacy standards and meet SIA's statutory deadlines for publication. The bill provides \$700,000 for FDA's sunscreen activities.

Surrogate Endpoints.—The Committee urges the FDA to issue guidance on the use of surrogate and intermediate endpoints for accelerated approval of regenerative medicine products under section 506(c) of the FDCA (21 U.S.C. 356(c)). In the process of issuing guidance, the FDA shall consult with appropriate stakeholders in the development of this guidance.

Tobacco Product Regulation.—The Committee includes bill language making a technical change to the FDA's regulation of newly deemed tobacco products and products with nicotine derived from tobacco under the Tobacco Control Act (TCA). Current law allows the agency to regulate these newly deemed products, and this language maintains the FDA's authority to ensure their safety through the regulatory process. Notably, the TCA provides the FDA with the authority to require that manufacturers submit detailed product formulas to the FDA for each of their products; authority to review any modifications to these newly regulated products going forward; and authority to issue product standards and other enforcement tools, including misbranding, adulteration and post market surveillance. The Committee fully supports these efforts to reduce potentially harmful effects associated with tobacco products. The Committee also supports FDA efforts to subject certain tobacco products to additional provisions, including minimum age of purchase restrictions, health warnings for product packages and ads, and a prohibition of certain vending machine sales.

Rather than amending the FDA's regulatory authority, this language relates only to a specific date—the predicate date of February 15, 2007. The current predicate date was established arbitrarily with the passage of TCA: Congress determined that manufacturers would not have to submit a pre-market approval application to the FDA for tobacco products that already existed on the market at that time. Those products that came onto the marketplace during the transition period after February 15, 2007 but before June 22, 2009 and introduced 21 months after the law was enacted were permitted to stay on the market as long as the manufacturer submitted a substantial equivalence submission to the FDA before the end of this transition period. Products entering the marketplace after this time period are required to submit a pre-market tobacco product application. Using the 2007 date means that newly-regulated categories of tobacco products—some of which have the potential to play an important role in harm reduction, and some of which hardly existed in commerce before that date—would face a more onerous approval process than cigarettes.

On April 25, 2014, the FDA released a proposed deeming regulation, which would grant authority for the agency to regulate cigars, vapor products and other products with nicotine derived from tobacco. The Committee hopes that the FDA finalizes that rule as soon as possible and urges the FDA to develop tobacco product safety standards aimed at reducing or eliminating the most harmful constituents for the safety of our public health, with a special focus on protecting young populations. Manufacturers should have to meet these product standards in order to ensure the safe sale of tobacco products in the marketplace. In particular, the Committee urges the FDA to further the extension of the TCA's national minimum purchase age of 18 years to all tobacco products, regardless of when all other aspects of the deeming rule are made final. Further, the Committee urges the FDA to make child-resistant packaging and warning labels mandatory for liquids used with electronic-cigarette vaporizers.

The Committee believes the FDA has discretion to modify the predicate date for these newly deemed products, but the FDA states that it would maintain February 15, 2007 as the predicate date. The Committee is concerned that this approach will dramatically add to the FDA's substantial backlog of currently pending applications and create a regulatory logjam for the agency—diverting its attention from its core mission to promote public health, ensure the safe use of these products and prevent underage use and abuse. The Committee has therefore established a new policy that treats newly deemed products in the same way as the TCA treated newly regulated products when the law was enacted. Specifically, the language in this bill would make the predicate date for newly deemed tobacco products the effective date of the final deeming rule and mimic the 21-month transition period provided for cigarettes, smokeless tobacco and roll-your-own tobacco.

For those products that enter the marketplace after the new predicate date, it is the Committee's recommendation that the FDA provide education to manufacturers on how to complete Premarket Tobacco Applications and Substantial Equivalence Reports for newly deemed products. This education could take the form of guidance, webinars, and/or individual meetings with companies. Such outreach and educational efforts are especially important for small companies manufacturing products that have not been previously regulated by the FDA. Lastly, the Committee would support the FDA if the agency distinguished between premium cigars and other tobacco products in regulation. Premium cigars have consistently been shown to be less harmful and addictive, and are distinct from other tobacco products in regards to the perception among youth.

User Fee Collections/Obligations.—The Committee continues to be concerned about the financial management of the FDA's user fee programs. The Committee directs that not later than 30 days after enactment of this Act, and each month thereafter through the months covered by this Act, the Commissioner to submit to the Committees on Appropriations of the House and Senate a report on user fees collected for each user fee program included in the Act. The report shall also include monthly obligations incurred against such fee collections. The first report shall include a distinct categorization of the user fee balances that are being carried forward into fiscal year 2017 for each user fee account as well as a detailed

explanation of what accounts for the balance and what the balance will be used for.

BUILDINGS AND FACILITIES

2015 appropriation	\$8,788,000
2016 budget estimate	8,788,000
Provided in the bill	8,788,000
Comparison:	
2015 appropriation	---
2016 budget estimate	---

COMMITTEE PROVISIONS

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

INDEPENDENT AGENCIES

COMMODITY FUTURES TRADING COMMISSION

2015 appropriation	\$250,000,000
2016 budget estimate	322,000,000
Provided in the bill	245,000,000
Comparison:	
2015 appropriation	- 5,000,000
2016 budget estimate	- 77,000,000

COMMITTEE PROVISIONS

For the Commodity Futures Trading Commission, the Committee provides an appropriation of \$245,000,000 and requires the use of \$5,000,000 in rental abatement for a total program level of \$250,000,000, of which \$50,000,000 is for the purchase of IT and \$3,000,000 is for the Inspector General.

Swap Dealer de Minimis.—The Committee notes the Commission’s decision to provide for a public comment period on the study related to the Swap Dealer de Minimis level. While this is a positive step by the Commission in providing certainty to market end-users, it does not entirely comply with the letter of the directive in Public Law 113–235. The Committee directs the Commission to promulgate a rulemaking either maintaining the Swap Dealer de Minimis threshold at \$8,000,000,000, the amount currently set forth in regulation, or above this amount pursuant to the results of the study currently being conducted as well as stakeholder input, within 60 days of enactment of this Act.

Commission Staff.—The Committee reminds the Commission of its responsibility when making commitments under current law, including the Antideficiency Act. As the GAO’s Principles on Appropriations Law states “The fiscal principles inherent in the Antideficiency Act are really quite simple. Government officials may not make payments or commit the United States to make payments at some future time for goods or services unless there is enough money in the ‘bank’ to cover the cost in full. The ‘bank’, of course, is the available appropriation.” The Committee is aware of ongoing negotiations between the Commission and labor unions to arrive at a collective bargaining agreement (CBA). During these negotiations, the fundamental concept of spending within one’s known and available means comes into play. The Commission must not make commitments within the CBA based upon budget re-

quests or projections of spending but upon its current funding situation. Alternatively, if the Commission makes firm commitments to higher expenses in the near and long term, they risk having to reduce spending elsewhere in the current budget or not having funds to maintain current staffing levels. Any CBA must reflect budgetary realities and management of current funds must not jeopardize Commission staff. The Committee directs the Commission to not increase personnel costs, either through excessive hiring, budgetary mismanagement, or CBA negotiations, that would risk any furloughs, reductions-in-force, or expected compensation for its hardworking staff.

Leasing Costs.—The Committee notes reviews by the Inspector General regarding excessive leasing costs and a projection of \$74 million wasted on vacant space. This does not include approximately \$30 million already spent on vacant space since 2009. A secondary review is being conducted by the GAO at the request of the Committees on Appropriations of the House and Senate. The Committee directs the Commission, in accordance with the President’s “Reduce the Federal Footprint” initiative, to find ways to decrease space and renegotiate leasing agreements. The Committee also provides the Commission and taxpayer budgetary relief through direction in the bill to utilize rental credits of \$5 million provided by the Commission’s landlord.

CFTC–SEC Cooperation.—The Committee directs the Commission to work cooperatively with the Securities and Exchange Commission on all joint rulemakings as required by the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Internal Risk Management Transactions.—The Committee is concerned that there is a lack of global coordination among regulators on the treatment of internal trades between affiliated entities. The Committee notes that international bodies left this to the discretion of national governments. As such, European and Japanese rules provide an exemption from margin requirements, with certain conditions, for internal trades between affiliates. In contrast, the U.S. market has proposed rules that would impose margin requirements on these trades. The Committee notes this will discourage prudent risk management by increasing the costs of these trades. These costs will be borne by the customers and result in reduced liquidity. The Committee urges the CFTC to recognize that such internal risk management transactions benefit customers. These requirements will result in regulatory arbitrage across jurisdictions. The Committee directs the Commission to report to the Committees on Appropriations of both Houses of Congress, within 60 days of enactment of this Act, on the impact of the proposed rules on consumers and industries.

FARM CREDIT ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

2015 limitation	(\$60,500,000)
2016 budget estimate	(69,400,000)
Provided in the bill	(65,600,000)
Comparison:	
2015 limitation	+5,100,000
2016 budget estimate	–3,800,000

COMMITTEE PROVISIONS

For a limitation on the expenses of the Farm Credit Administration, the Committee provides \$65,600,000.

TITLE VII

GENERAL PROVISIONS

(INCLUDING RESCISSIONS AND TRANSFERS OF FUNDS)

The General Provisions contained in the accompanying bill for fiscal year 2016 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: Authority of the Chief Information Officer relating to new IT systems.

Section 707: Availability of mandatory conservation program funding.

Section 708: Rural Utility Service borrower eligibility.

Section 709: Rescission of certain unobligated balances.

Section 710: Prohibition on first-class airline travel.

Section 711: Use of funds authorized by the Commodity Credit Corporation Charter Act.

Section 712: Funding for advisory committees.

Section 713: Indirect costs for competitive agricultural research grants.

Section 714: Limitation on certain funds.

Section 715: Limitation on certain funds.

Section 716: Language on user fee proposals without offsets.

Section 717: Language on reprogramming.

Section 718: Language on fees for the business and industry guaranteed loan program.

Section 719: Language on questions for the record.

Section 720: Language regarding prepackaged news stories.

Section 721: Language on prohibition on paid details in excess of 60 days.

Section 722: Language on the mohair program.

Section 723: Language regarding spending plans.

Section 724: Language on controls over humanitarian food assistance.

Section 725: Language regarding Single Family Housing Direct Loan Program.

Section 726: Language regarding USDA loan programs.

Section 727: Transfer authority regarding the Working Capital Fund.

Section 728: Language regarding the Commodity Exchange Act.

Section 729: Language regarding purchases made through child nutrition programs.

- Section 730: Language regarding potable water supplies.
Section 731: Language regarding research programs.
Section 732: Language regarding child nutrition programs.
Section 733: Language regarding child nutrition programs.
Section 734: Language regarding *Dietary Guidelines for Americans*.
Section 735: Language regarding nutrition research.
Section 736: Rescission of certain unobligated balances.
Section 737: Rescission of certain unobligated balances.
Section 738: Rescission of certain unobligated balances.
Section 739: Language regarding marketing programs.
Section 740: Rescission of certain unobligated balances.
Section 741: Language regarding housing loan programs.
Section 742: Language regarding a redirection of funds.
Section 743: Language regarding consumer information.
Section 744: Language regarding menu labeling.
Section 745: Language regarding tissue regulation.
Section 746: Language regarding animal feed.
Section 747: Language regarding Food and Drug regulation.
Section 748: Language regarding conservation programs.
Section 749: Language regarding animal health.
Section 750: Language regarding APHIS regulation.
Section 751: Language regarding FDA regulation.
Section 752: Language regarding food safety.
Section 753: Language regarding Spending Reduction Accounts.

HOUSE OF REPRESENTATIVES REPORT REQUIREMENTS

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLL CALL NO. 1

Date: July 8, 2015

Measure: Department of Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Bill, FY 2016

Motion by: Mr. Farr

Description of Motion: To prohibit the use of funds for certain horse inspection activities.

Results: Defeated 24 yeas to 24 nays

Members Voting Yea

Mr. Bishop
 Mr. Crenshaw
 Ms. DeLauro
 Mr. Dent
 Mr. Farr
 Mr. Fattah
 Mr. Honda
 Mr. Israel
 Mr. Jolly
 Mr. Joyce
 Ms. Kaptur
 Mr. Kilmer
 Ms. Lee
 Mrs. Lowey
 Ms. McCollum
 Ms. Pingree
 Mr. Price
 Mr. Quigley
 Ms. Roybal-Allard
 Mr. Ruppertsberger
 Mr. Ryan
 Mr. Serrano
 Ms. Wasserman Schultz
 Mr. Yoder

Members Voting Nay

Mr. Aderholt
 Mr. Amodei
 Mr. Calvert
 Mr. Carter
 Mr. Cole
 Mr. Cuellar
 Mr. Diaz-Balart
 Mr. Fleischmann
 Mr. Fortenberry
 Mr. Frelinghuysen
 Ms. Granger
 Mr. Graves
 Dr. Harris
 Ms. Herrera Beutler
 Mr. Jenkins
 Mr. Palazzo
 Mr. Rigell
 Mrs. Roby
 Mr. Rogers
 Mr. Simpson
 Mr. Stewart
 Mr. Valadao
 Mr. Womack
 Mr. Young

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLL CALL NO. 2

Date: July 8, 2015

Measure: Department of Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Bill, FY 2016

Motion by: Ms. Lee

Description of Motion: To require a study on the impact of restoring access to the Supplemental Nutrition Assistance Program for certain persons.

Results: Defeated 21 yeas to 29 nays

Members Voting Yea

Mr. Bishop
 Ms. DeLauro
 Mr. Farr
 Mr. Fattah
 Mr. Honda
 Mr. Israel
 Ms. Kaptur
 Mr. Kilmer
 Ms. Lee
 Mrs. Lowey
 Ms. McCollum
 Ms. Pingree
 Mr. Price
 Mr. Quigley
 Mr. Rooney
 Ms. Roybal-Allard
 Mr. Ruppertsberger
 Mr. Ryan
 Mr. Serrano
 Mr. Visclosky
 Ms. Wasserman Schultz

Members Voting Nay

Mr. Aderholt
 Mr. Amodei
 Mr. Calvert
 Mr. Carter
 Mr. Cole
 Mr. Crenshaw
 Mr. Cuellar
 Mr. Dent
 Mr. Diaz-Balart
 Mr. Fleischmann
 Mr. Fortenberry
 Mr. Frelinghuysen
 Ms. Granger
 Mr. Graves
 Dr. Harris
 Ms. Herrera Beutler
 Mr. Jenkins
 Mr. Jolly
 Mr. Joyce
 Mr. Palazzo
 Mr. Rigeil
 Mrs. Roby
 Mr. Rogers
 Mr. Simpson
 Mr. Stewart
 Mr. Valadao
 Mr. Womack
 Mr. Yoder
 Mr. Young

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLL CALL NO. 3

Date: July 8, 2015

Measure: Department of Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Bill, FY 2016

Motion by: Ms. Lee

Description of Motion: To provide funding for the Healthy Food Financing Initiative.

Results: Defeated 21 yeas to 29 nays

Members Voting Yea

Mr. Bishop
 Mr. Cuellar
 Ms. DeLauro
 Mr. Farr
 Mr. Fattah
 Mr. Honda
 Mr. Israel
 Ms. Kaptur
 Mr. Kilmer
 Ms. Lee
 Mrs. Lowey
 Mrs. McCollum
 Ms. Pingree
 Mr. Price
 Mr. Quigley
 Ms. Roybal-Allard
 Mr. Ruppertsberger
 Mr. Ryan
 Mr. Serrano
 Mr. Visclosky
 Ms. Wasserman Schultz

Members Voting Nay

Mr. Aderholt
 Mr. Amodei
 Mr. Calvert
 Mr. Carter
 Mr. Cole
 Mr. Crenshaw
 Mr. Dent
 Mr. Diaz-Balart
 Mr. Fleischmann
 Mr. Fortenberry
 Mr. Frelinghuysen
 Ms. Granger
 Mr. Graves
 Dr. Harris
 Ms. Herrera Beutler
 Mr. Jenkins
 Mr. Jolly
 Mr. Joyce
 Mr. Palazzo
 Mr. Rigell
 Mrs. Roby
 Mr. Rogers
 Mr. Rooney
 Mr. Simpson
 Mr. Stewart
 Mr. Valadao
 Mr. Womack
 Mr. Yoder
 Mr. Young

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLL CALL NO. 4

Date: July 8, 2015

Measure: Department of Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Bill, FY 2016

Motion by: Mrs. Lowey

Description of Motion: To strike a provision establishing a new predicate date for newly deemed tobacco products.

Results: Defeated 23 yeas to 26 nays

Members Voting Yea

Mr. Cuellar
 Ms. DeLauro
 Mr. Farr
 Mr. Fattah
 Ms. Herrera Beutler
 Mr. Honda
 Mr. Israel
 Mr. Jenkins
 Ms. Kaptur
 Mr. Kilmer
 Ms. Lee
 Mrs. Lowey
 Ms. McCollum
 Ms. Pingree
 Mr. Price
 Mr. Quigley
 Ms. Roybal-Allard
 Mr. Ruppersberger
 Mr. Ryan
 Mr. Serrano
 Mr. Stewart
 Mr. Visclosky
 Ms. Wasserman Schultz

Members Voting Nay

Mr. Aderholt
 Mr. Amodei
 Mr. Bishop
 Mr. Calvert
 Mr. Carter
 Mr. Cole
 Mr. Crenshaw
 Mr. Dent
 Mr. Diaz-Balart
 Mr. Fleischmann
 Mr. Fortenberry
 Mr. Frelinghuysen
 Ms. Granger
 Mr. Graves
 Dr. Harris
 Mr. Jolly
 Mr. Palazzo
 Mr. Rigell
 Mrs. Roby
 Mr. Rogers
 Mr. Rooney
 Mr. Simpson
 Mr. Valadao
 Mr. Womack
 Mr. Yoder
 Mr. Young

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLL CALL NO. 5

Date: July 8, 2015

Measure: Department of Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Bill, FY 2016

Motion by: Mr. Farr

Description of Motion: To strike a provision that would require the Secretary of Agriculture and the Secretary of Health and Human Services to meet different requirements in establishing the final 2015 Dietary Guidelines for Americans.

Results: Defeated 19 yeas to 29 nays

Members Voting Yea

Mr. Bishop
 Ms. DeLauro
 Mr. Farr
 Mr. Fattah
 Mr. Honda
 Mr. Israel
 Mr. Kilmer
 Ms. Lee
 Mrs. Lowey
 Ms. McCollum
 Ms. Pingree
 Mr. Price
 Mr. Quigley
 Ms. Roybal-Allard
 Mr. Ruppertsberger
 Mr. Ryan
 Mr. Serrano
 Mr. Visclosky
 Ms. Wasserman Schultz

Members Voting Nay

Mr. Aderholt
 Mr. Amodei
 Mr. Calvert
 Mr. Cole
 Mr. Crenshaw
 Mr. Cuellar
 Mr. Dent
 Mr. Diaz-Balart
 Mr. Fleischmann
 Mr. Fortenberry
 Mr. Frelinghuysen
 Ms. Granger
 Mr. Graves
 Dr. Harris
 Ms. Herrera Beutler
 Mr. Jenkins
 Mr. Jolly
 Mr. Joyce
 Mr. Palazzo
 Mr. Rigell
 Mrs. Roby
 Mr. Rogers
 Mr. Rooney
 Mr. Simpson
 Mr. Stewart
 Mr. Valadao
 Mr. Womack
 Mr. Yoder
 Mr. Young

FULL COMMITTEE VOTES

Pursuant to the provisions of clause 3(b) of rule XIII of the House of Representatives, the results of each roll call vote on an amendment or on the motion to report, together with the names of those voting for and those voting against, are printed below:

ROLL CALL NO. 6

Date: July 8, 2015

Measure: Department of Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Bill, FY 2016

Motion by: Mrs. Lowey

Description of Motion: To increase funding for the Summer Electronic Benefit Transfer (EBT) Pilot Program.

Results: Defeated 21 yeas to 29 nays

Members Voting Yea

Mr. Bishop
 Mr. Cuellar
 Ms. DeLauro
 Mr. Farr
 Mr. Fattah
 Mr. Honda
 Mr. Israel
 Ms. Kaptur
 Mr. Kilmer
 Ms. Lee
 Mrs. Lowey
 Ms. McCollum
 Ms. Pingree
 Mr. Price
 Mr. Quigley
 Ms. Roybal-Allard
 Mr. Ruppertsberger
 Mr. Ryan
 Mr. Serrano
 Mr. Visclosky
 Ms. Wasserman Schultz

Members Voting Nay

Mr. Aderholt
 Mr. Amodei
 Mr. Calvert
 Mr. Carter
 Mr. Cole
 Mr. Crenshaw
 Mr. Dent
 Mr. Diaz-Balart
 Mr. Fleischmann
 Mr. Fortenberry
 Mr. Frelinghuysen
 Ms. Granger
 Mr. Graves
 Dr. Harris
 Ms. Herrera Beutler
 Mr. Jenkins
 Mr. Jolly
 Mr. Joyce
 Mr. Palazzo
 Mr. Rigell
 Mrs. Roby
 Mr. Rogers
 Mr. Rooney
 Mr. Simpson
 Mr. Stewart
 Mr. Valadao
 Mr. Womack
 Mr. Yoder
 Mr. Young

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 performance 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.

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:

<i>Program or Activity</i>	<i>Amount</i>
USDA Cushion of Credit	\$154,000,000
USDA Watershed Rehabilitation	69,000,000
USDA AMS (prior year balances)	293,020,000
USDA FSA (prior year balances)	1,000,000
USDA RD (prior year balances)	13,000,000
USDA NRCS (prior year balances)	20,000,000

TRANSFER OF FUNDS

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

1. *Departmental Administration.*—The bill requires reimbursement for expenses related to certain hearings.

2. *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.

3. *Agriculture Buildings and Facilities.*—The bill allows funds appropriated in prior years for rental payments to be transferred to meet shortfalls in prior or current year rent.

4. *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.

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. *Agricultural Credit Insurance Fund Program Account.*—The bill provides funds to be transferred to the Farm Service Agency.

10. *Commodity Credit Corporation.*—The bill includes language allowing certain funds to be transferred to the Foreign Agricultural Service for information resource management activities.

11. *Rural Development, Salaries and Expenses.*—The bill provides that prior year balances from certain accounts shall be transferred to and merged with this account.

12. *Rural Housing Insurance Fund Program Account, Intermediary Relending Program Fund Account, and Rural Electrification and Telecommunications Program Account.*—The bill provides funds in this account shall be transferred to the salaries and expenses of Rural Development.

13. *Rural Community Facilities Program Account, Rural Business Program Account, and Rural Water and Waste Disposal Program Account.*—The bill provides that balances from these accounts may be transferred to and merged with other accounts.

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

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

16. *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.

17. *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.

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

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

DISCLOSURE OF EARMARKS AND CONGRESSIONALLY DIRECTED
SPENDING ITEMS

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

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:

COMMODITY EXCHANGE ACT

* * * * *

SEC. 5b. DERIVATIVES CLEARING ORGANIZATIONS.

(a) **REGISTRATION REQUIREMENT.**—

(1) **IN GENERAL.**—Except as provided in paragraph (2), it shall be unlawful for a derivatives clearing organization, di-

rectly or indirectly, to make use of the mails or any means or instrumentality of interstate commerce to perform the functions of a derivatives clearing organization with respect to—

(A) a contract of sale of a commodity for future delivery (or an option on the contract of sale) or option on a commodity, in each case, unless the contract or option is—

(i) excluded from this Act by subsection (a)(1)(C)(i), (c), or (f) of section 2; or

(ii) a security futures product cleared by a clearing agency registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.); or

(B) a swap.

(2) EXCEPTION.—Paragraph (1) shall not apply to a derivatives clearing organization that is registered with the Commission.

(b) VOLUNTARY REGISTRATION.—A person that clears 1 or more agreements, contracts, or transactions that are not required to be cleared under this Act may register with the Commission as a derivatives clearing organization.

(c) REGISTRATION OF DERIVATIVES CLEARING ORGANIZATIONS.—

(1) APPLICATION.—A person desiring to register as a derivatives clearing organization shall submit to the Commission an application in such form and containing such information as the Commission may require for the purpose of making the determinations required for approval under paragraph (2).

(2) CORE PRINCIPLES FOR DERIVATIVES CLEARING ORGANIZATIONS.—

(A) COMPLIANCE.—

(i) IN GENERAL.—To be registered and to maintain registration as a derivatives clearing organization, a derivatives clearing organization shall comply with each core principle described in this paragraph and any requirement that the Commission may impose by rule or regulation pursuant to section 8a(5).

(ii) DISCRETION OF DERIVATIVES CLEARING ORGANIZATION.—Subject to any rule or regulation prescribed by the Commission, a derivatives clearing organization shall have reasonable discretion in establishing the manner by which the derivatives clearing organization complies with each core principle described in this paragraph.

(B) FINANCIAL RESOURCES.—

(i) IN GENERAL.—Each derivatives clearing organization shall have adequate financial, operational, and managerial resources, as determined by the Commission, to discharge each responsibility of the derivatives clearing organization.

(ii) MINIMUM AMOUNT OF FINANCIAL RESOURCES.—Each derivatives clearing organization shall possess financial resources that, at a minimum, exceed the total amount that would—

(I) enable the organization to meet its financial obligations to its members and participants notwithstanding a default by the member or partici-

pant creating the largest financial exposure for that organization in extreme but plausible market conditions; and

(II) enable the derivatives clearing organization to cover the operating costs of the derivatives clearing organization for a period of 1 year (as calculated on a rolling basis).

(C) PARTICIPANT AND PRODUCT ELIGIBILITY.—

(i) IN GENERAL.—Each derivatives clearing organization shall establish—

(I) appropriate admission and continuing eligibility standards (including sufficient financial resources and operational capacity to meet obligations arising from participation in the derivatives clearing organization) for members of, and participants in, the derivatives clearing organization; and

(II) appropriate standards for determining the eligibility of agreements, contracts, or transactions submitted to the derivatives clearing organization for clearing.

(ii) REQUIRED PROCEDURES.—Each derivatives clearing organization shall establish and implement procedures to verify, on an ongoing basis, the compliance of each participation and membership requirement of the derivatives clearing organization.

(iii) REQUIREMENTS.—The participation and membership requirements of each derivatives clearing organization shall—

(I) be objective;

(II) be publicly disclosed; and

(III) permit fair and open access.

(D) RISK MANAGEMENT.—

(i) IN GENERAL.—Each derivatives clearing organization shall ensure that the derivatives clearing organization possesses the ability to manage the risks associated with discharging the responsibilities of the derivatives clearing organization through the use of appropriate tools and procedures.

(ii) MEASUREMENT OF CREDIT EXPOSURE.—Each derivatives clearing organization shall—

(I) not less than once during each business day of the derivatives clearing organization, measure the credit exposures of the derivatives clearing organization to each member and participant of the derivatives clearing organization; and

(II) monitor each exposure described in subclause (I) periodically during the business day of the derivatives clearing organization.

(iii) LIMITATION OF EXPOSURE TO POTENTIAL LOSSES FROM DEFAULTS.—Each derivatives clearing organization, through margin requirements and other risk control mechanisms, shall limit the exposure of the derivatives clearing organization to potential losses from

defaults by members and participants of the derivatives clearing organization to ensure that—

(I) the operations of the derivatives clearing organization would not be disrupted; and

(II) nondefaulting members or participants would not be exposed to losses that nondefaulting members or participants cannot anticipate or control.

(iv) MARGIN REQUIREMENTS.—The margin required from each member and participant of a derivatives clearing organization shall be sufficient to cover potential exposures in normal market conditions.

(v) REQUIREMENTS REGARDING MODELS AND PARAMETERS.—Each model and parameter used in setting margin requirements under clause (iv) shall be—

(I) risk-based; and

(II) reviewed on a regular basis.

(E) SETTLEMENT PROCEDURES.—Each derivatives clearing organization shall—

(i) complete money settlements on a timely basis (but not less frequently than once each business day);

(ii) employ money settlement arrangements to eliminate or strictly limit the exposure of the derivatives clearing organization to settlement bank risks (including credit and liquidity risks from the use of banks to effect money settlements);

(iii) ensure that money settlements are final when effected;

(iv) maintain an accurate record of the flow of funds associated with each money settlement;

(v) possess the ability to comply with each term and condition of any permitted netting or offset arrangement with any other clearing organization;

(vi) regarding physical settlements, establish rules that clearly state each obligation of the derivatives clearing organization with respect to physical deliveries; and

(vii) ensure that each risk arising from an obligation described in clause (vi) is identified and managed.

(F) TREATMENT OF FUNDS.—

(i) REQUIRED STANDARDS AND PROCEDURES.—Each derivatives clearing organization shall establish standards and procedures that are designed to protect and ensure the safety of member and participant funds and assets.

(ii) HOLDING OF FUNDS AND ASSETS.—Each derivatives clearing organization shall hold member and participant funds and assets in a manner by which to minimize the risk of loss or of delay in the access by the derivatives clearing organization to the assets and funds.

(iii) PERMISSIBLE INVESTMENTS.—Funds and assets invested by a derivatives clearing organization shall be held in instruments with minimal credit, market, and liquidity risks.

(G) DEFAULT RULES AND PROCEDURES.—

(i) IN GENERAL.—Each derivatives clearing organization shall have rules and procedures designed to allow for the efficient, fair, and safe management of events during which members or participants—

(I) become insolvent; or

(II) otherwise default on the obligations of the members or participants to the derivatives clearing organization.

(ii) DEFAULT PROCEDURES.—Each derivatives clearing organization shall—

(I) clearly state the default procedures of the derivatives clearing organization;

(II) make publicly available the default rules of the derivatives clearing organization; and

(III) ensure that the derivatives clearing organization may take timely action—

(aa) to contain losses and liquidity pressures; and

(bb) to continue meeting each obligation of the derivatives clearing organization.

(H) RULE ENFORCEMENT.—Each derivatives clearing organization shall—

(i) maintain adequate arrangements and resources for—

(I) the effective monitoring and enforcement of compliance with the rules of the derivatives clearing organization; and

(II) the resolution of disputes;

(ii) have the authority and ability to discipline, limit, suspend, or terminate the activities of a member or participant due to a violation by the member or participant of any rule of the derivatives clearing organization; and

(iii) report to the Commission regarding rule enforcement activities and sanctions imposed against members and participants as provided in clause (ii).

(I) SYSTEM SAFEGUARDS.—Each derivatives clearing organization shall—

(i) establish and maintain a program of risk analysis and oversight to identify and minimize sources of operational risk through the development of appropriate controls and procedures, and automated systems, that are reliable, secure, and have adequate scalable capacity;

(ii) establish and maintain emergency procedures, backup facilities, and a plan for disaster recovery that allows for—

(I) the timely recovery and resumption of operations of the derivatives clearing organization; and

(II) the fulfillment of each obligation and responsibility of the derivatives clearing organization; and

(iii) periodically conduct tests to verify that the backup resources of the derivatives clearing organization are sufficient to ensure daily processing, clearing, and settlement.

(J) REPORTING.—Each derivatives clearing organization shall provide to the Commission all information that the Commission determines to be necessary to conduct oversight of the derivatives clearing organization.

(K) RECORDKEEPING.—Each derivatives clearing organization shall maintain records of all activities related to the business of the derivatives clearing organization as a derivatives clearing organization—

(i) in a form and manner that is acceptable to the Commission; and

(ii) for a period of not less than 5 years.

(L) PUBLIC INFORMATION.—

(i) IN GENERAL.—Each derivatives clearing organization shall provide to market participants sufficient information to enable the market participants to identify and evaluate accurately the risks and costs associated with using the services of the derivatives clearing organization.

(ii) AVAILABILITY OF INFORMATION.—Each derivatives clearing organization shall make information concerning the rules and operating and default procedures governing the clearing and settlement systems of the derivatives clearing organization available to market participants.

(iii) PUBLIC DISCLOSURE.—Each derivatives clearing organization shall disclose publicly and to the Commission information concerning—

(I) the terms and conditions of each contract, agreement, and transaction cleared and settled by the derivatives clearing organization;

(II) each clearing and other fee that the derivatives clearing organization charges the members and participants of the derivatives clearing organization;

(III) the margin-setting methodology, and the size and composition, of the financial resource package of the derivatives clearing organization;

(IV) daily settlement prices, volume, and open interest for each contract settled or cleared by the derivatives clearing organization; and

(V) any other matter relevant to participation in the settlement and clearing activities of the derivatives clearing organization.

(M) INFORMATION-SHARING.—Each derivatives clearing organization shall—

(i) enter into, and abide by the terms of, each appropriate and applicable domestic and international information-sharing agreement; and

(ii) use relevant information obtained from each agreement described in clause (i) in carrying out the

risk management program of the derivatives clearing organization.

(N) ANTITRUST CONSIDERATIONS.—Unless necessary or appropriate to achieve the purposes of this Act, a derivatives clearing organization shall not—

- (i) adopt any rule or take any action that results in any unreasonable restraint of trade; or
- (ii) impose any material anticompetitive burden.

(O) GOVERNANCE FITNESS STANDARDS.—

(i) GOVERNANCE ARRANGEMENTS.—Each derivatives clearing organization shall establish governance arrangements that are transparent—

- (I) to fulfill public interest requirements; and
- (II) to permit the consideration of the views of owners and participants.

(ii) FITNESS STANDARDS.—Each derivatives clearing organization shall establish and enforce appropriate fitness standards for—

- (I) directors;
- (II) members of any disciplinary committee;
- (III) members of the derivatives clearing organization;
- (IV) any other individual or entity with direct access to the settlement or clearing activities of the derivatives clearing organization; and
- (V) any party affiliated with any individual or entity described in this clause.

(P) CONFLICTS OF INTEREST.—Each derivatives clearing organization shall—

- (i) establish and enforce rules to minimize conflicts of interest in the decision-making process of the derivatives clearing organization; and
- (ii) establish a process for resolving conflicts of interest described in clause (i).

(Q) COMPOSITION OF GOVERNING BOARDS.—Each derivatives clearing organization shall ensure that the composition of the governing board or committee of the derivatives clearing organization includes market participants.

(R) LEGAL RISK.—Each derivatives clearing organization shall have a well-founded, transparent, and enforceable legal framework for each aspect of the activities of the derivatives clearing organization.”

(3) ORDERS CONCERNING COMPETITION.—A derivatives clearing organization may request the Commission to issue an order concerning whether a rule or practice of the applicant is the least anticompetitive means of achieving the objectives, purposes, and policies of this Act.

(d) EXISTING DERIVATIVES CLEARING ORGANIZATIONS.—A derivatives clearing organization shall be deemed to be registered under this section to the extent that the derivatives clearing organization clears agreements, contracts, or transactions for a board of trade that has been designated by the Commission as a contract market for such agreements, contracts, or transactions before the date of the enactment of this section.

(e) APPOINTMENT OF TRUSTEE.—

(1) IN GENERAL.—If a proceeding under section 5e results in the suspension or revocation of the registration of a derivatives clearing organization, or if a derivatives clearing organization withdraws from registration, the Commission, on notice to the derivatives clearing organization, may apply to the appropriate United States district court where the derivatives clearing organization is located for the appointment of a trustee.

(2) ASSUMPTION OF JURISDICTION.—If the Commission applies for appointment of a trustee under paragraph (1)—

(A) the court may take exclusive jurisdiction over the derivatives clearing organization and the records and assets of the derivatives clearing organization, wherever located; and

(B) if the court takes jurisdiction under subparagraph (A), the court shall appoint the Commission, or a person designated by the Commission, as trustee with power to take possession and continue to operate or terminate the operations of the derivatives clearing organization in an orderly manner for the protection of participants, subject to such terms and conditions as the court may prescribe.

(f) LINKING OF REGULATED CLEARING FACILITIES.—

(1) IN GENERAL.—The Commission shall facilitate the linking or coordination of derivatives clearing organizations registered under this Act with other regulated clearance facilities for the coordinated settlement of cleared transactions. In order to minimize systemic risk, under no circumstances shall a derivatives clearing organization be compelled to accept the counterparty credit risk of another clearing organization.

(2) COORDINATION.—In carrying out paragraph (1), the Commission shall coordinate with the Federal banking agencies and the Securities and Exchange Commission.

(g) EXISTING DEPOSITORY INSTITUTIONS AND CLEARING AGENCIES.—

(1) IN GENERAL.—A depository institution or clearing agency registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) that is required to be registered as a derivatives clearing organization under this section is deemed to be registered under this section to the extent that, before the date of enactment of this subsection—

(A) the depository institution cleared swaps as a multilateral clearing organization; or

(B) the clearing agency cleared swaps.

(2) CONVERSION OF DEPOSITORY INSTITUTIONS.—A depository institution to which this subsection applies may, by the vote of the shareholders owning not less than 51 percent of the voting interests of the depository institution, be converted into a State corporation, partnership, limited liability company, or similar legal form pursuant to a plan of conversion, if the conversion is not in contravention of applicable State law.

(3) SHARING OF INFORMATION.—The Securities and Exchange Commission shall make available to the Commission, upon request, all information determined to be relevant by the Securities and Exchange Commission regarding a clearing agency

deemed to be registered with the Commission under paragraph (1).

(h) EXEMPTIONS.—The Commission may exempt, conditionally or unconditionally, a derivatives clearing organization from registration under this section for the clearing of swaps if the Commission determines that the derivatives clearing organization is subject to comparable, comprehensive supervision and regulation by the Securities and Exchange Commission or the appropriate government authorities in the home country of the organization. Such conditions may include, but are not limited to, requiring that the derivatives clearing organization be available for inspection by the Commission and make available all information requested by the Commission.

(i) DESIGNATION OF CHIEF COMPLIANCE OFFICER.—

(1) IN GENERAL.—Each derivatives clearing organization shall designate an individual to serve as a chief compliance officer.

(2) DUTIES.—The chief compliance officer shall—

(A) report directly to the board or to the senior officer of the derivatives clearing organization;

(B) review the compliance of the derivatives clearing organization with respect to the core principles described in subsection (c)(2);

(C) in consultation with the board of the derivatives clearing organization, a body performing a function similar to the board of the derivatives clearing organization, or the senior officer of the derivatives clearing organization, resolve any conflicts of interest that may arise;

(D) be responsible for administering each policy and procedure that is required to be established pursuant to this section;

(E) ensure compliance with this Act (including regulations) relating to agreements, contracts, or transactions, including each rule prescribed by the Commission under this section;

(F) establish procedures for the remediation of non-compliance issues identified by the compliance officer through any—

(i) compliance office review;

(ii) look-back;

(iii) internal or external audit finding;

(iv) self-reported error; or

(v) validated complaint; and

(G) establish and follow appropriate procedures for the handling, management response, remediation, retesting, and closing of noncompliance issues.

(3) ANNUAL REPORTS.—

(A) IN GENERAL.—In accordance with rules prescribed by the Commission, the chief compliance officer shall annually prepare and sign a report that contains a description of—

(i) the compliance of the derivatives clearing organization of the compliance officer with respect to this Act (including regulations); and

(ii) each policy and procedure of the derivatives clearing organization of the compliance officer (including the code of ethics and conflict of interest policies of the derivatives clearing organization).

(B) REQUIREMENTS.—A compliance report under subparagraph (A) shall—

(i) accompany each appropriate financial report of the derivatives clearing organization that is required to be furnished to the Commission pursuant to this section; and

(ii) include a certification that, under penalty of law, the compliance report is accurate and complete.

(k) REPORTING REQUIREMENTS.—

(1) DUTY OF DERIVATIVES CLEARING ORGANIZATIONS.—Each derivatives clearing organization that clears swaps shall provide to the Commission all information that is determined by the Commission to be necessary to perform each responsibility of the Commission under this Act.

(2) DATA COLLECTION AND MAINTENANCE REQUIREMENTS.—The Commission shall adopt data collection and maintenance requirements for swaps cleared by derivatives clearing organizations that are comparable to the corresponding requirements for—

(A) swaps data reported to swap data repositories; and
(B) swaps traded on swap execution facilities.

(3) REPORTS ON SECURITY-BASED SWAP AGREEMENTS TO BE SHARED WITH THE SECURITIES AND EXCHANGE COMMISSION.—

(A) IN GENERAL.—A derivatives clearing organization that clears security-based swap agreements (as defined in section 1a(47)(A)(v)) shall, upon request, open to inspection and examination to the Securities and Exchange Commission all books and records relating to such security-based swap agreements, consistent with the confidentiality and disclosure requirements of section 8.

(B) JURISDICTION.—Nothing in this paragraph shall affect the exclusive jurisdiction of the Commission to prescribe recordkeeping and reporting requirements for a derivatives clearing organization that is registered with the Commission.

(4) INFORMATION SHARING.—Subject to section 8, and upon request, the Commission shall share information collected under paragraph (2) with—

(A) the Board;
(B) the Securities and Exchange Commission;
(C) each appropriate prudential regulator;
(D) the Financial Stability Oversight Council;
(E) the Department of Justice; and
(F) any other person that the Commission determines to be appropriate, including—

(i) foreign financial supervisors (including foreign futures authorities);
(ii) foreign central banks; and
(iii) foreign ministries.

[(5) CONFIDENTIALITY AND INDEMNIFICATION AGREEMENT.—Before the Commission may share information with any entity described in paragraph (4)—

[(A) the Commission shall receive a written agreement from each entity stating that the entity shall abide by the confidentiality requirements described in section 8 relating to the information on swap transactions that is provided; and

[(B) each entity shall agree to indemnify the Commission for any expenses arising from litigation relating to the information provided under section 8.]

(5) CONFIDENTIALITY AGREEMENT.—*Before the Commission may share information with any entity described in paragraph (4), the Commission shall receive a written agreement from each entity stating that the entity shall abide by the confidentiality requirements described in section 8 relating to the information on swaps transactions that is provided.*

(6) PUBLIC INFORMATION.—Each derivatives clearing organization that clears swaps shall provide to the Commission (including any designee of the Commission) information under paragraph (2) in such form and at such frequency as is required by the Commission to comply with the public reporting requirements contained in section 2(a)(13).

* * * * *

SEC. 21. SWAP DATA REPOSITORIES.

(a) REGISTRATION REQUIREMENT.—

(1) REQUIREMENT; AUTHORITY OF DERIVATIVES CLEARING ORGANIZATION.—

(A) IN GENERAL.—It shall be unlawful for any person, unless registered with the Commission, directly or indirectly to make use of the mails or any means or instrumentality of interstate commerce to perform the functions of a swap data repository.

(B) REGISTRATION OF DERIVATIVES CLEARING ORGANIZATIONS.—A derivatives clearing organization may register as a swap data repository.

(2) INSPECTION AND EXAMINATION.—Each registered swap data repository shall be subject to inspection and examination by any representative of the Commission.

(3) COMPLIANCE WITH CORE PRINCIPLES.—

(A) IN GENERAL.—To be registered, and maintain registration, as a swap data repository, the swap data repository shall comply with—

(i) the requirements and core principles described in this section; and

(ii) any requirement that the Commission may impose by rule or regulation pursuant to section 8a(5).

(B) REASONABLE DISCRETION OF SWAP DATA REPOSITORY.—Unless otherwise determined by the Commission by rule or regulation, a swap data repository described in subparagraph (A) shall have reasonable discretion in establishing the manner in which the swap data repository complies with the core principles described in this section.

(b) STANDARD SETTING.—

(1) DATA IDENTIFICATION.—

(A) IN GENERAL.—In accordance with subparagraph (B), the Commission shall prescribe standards that specify the data elements for each swap that shall be collected and maintained by each registered swap data repository.

(B) REQUIREMENT.—In carrying out subparagraph (A), the Commission shall prescribe consistent data element standards applicable to registered entities and reporting counterparties.

(2) DATA COLLECTION AND MAINTENANCE.—The Commission shall prescribe data collection and data maintenance standards for swap data repositories.

(3) COMPARABILITY.—The standards prescribed by the Commission under this subsection shall be comparable to the data standards imposed by the Commission on derivatives clearing organizations in connection with their clearing of swaps.

(c) DUTIES.—A swap data repository shall—

(1) accept data prescribed by the Commission for each swap under subsection (b);

(2) confirm with both counterparties to the swap the accuracy of the data that was submitted;

(3) maintain the data described in paragraph (1) in such form, in such manner, and for such period as may be required by the Commission;

(4)(A) provide direct electronic access to the Commission (or any designee of the Commission, including another registered entity); and

(B) provide the information described in paragraph (1) in such form and at such frequency as the Commission may require to comply with the public reporting requirements contained in section 2(a)(13);

(5) at the direction of the Commission, establish automated systems for monitoring, screening, and analyzing swap data, including compliance and frequency of end user clearing exemption claims by individual and affiliated entities;

(6) maintain the privacy of any and all swap transaction information that the swap data repository receives from a swap dealer, counterparty, or any other registered entity; and

(7) on a confidential basis pursuant to section 8, upon request, and after notifying the Commission of the request, make available all data obtained by the swap data repository, including individual counterparty trade and position data, to—

(A) each appropriate prudential regulator;

(B) the Financial Stability Oversight Council;

(C) the Securities and Exchange Commission;

(D) the Department of Justice; and

(E) any other person that the Commission determines to

be appropriate, including—

(i) foreign financial supervisors (including foreign futures authorities);

(ii) foreign central banks; and

(iii) foreign ministries; and

(8) establish and maintain emergency procedures, backup facilities, and a plan for disaster recovery that allows for the

timely recovery and resumption of operations and the fulfillment of the responsibilities and obligations of the organization.

[(d) CONFIDENTIALITY AND INDEMNIFICATION AGREEMENT.—Before the swap data repository may share information with any entity described in subsection (c)(7)—

[(1) the swap data repository shall receive a written agreement from each entity stating that the entity shall abide by the confidentiality requirements described in section 8 relating to the information on swap transactions that is provided; and

[(2) each entity shall agree to indemnify the swap data repository and the Commission for any expenses arising from litigation relating to the information provided under section 8.]

(d) CONFIDENTIALITY AGREEMENT.—*Before the swap data repository may share information with any entity described in subsection (c)(7), the swap data repository shall receive a written agreement from each entity stating that the entity shall abide by the confidentiality requirements described in section 8 relating to the information on swap transactions that is provided.*

(e) DESIGNATION OF CHIEF COMPLIANCE OFFICER.—

(1) IN GENERAL.—Each swap data repository shall designate an individual to serve as a chief compliance officer.

(2) DUTIES.—The chief compliance officer shall—

(A) report directly to the board or to the senior officer of the swap data repository;

(B) review the compliance of the swap data repository with respect to the requirements and core principles described in this section;

(C) in consultation with the board of the swap data repository, a body performing a function similar to the board of the swap data repository, or the senior officer of the swap data repository, resolve any conflicts of interest that may arise;

(D) be responsible for administering each policy and procedure that is required to be established pursuant to this section;

(E) ensure compliance with this Act (including regulations) relating to agreements, contracts, or transactions, including each rule prescribed by the Commission under this section;

(F) establish procedures for the remediation of non-compliance issues identified by the chief compliance officer through any—

(i) compliance office review;

(ii) look-back;

(iii) internal or external audit finding;

(iv) self-reported error; or

(v) validated complaint; and

(G) establish and follow appropriate procedures for the handling, management response, remediation, retesting, and closing of non-compliance issues.

(3) ANNUAL REPORTS.—

(A) IN GENERAL.—In accordance with rules prescribed by the Commission, the chief compliance officer shall annually prepare and sign a report that contains a description of—

- (i) the compliance of the swap data repository of the chief compliance officer with respect to this Act (including regulations); and
 - (ii) each policy and procedure of the swap data repository of the chief compliance officer (including the code of ethics and conflict of interest policies of the swap data repository).
- (B) REQUIREMENTS.—A compliance report under subparagraph (A) shall—
 - (i) accompany each appropriate financial report of the swap data repository that is required to be furnished to the Commission pursuant to this section; and
 - (ii) include a certification that, under penalty of law, the compliance report is accurate and complete.
- (f) CORE PRINCIPLES APPLICABLE TO SWAP DATA REPOSITORIES.—
 - (1) ANTITRUST CONSIDERATIONS.—Unless necessary or appropriate to achieve the purposes of this Act, a swap data repository shall not—
 - (A) adopt any rule or take any action that results in any unreasonable restraint of trade; or
 - (B) impose any material anticompetitive burden on the trading, clearing, or reporting of transactions.
 - (2) GOVERNANCE ARRANGEMENTS.—Each swap data repository shall establish governance arrangements that are transparent—
 - (A) to fulfill public interest requirements; and
 - (B) to support the objectives of the Federal Government, owners, and participants.
 - (3) CONFLICTS OF INTEREST.—Each swap data repository shall—
 - (A) establish and enforce rules to minimize conflicts of interest in the decision-making process of the swap data repository; and
 - (B) establish a process for resolving conflicts of interest described in subparagraph (A).
 - (4) ADDITIONAL DUTIES DEVELOPED BY COMMISSION.—
 - (A) IN GENERAL.—The Commission may develop 1 or more additional duties applicable to swap data repositories.
 - (B) CONSIDERATION OF EVOLVING STANDARDS.—In developing additional duties under subparagraph (A), the Commission may take into consideration any evolving standard of the United States or the international community.
 - (C) ADDITIONAL DUTIES FOR COMMISSION DESIGNEES.—The Commission shall establish additional duties for any registrant described in section 1a(48) in order to minimize conflicts of interest, protect data, ensure compliance, and guarantee the safety and security of the swap data repository.
- (g) REQUIRED REGISTRATION FOR SWAP DATA REPOSITORIES.—Any person that is required to be registered as a swap data repository under this section shall register with the Commission regardless of whether that person is also licensed as a bank or registered with

the Securities and Exchange Commission as a swap data repository.

(h) RULES.—The Commission shall adopt rules governing persons that are registered under this section.

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FEDERAL AGRICULTURE IMPROVEMENT AND REFORM ACT OF 1996

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TITLE I—AGRICULTURAL MARKET TRANSITION ACT

* * * * *

Subtitle E—Administration

* * * * *

SEC. 166. COMMODITY CERTIFICATES.

(a) IN GENERAL.—In making in-kind payments under subtitle C of this title, title I of the Farm Security and Rural Investment Act of 2002, [and title I of the Food, Conservation, and Energy Act of 2008] *title I of the Food, Conservation, and Energy Act of 2008, and Subtitle B of title I of the Agricultural Act of 2014*, the Commodity Credit Corporation may—

- (1) acquire and use commodities that have been pledged to the Commodity Credit Corporation as collateral for loans made by the Corporation;
- (2) use other commodities owned by the Commodity Credit Corporation; and
- (3) redeem negotiable marketing certificates for cash under terms and conditions established by the Secretary.

(b) METHODS OF PAYMENT.—The Commodity Credit Corporation may make in-kind payments—

- (1) by delivery of the commodity at a warehouse or other similar facility;
- (2) by the transfer of negotiable warehouse receipts;
- (3) by the issuance of negotiable certificates, which the Commodity Credit Corporation shall exchange for a commodity owned or controlled by the Corporation in accordance with regulations promulgated by the Corporation; or
- (4) by such other methods as the Commodity Credit Corporation determines appropriate to promote the efficient, equitable, and expeditious receipt of the in-kind payments so that a person receiving the payments receives the same total return as if the payments had been made in cash.

(c) ADMINISTRATION.—

- (1) FORM.—At the option of a producer, the Commodity Credit Corporation shall make negotiable certificates authorized under subsection (b)(3) available to the producer, in the form of program payments or by sale, in a manner that the Corpora-

tion determines will encourage the orderly marketing of commodities pledged as collateral for loans made to producers under subtitle C of this title, title I of the Farm Security and Rural Investment Act of 2002, [and title I of the Food, Conservation, and Energy Act of 2008] *title I of the Food, Conservation, and Energy Act of 2008, and Subtitle B of title I of the Agricultural Act of 2014.*

(2) TRANSFER.—A negotiable certificate issued in accordance with this subsection may be transferred to another person in accordance with regulations promulgated by the Secretary.

[(3) TERMINATION OF AUTHORITY.—The authority to carry out paragraph (1) terminates effective ending with the 2009 crop year.]

(3) APPLICATION OF AUTHORITY.—*The Secretary shall carry out paragraph (1) under the same terms and conditions as were in effect for the 2008 crop year for loans made to producers under subtitle B of title I of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 8701 et. seq.).*

* * * * *

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

3. *Agricultural Research Service.*—Language is included that allows the Agricultural Research Service to grant easements at the Beltsville, MD, agricultural research center and to grant easements at any facility for the construction of a research facility for use by the agency.

4. *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.

5. *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 notifica-

tion to the Appropriations Committees. This allows flexibility in case crop size is understated and/or other uncontrollable events occur.

6. *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.

7. *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.

8. *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.

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

10. *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.

11. *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 permitted as authorized by law.

12. *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.

13. *Rental Assistance Program.*—Language is included which provides that agreements entered into during the current fiscal year be funded for a one-year period. Language also is included to prohibit the renewal of contracts within the 12-month contract period.

14. *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.

15. *Supplemental Nutrition Assistance Program.*—Language is included to enter into contracts and employ staff to conduct studies, evaluations, or to conduct activities related to program integrity.

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

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

18. *Farm Credit Administration.*—The bill includes authority to exceed the limitation on assessments by 10 percent with notification to the Appropriations Committees.

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

Section 708: Language is included regarding certain Rural Utilities Service Programs.

Section 709: 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 710: Language is included regarding the prohibition of first-class travel by the employees of agencies funded in this Act.

Section 711: Language is included regarding the funds of the Commodity Credit Corporation.

Section 712: Language is included that limits the amount of spending for USDA advisory committees.

Section 713: Language is included regarding indirect costs for grants.

Section 714: Language regarding certain limitations of mandatory programs.

Section 715: Language regarding certain limitations of mandatory programs.

Section 716: Language is included that prohibits funds from being used to prepare a budget submission to Congress that assumes reductions from the previous year's budget due to user fee proposals unless the submission also identifies spending reductions which should occur if the user fees are not enacted.

Section 717: Language is included that requires certain reprogramming procedures of funds provided in Appropriations Acts.

Section 718: Language is included regarding fees for the business and industry guaranteed loan program.

Section 719: This provision prohibits the Department of Agriculture, the Food and Drug Administration, the CFTC or the FCA from transmitting or making available to any non-Department of

Agriculture, non-Department of Health and Human Services, non-CFTC, or non-FCA employee reports, questions or responses to questions that are a result of information requested for the appropriations hearing process.

Section 720: Language regarding prepackaged news stories.

Section 721: 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 60 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 722: Language is included regarding the mohair program.

Section 723: Language is included requiring spending plans for each agency funded by the Act.

Section 724: Language is included regarding the use funds for humanitarian food assistance programs.

Section 725: Language is included regarding the Single Family Housing Direct Loan Program.

Section 726: Language is included on certain USDA loan programs.

Section 727: Language is included regarding the Working Capital Fund.

Section 728: Language is included regarding the Commodity Exchange Act.

Section 729: Language is included regarding purchases made through child nutrition programs.

Section 730: Language is included regarding potable water supplies.

Section 731: Language is included regarding the Agriculture and Food Research Initiative.

Section 732: Language is included regarding school meal programs.

Section 733: Language is included regarding school meal programs.

Section 734: Language is included regarding the *Dietary Guidelines for Americans*.

Section 735: Language is included regarding interagency coordination of nutrition research.

Section 739: Language is included regarding marketing loan programs.

Section 741: Language is included regarding USDA housing loan programs.

Section 742: Language is included redirecting funds for disaster programs.

Section 743: Language is included regarding disclosure of information for pharmaceuticals.

Section 744: Language is included regarding menu labeling.

Section 745: Language is included regarding FDA regulations.

Section 746: Language is included regarding spent grains for animal feed.

Section 747: Language is included regarding FDA regulations.

Section 748: Language is included regarding conservation programs.

Section 749: Language regarding animal health.

Section 750: Language regarding APHIS regulation.
 Section 751: Language regarding FDA regulation.
 Section 752: Language regarding food safety.
 Section 753: Spending Reduction Account.

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:

Agency/Program	Last year of authorization	Authorization level	Appropriation in last year of authorization	Net appropriation in this bill
CFTC	2013	Such sums	205,000,000	45,000,000
Grain Inspection Service	2015	Such sums	20,000,000	20,000,000
Food and Nutrition Service:				
Farmers' Market Nutrition Program	2015	Such sums	16,548,000	16,548,000
State Administrative Expenses	2015	Such sums	263,686,000	269,652,000
Summer Food Service Program	2015	Such sums	495,521,000	535,633,000
WIC	2015	Such sums	6,623,000,000	6,484,000,000

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]

	Budget authority		Outlays	
	Committee allocation	Amount of bill	Committee allocation	Amount of bill
Comparison of amounts in the bill with Committee allocations to its subcommittees: Subcommittee On Agriculture, Rural Development, FDA, and Related Agencies.				
Mandatory	115,461	115,461	108,308	¹ 108,308
Discretionary	20,650	20,650	22,064	¹ 32,762

¹ Includes outlays from prior-year budget authority.

FIVE-YEAR OUTLAY PROJECTIONS

Pursuant to clause 3(c)(2) of rule XIII and section 308(a)(1)(B) of the Congressional Budget Act of 1974, the following table contains five-year projections associated with the budget authority provided in the accompanying bill as provided to the Committee by the Congressional Budget Office:

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount of bill	Committee allocation	Amount of bill
Projection of outlays associated with the recommendation:				
2016				¹ 115,521
2017				4,685

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount of bill	Committee allocation	Amount of bill
2018	957
2019	340
2020 and future years	95

¹ Excludes outlays from prior-year budget authority.

ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

Pursuant to clause 3(c)(2) of rule XIII and section 308(a)(1)(C) of the Congressional Budget Act of 1974, the Congressional Budget Office has provided the following estimates of new budget a the amounts of financial assistance to State and local governments is as follows:

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount of bill	Committee allocation	Amount of bill
Financial assistance to State and local governments for 2016 ..	NA	39,530	NA	¹ 32,445

¹ Excludes outlays from prior-year budget authority.

PROGRAM DUPLICATION

No provision of this bill establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from the GAO to Congress pursuant to section 21 of Public Law 111–139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

DIRECTED RULE MAKING

The bill does not direct any rule making.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	B111	B111 vs. Enacted	B111 vs. Request
TITLE I - AGRICULTURAL PROGRAMS					
Production, Processing, and Marketing					
Office of the Secretary					
Office of the Secretary.....	5,051	5,137	5,051	---	-86
Office of Tribal Relations.....	502	507	498	-4	-9
Military Veterans Agricultural Liaison (leg. proposal)	---	250	---	---	-250
Office of Homeland Security and Emergency Coordination.....	1,496	1,520	1,496	---	-24
Office of Advocacy and Outreach.....	1,209	1,228	1,209	---	-19
Office of the Assistant Secretary for Administration..	804	816	804	---	-12
Departmental Administration.....	25,124	25,688	22,786	-2,338	-2,802
Subtotal, Departmental Administration.....	25,928	26,504	23,590	-2,338	-2,914
Office of the Assistant Secretary for Congressional Relations.....	3,669	3,834	3,064	-805	-870
Office of Communications.....	7,750	8,228	4,471	-3,279	-3,757
Total, Office of the Secretary.....	45,805	47,308	39,379	-6,426	-7,929

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	Bill	Bill vs. Enacted	Bill vs. Request
Executive Operations:					
Office of the Chief Economist.....	17,377	17,465	16,777	-600	-688
National Appeals Division.....	13,317	13,566	12,841	-476	-725
Office of Budget and Program Analysis.....	9,382	9,500	9,081	-311	-419
Subtotal, Executive Operations.....	40,066	40,531	38,699	-1,387	-1,832
Office of the Chief Information Officer.....	45,045	53,071	44,031	-1,014	-9,040
Office of the Chief Financial Officer.....	6,028	9,154	6,028	---	-3,126
Office of the Assistant Secretary for Civil Rights.....	898	907	883	-5	-14
Office of Civil Rights.....	24,070	24,443	23,871	-199	-572
Agriculture buildings and facilities and rental payments.....	(55,866)	(125,469)	(54,730)	(-1,136)	(-70,739)
Building operations and maintenance.....	55,866	125,469	54,730	-1,136	-70,739
Hazardous materials management.....	3,800	3,630	3,600	---	-30
Office of Inspector General.....	95,026	98,902	95,643	+617	-3,259
Office of the General Counsel.....	44,383	48,075	43,313	-1,070	-4,762
Office of Ethics.....	3,654	4,565	3,440	-214	-1,125
Total, Departmental Administration.....	364,461	456,055	353,627	-10,834	-102,428
Office of the Under Secretary for Research, Education, and Economics.....	898	907	883	-5	-14
Economic Research Service.....	85,373	86,023	78,058	-7,315	-7,965
National Agricultural Statistics Service.....	172,408	180,346	161,206	-11,202	-19,140
Census of Agriculture.....	(47,842)	(45,747)	(44,525)	(-3,317)	(-1,222)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	Bill	Bill vs. Enacted	Bill vs. Request
Agricultural Research Service:					
Salaries and expenses.....	1,132,625	1,191,540	1,122,454	-10,171	-69,086
Buildings and facilities.....	45,000	205,901	45,000	---	-180,901
Total, Agricultural Research Service.....	1,177,625	1,397,441	1,167,454	-10,171	-229,987
National Institute of Food and Agriculture:					
National Institute of Food and Agriculture (leg. proposal).....	---	1,503,058	---	---	-1,503,058
Research and education activities.....	786,874	---	781,510	-5,364	+781,510
Native American Institutions Endowment Fund.....	(11,880)	(11,880)	(11,880)	---	---
Hispanic-Serving Agricultural Colleges and Universities Endowment Fund.....	---	(10,000)	---	---	(-10,000)
Extension activities.....	471,691	---	472,051	+360	+472,051
Integrated activities.....	30,900	---	30,900	---	+30,900
Total, National Institute of Food and Agriculture.....	1,289,465	1,503,058	1,284,461	-5,004	-218,597
Office of the Under Secretary for Marketing and Regulatory Programs.....	898	907	893	-5	-14
Animal and Plant Health Inspection Service:					
Salaries and expenses.....	871,315	855,803	870,945	-370	+15,142
Buildings and facilities.....	3,175	3,175	3,175	---	---
Total, Animal and Plant Health Inspection Service.....	874,490	858,978	874,120	-370	+15,142

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	Bill	Bill vs. Enacted	Bill vs. Request
Agricultural Marketing Service:					
Marketing Services.....	81,192	83,121	80,743	-449	-2,378
Standardization activities (user fees).....	(64,000)	(65,000)	(65,000)	(+1,000)	---
(Limitation on administrative expenses, from fees collected).....	(60,709)	(60,982)	(60,982)	(+273)	---
Funds for strengthening markets, income, and supply (Section 32):					
Permanent, Section 32.....	1,284,000	1,425,000	1,425,000	+141,000	---
Marketing agreements and orders (transfer from section 32).....	(20,186)	(20,489)	(20,186)	---	(-303)
Payments to States and Possessions.....	1,235	1,235	1,235	---	---
Total, Agricultural Marketing Service program.....	1,427,136	1,570,338	1,567,960	+140,824	-2,378
Grain Inspection, Packers and Stockyards Administration:					
Salaries and expenses.....	43,048	44,101	43,048	---	-1,053
(Limitation on inspection and weighing services).....	(50,000)	(55,000)	(55,000)	(+5,000)	---
Office of the Under Secretary for Food Safety.....	816	824	811	-5	-13
Food Safety and Inspection Service.....	1,016,474	1,011,557	1,011,557	-4,917	---
Lab accreditation fees.....	(1,000)	(1,000)	(1,000)	---	---
Total, Production, Processing, and Marketing.....	6,392,383	7,049,853	6,483,106	+80,723	-566,447

COMPARATIVE STATEMENT OF NEW BUDGET (OBIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	Bill	Bill vs. Enacted	Bill vs. Request
Farm Assistance Programs					
Office of the Under Secretary for Farm and Foreign Agricultural Services.....	898	907	893	-5	-14
Farm Service Agency:					
Salaries and expenses.....	1,200,180	1,185,251	1,183,025	-17,155	-2,226
(Transfer from Food for Peace (P.L. 480)).....	(2,528)	(2,528)	(2,528)	---	---
(Transfer from export loans).....	(354)	(354)	(354)	---	---
(Transfer from ACIF).....	(306,998)	(309,991)	(306,998)	---	(-2,993)
Subtotal, transfers from program accounts.....	(309,880)	(312,873)	(309,880)	---	(-2,993)
Total, Salaries and expenses.....	(1,510,060)	(1,498,124)	(1,492,905)	(-17,155)	(-5,219)
State mediation grants.....	3,404	3,404	3,404	---	---
Grassroots source water protection program.....	5,526	---	5,526	---	+5,526
Dairy indemnity program.....	500	500	500	---	---
Subtotal, Farm Service Agency.....	1,209,610	1,189,155	1,192,455	-17,155	+3,300

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

Account:	FY 2015 Enacted	FY 2016 Request	Bill	Bill vs. Enacted	Bill vs. Request
Agricultural Credit Insurance Fund (ACIF) Program					
Loan authorizations:					
Farm ownership loans:					
Direct.....	(1,500,000)	(1,500,000)	(1,500,000)	---	---
Guaranteed.....	(2,000,000)	(2,000,000)	(2,000,000)	---	---
Subtotal.....	(3,500,000)	(3,500,000)	(3,500,000)	---	---
Farm operating loans:					
Direct.....	(1,252,004)	(1,252,004)	(1,252,004)	---	---
Unsubsidized guaranteed.....	(1,393,443)	(1,393,443)	(1,393,443)	---	---
Subtotal.....	(2,645,447)	(2,645,447)	(2,645,447)	---	---
Emergency loans.....	(34,867)	(34,867)	(34,867)	---	---
Indian tribe land acquisition loans.....	(2,000)	(2,000)	(2,000)	---	---
Conservation loans:					
Guaranteed.....	(150,000)	(150,000)	(150,000)	---	---
Indian Highly Fractionated Land Loans.....	(10,000)	(10,000)	(10,000)	---	---
Bill weevil eradication loans.....	(60,000)	(60,000)	(60,000)	---	---
Total, Loan authorizations.....	(6,402,114)	(6,402,114)	(6,402,114)	---	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	Bill	Bill vs. Enacted	Bill vs. Request
Loan subsidies:					
Farm ownership loans:					
Farm operating loans:					
Direct.....	63,101	53,961	53,961	-9,140	---
Unsubsidized guaranteed.....	14,770	14,352	14,352	-418	---
Subtotal.....	77,871	68,313	68,313	-9,558	---
Emergency Loans.....	856	1,262	1,262	+406	---
Individual development account grants.....	---	2,500	---	---	-2,500
Total, Loan subsidies and grants.....	78,727	72,075	69,575	-9,152	-2,500
ACIF administrative expenses:					
Salaries and expense (transfer to FSA).....	306,998	309,991	306,998	---	-2,993
Administrative expenses.....	7,920	7,920	7,920	---	---
Total, ACIF expenses.....	314,918	317,911	314,918	---	-2,993
Total, Agricultural Credit Insurance Fund... (Loan authorization).....	393,645 (6,402,114)	389,986 (6,402,114)	384,483 (6,402,114)	-9,152	-5,493
Total, Farm Service Agency.....	1,803,255	1,579,141	1,576,948	-26,307	-2,193

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	Bill	Bill vs. Enacted	Bill vs. Request
Risk Management Agency:					
RIA Salaries and Expenses.....	74,829	76,946	73,984	-845	-2,962
Total, Farm Assistance Programs.....	1,678,982	1,656,994	1,651,825	-27,157	-5,169
Corporations					
Federal Crop Insurance Corporation:					
Federal crop insurance corporation fund.....	8,930,502	8,175,224	8,175,224	-755,278	---
Commodity Credit Corporation Fund:					
Reimbursement for net realized losses.....	13,444,728	10,519,933	10,519,933	-2,924,795	---
Hazardous waste management (limitation on expenses).....	(5,000)	(5,000)	(5,000)	---	---
Total, Corporations.....	22,375,230	18,695,157	18,695,157	-3,680,073	---
Total, Title I, Agricultural Programs.....	30,446,595	27,401,704	26,830,088	-3,618,507	-571,616
(By transfer).....	(330,066)	(333,362)	(330,066)	---	(-3,296)
(Loan authorization).....	(6,402,114)	(6,402,114)	(6,402,114)	---	---
(Limitation on administrative expenses).....	(115,709)	(120,982)	(120,982)	(+5,273)	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE II - CONSERVATION PROGRAMS					
Office of the Under Secretary for Natural Resources and Environment.....	898	907	893	-5	-14
Natural Resources Conservation Service: Private Lands Conservation Operations.....	846,428	831,231	832,928	-13,500	+1,697
Farm Security and Rural Investment program (transfer authority).....	---	(774,612)	---	---	(-774,612)
Total, Public Lands Conservation operations.....	846,428	1,605,843	832,928	-13,500	-772,915
Watershed Flood and Prevention Operations (Leg. proposal).....	12,000	200,000	---	---	-200,000
Watershed rehabilitation program.....	---	---	6,000	-6,000	+6,000
Total, Natural Resources Conservation Service...	858,428	1,031,231	838,928	-19,500	-192,303
Total, Title II, Conservation Programs.....	859,326	1,032,138	839,821	-19,505	-192,317

COMPARATIVE STATEMENT OF NEW BUDGET (OBIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE III - RURAL DEVELOPMENT					
Office of the Under Secretary for Rural Development...	898	907	893	-5	-14
Rural Development:					
Rural development expenses:					
Salaries and expenses.....	224,201	226,717	222,705	-1,496	-4,012
(Transfer from RHIF).....	(415,100)	(419,530)	(417,854)	(+2,754)	(-1,676)
(Transfer from RDLFP).....	(4,439)	(4,488)	(4,410)	(-28)	(-78)
(Transfer from Healthy Foods, HMI).....	---	---	---	---	---
(Transfer from RETLP).....	(34,478)	(34,864)	(34,247)	(-231)	(-617)
Subtotal, Transfers from program accounts.....	(454,017)	(458,882)	(456,511)	(+2,494)	(-2,371)
Total, Rural development expenses.....	(678,218)	(685,589)	(679,216)	(+998)	(-6,383)
Rural Housing Service:					
Rural Housing Insurance Fund Program Account:					
Loan authorizations:					
Single family direct (Sec. 502).....	(900,000)	(900,000)	(900,000)	---	---
Unsubsidized guaranteed.....	(24,000,000)	(24,000,000)	(24,000,000)	---	---
Subtotal, Single family.....	(24,900,000)	(24,900,000)	(24,900,000)	---	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	Bill	Bill vs. Enacted	Bill vs. Request
Housing repair (Sec. 504).....	(26,279)	(26,279)	(26,278)	(-1)	---
Rental housing (Sec. 515).....	(28,398)	(42,271)	(28,398)	---	(-13,873)
Multi-family housing guarantees (Sec. 538)	(150,000)	(200,000)	(150,000)	---	(-50,000)
Site development loans (Sec. 524).....	(5,000)	(5,000)	(5,000)	---	---
Single family housing credit sales.....	(10,000)	(10,000)	(10,000)	---	---
Self-help housing land develop. (Sec. 523)	(5,000)	---	(5,000)	---	(+5,000)
Farm Labor Housing (Sec.514).....	(23,602)	(23,855)	(23,855)	(+253)	---
Total, Loan authorizations.....	(25,148,279)	(25,207,404)	(25,148,531)	(+252)	(-58,873)
Loan subsidies:					
Single family direct (Sec. 602).....	66,420	60,750	60,750	-5,670	---
Housing repair (Sec. 504).....	3,687	3,424	3,424	-263	---
Rental housing (Sec. 515).....	9,800	12,525	8,414	-1,386	-4,111
Farm labor housing (Sec.514).....	7,600	6,789	6,789	-811	---
Total, Loan subsidies.....	87,507	83,488	79,377	-8,130	-4,111
Farm labor housing grants.....	8,336	8,336	8,336	---	---
RHIF administrative expenses (transfer to RD)	415,100	419,530	417,854	+2,754	-1,676
Total, Rural Housing Insurance Fund program (Loan authorization).....	510,843	511,354	505,567	-5,376	-5,787
	(25,148,279)	(25,207,404)	(25,148,531)	(+252)	(-58,873)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	B111	B111 vs. Enacted	B111 vs. Request
Rental assistance program:					
Rental assistance (Sec. 521).....	1,088,500	1,171,900	1,167,000	+78,500	-4,800
Multi-Family Housing Revitalization Program Account:					
Rural housing voucher program.....	7,000	15,000	7,000	---	-8,000
Multi-family housing revitalization program.....	17,000	19,000	17,000	---	-2,000
Total, Multi-family housing revitalization.....	24,000	34,000	24,000	---	-10,000
Mutual and self-help housing grants.....	27,500	10,000	27,500	---	+17,500
Rural housing assistance grants.....	32,239	25,000	34,239	---	+7,239
Rural community facilities program account:					
Loan authorizations:					
Community Facility:					
Direct.....	(2,200,000)	(2,200,000)	(2,200,000)	---	---
Guaranteed.....	(73,222)	---	(148,305)	(+75,083)	(+148,305)
Total, Loan authorizations.....	(2,273,222)	(2,200,000)	(2,348,305)	(+75,083)	(+148,305)

COMPARATIVE STATEMENT OF NEW BUDGET (OBIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	Bill	Bill vs. Enacted	Bill vs. Request
Loan subsidies and grants:					
Community facility:					
Guaranteed grants.....	3,500	---	3,500	---	+3,500
Rural community development initiative.....	13,000	50,000	13,000	---	-37,000
Economic impact initiative grants.....	4,000	4,000	4,000	---	---
Tribal college grants.....	5,778	8,000	5,778	---	+5,778
	4,000	---	4,000	---	-4,000
Total, RCFP loan subsidies and grants.....	30,278	62,000	30,278	---	-31,722
Subtotal, grants and payments.....					
	90,017	97,000	90,017	---	6,983
Total, Rural Housing Service.....	1,713,460	1,814,254	1,786,584	+73,124	-27,670
(Loan authorization).....	(27,421,501)	(27,407,404)	(27,486,836)	(+75,335)	(+89,432)
Rural Business--Cooperative Service:					
Rural Business Program Account:					
(Guaranteed business and industry loans).....	(919,765)	(758,222)	(919,765)	---	(+161,543)
Loan subsidies and grants.....	---	---	---	---	---
Guaranteed business and industry subsidy.....	47,000	31,444	35,686	-11,314	+4,242
Rural business development grants.....	24,000	30,000	24,000	---	-6,000
Demonstration Projects (rural child poverty) (leg. proposal).....	---	20,000	---	---	-20,000
Delta regional authority.....	3,000	---	---	-3,000	---
Total, RBP loan subsidies and grants.....	74,000	81,444	59,686	-14,314	-21,758

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	Bill	Bill vs. Enacted	Bill vs. Request
Intermediary Relending Program Fund Account:					
(Loan authorization).....	(18,889)	(10,014)	(18,889)	---	(+8,875)
Loan subsidy.....	5,818	2,766	5,217	-601	+2,451
Administrative expenses (transfer to RD).....	4,439	4,488	4,410	-29	-78
Total, IRP Fund.....	10,257	7,254	9,627	-630	+2,373
Rural Economic Development Loans Program Account:					
(Loan authorization).....	(33,077)	(85,000)	(33,077)	---	(-51,923)
Limit cushion of credit interest spending.....	(179,000)	(154,000)	(154,000)	(-25,000)	---
(Rescission).....	-179,000	-154,000	-154,000	+25,000	---
Rural Cooperative Development Grants:					
Cooperative development.....	5,800	6,000	5,800	---	-200
Appropriate Technology Transfer for Rural Areas.....	2,500	2,087	2,500	---	+413
Grants to assist minority producers.....	3,000	3,000	3,000	---	---
Value-added agricultural product market development.....	10,750	10,000	10,000	-750	---
Total, Rural Cooperative development grants.....	22,050	21,087	21,300	-750	+213
Rural Microenterprise Investment Program Account:					
(Loan authorization).....	---	(23,416)	---	---	(-23,416)
Loan subsidies and grants.....	---	4,653	---	---	-4,653
Total, Rural Microenterprise Investment.....	---	4,653	---	---	-4,653

COMPARATIVE STATEMENT OF NEW BUDGET (OBIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	Bill	Bill vs. Enacted	Bill vs. Request
Rural Energy for America Program					
(Loan authorization).....	(12,760)	(75,758)	(12,760)	---	(-62,998)
Loan subsidy and grants.....	1,350	5,000	842	-508	-4,158
Grants.....	---	5,000	---	---	-5,000
Total, Rural Energy for America Program.....	1,350	10,000	842	-508	-9,158
Rural Business Investment Program Account					
(Loan authorization).....	---	(41,195)	---	---	(-41,195)
Loan subsidy.....	---	4,000	---	---	-4,000
Grants.....	---	2,000	---	---	-2,000
Total, Rural Business Investment Program.....	---	6,000	---	---	-6,000
Healthy Foods Financing Initiative (leg. proposal):					
Grants.....	---	12,750	---	---	-12,750
Total, Healthy Foods, Healthy Neighborhoods					
.....	---	12,750	---	---	-12,750
Total, Rural Business-Cooperative Service.....	-71,343	-10,812	-62,545	+8,798	-81,733
(Loan authorization).....	(984,491)	(983,605)	(984,491)	---	(-9,114)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	Bill	Bill vs. Enacted	Bill vs. Request
Rural Utilities Service:					
Rural water and waste disposal program account:					
Loan authorizations:					
Direct.....	(1,200,000)	(1,200,000)	(1,200,000)	---	---
Guaranteed.....	(50,000)	---	(50,000)	---	(+50,000)
Total, Loan authorization.....	1,250,000	1,200,000	1,250,000	---	+50,000
Loan subsidies and grants:					
Direct subsidy.....	---	31,320	31,320	+31,320	---
Guaranteed subsidy.....	295	---	275	-20	+275
Water and waste revolving fund.....	1,000	---	1,000	---	+1,000
Water well system grants.....	993	---	993	---	+993
Colonias and AK/HI grants.....	66,500	54,240	54,240	-12,260	---
Water and waste technical assistance.....	19,000	13,560	19,000	---	+5,440
Circuit rider program.....	15,919	11,300	15,919	---	+4,619
Solid waste management grants.....	4,000	4,000	4,000	---	---
High energy cost grants.....	10,000	---	---	-10,000	---
Water and waste disposal grants.....	347,150	358,900	337,150	-10,000	-21,750
306A(1)(2) grants (leg. proposal).....	---	10,000	10,000	+10,000	---
Total, Loan subsidies and grants.....	464,857	483,320	473,897	+9,040	-9,423
Rural Electrification and Telecommunications Loans					
Program Account:					
Loan authorizations:					
Electric:					
Direct, FFB.....	(5,000,000)	(6,000,000)	(5,000,000)	---	(-1,000,000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	Bill	Bill vs. Enacted	Bill vs. Request
Guaranteed underwriting.....	(500,000)	---	(500,000)	---	(+500,000)
Subtotal, Electric.....	(5,500,000)	(6,000,000)	(5,500,000)	---	(-500,000)
Telecommunications:					
Direct, Treasury rate.....	(690,000)	(345,000)	(690,000)	---	(+345,000)
Direct, FFB.....	---	(345,000)	---	---	(-345,000)
Subtotal, Telecommunications.....	(690,000)	(690,000)	(690,000)	---	---
Total, Loan authorizations.....	(6,190,000)	(6,690,000)	(6,190,000)	---	(-500,000)
Loan Subsidy:					
Telecommunications Direct, Treasury Rate.....	---	104	207	+207	+103
Total, Loan subsidies.....	---	104	207	+207	+103
RETLP administrative expenses (transfer to RD)	34,478	34,864	34,247	-231	-617
Total, Rural Electrification and Telecommunications Loans Program Account (Loan authorization).....	34,478	34,968	34,454	-24	-514
	(6,190,000)	(6,690,000)	(6,190,000)	---	(-500,000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	B111	B111 vs. Enacted	B111 vs. Request
Distance learning, telemedicine, and broadband program:					
Loan authorizations:					
Broadband telecommunications.....	(24,077)	(44,239)	(24,077)	---	(-20,162)
Total, Loan authorizations.....	(24,077)	(44,239)	(24,077)	---	(-20,162)
Loan subsidies and grants:					
Distance learning and telemedicine:					
Grants.....	22,000	24,950	20,000	-2,000	-4,950
Broadband telecommunications:					
Direct.....	4,500	9,675	5,265	+785	-4,410
Grants.....	10,372	20,372	10,372	---	-10,000
Total, Loan subsidies and grants.....	36,872	54,997	35,637	-1,235	-19,360
Total, Rural Utilities Service.....	536,207	573,285	543,988	+7,781	-29,297
(Loan authorization).....	(7,464,077)	(7,934,239)	(7,464,077)	---	(-470,162)
Total, Title III, Rural Development Programs.....	2,403,423	2,604,351	2,491,625	+88,202	-112,726
(By transfer).....	(454,017)	(458,882)	(456,511)	(+2,484)	(-2,371)
(Loan authorization).....	(35,870,069)	(36,335,248)	(35,945,404)	(+75,335)	(-389,844)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2018
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE IV - DOMESTIC FOOD PROGRAMS					
Office of the Under Secretary for Food, Nutrition and Consumer Services.....	816	824	811	-5	-13
Food and Nutrition Service:					
Child nutrition programs	21,259,170	21,483,377	21,475,426	+216,256	-7,951
School breakfast program equipment grants.....	25,000	35,000	20,000	-5,000	-15,000
Demonstration projects (Summer EBT).....	16,000	66,900	12,000	-4,000	-54,900
Child Nutrition State Exchange Activities (leg. proposal).....	---	2,000	---	---	-2,000
Total, Child nutrition programs.....	21,300,170	21,587,277	21,507,426	+207,256	-79,851
Special supplemental nutrition program for women, infants, and children (WIC).....	6,623,000	6,623,000	6,484,000	-139,000	-139,000
Supplemental nutrition assistance program: (Food stamp program).....	76,836,572	78,662,069	78,652,209	-184,363	-9,860
Reserve.....	3,000,000	5,000,000	3,000,000	---	-2,000,000
FDPIR nutrition education services.....	998	998	998	---	---
National food consumption survey (leg. proposal).....	---	5,000	---	---	-5,000
State Transition Grants (leg. proposal).....	---	25,000	---	---	-25,000
FY 2017 (first quarter).....	---	20,907,000	---	---	-20,907,000
Total, Food stamp program.....	81,837,570	104,600,067	81,653,207	-184,363	-22,946,860
Fiscal year 2016.....	(81,837,570)	(83,693,067)	(81,653,207)	(-184,363)	(-2,039,860)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	Bill	Bill vs. Enacted	Bill vs. Request
Commodity assistance program:					
Commodity supplemental food program.....	211,482	221,288	221,298	+9,816	---
Farmer's market nutrition program.....	16,548	16,548	16,548	---	---
Emergency food assistance program.....	49,401	49,401	49,401	---	---
Pacific island and disaster assistance.....	1,070	1,070	1,070	---	---
Total, Commodity assistance program.....	278,501	288,317	288,317	+9,816	---
Nutrition programs administration.....					
Total, Food and Nutrition Service.....	150,824	155,564	141,348	-9,476	-14,216
Total, FY 2016.....	110,190,065	133,254,225	110,074,298	-115,767	-23,179,927
	(110,190,065)	(112,347,225)	(110,074,298)	(-115,767)	(-2,272,927)
Total, Title IV, Domestic Food Programs.....	110,190,881	133,255,049	110,075,109	-115,772	-23,179,940
Total, FY 2016.....	(110,190,065)	(112,347,225)	(110,074,298)	(-115,767)	(-2,272,927)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE V - FOREIGN ASSISTANCE AND RELATED PROGRAMS					
Foreign Agricultural Service					
Salaries and expenses.....	181,423	191,631	184,423	+3,000	-7,208
(Transfer from export loans).....	(6,394)	(6,394)	(6,394)	---	---
Total, Salaries and expenses.....	187,817	198,025	190,817	+3,000	-7,208
Food for Peace Title I Direct Credit and Food for Progress Program Account, Administrative Expenses					
Farm Service Agency, Salaries and expenses (transfer to FSA).....	2,528	2,528	2,528	---	---
Unobligated balances (rescission).....	-13,000	---	---	+13,000	---
Food for Peace Title II Grants:					
Expenses.....	1,466,000	1,400,000	1,417,000	-49,000	+17,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	Bill	Bill vs. Enacted	Bill vs. Request
Commodity Credit Corporation Export Loans					
Program Account (administrative expenses):					
Salaries and expenses (Export Loans):					
General Sales Manager (transfer to FAS).....	6,394	6,394	6,394	---	---
Farm Service Agency S&E (transfer to FSA).....	354	354	354	---	---
Total, CCC Export Loans Program Account.....	6,748	6,748	6,748	---	---
McGovern-Dole International Food for Education and Child Nutrition program grants.....					
Local and Regional Food Aid Procurement Program (leg. proposal).....	191,626	191,626	191,626	---	---
	---	20,000	---	---	-20,000
Total, Title V, Foreign Assistance and Related Programs.....	1,835,325	1,812,533	1,802,325	-33,000	-10,208
(By transfer).....	(6,394)	(6,394)	(6,394)	---	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	B111	B111 vs. Enacted	B111 vs. Request
TITLE VI - RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION					
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Food and Drug Administration					
Salaries and expenses, direct appropriation.....	2,588,536	2,734,715	2,618,534	+29,988	-116,181
Prescription drug user fees.....	(798,000)	(826,072)	(826,072)	(+28,072)	---
Medical device user fees.....	(128,282)	(134,475)	(134,475)	(+6,193)	---
Human generic drug user fees.....	(312,116)	(320,029)	(320,029)	(+7,913)	---
Biosimilar biological products user fees.....	(21,014)	(21,540)	(21,540)	(+526)	---
Animal drug user fees.....	(22,464)	(22,140)	(22,140)	(-324)	---
Animal generic drug user fees.....	(6,944)	(7,429)	(7,429)	(+485)	---
Tobacco product user fees.....	(566,000)	(599,000)	(599,000)	(+33,000)	---
Subtotal, user fees, enacted and definite.....	(1,854,820)	(1,930,685)	(1,930,685)	(+75,865)	---
Subtotal (including user fees).....	(4,443,356)	(4,665,400)	(4,549,219)	(+105,863)	(-116,181)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	B111	B111 vs. Enacted	B111 vs. Request
Mammography user fees.....	(19,705)	(20,109)	(20,109)	(+404)	---
Export and color certification user fees.....	(13,651)	(13,635)	(13,635)	(+184)	---
Food and Feed Recall user fees.....	(1,434)	(1,434)	(1,434)	---	---
Food Reinspection fees.....	(6,414)	(6,414)	(6,414)	---	---
Voluntary qualified importer program fees.....	(5,300)	(5,300)	(5,300)	---	---
Pharmacy compounding fees (CBO estimate).....	(1,000)	---	(1,000)	---	(+1,000)
Subtotal, FDA user fees.....	(1,902,324)	(1,977,777)	(1,978,777)	(+76,453)	(+1,000)
Subtotal, FDA (including user fees).....	(4,490,860)	(4,712,492)	(4,597,311)	(+106,451)	(-115,181)
FDA New User Fees (Leg. proposals):					
Export and color certification user fees cap increase (leg. proposal).....	---	(4,280)	---	---	(-4,280)
Food Inspection and Facility Registration user fees.....	---	(60,120)	---	---	(-60,120)
Food import user fees.....	---	(103,343)	---	---	(-103,343)
International courier user fees.....	---	(5,926)	---	---	(-5,926)
Cosmetic user fees.....	---	(19,856)	---	---	(-19,856)
Food contact substance notification user fees...	---	(5,098)	---	---	(-5,098)
Subtotal, FDA new user fees (Leg. Proposals):	---	(198,623)	---	---	(-198,623)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	Bill	Bill vs. Enacted	Bill vs. Request
Buildings and facilities.....	8,788	8,788	8,788	---	---
Total, FDA (w/user fees, including proposals).....	(4,499,648)	(4,919,903)	(4,606,099)	(+106,451)	(-313,804)
Total, FDA (w/enacted user fees only).....	(4,499,648)	(4,725,560)	(4,606,099)	(+106,451)	(-119,461)
Total, FDA (excluding user fees).....	2,597,324	2,743,503	2,627,322	+29,988	-116,181
=====					
INDEPENDENT AGENCIES					
Commodity Futures Trading Commission 1/.....	250,000	322,000	245,000	-5,000	-77,000
Farm Credit Administration (limitation on administrative expenses).....	(60,500)	(69,400)	(85,600)	(+5,100)	(-3,800)
=====					
Total, Title VI, Related Agencies and Food and Drug Administration.....	2,847,324	3,065,503	2,872,322	+24,998	-193,181
=====					

1/ FY2015 CFTC funds provided in the Financial Services and General Government Appropriations Act

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE VII - GENERAL PROVISIONS					
Limit Dam Rehab (Sec.714(1))	-69,000	---	-64,000	+5,000	-64,000
(rescission)	---	---	---	---	+69,000
Limit Environmental Quality Incentives Program (Sec.714(2))	-136,000	-69,000	-189,000	-53,000	-189,000
(rescission)	---	---	---	---	+300,000
Limit Environmental Quality Incentives Program FY15	---	-300,000	---	---	---
(rescission)	---	---	---	---	---
Limit Environmental Quality Incentives Program FY16	---	-73,000	---	---	---
(rescission)	---	---	---	---	---
Limit Conservation Stewardship Program (Sec.714(3))	-7,000	-3,000	-2,000	+5,000	+1,000
(rescission)	-2,000	---	-12,000	-10,000	-12,000
Limit Biomass Crop Assistance Program (Sec.714(4))	-16,000	---	-26,000	-10,000	-26,000
(rescission)	---	---	---	---	---
Limit Biorefinery Assistance (Sec.714(5))	---	---	-16,000	-16,000	-16,000
(rescission)	---	---	---	---	---
Limit REAP (Sec.714(6))	-122,000	-125,000	-125,000	-3,000	---
(rescission)	-121,000	-292,000	-218,000	-95,000	+76,000
Limit fruit and vegetable program (Sec.715)	---	---	-1,000	-1,000	-1,000
(rescission)	---	---	---	---	---
Section 32 (Sec.715) (rescission)	---	---	-13,000	-13,000	-13,000
(rescission)	---	---	5,000	+5,000	+5,000
FSA, CCE (Sec. 736) (rescission)	---	---	---	---	---
(rescission)	---	---	---	---	---
RD unobligated balances (Sec. 737) (rescission)	---	---	-20,000	-20,000	-20,000
(rescission)	---	---	2,000	+2,000	---
Marketing Certificate CHMP (Sec. 739)	---	---	---	---	---
(rescission)	---	---	---	---	---
Watershed Flood and Prevention Program (Sec. 740)	---	---	---	---	---
(rescission)	---	---	---	---	---
Emergency Watershed (Sec. 742)	---	---	---	---	---

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	Bill	Bill vs. Enacted	Bill vs. Request
Hardwood Trees (Reforestation Pilot Program).....	600	---	---	-600	---
Conservation Compliance CHMP (Sec. 748).....	---	---	1,000	+1,000	+1,000
Water Bank program	4,000	---	---	-4,000	---
Repowering Assistance (rescission)	-8,000	---	---	+8,000	---
AKS Building and Facilities (rescission)	-2,000	---	---	+2,000	---
Freight Reimbursement (rescission)	---	---	---	---	---
Emergency Watershed Protection (disaster relief category).....	78,581	---	---	-78,581	---
Geographic Disadvantaged Farmers	1,986	---	---	-1,986	---
Emergency Forestry Restoration Program (disaster relief category)	3,203	---	---	-3,203	---
Emergency Conservation Program (disaster relief category).....	9,216	---	---	-9,216	---
Emergency livestock assistance program (rescission) ..	-125,000	---	---	+125,000	---
Total, Title VII, General Provisions.....	-512,404	-882,000	-676,000	-163,596	+206,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE VIII - EBOLA RESPONSE AND PREPAREDNESS					
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Food and Drug Administration					
Salaries and expenses, direct appropriation (emergency)	25,000			-25,000	
Total, Title VIII, Ebola Response and Preparedness (emergency)	25,000			-25,000	
Grand total	148,095,470	168,289,278	144,235,280	-3,860,180	-24,053,988
Appropriations fiscal year 2015	(148,429,470)	(147,917,278)	(144,639,280)	(-3,790,180)	(-3,277,988)
Emergency appropriations	(25,000)			(-25,000)	
Disaster Relief	(91,000)			(-91,000)	
Rescissions	(-450,000)	(-535,000)	(-404,000)	(+46,000)	(+131,000)
Advance appropriations, FY 2016	(780,477)	(20,907,000)	(-404,000)	(+2,484)	(-20,907,000)
(By transfer)	(42,272,183)	(798,638)	(792,971)	(+75,355)	(-5,667)
(Loan authorization)	(176,209)	(42,737,362)	(42,347,518)	(+75,355)	(-389,844)
(Limitation on administrative expenses)		(190,382)	(186,582)	(+10,373)	(-3,800)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 2015
AND BUDGET REQUESTS AND AMOUNTS RECOMMENDED IN THE BILL FOR 2016
(Amounts in thousands)

	FY 2015 Enacted	FY 2016 Request	B111	B111 vs. Enacted	B111 vs. Request
RECAPITULATION					
Title I - Agricultural programs	30,446,595	27,401,704	26,830,088	-3,616,507	-571,616
Mandatory	(23,859,730)	(20,120,657)	(20,120,657)	(-3,539,073)	---
Discretionary	(6,786,865)	(7,281,047)	(6,709,431)	(-77,434)	(-571,616)
Title II - Conservation programs (discretionary)	859,326	1,032,138	839,821	-19,506	-192,317
Title III - Rural development (discretionary)	2,403,423	2,604,351	2,491,625	+89,202	-112,726
Title IV - Domestic food programs	110,190,881	133,255,049	110,075,108	-115,772	-23,179,940
Mandatory	(103,096,740)	(126,053,444)	(103,128,633)	(+31,893)	(-22,824,811)
Discretionary	(7,094,141)	(7,201,605)	(6,946,476)	(-147,665)	(-255,129)
Title V - Foreign assistance and related programs (discretionary)	1,835,325	1,812,533	1,802,325	-33,000	-10,208
Title VI - Related agencies and Food and Drug Administration (discretionary) 1/	2,847,324	3,065,503	2,872,322	+24,998	-193,181
Title VII - General provisions (discretionary)	-512,404	-882,000	-676,000	-163,596	+206,000
Title VIII - Ebola Response and Preparedness (emergency)	25,000	---	---	-25,000	---
Total	148,095,470	168,289,278	144,235,290	-3,860,180	-24,053,888

MINORITY VIEWS OF THE HON. NITA LOWEY AND THE
HON. SAM FARR

We cannot support this bill in its current form.

Before discussing our concerns, we reiterate our and our colleagues' concern about the woeful inadequacy of the Committee's overall budget allocation. Bill after bill has failed to meet critical public needs. The President has threatened to veto all of the bills we have so far marked up, and we are headed to an entirely foreseeable crisis this fall. We again call upon the House and Senate leadership to work with the President to develop a new budget agreement that raises discretionary spending caps for both defense and non-defense priorities.

With respect to this bill, while the allocation was not among the worst of the 12 subcommittees, it is still below 2015, more than \$1.1 billion below the request, and resulted in short-funding of a number of key programs.

Before we discuss funding issues, however, we must note our serious concerns about two highly objectionable riders in the bill.

First, we are deeply shocked at the inclusion of section 747. It would allow hundreds of unregulated tobacco products, including e-cigarettes, to stay on the market without a pre-market review by FDA. At present, there are over 7,000 e-cigarette flavors, including Kool-Aid, gummy bears and cotton candy, that are intended to appeal to young people. And that appeal has worked. According to CDC, while 1.5% of high school students used e-cigarettes in 2011, the rate skyrocketed to 13.4% in 2014. Almost 4% of *middle school students* used e-cigarettes in 2014.

The committee report makes numerous questionable statements about this language, such as characterizing this as a "technical change." Taking away FDA pre-market review of whole classes of products is not a technical change by any stretch of the imagination. It is, in reality, a backdoor amendment to the Family Smoking Prevention and Tobacco Control Act (TCA).

The report even suggests that pre-market review of these products would divert FDA "from its core mission to . . . ensure the safe use of these products." Any use of the word "safe" with respect to these products is totally inappropriate. The TCA does not charge FDA with finding tobacco products to be "safe" and in fact, if a manufacturer claims that that FDA has found its product to be "safe," the product is considered misbranded and subject to enforcement action by FDA.

Apparently alluding to e-cigarettes, the report refers to products that "have the potential to play an important role in harm reduction." The jury is out on whether e-cigarettes may be less harmful than regular cigarettes, Congress certainly does not have the expertise to make such an assessment, and several reports have raised serious questions about these products:

- A limited FDA laboratory examination of e-cigarettes “showed that the product contained detectable levels of known carcinogens and toxic chemicals to which users could potentially be exposed . . . and suggested that quality control processes used to manufacture these products are inconsistent or non-existent.”

- Last fall, a government report said that “the shape and construction of e-cigarettes can make them more likely than other products with lithium-ion batteries to behave like ‘*flaming rockets*’ when a battery fails.”

- The American Association of Poison Control Centers reported nearly 3800 cases in calendar year 2014 of harm from exposure to e-cigarettes or liquid nicotine, more than half of them to children under 6 years of age.

We would strongly oppose the bill on the basis of this rider alone.

Another rider, section 734, is also of deep concern. Congress should have no role deciding the level of scientific evidence required for the Dietary Guidelines for Americans (DGA). The rider requires that recommendations be based only on “Grade I: Strong” evidence and be limited only to issues of “diet and nutrition intake.”

These are requirements invented by the Committee. About 50 words into the text of the law that created the DGA is the requirement that each set of guidelines “be based on the preponderance of the scientific and medical knowledge which is current at the time the report is prepared.” Not “Grade I” evidence, but the preponderance of evidence.

If section 734 became law, the 2015 DGA would be a very slim document, indeed. Ironically, the 2010 recommendations would largely be frozen in time, and important changes in guidance related to cholesterol and sodium could not be issued.

Moreover, if the guidelines have to be limited only to “diet and nutrition intake,” no recommendations on exercise would be allowed.

Section 734 also requires more public comment, in addition to what has already been a generous allotment of time for comment. We see no purpose—besides delay—to extend the time for public comment. We are also troubled by the mysterious appearance of the exact same bill language in the Labor, HHS bill.

The funding levels in the bill create significant shortfalls from the request. Among them is the Commodity Futures Trading Commission, which is funded at \$245 million. This is \$77 million below the president’s request and \$5 million *below* the level House Republicans agreed to just months ago in the 2015 bill. As we have said time and time again, Republicans must drop the pretense that they will succeed in repealing the Dodd-Frank Wall Street Reform and Consumer Protection Act and provide the agency the resources it needs to fulfill its mandate.

The FDA funding level is also disappointing. In recent years, subcommittee members on both sides of the aisle have expressed concern about the inclusion of high levels of unauthorized user fees in FDA budgets, primarily for funding its responsibilities under the Food Safety Modernization Act (FSMA). In the 2016 budget, responding to this criticism, FDA shifted away from its over-reliance on unauthorized fees and requested more funding as a straight dis-

cretionary appropriation. Rather than meet the agency's needs, this subcommittee promptly slashed the request. While \$30 million over 2015, FDA funding of \$116 million below the request will slow implementation of the FSMA and other priorities at the agency.

We appreciate the increase over the budget request of \$17 million for Food for Peace (FFP), although it is \$49 million below 2015. However, we would note that last year we voted with a bi-partisan majority of Members for an amendment by Chairman Royce in support of food aid reform. We are thus deeply disappointed that the bill does not include the President's request to allow up to 25% of the Food for Peace appropriation to be used for cash-based assistance in emergency situations. That language would allow us to assist about 2 million more people around the world at no additional cost.

We also appreciate that the McGovern-Dole program is funded at the 2015 and request levels. But we are also disappointed that the bill does not include the President's request for language in the McGovern-Dole account authorizing the purchase of commodities from developing countries and that it does not provide funding for the newly authorized Local and Regional Food Aid Procurement program.

While we are appreciative of the \$12 million provided for the Summer EBT Demonstration program, it should be funded at the request, and this subcommittee which has the lead on food issues should finally fund the Healthy Foods Financing Initiative, as other subcommittees have.

We are appreciative of improvements made to the bill in the manager's amendment, including tightening requirements on the Agricultural Research Service in light of a deeply troubling story in *The New York Times* in January that raised concerns about animal handling at one of its facilities. We also appreciate the inclusion of Congresswoman Roybal-Allard's proposal to end the issuance by USDA of licenses to so-called "Class B random source dealers," who obtain dogs and cats from pounds, individuals or other sources to sell for research purposes. There has long been concern about potential abuses in animal procurement by these license holders, who are thankfully decreasing in number.

We regret the failure of the Committee to agree to Ranking Member Farr's amendment to include bill language reflecting current law that bans the inspection of horses for human meat, and we will seek its inclusion as the process moves forward.

As the legislative process continues, we will do our best to address the problems we have described here; however, we do not support the bill in its current form.

NITA M. LOWEY.
SAM FARR.