

105TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT  
1st Session } { 105-252

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MAKING APPROPRIATIONS FOR AGRICULTURE, RURAL DEVELOPMENT,  
FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES PRO-  
GRAMS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1998, AND FOR  
OTHER PURPOSES

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SEPTEMBER 17, 1997.—Ordered to be printed

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Mr. SKEEN, from the committee of conference,  
submitted the following

## CONFERENCE REPORT

[To accompany H.R. 2160]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2160) “making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1998, and for other purposes,” having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

*That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1998, and for other purposes, namely:*

## TITLE I

## AGRICULTURAL PROGRAMS

## PRODUCTION, PROCESSING, AND MARKETING

## OFFICE OF THE SECRETARY

## (INCLUDING TRANSFERS OF FUNDS)

*For necessary expenses of the Office of the Secretary of Agriculture, and not to exceed \$75,000 for employment under 5 U.S.C. 3109, \$2,836,000: Provided, That not to exceed \$11,000 of this amount, along with any unobligated balances of representation funds in the Foreign Agricultural Service, shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary: Provided further, That none of the funds appropriated or otherwise made available by this Act may be used to pay the salaries and expenses of personnel of the Department of Agriculture to carry out section 793(c)(1)(C) of Public Law 104-127: Provided further, That none of the funds made available by this Act may be used to enforce section 793(d) of Public Law 104-127.*

## EXECUTIVE OPERATIONS

## CHIEF ECONOMIST

*For necessary expenses of the Chief Economist, including economic analysis, risk assessment, cost-benefit analysis, and the functions of the World Agricultural Outlook Board, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1622g), and including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$5,000 is for employment under 5 U.S.C. 3109, \$5,048,000.*

## NATIONAL APPEALS DIVISION

*For necessary expenses of the National Appeals Division, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$25,000 is for employment under 5 U.S.C. 3109, \$11,718,000.*

## OFFICE OF BUDGET AND PROGRAM ANALYSIS

*For necessary expenses of the Office of Budget and Program Analysis, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$5,000 is for employment under 5 U.S.C. 3109, \$5,986,000.*

## OFFICE OF THE CHIEF INFORMATION OFFICER

*For necessary expenses of the Office of the Chief Information Officer, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$10,000 is for employment under 5 U.S.C. 3109, \$4,773,000.*

*OFFICE OF THE CHIEF FINANCIAL OFFICER*

*For necessary expenses of the Office of the Chief Financial Officer, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$10,000 is for employment under 5 U.S.C. 3109, \$4,283,000: Provided, That the Chief Financial Officer shall actively market cross-servicing activities of the National Finance Center.*

*OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION*

*For necessary salaries and expenses of the Office of the Assistant Secretary for Administration to carry out the programs funded in this Act, \$613,000.*

*AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS*

*(INCLUDING TRANSFERS OF FUNDS)*

*For payment of space rental and related costs pursuant to Public Law 92-313, including authorities pursuant to the 1984 delegation of authority from the Administrator of General Services to the Department of Agriculture under 40 U.S.C. 486, for programs and activities of the Department which are included in this Act, and for the operation, maintenance, and repair of Agriculture buildings, \$123,385,000: Provided, That in the event an agency within the Department should require modification of space needs, the Secretary of Agriculture may transfer a share of that agency's appropriation made available by this Act to this appropriation, or may transfer a share of this appropriation to that agency's appropriation, but such transfers shall not exceed 5 percent of the funds made available for space rental and related costs to or from this account. In addition, for construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities as necessary to carry out the programs of the Department, where not otherwise provided, \$5,000,000, to remain available until expended; and in addition, for necessary relocation expenses of the Department's agencies, \$2,700,000, to remain available until expended; making a total appropriation of \$131,085,000.*

*HAZARDOUS WASTE MANAGEMENT*

*(INCLUDING TRANSFERS OF FUNDS)*

*For necessary expenses of the Department of Agriculture, to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. 9607(g), and section 6001 of the Resource Conservation and Recovery Act, 42 U.S.C. 6961, \$15,700,000, to remain available until expended: Provided, That appropriations and funds available herein to the Department for Hazardous Waste Management may be transferred to any agency of the Department for its use in meeting all requirements pursuant to the above Acts on Federal and non-Federal lands.*

*DEPARTMENTAL ADMINISTRATION  
(INCLUDING TRANSFERS OF FUNDS)*

*For Departmental Administration, \$27,231,000, to provide for necessary expenses for management support services to offices of the Department and for general administration and disaster management of the Department, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$10,000 is for employment under 5 U.S.C. 3109: Provided, That this appropriation shall be reimbursed from applicable appropriations in this Act for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551-558.*

*OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL  
RELATIONS*

*(INCLUDING TRANSFERS OF FUNDS)*

*For necessary salaries and expenses of the Office of the Assistant Secretary for Congressional Relations to carry out the programs funded in this Act, including programs involving intergovernmental affairs and liaison within the executive branch, \$3,668,000: Provided, That no other funds appropriated to the Department by this Act shall be available to the Department for support of activities of congressional relations: Provided further, That not less than \$2,241,000 shall be transferred to agencies funded in this Act to maintain personnel at the agency level.*

*OFFICE OF COMMUNICATIONS*

*For necessary expenses to carry on services relating to the coordination of programs involving public affairs, for the dissemination of agricultural information, and the coordination of information, work, and programs authorized by Congress in the Department, \$8,138,000, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed \$10,000 shall be available for employment under 5 U.S.C. 3109, and not to exceed \$2,000,000 may be used for farmers' bulletins.*

*OFFICE OF THE INSPECTOR GENERAL*

*(INCLUDING TRANSFERS OF FUNDS)*

*For necessary expenses of the Office of the Inspector General, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and the Inspector General Act of 1978, \$63,128,000, including such sums as may be necessary for contracting and other arrangements with public agencies and private persons pursuant to section 6(a)(9) of the Inspector General Act of 1978, including a sum not to exceed \$50,000 for employment under 5 U.S.C. 3109; and including a sum not to exceed \$95,000 for certain confidential operational expenses including the*

*payment of informants, to be expended under the direction of the Inspector General pursuant to Public Law 95-452 and section 1337 of Public Law 97-98: Provided, That funds transferred to the Office of the Inspector General through forfeiture proceedings or from the Department of Justice Assets Forfeiture Fund or the Department of the Treasury Forfeiture Fund, as a participating agency, as an equitable share from the forfeiture of property in investigations in which the Office of the Inspector General participates, or through the granting of a Petition for Remission or Mitigation, shall be deposited to the credit of this account for law enforcement activities authorized under the Inspector General Act of 1978, to remain available until expended.*

*OFFICE OF THE GENERAL COUNSEL*

*For necessary expenses of the Office of the General Counsel, \$28,524,000.*

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

*For necessary salaries and expenses of the Office of the Under Secretary for Research, Education and Economics to administer the laws enacted by the Congress for the Economic Research Service, the National Agricultural Statistics Service, the Agricultural Research Service, and the Cooperative State Research, Education, and Extension Service, \$540,000.*

*ECONOMIC RESEARCH SERVICE*

*For necessary expenses of the Economic Research Service in conducting economic research and analysis, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, \$71,604,000: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225).*

*NATIONAL AGRICULTURAL STATISTICS SERVICE*

*For necessary expenses of the National Agricultural Statistics Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, marketing surveys, and the Census of Agriculture, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, \$118,048,000, of which up to \$36,327,000 shall be available until expended for the Census of Agriculture: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$40,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That, notwithstanding any other provision of law, the Secretary of Agriculture shall conduct the 1997 Census of Agriculture, to the extent practicable, pursuant to the provisions of title 13, United States Code.*

## AGRICULTURAL RESEARCH SERVICE

*For necessary expenses to enable the Agricultural Research Service to perform agricultural research and demonstration relating to production, utilization, marketing, and distribution (not otherwise provided for); home economics or nutrition and consumer use including the acquisition, preservation, and dissemination of agricultural information; and for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed \$100, \$744,605,000: Provided, That appropriations hereunder shall be available for temporary employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$115,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: Provided further, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building shall not exceed \$250,000, except for headhouses or greenhouses which shall each be limited to \$1,000,000, and except for ten buildings to be constructed or improved at a cost not to exceed \$500,000 each, and the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building or \$250,000, whichever is greater: Provided further, That the limitations on alterations contained in this Act shall not apply to modernization or replacement of existing facilities at Beltsville, Maryland: Provided further, That the foregoing limitations shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): Provided further, That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing or operating any research facility or research project of the Agricultural Research Service, as authorized by law: Provided further, That the item under the heading "AGRICULTURAL RESEARCH SERVICE" in title I of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1996 (Public Law 104-37; 109 Stat. 304), is amended by striking the penultimate proviso, relating to conveyance of the Pecan Genetics and Improvement Research Laboratory.*

*None of the funds in the foregoing paragraph shall be available to carry out research related to the production, processing or marketing of tobacco or tobacco products.*

## BUILDINGS AND FACILITIES

*For acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities as necessary to carry out the agricultural research programs of the Department of Agriculture, where not otherwise provided, \$80,630,000, to remain available until expended (7 U.S.C. 2209b): Provided, That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing any research facility of the Agricultural Research Service, as authorized by law.*

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION  
SERVICE

RESEARCH AND EDUCATION ACTIVITIES

*For payments to agricultural experiment stations, for cooperative forestry and other research, for facilities, and for other expenses, including \$168,734,000 to carry into effect the provisions of the Hatch Act (7 U.S.C. 361a-i); \$20,497,000 for grants for cooperative forestry research (16 U.S.C. 582a-a7); \$27,735,000 for payments to the 1890 land-grant colleges, including Tuskegee University (7 U.S.C. 3222); \$51,495,000 for special grants for agricultural research (7 U.S.C. 450i(c)); \$15,048,000 for special grants for agricultural research on improved pest control (7 U.S.C. 450i(c)); \$97,200,000 for competitive research grants (7 U.S.C. 450i(b)); \$4,775,000 for the support of animal health and disease programs (7 U.S.C. 3195); \$650,000 for supplemental and alternative crops and products (7 U.S.C. 3319d); \$550,000 for grants for research pursuant to the Critical Agricultural Materials Act of 1984 (7 U.S.C. 178) and section 1472 of the Food and Agriculture Act of 1977 (7 U.S.C. 3318), to remain available until expended; \$3,000,000 for higher education graduate fellowships grants (7 U.S.C. 3152(b)(6)), to remain available until expended (7 U.S.C. 2209b); \$4,350,000 for higher education challenge grants (7 U.S.C. 3152(b)(1)); \$1,000,000 for a higher education minority scholars program (7 U.S.C. 3152(b)(5)), to remain available until expended (7 U.S.C. 2209b); \$2,500,000 for an education grants program for Hispanic-serving Institutions (7 U.S.C. 3241); \$4,000,000 for aquaculture grants (7 U.S.C. 3322); \$8,000,000 for sustainable agriculture research and education (7 U.S.C. 5811); \$9,200,000 for a program of capacity building grants (7 U.S.C. 3152(b)(4)) to colleges eligible to receive funds under the Act of August 30, 1890 (7 U.S.C. 321-326 and 328), including Tuskegee University, to remain available until expended (7 U.S.C. 2209b); \$1,450,000 for payments to the 1994 Institutions pursuant to section 534(a)(1) of Public Law 103-382; and \$11,226,000 for necessary expenses of Research and Education Activities, of which not to exceed \$100,000 shall be for employment under 5 U.S.C. 3109; in all, \$431,410,000.*

*None of the funds in the foregoing paragraph shall be available to carry out research related to the production, processing or marketing of tobacco or tobacco products.*

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

*For establishment of a Native American institutions endowment fund, as authorized by Public Law 103-382 (7 U.S.C. 301 note), \$4,600,000.*

EXTENSION ACTIVITIES

*Payments to States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, Micronesia, Northern Marianas, and American Samoa: For payments for cooperative extension work under the Smith-Lever Act, to be distributed under sections 3(b) and 3(c) of said Act, and under section 208(c) of Public Law 93-471, for retirement and employees' compensation costs for extension agents*

*and for costs of penalty mail for cooperative extension agents and State extension directors, \$268,493,000; payments for extension work at the 1994 Institutions under the Smith-Lever Act (7 U.S.C. 343(b)(3)), \$2,000,000; payments for the nutrition and family education program for low-income areas under section 3(d) of the Act, \$58,695,000; payments for the pest management program under section 3(d) of the Act, \$10,783,000; payments for the farm safety program under section 3(d) of the Act, \$2,855,000; payments for the pesticide impact assessment program under section 3(d) of the Act, \$3,214,000; payments to upgrade 1890 land-grant college research, extension, and teaching facilities as authorized by section 1447 of Public Law 95-113 (7 U.S.C. 3222b), \$7,549,000, to remain available until expended; payments for the rural development centers under section 3(d) of the Act, \$908,000; payments for a groundwater quality program under section 3(d) of the Act, \$9,061,000; payments for the agricultural telecommunications program, as authorized by Public Law 101-624 (7 U.S.C. 5926), \$900,000; payments for youth-at-risk programs under section 3(d) of the Act, \$9,554,000; payments for a food safety program under section 3(d) of the Act, \$2,365,000; payments for carrying out the provisions of the Renewable Resources Extension Act of 1978, \$3,192,000; payments for Indian reservation agents under section 3(d) of the Act, \$1,672,000; payments for sustainable agriculture programs under section 3(d) of the Act, \$3,309,000; payments for rural health and safety education as authorized by section 2390 of Public Law 101-624 (7 U.S.C. 2661 note, 2662), \$2,628,000; payments for cooperative extension work by the colleges receiving the benefits of the second Morrill Act (7 U.S.C. 321-326 and 328) and Tuskegee University, \$25,090,000; and for Federal administration and coordination including administration of the Smith-Lever Act, and the Act of September 29, 1977 (7 U.S.C. 341-349), and section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301 note), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, \$11,108,000; in all, \$423,376,000: Provided, That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, and section 506 of the Act of June 23, 1972, shall not be paid to any State, the District of Columbia, Puerto Rico, Guam, or the Virgin Islands, Micronesia, Northern Marianas, and American Samoa prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.*

**OFFICE OF THE ASSISTANT SECRETARY FOR MARKETING AND  
REGULATORY PROGRAMS**

*For necessary salaries and expenses of the Office of the Assistant Secretary for Marketing and Regulatory Programs to administer programs under the laws enacted by the Congress for the Animal and Plant Health Inspection Service, the Agricultural Marketing Service, and the Grain Inspection, Packers and Stockyards Administration, \$618,000.*



## ANIMAL AND PLANT HEALTH INSPECTION SERVICE

## SALARIES AND EXPENSES

## (INCLUDING TRANSFERS OF FUNDS)

*For expenses, not otherwise provided for, including those pursuant to the Act of February 28, 1947 (21 U.S.C. 114b-c), necessary to prevent, control, and eradicate pests and plant and animal diseases; to carry out inspection, quarantine, and regulatory activities; to discharge the authorities of the Secretary of Agriculture under the Act of March 2, 1931 (46 Stat. 1468; 7 U.S.C. 426-426b); and to protect the environment, as authorized by law, \$426,282,000, of which \$4,500,000 shall be available for the control of outbreaks of insects, plant diseases, animal diseases and for control of pest animals and birds to the extent necessary to meet emergency conditions: Provided, That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by the States of at least 40 percent: Provided further, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$40,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That this appropriation shall be available for the operation and maintenance of aircraft and the purchase of not to exceed four, of which two shall be for replacement only: Provided further, That, in addition, in emergencies which threaten any segment of the agricultural production industry of this country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as he may deem necessary, to be available only in such emergencies for the arrest and eradication of contagious or infectious disease or pests of animals, poultry, or plants, and for expenses in accordance with the Act of February 28, 1947, and section 102 of the Act of September 21, 1944, and any unexpended balances of funds transferred for such emergency purposes in the next preceding fiscal year shall be merged with such transferred amounts: Provided further, That appropriations hereunder shall be available pursuant to law (7 U.S.C. 2250) for the repair and alteration of leased buildings and improvements, but unless otherwise provided the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.*

*In fiscal year 1998 the agency is authorized to collect fees to cover the total costs of providing technical assistance, goods, or services requested by States, other political subdivisions, domestic and international organizations, foreign governments, or individuals, provided that such fees are structured such that any entity's liability for such fees is reasonably based on the technical assistance, goods, or services provided to the entity by the agency, and such fees shall be credited to this account, to remain available until expended, without further appropriation, for providing such assistance, goods, or services.*

*Of the total amount available under this heading in fiscal year 1998, \$88,000,000 shall be derived from user fees deposited in the Agricultural Quarantine Inspection User Fee Account.*

BUILDINGS AND FACILITIES

*For plans, construction, repair, preventive maintenance, environmental support, improvement, extension, alteration, and purchase of fixed equipment or facilities, as authorized by 7 U.S.C. 2250, and acquisition of land as authorized by 7 U.S.C. 428a, \$4,200,000, to remain available until expended.*

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

*For necessary expenses to carry on services related to consumer protection, agricultural marketing and distribution, transportation, and regulatory programs, as authorized by law, and for administration and coordination of payments to States; including field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$90,000 for employment under 5 U.S.C. 3109, \$46,592,000, including funds for the wholesale market development program for the design and development of wholesale and farmer market facilities for the major metropolitan areas of the country: Provided, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.*

*Fees may be collected for the cost of standardization activities, as established by regulation pursuant to law (31 U.S.C. 9701).*

LIMITATION ON ADMINISTRATIVE EXPENSES

*Not to exceed \$59,521,000 (from fees collected) shall be obligated during the current fiscal year for administrative expenses: Provided, That if crop size is understated and/or other uncontrollable events occur, the agency may exceed this limitation by up to 10 percent with notification to the Appropriations Committees.*

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

(INCLUDING TRANSFERS OF FUNDS)

*Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for: (1) transfers to the Department of Commerce as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; and (3) not more than \$10,690,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937, and the Agricultural Act of 1961.*

PAYMENTS TO STATES AND POSSESSIONS

*For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), \$1,200,000.*

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION  
SALARIES AND EXPENSES

*For necessary expenses to carry out the provisions of the United States Grain Standards Act, for the administration of the Packers and Stockyards Act, for certifying procedures used to protect purchasers of farm products, and the standardization activities related to grain under the Agricultural Marketing Act of 1946, including field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$25,000 for employment under 5 U.S.C. 3109, \$23,928,000: Provided, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.*

INSPECTION AND WEIGHING SERVICES

LIMITATION ON INSPECTION AND WEIGHING SERVICE EXPENSES

*Not to exceed \$43,092,000 (from fees collected) shall be obligated during the current fiscal year for inspection and weighing services: Provided, That if grain export activities require additional supervision and oversight, or other uncontrollable factors occur, this limitation may be exceeded by up to 10 percent with notification to the Appropriations Committees.*

OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

*For necessary salaries and expenses of the Office of the Under Secretary for Food Safety to administer the laws enacted by the Congress for the Food Safety and Inspection Service, \$446,000.*

FOOD SAFETY AND INSPECTION SERVICE

*For necessary expenses to carry on services authorized by the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act, \$589,263,000, of which \$5,000,000 shall be available for obligation only after promulgation of a final rule to implement the provisions of subsection (e) of section 5 of the Egg Products Inspection Act (21 U.S.C. 1034(e)), and in addition, \$1,000,000 may be credited to this account from fees collected for the cost of laboratory accreditation as authorized by section 1017 of Public Law 102-237: Provided, That this appropriation shall not be available for shell egg surveillance under section 5(d) of the Egg Products Inspection Act (21 U.S.C. 1034(d)): Provided further, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.*

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN  
AGRICULTURAL SERVICES

*For necessary salaries and expenses of the Office of the Under Secretary for Farm and Foreign Agricultural Services to administer the laws enacted by Congress for the Farm Service Agency, the Foreign Agricultural Service, the Risk Management Agency, and the Commodity Credit Corporation, \$572,000.*

FARM SERVICE AGENCY

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

*For necessary expenses for carrying out the administration and implementation of programs administered by the Farm Service Agency, \$700,659,000: Provided, That the Secretary is authorized to use the services, facilities, and authorities (but not the funds) of the Commodity Credit Corporation to make program payments for all programs administered by the Agency: Provided further, That other funds made available to the Agency for authorized activities may be advanced to and merged with this account: Provided further, That these funds shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$1,000,000 shall be available for employment under 5 U.S.C. 3109.*

STATE MEDIATION GRANTS

*For grants pursuant to section 502(b) of the Agricultural Credit Act of 1987 (7 U.S.C. 5101-5106), \$2,000,000.*

DAIRY INDEMNITY PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

*For necessary expenses involved in making indemnity payments to dairy farmers for milk or cows producing such milk and manufacturers of dairy products who have been directed to remove their milk or dairy products from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government, and in making indemnity payments for milk, or cows producing such milk, at a fair market value to any dairy farmer who is directed to remove his milk from commercial markets because of (1) the presence of products of nuclear radiation or fallout if such contamination is not due to the fault of the farmer, or (2) residues of chemicals or toxic substances not included under the first sentence of the Act of August 13, 1968 (7 U.S.C. 450j), if such chemicals or toxic substances were not used in a manner contrary to applicable regulations or labeling instructions provided at the time of use and the contamination is not due to the fault of the farmer, \$550,000, to remain available until expended (7 U.S.C. 2209b): Provided, That none of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of his willful failure to follow procedures prescribed by the Federal Government: Provided further, That this amount shall be transferred to the Com-*

*modity Credit Corporation: Provided further, That the Secretary is authorized to utilize the services, facilities, and authorities of the Commodity Credit Corporation for the purpose of making dairy indemnity disbursements.*

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

*For gross obligations for the principal amount of direct and guaranteed loans as authorized by 7 U.S.C. 1928–1929, to be available from funds in the Agricultural Credit Insurance Fund, as follows: farm ownership loans, \$460,000,000 of which \$400,000,000 shall be for guaranteed loans; operating loans, \$2,395,000,000 of which \$1,700,000,000 shall be for unsubsidized guaranteed loans and \$200,000,000 shall be for subsidized guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, \$1,000,000; for emergency insured loans, \$25,000,000 to meet the needs resulting from natural disasters; for boll weevil eradication program loans as authorized by 7 U.S.C. 1989, \$34,653,000; and for credit sales of acquired property, \$25,000,000.*

*For the cost of direct and guaranteed loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, as follows: farm ownership loans, \$21,380,000 of which \$15,440,000 shall be for guaranteed loans; operating loans, \$71,394,000 of which \$19,890,000 shall be for unsubsidized guaranteed loans and \$19,280,000 shall be for subsidized guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, \$132,000; for emergency insured loans, \$6,008,000 to meet the needs resulting from natural disasters; for boll weevil eradication program loans as authorized by 7 U.S.C. 1989, \$250,000; and for credit sales of acquired property, \$3,255,000.*

*In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, \$219,861,000 of which \$209,861,000 shall be transferred to and merged with the “Farm Service Agency, Salaries and Expenses” account.*

RISK MANAGEMENT AGENCY

*For administrative and operating expenses, as authorized by the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 6933), \$64,000,000: Provided, That not to exceed \$700 shall be available for official reception and representation expenses, as authorized by 7 U.S.C. 1506(i). In addition, notwithstanding the provisions of section 516(a)(1)(B) of the Federal Crop Insurance Act (7 U.S.C. 1516(a)(1)(B)), for discretionary expenses, \$188,571,000 for the payment of administrative and operating expenses of approved insurance providers.*

CORPORATIONS

*The following corporations and agencies are hereby authorized to make expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Govern-*

*ment Corporation Control Act as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided.*

FEDERAL CROP INSURANCE CORPORATION FUND

*For payments as authorized by section 516 of the Federal Crop Insurance Act, such sums as may be necessary, to remain available until expended (7 U.S.C. 2209b).*

COMMODITY CREDIT CORPORATION FUND

REIMBURSEMENT FOR NET REALIZED LOSSES

*For fiscal year 1998, such sums as may be necessary to reimburse the Commodity Credit Corporation for net realized losses sustained, but not previously reimbursed (estimated to be \$783,507,000 in the President's fiscal year 1998 Budget Request (H. Doc. 105-3)), but not to exceed \$783,507,000, pursuant to section 2 of the Act of August 17, 1961 (15 U.S.C. 713a-11).*

OPERATIONS AND MAINTENANCE FOR HAZARDOUS WASTE  
MANAGEMENT

*For fiscal year 1998, the Commodity Credit Corporation shall not expend more than \$5,000,000 for expenses to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. 9607(g), and section 6001 of the Resource Conservation and Recovery Act, 42 U.S.C. 6961: Provided, That expenses shall be for operations and maintenance costs only and that other hazardous waste management costs shall be paid for by the USDA Hazardous Waste Management appropriation in this Act.*

TITLE II

CONSERVATION PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND  
ENVIRONMENT

*For necessary salaries and expenses of the Office of the Under Secretary for Natural Resources and Environment to administer the laws enacted by the Congress for the Forest Service and the Natural Resources Conservation Service, \$693,000.*

NATURAL RESOURCES CONSERVATION SERVICE

CONSERVATION OPERATIONS

*For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f) including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; acquisition of lands, water, and interests therein for*

*use in the plant materials program by donation, exchange, or purchase at a nominal cost not to exceed \$100 pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); purchase and erection or alteration or improvement of permanent and temporary buildings; and operation and maintenance of aircraft, \$633,231,000, to remain available until expended (7 U.S.C. 2209b), of which not less than \$5,835,000 is for snow survey and water forecasting and not less than \$8,825,000 is for operation and establishment of the plant materials centers: Provided, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for construction and improvement of buildings and public improvements at plant materials centers, except that the cost of alterations and improvements to other buildings and other public improvements shall not exceed \$250,000: Provided further, That when buildings or other structures are erected on non-Federal land, that the right to use such land is obtained as provided in 7 U.S.C. 2250a: Provided further, That this appropriation shall be available for technical assistance and related expenses to carry out programs authorized by section 202(c) of title II of the Colorado River Basin Salinity Control Act of 1974 (43 U.S.C. 1592(c)): Provided further, That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 (16 U.S.C. 590a-f) in demonstration projects: Provided further, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225) and not to exceed \$25,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the Service (16 U.S.C. 590e-2): Provided further, That the Secretary is authorized to transfer ownership of land, buildings and related improvements of the plant materials facilities located at Bow, Washington, to the Skagit Conservation District.*

#### WATERSHED SURVEYS AND PLANNING

*For necessary expenses to conduct research, investigation, and surveys of watersheds of rivers and other waterways, and for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954 (16 U.S.C. 1001-1009), \$11,190,000: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$110,000 shall be available for employment under 5 U.S.C. 3109.*

#### WATERSHED AND FLOOD PREVENTION OPERATIONS

*For necessary expenses to carry out preventive measures, including but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, rehabilitation of existing works and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954 (16 U.S.C. 1001-1005, 1007-1009), the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), and in accordance with the provisions of laws relating to the activities of the Department, \$101,036,000, to remain available until expended (7 U.S.C. 2209b) (of which up to*

*\$15,000,000 may be available for the watersheds authorized under the Flood Control Act approved June 22, 1936 (33 U.S.C. 701, 16 U.S.C. 1006a): Provided, That not to exceed \$50,000,000 of this appropriation shall be available for technical assistance: Provided further, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$200,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That not to exceed \$1,000,000 of this appropriation is available to carry out the purposes of the Endangered Species Act of 1973 (Public Law 93-205), including cooperative efforts as contemplated by that Act to relocate endangered or threatened species to other suitable habitats as may be necessary to expedite project construction.*

*RESOURCE CONSERVATION AND DEVELOPMENT*

*For necessary expenses in planning and carrying out projects for resource conservation and development and for sound land use pursuant to the provisions of section 32(e) of title III of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1010-1011; 76 Stat. 607), the Act of April 27, 1935 (16 U.S.C. 590a-f), and the Agriculture and Food Act of 1981 (16 U.S.C. 3451-3461), \$34,377,000, to remain available until expended (7 U.S.C. 2209b): Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$50,000 shall be available for employment under 5 U.S.C. 3109.*

*FORESTRY INCENTIVES PROGRAM*

*For necessary expenses, not otherwise provided for, to carry out the program of forestry incentives, as authorized in the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101), including technical assistance and related expenses, \$6,325,000, to remain available until expended, as authorized by that Act.*

*OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS*

*For grants and contracts pursuant to section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279), \$3,000,000, to remain available until expended.*

*TITLE III RURAL ECONOMIC AND COMMUNITY  
DEVELOPMENT PROGRAMS*

*OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT*

*For necessary salaries and expenses of the Office of the Under Secretary for Rural Development to administer programs under the laws enacted by the Congress for the Rural Housing Service, the Rural Business-Cooperative Service, and the Rural Utilities Service of the Department of Agriculture, \$588,000.*



RURAL COMMUNITY ADVANCEMENT PROGRAM  
(INCLUDING TRANSFERS OF FUNDS)

*For the cost of direct loans, loan guarantees, and grants, as authorized by 7 U.S.C. 1926, 1926a, 1926c, and 1932, except for sections 381 E–H, 381N, and 381O of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009f), \$652,197,000, to remain available until expended, of which \$27,062,000 shall be for rural community programs described in section 381E(d)(1) of the Consolidated Farm and Rural Development Act; of which \$577,242,000 shall be for the rural utilities programs described in section 381E(d)(2) of such Act; and of which \$47,893,000 shall be for the rural business and cooperative development programs described in section 381E(d)(3) of such Act: Provided, That section 381E(d)(3)(B) of such Act is amended by inserting after the phrase, “business and industry”, the words, “direct and”: Provided further, That of the amount appropriated for the rural business and cooperative development programs, not to exceed \$500,000 shall be made available for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development: Provided further, That of the amount appropriated for rural utilities programs, not to exceed \$20,000,000 shall be for water and waste disposal systems to benefit the Colonias along the United States/Mexico border, including grants pursuant to section 306C of such Act; not to exceed \$15,000,000 shall be for water and waste disposal systems for rural and native villages in Alaska pursuant to section 306D of such Act; not to exceed \$15,000,000 shall be for technical assistance grants for rural waste systems pursuant to section 306(a)(14) of such Act; and not to exceed \$5,200,000 shall be for contracting with qualified national organizations for a circuit rider program to provide technical assistance for rural water systems: Provided further, That of the total amounts appropriated, not to exceed \$20,048,000 shall be available through June 30, 1998, for empowerment zones and enterprise communities, as authorized by Public Law 103–66, of which \$1,200,000 shall be for rural community programs described in section 381E(d)(1) of such Act; of which \$18,700,000 shall be for the rural utilities programs described in section 381E(d)(2) of such Act; of which \$148,000 shall be for the rural business and cooperative development programs described in section 381E(d)(3) of such Act: Provided further, That any obligated and unobligated balances available for prior years for the “Rural Water and Waste Disposal Grants,” “Rural Water and Waste Disposal Loans Program Account,” “Emergency Community Water Assistance Grants,” “Solid Waste Management Grants,” the community facility grant program in the “Rural Housing Assistance Program” Account, “Community Facility Loans Program Account,” “Rural Business Enterprise Grants,” “Rural Business and Industry Loans Program Account,” and “Local Technical Assistance and Planning Grants” shall be transferred to and merged with this account.*

*RURAL HOUSING SERVICE*

*RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT*

*(INCLUDING TRANSFERS OF FUNDS)*

*For gross obligations for the principal amount of direct and guaranteed loans as authorized by title V of the Housing Act of 1949, to be available from funds in the rural housing insurance fund, as follows: \$4,000,000,000 for loans to section 502 borrowers, as determined by the Secretary, of which \$3,000,000,000 shall be for unsubsidized guaranteed loans; \$30,000,000 for section 504 housing repair loans; \$19,700,000 for section 538 guaranteed multi-family housing loans; \$15,000,000 for section 514 farm labor housing; \$128,640,000 for section 515 rental housing; \$600,000 for section 524 site loans; \$25,000,000 for credit sales of acquired property; and \$587,000 for section 523 self-help housing land development loans.*

*For the cost of direct and guaranteed loans, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974, as follows: section 502 loans, \$135,000,000, of which \$6,900,000 shall be for unsubsidized guaranteed loans; section 504 housing repair loans, \$10,300,000; section 538 multi-family housing guaranteed loans, \$1,200,000; section 514 farm labor housing, \$7,388,000; section 515 rental housing, \$68,745,000; credit sales of acquired property, \$3,492,000; and section 523 self-help housing land development loans, \$17,000.*

*In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, \$354,785,000, which shall be transferred to and merged with the appropriation for "Rural Housing Service, Salaries and Expenses".*

*RENTAL ASSISTANCE PROGRAM*

*For rental assistance agreements entered into or renewed pursuant to the authority under section 521(a)(2) or agreements entered into in lieu of debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Housing Act of 1949, \$541,397,000; and in addition such sums as may be necessary, as authorized by section 521(c) of the Act, to liquidate debt incurred prior to fiscal year 1992 to carry out the rental assistance program under section 521(a)(2) of the Act: Provided, That of this amount not more than \$5,900,000 shall be available for debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Act, and not to exceed \$10,000 per project for advances to nonprofit organizations or public agencies to cover direct costs (other than purchase price) incurred in purchasing projects pursuant to section 502(c)(5)(C) of the Act: Provided further, That agreements entered into or renewed during fiscal year 1998 shall be funded for a five-year period, although the life of any such agreement may be extended to fully utilize amounts obligated.*

*MUTUAL AND SELF-HELP HOUSING GRANTS*

*For grants and contracts pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. 1490c), \$26,000,000, to remain available until expended (7 U.S.C. 2209b).*

## RURAL COMMUNITY FIRE PROTECTION GRANTS

*For grants pursuant to section 7 of the Cooperative Forestry Assistance Act of 1978 (Public Law 95-313), \$2,000,000 to fund up to 50 percent of the cost of organizing, training, and equipping rural volunteer fire departments.*

## RURAL HOUSING ASSISTANCE GRANTS

## (INCLUDING TRANSFER OF FUNDS)

*For grants and contracts for housing for domestic farm labor, very low-income housing repair, supervisory and technical assistance, compensation for construction defects, and rural housing preservation made by the Rural Housing Service as authorized by 42 U.S.C. 1474, 1479(c), 1486, 1490c, 1490e, and 1490m, \$45,720,000, to remain available until expended: Provided, That any obligated and unobligated balances available from prior years in "Rural Housing for Domestic Farm Labor," "Supervisory and Technical Assistance Grants," "Very Low-Income Housing Repair Grants," "Compensation for Construction Defects," and "Rural Housing Preservation Grants" shall be transferred to and merged with this account: Provided further, That of the total amount appropriated, \$1,200,000 shall be for empowerment zones and enterprise communities, as authorized by Public Law 103-66: Provided further, That if such funds are not obligated for empowerment zones and enterprise communities by June 30, 1998, they shall remain available for other authorized purposes under this head.*

## SALARIES AND EXPENSES

*For necessary expenses of the Rural Housing Service, including administering the programs authorized by the Consolidated Farm and Rural Development Act, title V of the Housing Act of 1949, and cooperative agreements, \$58,804,000: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$520,000 may be used for employment under 5 U.S.C. 3109.*

## RURAL BUSINESS-COOPERATIVE SERVICE

## RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

## (INCLUDING TRANSFERS OF FUNDS)

*For the cost of direct loans, \$16,888,000, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812(a)): Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans of \$35,000,000: Provided further, That through June 30, 1998, of the total amount appropriated, \$3,345,000 shall be available for the cost of direct loans for empowerment zones and enterprise communities, as authorized by title XIII of the Omnibus Budget Reconciliation Act of 1993, to subsidize gross obligations for the principal amount of direct loans, \$7,246,000.*

*In addition, for administrative expenses to carry out the direct loan programs, \$3,482,000 shall be transferred to and merged with the appropriation for "Rural Business-Cooperative Service, Salaries and Expenses".*

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

*For the principal amount of direct loans, as authorized under section 313 of the Rural Electrification Act, for the purpose of promoting rural economic development and job creation projects, \$25,000,000.*

*For the cost of direct loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, \$5,978,000.*

*Of the funds derived from interest on the cushion of credit payments in fiscal year 1998, as authorized by section 313 of the Rural Electrification Act of 1936, \$5,978,000 shall not be obligated and \$5,978,000 are rescinded.*

ALTERNATIVE AGRICULTURAL RESEARCH AND COMMERCIALIZATION  
REVOLVING FUND

*For necessary expenses to carry out the Alternative Agricultural Research and Commercialization Act of 1990 (7 U.S.C. 5901-5908), \$7,000,000 are appropriated to the alternative agricultural research and commercialization corporation revolving fund.*

RURAL COOPERATIVE DEVELOPMENT GRANTS

*For rural cooperative development grants authorized under section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932), \$3,000,000, of which up to \$1,300,000 may be available for cooperative agreements for the appropriate technology transfer for rural areas program.*

SALARIES AND EXPENSES

*For necessary expenses of the Rural Business-Cooperative Service, including administering the programs authorized by the Consolidated Farm and Rural Development Act; section 1323 of the Food Security Act of 1985; the Cooperative Marketing Act of 1926; for activities relating to the marketing aspects of cooperatives, including economic research findings, as authorized by the Agricultural Marketing Act of 1946; for activities with institutions concerning the development and operation of agricultural cooperatives; and for cooperative agreements; \$25,680,000: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$260,000 may be used for employment under 5 U.S.C. 3109.*

*RURAL UTILITIES SERVICE*

*RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS  
PROGRAM ACCOUNT*

*(INCLUDING TRANSFERS OF FUNDS)*

*Insured loans pursuant to the authority of section 305 of the Rural Electrification Act of 1936 (7 U.S.C. 935), shall be made as follows: 5 percent rural electrification loans, \$125,000,000; 5 percent rural telecommunications loans, \$75,000,000; cost of money rural telecommunications loans, \$300,000,000; municipal rate rural electric loans, \$500,000,000; and loans made pursuant to section 306 of that Act, rural electric, \$300,000,000 and rural telecommunications, \$120,000,000, to remain available until expended.*

*For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct and guaranteed loans authorized by the Rural Electrification Act of 1936 (7 U.S.C. 935 and 936), as follows: cost of direct loans, \$12,265,000; cost of municipal rate loans, \$21,100,000; cost of money rural telecommunications loans, \$60,000; cost of loans guaranteed pursuant to section 306, \$2,760,000: Provided, That notwithstanding section 305(d)(2) of the Rural Electrification Act of 1936, borrower interest rates may exceed 7 percent per year.*

*In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, \$29,982,000, which shall be transferred to and merged with the appropriation for "Rural Utilities Service, Salaries and Expenses".*

*RURAL TELEPHONE BANK PROGRAM ACCOUNT*

*(INCLUDING TRANSFERS OF FUNDS)*

*The Rural Telephone Bank is hereby authorized to make such expenditures, within the limits of funds available to such corporation in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out its authorized programs for the current fiscal year. During fiscal year 1998 and within the resources and authority available, gross obligations for the principal amount of direct loans shall be \$175,000,000.*

*For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct loans authorized by the Rural Electrification Act of 1936 (7 U.S.C. 935), \$3,710,000.*

*In addition, for administrative expenses necessary to carry out the loan programs, \$3,000,000, which shall be transferred to and merged with the appropriation for "Rural Utilities Service, Salaries and Expenses".*

*DISTANCE LEARNING AND MEDICAL LINK PROGRAM*

*For the cost of direct loans and grants, as authorized by 7 U.S.C. 950aaa et seq., \$12,530,000, to remain available until expended, to be available for loans and grants for telemedicine and distance learning services in rural areas: Provided, That the costs*

*of direct loans shall be as defined in section 502 of the Congressional Budget Act of 1974.*

*SALARIES AND EXPENSES*

*For necessary expenses of the Rural Utilities Service, including administering the programs authorized by the Rural Electrification Act of 1936, and the Consolidated Farm and Rural Development Act, and for cooperative agreements, \$33,000,000: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$105,000 may be used for employment under 5 U.S.C. 3109.*

*TITLE IV*

*DOMESTIC FOOD PROGRAMS*

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

*For necessary salaries and expenses of the Office of the Under Secretary for Food, Nutrition and Consumer Services to administer the laws enacted by the Congress for the Food and Consumer Service, \$554,000.*

*CHILD NUTRITION PROGRAMS*

*(INCLUDING TRANSFERS OF FUNDS)*

*For necessary expenses to carry out the National School Lunch Act (42 U.S.C. 1751 et seq.), except section 21, and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), except sections 17 and 21; \$7,767,816,000, to remain available through September 30, 1999, of which \$2,616,425,000 is hereby appropriated and \$5,151,391,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): Provided, That none of the funds made available under this heading shall be used for studies and evaluations: Provided further, That up to \$4,124,000 shall be available for independent verification of school food service claims.*

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

*For necessary expenses to carry out the special supplemental nutrition program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), \$3,924,000,000, to remain available through September 30, 1999: Provided, That none of the funds made available under this heading shall be used for studies and evaluations: Provided further, That up to \$12,000,000 may be used to carry out the farmers' market nutrition program from any funds not needed to maintain current caseload levels: Provided further, That notwithstanding sections 17 (g), (h), and (i) of such Act, the Secretary shall adjust fiscal year 1998 State allocations to reflect food funds available to the State from fiscal year 1997 under sections 17(i)(3)(A)(ii) and 17(i)(3)(D): Provided further, That the Secretary shall allocate funds recovered from fiscal year 1997 first to*

*States to maintain stability funding levels, as defined by regulations promulgated under section 17(g), and then to give first priority for the allocation of any remaining funds to States whose funding is less than their fair share of funds, as defined by regulations promulgated under section 17(g): Provided further, That none of the funds in this Act shall be available to pay administrative expenses of WIC clinics except those that have an announced policy of prohibiting smoking within the space used to carry out the program: Provided further, That none of the funds provided in this account shall be available for the purchase of infant formula except in accordance with the cost containment and competitive bidding requirements specified in section 17 of the Child Nutrition Act of 1966: Provided further, That State agencies required to procure infant formula using a competitive bidding system may use funds appropriated by this Act to purchase infant formula under a cost containment contract entered into after September 30, 1996, only if the contract was awarded to the bidder offering the lowest net price, as defined by section 17(b)(20) of the Child Nutrition Act of 1966, unless the State agency demonstrates to the satisfaction of the Secretary that the weighted average retail price for different brands of infant formula in the State does not vary by more than five percent.*

#### FOOD STAMP PROGRAM

*For necessary expenses to carry out the Food Stamp Act (7 U.S.C. 2011 et seq.), \$25,140,479,000, of which \$100,000,000 shall be placed in reserve for use only in such amounts and at such times as may become necessary to carry out program operations: Provided, That funds provided herein shall be expended in accordance with section 16 of the Food Stamp Act: Provided further, That this appropriation shall be subject to any work registration or workfare requirements as may be required by law.*

#### COMMODITY ASSISTANCE PROGRAM

*For necessary expenses to carry out the commodity supplemental food program as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note) and for administrative expenses pursuant to section 204 of the Emergency Food Assistance Act of 1983, \$141,000,000, to remain available through September 30, 1999: Provided, That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program.*

#### FOOD DONATIONS PROGRAMS FOR SELECTED GROUPS

*For necessary expenses to carry out section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note), and section 311 of the Older Americans Act of 1965 (42 U.S.C. 3030a), \$141,165,000, to remain available through September 30, 1999.*

#### FOOD PROGRAM ADMINISTRATION

*For necessary administrative expenses of the domestic food programs funded under this Act, \$107,619,000, of which \$5,000,000 shall be available only for simplifying procedures, reducing over-*

*head costs, tightening regulations, improving food stamp coupon handling, and assistance in the prevention, identification, and prosecution of fraud and other violations of law: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$150,000 shall be available for employment under 5 U.S.C. 3109.*

## TITLE V

### FOREIGN ASSISTANCE AND RELATED PROGRAMS

#### FOREIGN AGRICULTURAL SERVICE AND GENERAL SALES MANAGER

##### (INCLUDING TRANSFERS OF FUNDS)

*For necessary expenses of the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761–1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$128,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), \$135,561,000, of which \$3,231,000 may be transferred from the Export Loan Program account in this Act, and \$1,035,000 may be transferred from the Public Law 480 program account in this Act: Provided, That the Service may utilize advances of funds, or reimburse this appropriation for expenditures made on behalf of Federal agencies, public and private organizations and institutions under agreements executed pursuant to the agricultural food production assistance programs (7 U.S.C. 1736) and the foreign assistance programs of the International Development Cooperation Administration (22 U.S.C. 2392).*

*None of the funds in the foregoing paragraph shall be available to promote the sale or export of tobacco or tobacco products.*

#### PUBLIC LAW 480 PROGRAM AND GRANT ACCOUNTS

##### (INCLUDING TRANSFERS OF FUNDS)

*For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691, 1701–1715, 1721–1726, 1727–1727f, and 1731–1736g), as follows: (1) \$226,900,000 for Public Law 480 title I credit, including Food for Progress programs; (2) \$17,608,000 is hereby appropriated for ocean freight differential costs for the shipment of agricultural commodities pursuant to title I of said Act and the Food for Progress Act of 1985; (3) \$837,000,000 is hereby appropriated for commodities supplied in connection with dispositions abroad pursuant to title II of said Act; and (4) \$30,000,000 is hereby appropriated for commodities supplied in connection with dispositions abroad pursuant to title III of said Act: Provided, That not to exceed 15 percent of the funds made available to carry out any title of said Act may be used to carry out any other title of said Act: Provided further, That such sums shall remain available until expended (7 U.S.C. 2209b).*



*For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of direct credit agreements as authorized by the Agricultural Trade Development and Assistance Act of 1954, and the Food for Progress Act of 1985, including the cost of modifying credit agreements under said Act, \$176,596,000.*

*In addition, for administrative expenses to carry out the Public Law 480 title I credit program, and the Food for Progress Act of 1985, to the extent funds appropriated for Public Law 480 are utilized, \$1,850,000.*

COMMODITY CREDIT CORPORATION EXPORT LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

*For administrative expenses to carry out the Commodity Credit Corporation's export guarantee program, GSM 102 and GSM 103, \$3,820,000; to cover common overhead expenses as permitted by section 11 of the Commodity Credit Corporation Charter Act and in conformity with the Federal Credit Reform Act of 1990, of which not to exceed \$3,231,000 may be transferred to and merged with the appropriation for the salaries and expenses of the Foreign Agricultural Service, and of which not to exceed \$589,000 may be transferred to and merged with the appropriation for the salaries and expenses of the Farm Service Agency.*

EXPORT CREDIT

*The Commodity Credit Corporation shall make available not less than \$5,500,000,000 in credit guarantees under its export credit guarantee program extended to finance the export sales of United States agricultural commodities and the products thereof, as authorized by section 202(a) and (b) of the Agricultural Trade Act of 1978 (7 U.S.C. 5641).*

EMERGING MARKETS EXPORT CREDIT

*The Commodity Credit Corporation shall make available not less than \$200,000,000 in credit guarantees under its export guarantee program for credit expended to finance the export sales of United States agricultural commodities and the products thereof to emerging markets, as authorized by section 1542 of Public Law 101-624 (7 U.S.C. 5622 note).*

TITLE VI

RELATED AGENCIES AND FOOD AND DRUG  
ADMINISTRATION

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

*For necessary expenses of the Food and Drug Administration, including hire and purchase of passenger motor vehicles; for rental of special purpose space in the District of Columbia or elsewhere; and for miscellaneous and emergency expenses of enforcement ac-*

*activities, authorized and approved by the Secretary and to be accounted for solely on the Secretary's certificate, not to exceed \$25,000; \$948,705,000, of which not to exceed \$91,204,000 in fees pursuant to section 736 of the Federal Food, Drug, and Cosmetic Act may be credited to this appropriation and remain available until expended: Provided, That fees derived from applications received during fiscal year 1998 shall be subject to the fiscal year 1998 limitation: Provided further, That none of these funds shall be used to develop, establish, or operate any program of user fees authorized by 31 U.S.C. 9701.*

*In addition, fees pursuant to section 354 of the Public Health Service Act may be credited to this account, to remain available until expended.*

*In addition, fees pursuant to section 801 of the Federal Food, Drug, and Cosmetic Act may be credited to this account, to remain available until expended.*

#### BUILDINGS AND FACILITIES

*For plans, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of or used by the Food and Drug Administration, where not otherwise provided, \$21,350,000, to remain available until expended (7 U.S.C. 2209b).*

#### RENTAL PAYMENTS (FDA)

##### (INCLUDING TRANSFERS OF FUNDS)

*For payment of space rental and related costs pursuant to Public Law 92-313 for programs and activities of the Food and Drug Administration which are included in this Act, \$46,294,000: Provided, That in the event the Food and Drug Administration should require modification of space needs, a share of the salaries and expenses appropriation may be transferred to this appropriation, or a share of this appropriation may be transferred to the salaries and expenses appropriation, but such transfers shall not exceed 5 percent of the funds made available for rental payments (FDA) to or from this account.*

#### DEPARTMENT OF THE TREASURY

##### FINANCIAL MANAGEMENT SERVICE

##### PAYMENTS TO THE FARM CREDIT SYSTEM FINANCIAL ASSISTANCE CORPORATION

*For necessary payments to the Farm Credit System Financial Assistance Corporation by the Secretary of the Treasury, as authorized by section 6.28(c) of the Farm Credit Act of 1971, for reimbursement of interest expenses incurred by the Financial Assistance Corporation on obligations issued through 1994, as authorized, \$7,728,000.*

## INDEPENDENT AGENCIES

### COMMODITY FUTURES TRADING COMMISSION

*For necessary expenses to carry out the provisions of the Commodity Exchange Act (7 U.S.C. 1 et seq.), including the purchase and hire of passenger motor vehicles; the rental of space (to include multiple year leases) in the District of Columbia and elsewhere; and not to exceed \$25,000 for employment under 5 U.S.C. 3109; \$58,101,000, including not to exceed \$1,000 for official reception and representation expenses: Provided, That the Commission is authorized to charge reasonable fees to attendees of Commission sponsored educational events and symposia to cover the Commission's costs of providing those events and symposia, and notwithstanding 31 U.S.C. 3302, said fees shall be credited to this account, to be available without further appropriation.*

### FARM CREDIT ADMINISTRATION

#### LIMITATION ON ADMINISTRATIVE EXPENSES

*Not to exceed \$34,423,000 (from assessments collected from farm credit institutions and from the Federal Agricultural Mortgage Corporation) shall be obligated during the current fiscal year for administrative expenses as authorized under 12 U.S.C. 2249: Provided, That this limitation shall not apply to expenses associated with receiverships.*

## TITLE VII—GENERAL PROVISIONS

*SEC. 701. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture for the fiscal year 1998 under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed 394 passenger motor vehicles, of which 391 shall be for replacement only, and for the hire of such vehicles.*

*SEC. 702. Funds in this Act available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902).*

*SEC. 703. Not less than \$1,500,000 of the appropriations of the Department of Agriculture in this Act for research and service work authorized by the Acts of August 14, 1946, and July 28, 1954 (7 U.S.C. 427, 1621-1629), and by chapter 63 of title 31, United States Code, shall be available for contracting in accordance with said Acts and chapter.*

*SEC. 704. The cumulative total of transfers to the Working Capital Fund for the purpose of accumulating growth capital for data services and National Finance Center operations shall not exceed \$2,000,000: Provided, That no funds in this Act appropriated to an agency of the Department shall be transferred to the Working Capital Fund without the approval of the agency administrator.*

*SEC. 705. New obligational authority provided for the following appropriation items in this Act shall remain available until expended (7 U.S.C. 2209b): Animal and Plant Health Inspection Service, the contingency fund to meet emergency conditions, fruit fly program, and integrated systems acquisition project; Farm Service*

Agency, salaries and expenses funds made available to county committees; and Foreign Agricultural Service, middle-income country training program.

New obligatory authority for the boll weevil program; up to 10 percent of the screwworm program of the Animal and Plant Health Inspection Service; Food Safety and Inspection Service, field automation and information management project; funds appropriated for rental payments; funds for the Native American Institutions Endowment Fund in the Cooperative State Research, Education, and Extension Service; and funds for the competitive research grants (7 U.S.C. 450i(b)), shall remain available until expended.

SEC. 706. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 707. Not to exceed \$50,000 of the appropriations available to the Department of Agriculture in this Act shall be available to provide appropriate orientation and language training pursuant to Public Law 94-449.

SEC. 708. No funds appropriated by this Act may be used to pay negotiated indirect cost rates on cooperative agreements or similar arrangements between the United States Department of Agriculture and nonprofit institutions in excess of 10 percent of the total direct cost of the agreement when the purpose of such cooperative arrangements is to carry out programs of mutual interest between the two parties. This does not preclude appropriate payment of indirect costs on grants and contracts with such institutions when such indirect costs are computed on a similar basis for all agencies for which appropriations are provided in this Act.

SEC. 709. Notwithstanding any other provision of this Act, commodities acquired by the Department in connection with Commodity Credit Corporation and section 32 price support operations may be used, as authorized by law (15 U.S.C. 714c and 7 U.S.C. 612c), to provide commodities to individuals in cases of hardship as determined by the Secretary of Agriculture.

SEC. 710. None of the funds in this Act shall be available to reimburse the General Services Administration for payment of space rental and related costs in excess of the amounts specified in this Act; nor shall this or any other provision of law require a reduction in the level of rental space or services below that of fiscal year 1997 or prohibit an expansion of rental space or services with the use of funds otherwise appropriated in this Act. Further, no agency of the Department of Agriculture, from funds otherwise available, shall reimburse the General Services Administration for payment of space rental and related costs provided to such agency at a percentage rate which is greater than is available in the case of funds appropriated in this Act.

SEC. 711. None of the funds in this Act shall be available to restrict the authority of the Commodity Credit Corporation to lease space for its own use or to lease space on behalf of other agencies of the Department of Agriculture when such space will be jointly occupied.

SEC. 712. With the exception of grants awarded under the Small Business Innovation Development Act of 1982, Public Law

97-219 (15 U.S.C. 638), none of the funds in this Act shall be available to pay indirect costs on research grants awarded competitively by the Cooperative State Research, Education, and Extension Service that exceed 14 percent of total Federal funds provided under each award.

SEC. 713. Notwithstanding any other provisions of this Act, all loan levels provided of this Act shall be considered estimates, not limitations.

SEC. 714. Appropriations to the Department of Agriculture for the cost of direct and guaranteed loans made available in fiscal year 1998 shall remain available until expended to cover obligations made in fiscal year 1998 for the following accounts: the rural development loan fund program account; the Rural Telephone Bank program account; the rural electrification and telecommunications loans program account; and the rural economic development loans program account.

SEC. 715. Such sums as may be necessary for fiscal year 1998 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. 716. Hereafter: (a) COMPLIANCE WITH BUY AMERICAN ACT.—None of the funds made available in this Act may be expended by an entity unless the entity agrees that in expending the funds the entity will comply with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a-10c; popularly known as the "Buy American Act").

(b) SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.—

(1) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or product that may be authorized to be purchased with financial assistance provided using funds made available in this Act, it is the sense of the Congress that entities receiving the assistance should, in expending the assistance, purchase only American-made equipment and products.

(2) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance using funds made available in this Act, the head of each Federal agency shall provide to each recipient of the assistance a notice describing the statement made in paragraph (1) by the Congress.

(c) PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

SEC. 717. Notwithstanding the Federal Grant and Cooperative Agreement Act, marketing services of the Agricultural Marketing Service and the Animal and Plant Health Inspection Service may use cooperative agreements to reflect a relationship between the Agricultural Marketing Service or the Animal and Plant Health Inspection Service and a State or Cooperator to carry out agricultural

marketing programs or to carry out programs to protect the Nation's animal and plant resources.

*SEC. 718. None of the funds in this Act may be used to retire more than 5 percent of the Class A stock of the Rural Telephone Bank or to maintain any account or subaccount within the accounting records of the Rural Telephone Bank the creation of which has not specifically been authorized by statute: Provided, That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available in this Act may be used to transfer to the Treasury or to the Federal Financing Bank any unobligated balance of the Rural Telephone Bank telephone liquidating account which is in excess of current requirements and such balance shall receive interest as set forth for financial accounts in section 505(c) of the Federal Credit Reform Act of 1990.*

*SEC. 719. None of the funds made available in this Act may be used to provide assistance to, or to pay the salaries of personnel who carry out a market promotion/market access program pursuant to section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) that provides assistance to the United States Mink Export Development Council or any mink industry trade association.*

*SEC. 720. Of the funds made available by this Act, not more than \$1,000,000 shall be used to cover necessary expenses of activities related to all advisory committees, panels, commissions, and task forces of the Department of Agriculture except for panels used to comply with negotiated rule makings and panels used to evaluate competitively awarded grants.*

*SEC. 721. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel who carry out an export enhancement program if the aggregate amount of funds and/or commodities under such program exceeds \$150,000,000.*

*SEC. 722. None of the funds appropriated in this Act may be used to carry out the provisions of section 918 of Public Law 104-127, the Federal Agriculture Improvement and Reform Act.*

*SEC. 723. No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other agency or office of the Department for more than 30 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.*

*SEC. 724. None of the funds appropriated or otherwise made available to the Department of Agriculture shall be used to transmit or otherwise make available to any non-Department of Agriculture employee questions or responses to questions that are a result of information requested for the appropriations hearing process.*

*SEC. 725. None of the funds appropriated or otherwise made available in this Act may be expended or obligated to fund the activities of the Western Director and Special Assistant to the Secretary within the Office of the Secretary of Agriculture or any similar position.*

*SEC. 726. None of the funds made available to the Department of Agriculture by this Act may be used to acquire new information technology systems or significant upgrades, as determined by the Office of the Chief Information Officer, without the approval of the*

Chief Information Officer and the concurrence of the Executive Information Technology Investment Review Board.

SEC. 727. (a) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 1998, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds which (1) creates new programs; (2) eliminates a program, project, or activity; (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted; (4) relocates an office or employees; (5) reorganizes offices, programs, or activities; or (6) contracts out or privatizes any functions or activities presently performed by Federal employees; unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

(b) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 1998, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming of funds in excess of \$500,000 or 10 percent, whichever is less, that (1) augments existing programs, projects, or activities; (2) reduces by 10 percent funding for any existing program, project, or activity, or numbers of personnel by 10 percent as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress; unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

SEC. 728. Section 3(c) of the Federal Noxious Weed Act of 1974 (7 U.S.C. 2802(c)) is amended by inserting before the period at the end the following: “, and includes kudzu (*Pueraria lobata* Dc)”.

SEC. 729. Notwithstanding section 520 of the Housing Act of 1949 (42 U.S.C. 1490) the Martin Luther King area of Pawley’s Island, South Carolina, located in Georgetown County, shall be eligible for loans and grants under section 504 of the Housing Act of 1949.

SEC. 730. None of the funds made available to the Food and Drug Administration by this Act shall be used to close or relocate the Food and Drug Administration Division of Drug Analysis in St. Louis, Missouri.

SEC. 731. Effective on October 1, 1998, section 136(a) of the Agricultural Market Transition Act (7 U.S.C. 7236(a)) is amended—

(1) in paragraph (1)—

(A) by striking “Subject to paragraph (4), during” and inserting “During”; and

(B) in subparagraph (B), by striking “130” and inserting “134”;

(2) by striking paragraph (4); and

(3) by redesignating paragraph (5) as paragraph (4).

SEC. 732. STUDY OF NORTHEAST INTERSTATE DAIRY COMPACT.

(a) DEFINITIONS.—In this section:

(1) CHILD, SENIOR, AND LOW-INCOME NUTRITION PROGRAMS.—The term “child, senior, and low-income nutrition programs” includes—

(A) the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.);

(B) the school lunch program established under the National School Lunch Act (42 U.S.C. 1751 et seq.);

(C) the summer food service program for children established under section 13 of that Act (42 U.S.C. 1761);

(D) the child and adult care food program established under section 17 of that Act (42 U.S.C. 1766);

(E) the special milk program established under section 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1772);

(F) the school breakfast program established under section 4 of that Act (42 U.S.C. 1773);

(G) the special supplemental nutrition program for women, infants, and children authorized under section 17 of that Act (42 U.S.C. 1786); and

(H) the nutrition programs and projects carried out under part C of title III of the Older Americans Act of 1965 (42 U.S.C. 3030e et seq.).

(2) COMPACT.—The term “Compact” means the Northeast Interstate Dairy Compact.

(3) NORTHEAST INTERSTATE DAIRY COMPACT.—The term “Northeast Interstate Dairy Compact” means the Northeast Interstate Dairy Compact referred to in section 147 of the Agricultural Market Transition Act (7 U.S.C. 7256).

(4) DIRECTOR.—The term “Director” means the Director of the Office of Management and Budget.

(b) EVALUATION.—Not later than December 31, 1997, the Director shall conduct, complete, and transmit to Congress a comprehensive economic evaluation of the direct and indirect effects of the Northeast Interstate Dairy Compact and other factors which affect the price of fluid milk.

(c) COMPONENTS.—In conducting the evaluation, the Director shall consider, among other factors, the effects of implementation of the rules and regulations of the Northeast Interstate Dairy Compact Commission, such as rules and regulations relating to over-order Class I pricing and pooling provisions. This evaluation shall consider such effects prior to implementation of the Compact and that would have occurred in the absence of the implementation of the Compact. The evaluation shall include an analysis of the impacts on—

(1) child, senior, and low-income nutrition programs including impacts on schools and institutions participating in the programs, on program recipients, and other factors;

(2) the wholesale and retail cost of fluid milk;

(3) the level of milk production, the number of cows, the number of dairy farms, and milk utilization in the Compact region, including—

(A) changes in the level of milk production, the number of cows, and the number of dairy farms in the Compact re-



gion relative to trends in the level of milk production and trends in the number of cows and dairy farms prior to implementation of the Compact;

(B) changes in the disposition of bulk and packaged milk for Class I, II, or III use produced in the Compact region to areas outside the region relative to the milk disposition to areas outside the region;

(C) changes in—

(i) the share of milk production for Class I use of the total milk production in the Compact region; and

(ii) the share of milk production for Class II and Class III use of the total milk production in the Compact region;

(4) dairy farmers and dairy product manufacturers in States and regions outside the Compact region with respect to the impact of changes in milk production, and the impact of any changes in disposition of milk originating in the Compact region, on national milk supply levels and farm level milk prices nationally; and

(5) the cost of carrying out the milk price support program established under section 141 of the Agricultural Market Transition Act (7 U.S.C. 7251).

(d) **ADDITIONAL STATES AND COMPACTS.**—The Director shall evaluate and incorporate into the evaluation required under subsection (b) an evaluation of the economic impact of adding additional States to the Compact for the purpose of increasing prices paid to milk producers.

**SEC. 733.** From proceeds earned from the sale of grain in the disaster reserve established in the Agricultural Act of 1970, the Secretary may use up to an additional \$2,000,000 to implement a livestock indemnity program as established in Public Law 105-18.

**SEC. 734. PLANTING OF WILD RICE ON CONTRACT ACREAGE.**—None of the funds appropriated in this Act may be used to administer the provision of contract payments to a producer under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) for contract acreage on which wild rice is planted unless the contract payment is reduced by an acre for each contract acre planted to wild rice.

**SEC. 735. RURAL HOUSING PROGRAMS.** (a) **HOUSING IN UNDERSERVED AREAS PROGRAM.**—The first sentence of section 509(f)(4)(A) of the Housing Act of 1949 (42 U.S.C. 1479(f)(4)(A)) is amended by striking “fiscal year 1997” and inserting “fiscal year 1998”.

(b) **HOUSING AND RELATED FACILITIES FOR ELDERLY PERSONS AND FAMILIES AND OTHER LOW-INCOME PERSONS AND FAMILIES.**—

(1) **AUTHORITY TO MAKE LOANS.**—Section 515(b)(4) of the Housing Act of 1949 (42 U.S.C. 1485(b)(4)) is amended by striking “September 30, 1997” and inserting “September 30, 1998”.

(2) **SET-ASIDE FOR NONPROFIT ENTITIES.**—The first sentence of section 515(w)(1) of the Housing Act of 1949 (42 U.S.C. 1485(w)(1)) is amended by striking “fiscal year 1997” and inserting “fiscal year 1998”.

(3) **LOAN TERM.**—Section 515 of the Housing Act of 1949 (42 U.S.C. 1485) is amended—

(A) in subsection (a)(2), by striking “up to fifty” and inserting “up to 30”; and

(B) in subsection (b)—

(i) by striking paragraph (2) and inserting the following:

“(2) such a loan may be made for a period of up to 30 years from the making of the loan, but the Secretary may provide for periodic payments based on an amortization schedule of 50 years with a final payment of the balance due at the end of the term of the loan;”;

(ii) in paragraph (5), by striking “and” at the end;

(iii) in paragraph (6), by striking the period at the end and inserting “; and”; and

(iv) by adding at the end the following:

“(7) the Secretary may make a new loan to the current borrower to finance the final payment of the original loan for an additional period not to exceed twenty years, if—

“(A) the Secretary determines—

“(i) it is more cost-efficient and serves the tenant base more effectively to maintain the current property than to build a new property in the same location; or

“(ii) the property has been maintained to such an extent that it warrants retention in the current portfolio because it can be expected to continue providing decent, safe, and affordable rental units for the balance of the loan; and

“(B) the Secretary determines—

“(i) current market studies show that a need for low-income rural rental housing still exists for that area; and

“(ii) any other criteria established by the Secretary has been met.”

(c) LOAN GUARANTEES FOR MULTIFAMILY RENTAL HOUSING IN RURAL AREAS.—Section 538 of the Housing Act of 1949 (42 U.S.C. 1490p-2) is amended—

(1) in subsection (q), by striking paragraph (2) and inserting the following:

“(2) ANNUAL LIMITATION ON AMOUNT OF LOAN GUARANTEE.—In each fiscal year, the Secretary may enter into commitments to guarantee loans under this section only to the extent that the costs of the guarantees entered into in such fiscal year do not exceed such amount as may be provided in appropriation Acts for such fiscal year.”;

(2) by striking subsection (t) and inserting the following:

“(t) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for fiscal year 1998 for costs (as such term is defined in section 502 of the Congressional Budget Act of 1974) of loan guarantees made under this section such sums as may be necessary for such fiscal year.”; and

(3) in subsection (u), by striking “1996” and inserting “1998”.

*This Act may be cited as the "Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1998".*

And the Senate agree to the same.

JOE SKEEN,  
JAMES T. WALSH,  
JAY DICKY,  
JACK KINGSTON,  
GEORGE R. NETHERCUTT, Jr.,  
HENRY BONILLA,  
TOM LATHAM,  
BOB LIVINGSTON,  
MARCY KAPTUR,  
VIC FAZIO,  
JOSÉ E. SERRANO,  
ROSA L. DELAURO,  
DAVID R. OBEY,

*Managers on the Part of the House.*

THAD COCHRAN,  
ARLEN SPECTER,  
CHRISTOPHER BOND,  
SLADE GORTON,  
MITCH M. MCCONNELL,  
CONRAD BURNS,  
TED STEVENS,  
DALE BUMPERS,  
TOM HARKIN,  
HERB KOHL,  
ROBERT BYRD,  
PATRICK J. LEAHY,  
DANIEL K. INOUE,

*Managers on the Part of the Senate.*



## JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2160) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1998, and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

### CONGRESSIONAL DIRECTIVES

The statement of the managers remains silent on provisions that were in both the House and Senate Bills that remain unchanged by this conference agreement, except as noted in this statement of the managers.

The conferees agree that executive branch wishes cannot substitute for Congress' own statements as to the best evidence of congressional intent—that is, the official reports of the Congress. The conferees further point out that funds in this Act must be used for the purposes for which appropriated, as required by section 1301 of title 31 of the United States Code, which provides: "Appropriations shall be applied only to the objects for which the appropriations were made except as otherwise provided by law."

The House and Senate report language which is not changed by the conference are approved by the committee of conference. The statement of the managers, while repeating some report language for emphasis, does not intend to negate the language referred to above unless expressly provided herein.

### TITLE I—AGRICULTURAL PROGRAMS

#### PRODUCTION, PROCESSING, AND MARKETING

##### OFFICE OF THE SECRETARY

The conference agreement adopts language as proposed by the Senate to prohibit the use of salaries and expenses to carry out section 793(c)(1)(C) of Public Law 104-127, a limitation on housing assistance, and section 793(d) of Public Law 104-127, a limitation on program levels in the Fund for Rural America. The House bill had no similar provisions.

## EXECUTIVE OPERATIONS

## OFFICE OF THE CHIEF ECONOMIST

The conference agreement provides \$5,048,000 for the Office of the Chief Economist instead of \$4,844,000 as proposed by the House and \$5,252,000 as proposed by the Senate. Included in this amount is \$656,000 to enhance the Department's weather information activities.

## NATIONAL APPEALS DIVISION

The conference agreement provides \$11,718,000 for the National Appeals Division as proposed by the House instead of \$12,360,000 as proposed by the Senate.

## OFFICE OF SMALL AND DISADVANTAGED BUSINESS UTILIZATION

The conference agreement does not include a separate appropriation of \$783,000 for the Office of Small and Disadvantaged Business Utilization as proposed by the Senate. The funding for this office is included in the Departmental Administration appropriation as proposed by the House.

## AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

The conference agreement provides \$131,085,000 for Agriculture Buildings and Facilities and Rental Payments as proposed by the Senate instead of \$141,085,000 as proposed by the House. Included in this amount is \$5,000,000 for repairs, renovations, and construction as proposed by the Senate instead of \$15,000,000 as proposed by the House. The conference agreement also deletes language proposed by the Senate expanding the use of operation and maintenance funds.

## HAZARDOUS WASTE MANAGEMENT

The conference agreement provides \$15,700,000 for Hazardous Waste Management as proposed by the Senate instead of \$20,000,000 as proposed by the House

## DEPARTMENTAL ADMINISTRATION

The conference agreement provides \$27,231,000 for Departmental Administration as proposed by the House instead of \$26,948,000 as proposed by the Senate. Included in this amount is \$783,000 for the Office of Small and Disadvantaged Business Utilization. The conferees direct that not less than \$15,274,000 of the total amount appropriated be used for civil rights enforcement activities. This amount includes full funding for the establishment of an investigative unit within the Office of Civil Rights.

## OFFICE OF THE INSPECTOR GENERAL

The conference agreement provides \$63,128,000 for the Office of the Inspector General as proposed by the House instead of \$63,728,000 as proposed by the Senate. Included in this amount is \$95,000 for confidential operational expenses as proposed by the House instead of \$125,000 as proposed by the Senate.

## OFFICE OF THE GENERAL COUNSEL

The conference agreement provides \$28,524,000 for the Office of the General Counsel instead of \$27,949,000 as proposed by the House and \$29,098,000 as proposed by the Senate.

## ECONOMIC RESEARCH SERVICE

The conference agreement provides \$71,604,000 for the Economic Research Service as proposed by the House instead of \$53,109,000 as proposed by the Senate. Included in this amount is \$18,495,000 for studies and evaluations of food stamp, child nutrition, and WIC programs to be coordinated with the Food and Consumer Service and other Departmental agencies. The conferees anticipate that minimum staff changes will be needed to carry out these studies and direct the agency to notify the House and Senate Committees on Appropriations at least 15 days prior to the use of these funds for any hiring of new employees.

## NATIONAL AGRICULTURAL STATISTICS SERVICE

The conference agreement provides \$118,048,000 for the National Agricultural Statistics Service as proposed by the Senate instead of \$116,861,000 as proposed by the House. Included in this amount is up to \$36,327,000 for the Census of Agriculture as proposed by the Senate instead of \$36,140,000 as proposed by the House. The conference agreement also includes bill language giving USDA the authority to conduct the 1997 Census of Agriculture.

## AGRICULTURAL RESEARCH SERVICE

The conference agreement provides \$744,605,000 for the Agricultural Research Service instead of \$725,059,000 as proposed by the House and \$738,000,000 as proposed by the Senate.

The following table reflects the conference agreement:

	<i>Amount</i>
FY 1997 appropriation .....	\$716,826,000
Transfer: Office of Chief Economist .....	(29,000)
Adjusted FY 1997 appropriation .....	716,797,000
Emerging Diseases and Exotic Pests .....	\$3,050,000
Vomitoxin in Wheat .....	(500,000)
Fusarium Head Blight, MN .....	(500,000)
Karnal Bunt, KS .....	(500,000)
Citrus Tristeza .....	(750,000)
Ergot Disease in Sorghum .....	(300,000)
Asian Long Horn Beetle .....	(500,000)
Food Safety .....	4,000,000
Apple E. Coli Research, PA .....	(250,000)
Food Safety Agency Study .....	(420,000)
Genetic Resources .....	1,500,000
Grazing Lands Utilization and Conservation .....	1,000,000
Logan, UT .....	(250,000)
El Reno, OK .....	(250,000)
Las Cruces, NM .....	(250,000)
University Park, PA .....	(250,000)
Human Nutrition .....	7,500,000
Food Consumption Survey Infant/Children .....	(5,000,000)
Little Rock, AR .....	(1,000,000)
Houston, TX .....	(500,000)
Beltsville, MD .....	(250,000)
Boston, MA .....	(250,000)

	<i>Amount</i>
San Francisco, CA .....	(250,000)
Florida Everglades Restoration .....	1,250,000
Hydrology-Canal Point, FL .....	(500,000)
Hydrologist-Dade County, FL .....	(250,000)
Melaleuca .....	(500,000)
Integrated Pest Management and Biocontrol .....	2,500,000
Biological Control .....	(2,000,000)
Host Plant Resistance .....	(500,000)
Appalachian Soil and Water Conservation Lab, WV .....	250,000
Arctic Germplasm Repository .....	650,000
Coastal Wetlands & Erosion Control, LA .....	1,000,000
Cotton Genetics, MS .....	250,000
Cotton Ginning, TX .....	500,000
Fish Disease, AL .....	250,000
Food Fermentation, NC .....	250,000
Formosan Termite, Southern Regional Research Center .....	5,000,000
Grain Legume, WA .....	250,000
Honeybee, TX .....	500,000
Hops Research, OR .....	100,000
Lyme Disease .....	200,000
National Aquaculture Research Ctr., AR .....	500,000
National Ctr. for Cool and Cold Water Aquaculture., WV .....	250,000
National Warmwater Aquaculture Ctr., MS .....	500,000
Natural Products, MS .....	700,000
NW Nursery Crops, OR .....	500,000
Organics Management Research .....	500,000
Plant Genetics Equip./Greenhouse, MO .....	200,000
Poisonous Plant, UT .....	100,000
Poult Enteritis Mortality Syndrome, GA .....	250,000
Reproductive Efficiency of Beef Cattle, MT .....	250,000
Rice research:	
Beaumont, TX. ....	250,000
Stuttgart, AR. ....	700,000
Small Fruits, MS. ....	250,000
Small Grains, Raleigh, NC./Aberdeen, ID .....	450,000
Sugarcane Biotechnology Research, LA .....	200,000
Termination of ongoing projects .....	-3,119,000
Evaluation studies .....	-913,000
Administrative reductions .....	-3,760,000
Total .....	744,605,000

The conference agreement concurs in the following project terminations: improved cropping systems (\$158,400), decision support systems (\$80,000), CO; composts and organic residuals (\$281,700), soybean inoculants (\$171,800), populations of Fungi (\$182,300), MD; differential root development (\$221,100), NY; process modeling of soil and water (\$384,300), PA; transferring technology for improvements in agriculture (\$158,700), PR; biological control of horn flies (\$221,500), improved cultivars for kenaf (\$343,900), TX; and management savings (\$550,000) headquarters and (\$365,200), GA.

The agreement provides \$420,000 for a study by the National Academy of Sciences on the scientific and organizational needs for an effective food safety system, including functions overseen by the Food Safety and Inspection Service, the Food and Drug Administration, and other Federal, state and local agencies with responsibilities for food safety. The study will be conducted in two phases. The first phase will examine the current mechanisms in place for assuring a safe food supply and the extent to which they are effective in addressing food safety issues from the farm to the table. It will also analyze the extent to which current functions (i.e., inspection, surveillance, monitoring, research, risk assessment, and edu-



cation) should be assigned or reassigned to existing food safety agencies or an independent food safety agency. It should also identify whether any functions would be compromised by such an action. If an independent food safety agency is recommended, the second phase will develop further guidance to ensure that the food safety system protects the public's health and is cost-effective. A report on the first phase should be transmitted to the appropriate Committees of Congress no later than August 15, 1998.

The conferees support the food safety initiative and expect the Agricultural Research Service to work with the Food and Drug Administration, the National Institute of Diabetes and Digestive and Kidney Diseases, the National Institute of Allergy and Infectious Diseases, and the Centers for Disease Control and Prevention to develop a biomedical research agenda on food safety.

The conferees expect the work on controlling root diseases of wheat and barley in cereal-based production systems to continue at the Pullman, WA, ARS research station at the fiscal year 1997 level.

The conferees support the addition of a new lettuce geneticist/plant breeder position at the U.S. Agricultural Research Station in Salinas, California.

The USDA-ARS National Sedimentation Laboratory is directed to initiate an integrated watershed research program of monitoring, analyzing, and evaluating sediment production, movement and deposition and their impacts with appropriate solutions on stream degradation, flooding and management of upland areas, environmental and ecological concerns in the Yalobusha River Basin, stream estuaries, and Grenada Lake.

The conferees expect the ARS to expand its work on Meadowfoam research in Oregon and at the Peoria laboratory.

The bill includes language proposed by the House that returns ownership of the Pecan Genetics and Improvement Research Laboratory to the Agricultural Research Service.

#### BUILDINGS AND FACILITIES

The conference agreement provides \$80,630,000 for Agricultural Research Service, Buildings and Facilities instead of \$59,000,000 as proposed by the House and \$69,100,000 as proposed by the Senate.

The following table reflects the conference agreement:

California:	
Western Human Nutrition Research Center, Davis .....	\$5,200,000
U.S. Horticulture Crop and Water Mgt. Lab., Parlier .....	23,400,000
France:	
European Biological Control Lab .....	3,400,000
Illinois:	
National Center for Agriculture Utilization, Peoria .....	8,000,000
Louisiana:	
Southern Regional Research Center, New Orleans .....	1,100,000
Maryland:	
Agricultural Research Center, Beltsville .....	3,200,000
National Agricultural Library, Beltsville .....	2,500,000
Michigan:	
Avian Disease Labs, East Lansing .....	1,800,000
Mississippi:	
Biocontrol and Insect Rearing Lab., Stoneville .....	900,000
National Center for Natural Products, Oxford .....	7,000,000

Montana:	
Pest Quarantine and Integrated Pest Management, Sidney .....	606,000
New York:	
Plum Island Animal Disease Center .....	2,000,000
New Mexico:	
Joranado Range Research Center, Las Cruces .....	700,000
North Dakota:	
Human Nutrition Center, Grand Forks .....	4,400,000
Pennsylvania:	
Eastern Regional Lab .....	5,000,000
South Carolina:	
U.S. Vegetable Laboratory, Charleston .....	4,824,000
Utah:	
Poisonous Plant Lab., Logan .....	600,000
West Virginia:	
National Center for Cool and Cold Water Aquaculture, Leetown .....	6,000,000
Total .....	80,630,000

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION  
SERVICE

RESEARCH AND EDUCATION ACTIVITIES

The conference agreement provides \$431,410,000 for research and education activities instead of \$421,223,000 as proposed by the House and \$427,526,000 as proposed by the Senate.

The following table reflects the conference agreement:

*Research and Education Activities*

[In thousands of dollars]

	<i>Conference agreement</i>
Payments Under Hatch Act .....	168,734
Cooperative forestry research (McIntire-Stennis) .....	20,497
Payments to 1890 colleges and Tuskegee .....	27,735
Special Research Grants (P.L. 89-106):	
Aegilops cylindricum (WA) .....	346
Aflatoxin (IL) .....	113
Agriculture-based industrial lubricants (IA) .....	200
Agricultural diversification (HI) .....	131
Agricultural diversity/Red River Corridor (MN/ND) .....	250
Alliance for food protection (NE, GA) .....	300
Alternative crops (ND) .....	550
Alternative marine and fresh water species (MS) .....	308
Alternative salmon products (AK) .....	400
Animal science food safety consortium (AR, IA, KS) .....	1,521
Apple fire blight (NY, MI) .....	500
Aquaculture (IL) .....	158
Aquaculture (LA) .....	330
Aquaculture (MS) .....	642
Aquaculture produce and marketing development (WV) .....	600
Babcock Institute (WI) .....	312
Binational agriculture research and development .....	500
Biodiesel research (MO) .....	152
Center for animal health and productivity (PA) .....	113
Center for innovative food technology (OH) .....	281
Center for rural studies (VT) .....	32
Chesapeake Bay aquaculture .....	370
Citrus decay fungus (AZ) .....	250
Coastal cultivars (GA) .....	250
Competitiveness of agricultural products (WA) .....	677
Cool season legume research (ID, WA) .....	329
Cotton research (TX) .....	200
Cranberry/blueberry disease and breeding (NJ) .....	220

	<i>Conference agreement</i>
Dairy (AK) .....	250
Dairy and meat goat research (TX) .....	63
Delta rural revitalization (MS) .....	148
Drought mitigation (NE) .....	200
Ecosystems (AL) .....	500
Environmental research (NY) .....	486
Environmental risk factors/cancer (NY) .....	100
Expanded wheat pasture (OK) .....	285
Farm and rural business finance (IL) .....	87
Feed barley for rangeland cattle (MT) .....	600
Floriculture (HI) .....	250
Food and Agriculture Policy Institute (IA, MO) .....	800
Food irradiation (IA) .....	200
Food marketing policy center (CT) .....	332
Food processing center (NE) .....	42
Food safety .....	2,000
Food systems research group (WI) .....	221
Forestry (AR) .....	523
Fruit and vegetable market analysis (AZ, MO) .....	296
Generic commodity promotion research and evaluation (NY) .....	212
Global change .....	1,000
Global marketing support service (AR) .....	127
Grain sorghum (KS) .....	106
Grass seed cropping systems for a sustainable agriculture (WA, OR, ID) .....	423
Human nutrition (IA) .....	473
Human nutrition (LA) .....	752
Human nutrition (NY) .....	622
Hydroponic tomato production (OH) .....	140
Illinois-Missouri Alliance for Biotechnology .....	1,184
Improved dairy management practices (PA) .....	296
Improved fruit practices (MI) .....	445
Institute for Food Science and Engineering (AR) .....	950
Integrated production systems (OK) .....	161
International arid lands consortium .....	329
Iowa biotechnology consortium .....	1,564
Landscaping for water quality (GA) .....	300
Livestock and dairy policy (NY, TX) .....	445
Lowbush blueberry research (ME) .....	220
Maple research (VT) .....	100
Michigan biotechnology consortium .....	675
Midwest advanced food manufacturing alliance .....	423
Midwest agricultural products (IA) .....	592
Milk safety (PA) .....	268
Minor use animal drugs (IR-4) .....	550
Molluscan shellfish (OR) .....	400
Multi-commodity research (OR) .....	364
Multi-cropping strategies for aquaculture (HI) .....	127
National biological impact assessment .....	254
Nematode resistance genetic engineering (NM) .....	127
Non-food uses of agricultural products (NE) .....	64
Oil resources from desert plants (NM) .....	175
Organic waste utilization (NM) .....	100
Pasture and forage research (UT) .....	225
Peach tree short life (SC) .....	162
Pest control alternatives (SC) .....	106
Phytophthora root rot (NM) .....	127
Plant, drought, and disease resistance gene cataloging (NM) .....	150
Plant genome research (OH) .....	50
Postharvest rice straws (CA) .....	300
Potato research .....	1,214
Poultry carcass removal (AL) .....	300
Precision agriculture (MS) .....	600
Preharvest food safety (KS) .....	212
Preservation and processing research (OK) .....	226
Rangeland ecosystems (NM) .....	185

	<i>Conference agreement</i>
Regional barley gene mapping project .....	348
Regionalized implications of farm programs (MO, TX) .....	294
Rice Modeling (AR) .....	296
Rural development centers (PA, IA, (ND), MS, OR) .....	423
Rural policies institute (NE, MO) .....	644
Russian wheat aphid (CO) .....	200
Seafood and aquaculture harvesting, processing, and marketing (MS) .....	305
Small fruit research (OR, WA, ID) .....	212
Southwest consortium for plant genetics and water resources .....	338
Soybean cyst nematode (MO) .....	450
STEEP III—water quality in Northwest .....	500
Sustainable agriculture (MI) .....	445
Sustainable agriculture and natural resources (PA) .....	94
Sustainable agriculture systems (NE) .....	59
Sustainable pest management for dryland wheat (MT) .....	400
Swine waste management (NC) .....	300
Tillage, silviculture, waste management (LA) .....	212
Tropical and subtropical .....	2,724
Urban pests (GA) .....	64
Vidalia onions (GA) .....	84
Viticulture consortium (NY, CA) .....	800
Water conservation (KS) .....	79
Water quality .....	2,461
Weed control (ND) .....	423
Wheat genetic research (KS) .....	261
Wood utilization research (OR, MS, NC, MN, ME, MI) .....	3,536
Wool research (TX, MT, WY) .....	300
<b>Total, Special Research Grants .....</b>	<b>51,495</b>
<b>Improved pest control:</b>	
Critical issues .....	200
Emerging pest and disease issues .....	1,623
Expert IPM decision support issues .....	177
Integrated pest management .....	2,731
Pesticide clearance (IR-4) .....	8,990
Pesticide impact assessment .....	1,327
<b>Total, Improved pest control .....</b>	<b>15,048</b>
<b>Competitive research grants:</b>	
Plant systems .....	37,000
Animal systems .....	24,000
Nutrition, food quality and health .....	8,000
Natural resources and the environment .....	17,500
Processes and new products .....	6,800
Markets, trade and policy .....	3,900
<b>Total, Competitive research grants .....</b>	<b>97,200</b>
Animal Health and Disease (Sec. 1433) .....	4,775
Critical Agricultural Materials Act .....	550
Aquaculture Centers (Sec. 1475) .....	4,000
Alternative Crops .....	650
Sustainable agriculture .....	8,000
Capacity building grants .....	9,200
Payments to the 1994 Institutions .....	1,450
Graduate fellowship grants .....	3,000
Institution challenge grants .....	4,350
Multicultural scholars program .....	1,000
Hispanic-serving institutions .....	2,500
Native American Institutions Endowment Fund .....	(4,600)
<b>Federal Administration:</b>	
Agriculture development in American Pacific .....	564
Agriculture waste utilization (WV) .....	360
Alternative fuels characterization laboratory (ND) .....	218

	<i>Conference agreement</i>
Animal waste management (OK) .....	250
Center for Agricultural and Rural Development (IA) .....	355
Center for Human Nutrition (MD) .....	150
Center for North American Studies (TX) .....	87
Data information system .....	800
Geographic information system .....	844
Mariculture (NC) .....	150
Mississippi Valley State University .....	583
National Education Center for Agricultural .....	
National Center for Peanut Competitiveness .....	150
Office of grants and program systems .....	310
Pay costs and FERS (prior) .....	900
Peer panels .....	350
PM-10 study (CA, WA) .....	873
Shrimp aquaculture (AZ, HI, MS, MA, SC) .....	3,354
Water quality (IL) .....	492
Water quality (ND) .....	436
Total, Federal Administration .....	<u>11,226</u>
Total, Research and Education Activities .....	431,410

For the geographic information system project, the agreement provides \$844,000 which includes funding for past participating entities in Georgia, the Chesapeake Bay, Arkansas, North Dakota, Washington, Wisconsin, and new entities in New Mexico and Colorado.

The conferees have provided the \$2,000,000 requested for a new competitive food safety initiative. The conferees urge that a research proposal from Pennsylvania State University's E. Coli Reference Center be considered for funding if judged to be meritorious when subjected to the established review process.

Included in the funding for alternative crops is \$500,000 for canola research and \$150,000 for hesperaloe research.

#### EXTENSION ACTIVITIES

The conference agreement provides \$423,376,000 for extension activities instead of \$415,110,000 as proposed by the House and \$423,322,000 as proposed by the Senate. The following table reflects the conference agreement:

[In thousands of dollars]

	FY 1997 enacted	Conference agree- ment
Smith Lever 3(b) & 3(c) .....	268,493	268,493
Smith Lever 3(d):		
Pest management .....	10,783	10,783
Water quality .....	10,733	9,061
Farm safety .....	2,855	2,855
Food and nutrition education (EFNEP) .....	58,695	58,695
Pesticide impact assessment .....	3,214	3,214
Rural development centers .....	908	908
Sustainable agriculture .....	3,309	3,309
Food safety .....	2,365	2,365
Youth at risk .....	9,554	9,554
Indian reservation agents .....	1,672	1,672
1890's Colleges and Tuskegee .....	25,090	25,090
1890's facilities grants .....	7,549	7,549
Renewable Resources Extension Act .....	3,192	3,192
Agricultural telecommunications .....	1,167	900
Rural health and safety education .....	2,628	2,628

[In thousands of dollars]

	FY 1997 enacted	Conference agree- ment
Extension services at the 1994 institutions .....	2,000	2,000
Subtotal .....	414,207	412,268
Federal Administration and special grants:		
Beef producers' improvement (AR) .....	197	197
Delta teachers academy .....	3,850	3,500
Extension specialist (AR) .....	99	99
Extension specialist (MS) .....	50	50
General administration .....	4,995	4,995
Income enhancement demonstration (OH) .....	246	246
Integrated cow/calf resources management (IA) .....	345	300
National Center for Agriculture Safety (IA) .....		195
Pilot tech. transfer (OK, MS) .....	326	326
Pilot tech. transfer (WI) .....	163	163
Range improvement (NM) .....	197	197
Rural center for the study and promotion of HIV/STD prevention (IN) .....	246	
Rural development (NE) .....	386	
Rural development (OM) .....	227	247
Rural development (OK) .....	296	150
Rural rehabilitation (GA) .....	246	246
Wood biomass as an alternative farm product (NY) .....	197	197
Total, Federal Administration .....	12,066	11,108
Total, Extension Activities .....	426,273	423,376

## ANIMAL AND PLANT HEALTH INSPECTION SERVICE

## SALARIES AND EXPENSES

The conference agreement provides \$426,282,000 for the Animal and Plant Health Inspection Service instead of \$424,244,000 as proposed by the House and \$437,183,000 as proposed by the Senate. Included in this amount is \$1,255,000 for rabies control activities in Ohio, Texas, New York, and other states.

The conferees are aware of the cooperative efforts of APHIS in controlling boll weevils in New Mexico and that cotton farmers in New Mexico are continuing a voluntary assessment for eradication. The conferees urge APHIS to continue its cooperative effort for boll weevil eradication in New Mexico.

Included in the total amount provided for the boll weevil eradication plan, the conferees provide not less than \$400,000 to continue the geographic information system project to prepare for future expansion of the program into remaining cotton production regions that have not eradicated the boll weevil. The technology developed through this system will be transferred to these regions as the program expands, reducing overall program costs.

The conferees direct that APHIS continue its efforts to maximize cost sharing of control activities in all states to the extent possible. However, the conferees recognize that circumstances vary among states and do not support implementation of the rigid cost sharing requirement proposed in the budget.

The following table reflects the conference agreement:

[In thousands of dollars]

	FY 1997 enacted	Conference agreement
<b>PEST AND DISEASE EXCLUSION</b>		
Agricultural quarantine inspection .....	26,547	26,747
User fees .....	98,000	88,000
Subtotal, Agricultural quarantine inspection .....	124,547	114,747
Cattle ticks .....	4,537	4,627
Foot-and-mouth disease .....	3,991	3,803
Import-export inspection .....	6,847	6,815
International programs .....	6,643	6,630
Fruit fly exclusion and detection .....	21,161	20,970
Screwworm .....	31,713	31,713
Tropical bont tick .....	452	444
Total, Pest and disease exclusion .....	199,891	189,749
<b>PLANT AND ANIMAL HEALTH MONITORING</b>		
Animal health monitoring and surveillance .....	60,831	61,464
Animal and plant health regulatory enforcement .....	5,855	5,855
Pest detection .....	4,202	6,302
Total, Plant and animal health monitoring .....	70,888	73,621
<b>PEST AND DISEASE MANAGEMENT PROGRAMS</b>		
Animal damage control—operations .....	26,967	28,487
Aquaculture .....	571	567
Biocontrol .....	6,290	6,275
Boll weevil .....	16,209	16,209
Brucellosis eradication .....	21,661	19,818
Golden nematode .....	444	435
Gypsy moth .....	4,367	4,366
Imported fire ant .....	1,000	1,000
Miscellaneous plant diseases .....	1,516	1,516
Noxious weeds .....	404	454
Pink bollworm .....	1,069	1,048
Pseudorabies .....	4,518	4,481
Scrapie .....	2,967	2,931
Sweet potato whitefly .....	1,888	1,877
Tuberculosis .....	4,948	4,920
Witchweed .....	1,662	1,638
Total, Pest and disease management programs .....	96,481	96,022
<b>ANIMAL CARE</b>		
Animal welfare .....	9,185	9,175
Horse protection .....	360	353
Total, Animal care .....	9,545	9,528
<b>SCIENTIFIC AND TECHNICAL SERVICES</b>		
ADC methods development .....	10,591	10,215
Biotechnology/environmental protection .....	8,132	8,132
Integrated systems acquisition project .....	4,000	3,500
Plant methods development laboratories .....	5,048	5,048
Veterinary biologics .....	10,360	10,345
Veterinary diagnostics .....	15,473	15,622
Total, Scientific and technical services .....	53,604	52,862
Contingency fund .....	4,500	4,500
Total, Salaries and expenses .....	434,909	426,282

## BUILDINGS AND FACILITIES

The conference agreement provides \$4,200,000 for Animal and Plant Health Inspection Service, Buildings and Facilities as proposed by the Senate instead of \$3,200,000 as proposed by the House.

## AGRICULTURAL MARKETING SERVICE

## MARKETING SERVICES

The conference agreement provides \$46,592,000 for the Agricultural Marketing Service instead of \$45,592,000 as proposed by the House and \$49,627,000 as proposed by the Senate. Included in this amount is \$1,000,000 for marketing assistance to Alaska.

## GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

The conference agreement provides \$23,928,000 for the Grain Inspection, Packers and Stockyards Administration as proposed by the House instead of \$23,583,000 as proposed by the Senate. Included in this amount is \$800,000 for packer concentration as proposed by the House.

## FOOD SAFETY AND INSPECTION SERVICE

The conference agreement provides \$589,263,000 for the Food Safety and Inspection Service as proposed by the House instead of \$590,614,000 as proposed by the Senate.

The conference agreement amends House bill language requiring that \$5,000,000 shall be available for obligation only after a final rule is implemented regarding subsection (c) of Section 5 of the Egg Products Inspection Act (21 U.S.C. 1034 (c)). The conference agreement states that the \$5,000,000 shall be available for obligation only after promulgation of a final rule to implement that provision. The conferees direct that if a final rule is not promulgated, the Department is not to take the reduction from any funds appropriated for the Food Safety Initiative or any inspection services. The conference agreement does not restrict the Department from promulgating rules beyond the scope of subsection (c) of Section 5 of the Egg Products Inspection Act (21 U.S.C. 1034 (c)).

## FARM SERVICE AGENCY

## SALARIES AND EXPENSES

The conference agreement provides \$700,659,000 for the Farm Service Agency as proposed by the Senate instead of \$702,203,000 as proposed by the House. The agreement also provides transfers to the Farm Service Agency of \$589,000 from the export loan program, \$815,000 from the P.L-480 program, and \$209,861,000 from the Agricultural Credit Insurance Fund for a total available of \$911,924,000.

The conferees expect USDA to execute its current office streamlining in a manner that reflects differences among the States and that uses criteria including workload, complexity, and accessibility rather than an arbitrary process based solely on distances between county offices.



## DAIRY INDEMNITY PROGRAM

The conference agreement provides \$550,000 for the Dairy Indemnity program as proposed by the Senate instead of \$350,000 as proposed by the House.

## AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

The conference agreement provides a total subsidy level of \$102,419,000 providing for an estimated loan level of \$2,940,653,000 for the activities under the Agricultural Credit Insurance Fund.

The following table reflects the conference agreement:

	Fiscal year 1997 enacted	Conference
Agricultural Credit Insurance Fund Program Account:		
Loan authorization:		
Farm ownership loans:		
Direct .....	(50,000,000)	(60,000,000)
Guaranteed .....	(550,000,000)	(400,000,000)
Subtotal .....	(600,000,000)	(460,000,000)
Farm operating loans:		
Direct .....	(495,071,000)	(495,000,000)
Guaranteed unsubsidized .....	(1,700,000,000)	(1,700,000,000)
Guaranteed subsidized .....	(200,000,000)	(200,000,000)
Subtotal .....	(2,395,071,000)	(2,395,000,000)
Indian tribe land acquisition loans .....	(1,000,000)	(1,000,000)
Emergency disaster loans .....	(25,000,000)	(25,000,000)
Boll weevil eradication loans .....	(34,653,000)	(34,653,000)
Credit sales of acquired property .....	(25,000,000)	(25,000,000)
Total, Loan authorization .....	(3,080,724,000)	(2,940,653,000)
Loan subsidies:		
Farm ownership loans:		
Direct .....	5,920,000	5,940,000
Guaranteed .....	22,055,000	15,440,000
Subtotal .....	27,975,000	21,380,000
Farm operating loans:		
Direct .....	65,450,000	32,224,000
Guaranteed unsubsidized .....	19,210,000	19,890,000
Guaranteed subsidized .....	18,480,000	19,280,000
Subtotal .....	103,140,000	71,394,000
Indian tribe land acquisition .....	54,000	132,000
Emergency disaster loans .....	6,365,000	6,008,000
Boll weevil loans subsidy .....	499,000	250,000
Credit sales of acquired property .....	2,530,000	3,255,000
Total, Loan subsidies .....	140,563,000	102,419,000
ACIF expenses:		
Salaries and expense (transfer to FSA) .....	208,446,000	209,861,000
Administrative expenses .....	12,600,000	10,000,000

	Fiscal year 1997 enacted	Conference
Total, ACIF expenses .....	221,046,000	219,861,000
Total, Agricultural Credit Insurance Fund .....	361,609,000	322,280,000
(Loan authorization) .....	(3,080,724,000)	(2,940,653,000)

#### RISK MANAGEMENT AGENCY

The conference agreement provides \$252,571,000 for the Risk Management Agency instead of \$253,571,000 as proposed by the House and \$266,571,000 as proposed by the Senate. The agreement includes \$64,000,000 for administrative and operating expenses of the agency and \$188,571,000 for the payment of administrative and operating expenses of approved insurance providers.

The conferees note the difficulty in providing funds for the sales commissions for crop insurance agents. This problem will continue without a change in permanent law. The conferees expect the Department to submit legislation to effect a change to permanent funding for this activity.

#### TITLE II—CONSERVATION PROGRAMS

##### NATURAL RESOURCES CONSERVATION SERVICE

##### CONSERVATION OPERATIONS

The conference agreement continues funding conservation operations, watershed surveys and planning, and watershed and flood prevention operations as three separate accounts as proposed by the House. The Senate proposed to fund watershed surveys and planning and technical assistance of watershed and flood prevention operations under the conservation operations account and had a separate account for watershed and flood prevention operations financial assistance.

The conference agreement provides \$633,231,000 for conservation operations. Included in this amount are the following: \$350,000 for the Great Lakes Basin Program for Soil and Erosion Sediment Control; a total of \$3,000,000 for technical assistance in Franklin County, Mississippi; \$15,000,000 for the grazing lands initiative; \$100,000 for the Trees Forever program in Iowa; and \$750,000 for the Deer Creek watershed in Oklahoma. The conferees also provide \$300,000, through the Environmental Quality Incentives Program, for the project to assist farmers surrounding Lake Otisco in central New York. The conferees do not provide funding under this account for poultry waste energy recovery.

The conference agreement includes language proposed by the House to transfer ownership of the plant materials center located at Bow, Washington to the Skagit Conservation District. The Senate bill had no similar provision.

The conferees encourage the Department to continue the cooperative agreements it has established with private conservation organizations to support the implementation of the Wetlands Reserve Program.

## WATERSHED SURVEYS AND PLANNING

The conference agreement provides \$11,190,000 for watershed surveys and planning instead of \$10,000,000 as proposed by the House. The Senate proposed funding for this account under Conservation Operations.

## WATERSHED AND FLOOD PREVENTION OPERATIONS

The conference agreement provides \$101,036,000 for watershed and flood prevention operations as proposed by the House. The Senate proposed funding for this account under Conservation Operations. The conference agreement includes language as proposed by the Senate to provide that up to \$15,000,000 of the total may be available for P.L. 534 projects. The conference agreement also includes language as proposed by the House limiting the amount available for technical assistance to not more than \$50,000,000.

While conferees do not earmark \$1,800,000 for the Potomac Headwaters project as proposed by the Senate, they support continuation of the project. The conferees note the importance of reducing poultry and other waste load-related problems in the South Branch of the Potomac River and encourage the Department to work with the West Virginia Department of Agriculture for further development of the poultry waste energy recovery (POWER) project at Moorefield and project implementation at Franklin.

## RESOURCE CONSERVATION AND DEVELOPMENT

The conference agreement provides \$34,377,000 for the Resource Conservation and Development program instead of \$29,377,000 as proposed by the House and \$44,700,000 as proposed by the Senate. The conferees do not specifically earmark this increase for any initiative, instead the conferees expect that this increase will be used for approved RC&D councils waiting for funding.

The conferees expect the NRCS to submit a detailed operating plan for the Resource Conservation and Development program for fiscal year 1998 to the House and Senate Committees on Appropriations no later than 30 days after enactment of this Appropriations Act. This operating plan should include a proposal for expenditure of available funds for each RC&D area. The operating plan should compare proposed funding levels to the initial fiscal year 1998 budget request and fiscal year 1997 current operating levels, and should include narrative explanations as appropriate. The conferees expect the NRCS to consult with the House and Senate Appropriations Committees to develop this operating plan, which will serve as the basis for reprogramming notifications throughout the remainder of the fiscal year.

## OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS AND RANCHERS

The conference agreement provides \$3,000,000 for the Outreach for Socially Disadvantaged Farmers and Ranchers Program instead of \$2,000,000 as proposed by the House and \$4,000,000 as proposed by the Senate. The conferees note that, in addition to the funding received through appropriations bills, the program has also received \$4,500,000 from the Fund for Rural America.

TITLE III—RURAL ECONOMIC AND COMMUNITY  
DEVELOPMENT PROGRAMS

RURAL COMMUNITY ADVANCEMENT PROGRAM

The conference agreement provides \$652,197,000 for the Rural Community Advancement Program (RCAP) instead of \$644,259,000 as proposed by the Senate. The House bill did not provide funds for the Rural Community Advancement Program, but provided funding for its activities under three separate accounts: the Rural Housing Assistance Program, the Rural Business-Cooperative Assistance Program and the Rural Utilities Assistance Program.

The following table reflects the conference agreement:

RCAP ACCOUNTS				
	Request	House	Senate	Proposed
Water/Sewer .....	\$608,080,000	\$577,242,000	\$568,304,000	\$577,242,000
Community/Housing .....	30,037,000	86,488,000	27,562,000	27,062,000
Bus-Co-op .....	50,453,000	51,400,000	48,393,000	47,893,000
Total .....	688,570,000	715,130,000	644,259,000	652,197,000
Earmarks:				
Colonias .....	25,000,000	18,700,000	24,500,000	20,000,000
Tech. Asst. (water&sewer) .....	15,000,000	15,000,000	15,000,000	15,000,000
Alaska .....	.....	8,750,000	15,000,000	15,000,000
Circuit Rider .....	5,150,000	5,200,000	5,650,000	5,200,000
EZ/EC .....	32,163,000	20,048,000	32,163,000	20,048,000
Tech. Asst. (transportation) .....	.....	500,000	.....	500,000
Total .....	77,313,000	67,698,000	92,313,000	75,748,000

The conferees recognize the continuing problem of out migration in rural counties across the country and the efforts being made through the Rural Economic Area Partnership (REAP) pilot program. The conferees recommend that Rural Development, as the lead agency for this pilot program, give priority assistance to the REAP zones.

The conferees urge the Department to consider the following projects which were not mentioned in the House and Senate reports. The conferees expect the Department to apply the same criteria of review to these projects as are used for other applications.

Under Rural Business Enterprise Grants:

Rural Development and Finance Corporation,  
Raymondville, Texas.

Renewable Resources Research Institute, Midwestern  
states.

University of Colorado Health Science Center

Under Rural Utilities Programs:

City of Fort Morgan, Colorado.

City of Taos, New Mexico.

RURAL HOUSING SERVICE

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

The conference agreement provides a total subsidy level of \$226,142,000 (providing for an estimated loan program level of

\$4,219,527,000) for the activities under the Rural Housing Insurance Fund Program Account instead of \$219,642,000 (providing for an estimated program level of \$4,169,527,000) as proposed by the House and \$224,544,000 (providing for an estimated program level of \$3,519,532,000) as proposed by the Senate.

The following table reflects the conference agreement:

	Fiscal year 1997 enacted	Conference
Rural Housing Insurance Fund Program Account:		
Loan authorizations:		
Single family (sec. 502) .....	(1,000,000,000)	(1,000,000,000)
Unsubsidized guaranteed .....	(2,300,000,000)	(3,000,000,000)
Housing repair (sec. 504) .....	(35,000,000)	(30,000,000)
Farm labor (sec. 514) .....	(15,000,000)	(15,000,000)
Rental housing (sec. 515) .....	(58,654,000)	(128,640,000)
Multi-family housing guarantees (sec. 538) .....		(19,700,000)
Site loans (sec. 524) .....	(600,000)	(600,000)
Self-help housing land development fund .....	(600,000)	(587,000)
Credit sales of acquired property .....	(50,000,000)	(25,000,000)
<b>Total, Loan authorizations .....</b>	<b>(3,459,854,000)</b>	<b>(4,219,527,000)</b>
Loan subsidies:		
Single family (sec. 502) .....	83,000,000	128,100,000
Unsubsidized guaranteed .....	6,210,000	6,900,000
Housing repair (sec. 504) .....	11,081,000	10,300,000
Farm labor (sec. 514) .....	6,885,000	7,388,000
Rental housing (sec. 515) .....	28,987,000	68,745,000
Multi-family housing guarantees (sec. 538) .....		1,200,000
Self-help housing land development fund .....	17,000	17,000
Credit sales of acquired property .....	4,050,000	3,492,000
<b>Total, Loan subsidies .....</b>	<b>140,230,000</b>	<b>226,142,000</b>
RHIF administrative expenses (transfer to RHS) .....	366,205,000	354,785,000
<b>Total, Rural Housing Insurance Fund .....</b>	<b>506,435,000</b>	<b>580,927,000</b>
(Loan authorization) .....	(3,459,854,000)	(4,219,527,000)

#### RENTAL ASSISTANCE PROGRAM

The conference agreement provides \$541,397,000 for rental assistance as proposed by the Senate instead of \$493,870,000 as proposed by the House.

#### RURAL COMMUNITY FIRE PROTECTION GRANTS

The conference agreement provides \$2,000,000 for rural community fire protection grants as proposed by the House instead of \$1,285,000 as proposed by the Senate.

#### RURAL HOUSING ASSISTANCE GRANTS

The conference agreement provides \$45,720,000 for rural housing assistance grants as proposed by the Senate. The House bill funded these activities under the Rural Housing Assistance Program.

RURAL BUSINESS—COOPERATIVE SERVICE

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

The conference agreement appropriates a subsidy level of \$16,888,000 (providing an estimated loan program level of \$35,000,000) for the Rural Development Loan Fund Program Account as proposed by the House instead of \$19,200,000 (providing an estimated loan program level of \$40,000,000) as proposed by the Senate.

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

The conference agreement rescinds \$5,978,000 of funds derived from interest on cushion of credit payments established in the Rural Electrification Act (7 U.S.C. 901), and further provides \$5,978,000 for the cost of loans for the Rural Economic Development Loans Program Account. This subsidy level provides for an estimated program level of \$25,000,000.

ALTERNATIVE AGRICULTURAL RESEARCH AND COMMERCIALIZATION REVOLVING FUND

The conference agreement appropriates \$7,000,000 for the Alternative Agricultural Research and Commercialization Corporation Revolving Fund instead of \$10,000,000 as proposed by the Senate. The House bill provided no funds for this account. The House report proposed that the program operate with repayments to its revolving fund.

RURAL COOPERATIVE DEVELOPMENT GRANTS

The conference agreement appropriates \$3,000,000 for rural cooperative development grants as proposed by both House and Senate and provides for an earmark of up to \$1,300,000 for cooperative agreements for the Appropriate Technology Transfer for Rural Areas Program as proposed by the House instead of up to \$1,500,000 as proposed by the Senate.

RURAL UTILITIES SERVICE

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT

The conference agreement provides a total subsidy of \$36,185,000 (providing for an estimated loan program level of \$1,420,000,000) instead of \$32,161,000 (providing for an estimated loan program level of \$1,320,000,000) as proposed by the House and \$35,313,000 (providing for an estimated loan program level of \$1,397,756,000) as proposed by the Senate.

The following reflects the conference agreement:

	Fiscal year 1997 enacted	Conference
Rural Electrification and Telecommunications Loans Program Account:		
Loan authorizations:		
Direct loans:		
Electric 5% .....	(125,000,000)	(125,000,000)
Telecommunications 5% .....	(75,000,000)	(75,000,000)

	Fiscal year 1997 enacted	Conference
Subtotal .....	(200,000,000)	(200,000,000)
Treasury rates: Telecommunications .....	(300,000,000)	(300,000,000)
Muni-rate: Electric .....	(525,000,000)	(500,000,000)
FFB loans:		
Electric, regular .....	(300,000,000)	(300,000,000)
Telecommunications .....	(120,000,000)	(120,000,000)
Subtotal .....	(420,000,000)	(420,000,000)
Total, Loan authorizations .....	(1,445,000,000)	(1,420,000,000)
Loan subsidies:		
Direct loans:		
Electric 5% .....	3,625,000	9,325,000
Telecommunications 5% .....	1,193,000	2,940,000
Subtotal .....	4,818,000	12,265,000
Treasury rates: Telecommunications .....	60,000	60,000
Muni-rate: Electric .....	28,245,000	21,100,000
FFB loans: Electric, regular .....	2,790,000	2,760,000
Total, Loan subsidies .....	35,913,000	36,185,000
RETLP administrative expenses (transfer to RUS) .....	29,982,000	29,982,000
Total, Rural Electrification and Telecommunications Loans Program Account .....	65,895,000	66,167,000
(Loan authorization) .....	(1,445,000,000)	(1,420,000,000)

#### RURAL TELEPHONE BANK PROGRAM ACCOUNT

The conference agreement provides that administrative expenses of the Rural Telephone Program Bank Account shall be transferred to and merged with "Rural Utilities Salaries and Expenses" as proposed by the House. The Senate bill had no similar provision.

#### DISTANCE LEARNING AND MEDICAL LINK GRANTS AND LOANS PROGRAM

The conference agreement appropriates \$12,530,000 for the distance learning medical link grants and loans program instead of \$15,030,000 as proposed by the House and \$12,030,000 as proposed by the Senate.

The conference agreement provides \$30,000 from the total amount appropriated for the subsidy cost of distance learning and medical link loan guarantees (providing an estimated program level of \$150,000,000) as proposed by both the House and Senate.

The conferees urge the Department to consider the State University of New York Telecommunications Center for Education project which was not mentioned in the House and Senate reports. The conferees expect the Department to apply the same criteria of review to this project as are used for other applications.

## TITLE IV—DOMESTIC FOOD PROGRAMS

## CHILD NUTRITION PROGRAMS

The conference agreement provides a total of \$7,767,816,000 for Child Nutrition Programs instead of \$7,766,966,000 as proposed by the House and \$7,769,066,000 as proposed by the Senate. Included in this amount is an appropriated amount of \$2,616,425,000 and an amount transferred from section 32 of \$5,151,391,000. The conference agreement provides for the Child Nutrition Programs at the following annual rates:

## TOTAL OBLIGATIONAL AUTHORITY

[In thousands of dollars]

	House	Senate	Conference agree- ment
Child Nutrition Programs:			
School Lunch Program .....	\$4,327,804	\$4,327,804	\$4,327,804
School Breakfast Program .....	1,265,507	1,265,507	1,265,507
Child and adult care food program .....	1,411,590	1,411,590	1,411,590
Commodity procurement/computer support .....	337,194	337,194	337,194
Summer food service program .....	277,292	277,292	277,292
State administrative expenses .....	112,808	112,808	112,808
Special milk program .....	19,747	19,747	19,747
School meals initiative .....	5,900	10,000	8,000
Coordinated review system .....	4,124	4,124	4,124
Nutrition studies and surveys .....		3,000	
Nutrition education and training .....	5,000		3,750
Total .....	7,766,966	7,769,066	7,767,816

The conference agreement provides \$8,000,000 for the school meals initiative. Included in this amount is \$4,000,000 for food service training grants to states, \$1,000,000 for technical assistance materials, \$500,000 for the National Food Service Management Institute cooperative agreement for food service, \$400,000 for print and electronic resource systems, and not more than \$2,100,000 for other activities.

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

The conference agreement provides \$3,924,000,000 for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) as proposed by the House instead of \$3,927,600,000 as proposed by the Senate. The conference agreement includes language as proposed by the Senate to prohibit funds to be used for administrative expenses of WIC clinics except those that have an announced policy of prohibiting smoking within the space used to carry out the program.

The Secretary of Agriculture has proclaimed a WIC National Breastfeeding Week in an effort to promote breastfeeding among both WIC and non-WIC mothers. The breastfeeding promotion project will be implemented initially in 10 pilot WIC state agencies to encourage breastfeeding using a variety of advertising methods such as radio, television, and billboards. The conferees support this initiative and urge all states to participate in this promotional effort.



## FOOD STAMP PROGRAM

The conference agreement provides \$25,140,479,000 for the Food Stamp Program as proposed by the House instead of \$26,051,479,000 as proposed by the Senate. Included in this amount is a contingency reserve of \$100,000,000 as proposed by the House instead of \$1,000,000,000 as proposed by the Senate. Also included in this amount is \$1,204,000,000 for nutrition assistance for Puerto Rico and \$100,000,000 for TEFAP commodity purchases.

## COMMODITY ASSISTANCE PROGRAM

The conference agreement provides \$141,000,000 for the Commodity Assistance Program as proposed by the House instead of \$148,600,000 as proposed by the Senate. The conference agreement includes language as proposed by the House to provide funds from this account for administrative expenses only to the Emergency Food Assistance Program.

## FOOD DONATIONS PROGRAMS FOR SELECTED GROUPS

The conference agreement provides \$141,165,000 for the Food Donations Programs for Selected Groups as proposed by the Senate instead of \$146,165,000 as proposed by the House. Included in this amount is \$140,000,000 for the Elderly Feeding Program as proposed by the Senate instead of \$145,000,000 as proposed by the House.

## FOOD PROGRAM ADMINISTRATION

The conference agreement provides \$107,619,000 for Food Program Administration instead of \$104,128,000 as proposed by the House and \$107,719,000 as proposed by the Senate. The conference agreement also provides \$554,000 for the Office of the Under Secretary for Food, Nutrition and Consumer Services.

## TITLE V—FOREIGN ASSISTANCE AND RELATED PROGRAMS

## FOREIGN AGRICULTURAL SERVICE AND GENERAL SALES MANAGER

The conference agreement provides \$135,561,000 for the Foreign Agricultural Service and General Sales Manager as proposed by the House instead of \$136,664,000 as proposed by the Senate.

In the total amount provided, the conference agreement includes a direct appropriation of \$131,295,000 as proposed by the House instead of \$132,367,000 as proposed by the Senate, a transfer from Public Law 480 of \$1,035,000 as proposed by the House instead of \$1,066,000 as proposed by the Senate and a transfer of \$3,231,000 from the Export Loan Program as proposed by both House and Senate.

The conference agreement deletes Senate bill language providing that up to \$3,000,000 shall be available in fiscal year 1999 for overseas inflation. The conferees direct the Department to develop a plan for establishing an account to manage currency fluctuation.

The conference agreement provides \$3,000,000 of the total amount appropriated for the Cochran Fellowship Program as provided by the Senate.

The conference agreement deletes Senate report language providing \$500,000 for market barrier access identification and adopts House report language recommending that the Foreign Agricultural Service not spend appropriated funds for market barrier access identification.

PUBLIC LAW 480 PROGRAM AND GRANT ACCOUNTS

The following table reflects the conference agreement for Public Law 480 Program Accounts:

	FY 1997 enacted	Conference agreement
Public Law 480 Program Account:		
Title I—Credit sales:		
Program level .....	(240,805,000)	(244,508,000)
Direct loans .....	(226,900,000)	(226,900,000)
Ocean freight differential .....	13,905,000	17,608,000
Title II—Commodities for disposition abroad:		
Program level .....	(837,000,000)	(837,000,000)
Appropriation .....	837,000,000	837,000,000
Title III—Commodity grants:		
Program level .....	(29,500,000)	(30,000,000)
Appropriation .....	29,500,000	30,000,000
Loan subsidies .....	185,589,000	176,596,000
Salaries and expenses:		
General Sales Manager (transfer to FAS) .....	1,035,000	1,035,000
Farm Service Agency (transfer to FSA) .....	745,000	815,000
Subtotal .....	1,780,000	1,850,000
Total, Public Law 480:		
Program level .....	(1,107,305,000)	(1,111,508,000)
Appropriation .....	1,067,774,000	1,063,054,000

The conferees support the use of Title II funds in fiscal year 1998 to continue the fiscal year 1997 level for the orphan feeding program in Haiti.

The conferees direct that none of the funds appropriated in this Act be made available to provide assistance to the Democratic People's Republic of Korea except for assistance that is provided directly to needy people by the United Nations World Food Programme or private voluntary organizations registered with the United States Agency for International Development and not by the Government of the Democratic People's Republic of Korea.

TITLE VI—RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement includes a direct appropriation of \$857,501,000 for salaries and expenses, instead of \$852,501,000 as proposed by the House and \$873,057,000 as proposed by the Senate. Also included is \$91,204,000 in prescription drug user fees as proposed by the Senate.

Included within the amount available is \$34,000,000 for the children's tobacco prevention initiative and \$24,000,000 for the food safety initiative. The FDA should consider the use of the National Sea Grant College Program to assist in conjunction with its seafood safety activities.

The conferees have not included a detailed table in this statement of managers. Instead, the conferees expect the FDA to submit a detailed operating plan for fiscal year 1998 to the House and Senate Committees on Appropriations no later than 30 days after enactment of this Appropriations Act. This operating plan should include a proposal for expenditure of available funds by Center, related field activities, and other activities at a level of detail at least as great as that included in the Senate report. The operating plan should compare proposed funding levels to the initial fiscal year 1998 budget request and fiscal year 1997 current operating levels, and should include narrative explanations as appropriate. The conferees expect the FDA to consult with the House and Senate Appropriations Committees to develop this operating plan, which will serve as the basis for reprogramming notifications throughout the remainder of the fiscal year.

The agreement includes \$200,000 for a cooperative agreement with the Interstate Shellfish Sanitation Commission to continue research, safety rules, regulations, and education activities.

The conference agreement includes an increase for the Office of Generic Drugs.

#### BUILDINGS AND FACILITIES

The conference agreement provides \$21,350,000 for Food and Drug Administration, Buildings and Facilities as proposed by the House instead of \$22,900,000 as proposed by the Senate. The agreement provides the budget request for the National Center for Toxicological Research.

#### INDEPENDENT AGENCIES

##### COMMODITY FUTURES TRADING COMMISSION

The conference agreement provides \$58,101,000 for the Commodity Futures Trading Commission instead of \$57,101,000 as proposed by the House and \$60,101,000 as proposed by the Senate.

#### TITLE VII—GENERAL PROVISIONS

House and Senate Section 705.—The conference agreement includes language proposed by the House to allow the Food Safety and Inspection Service, field automation and information management project funds to remain available until expended. The Senate proposed to prohibit these funds from remaining available until expended.

House Section 716.—The conference agreement includes and amends language proposed by the House to make permanent compliance with the Buy American Act. The Senate bill had no similar provision.

Senate Section 720.—The conference agreement includes language (Section 722) proposed by the Senate to prohibit the use of

funds from this Act to carry out the provisions of section 918 of Public Law 104-127, the establishment of a permanent advisory panel known as the Safe Meat and Poultry Inspection Panel. The House bill had no similar provision.

House Section 721 and Senate Section 722.—The conference agreement includes language (Section 721) to limit funding for the Export Enhancement Program to \$150,000,000 as proposed by the Senate instead of \$205,000,000 as proposed by the House.

House Section 723.—The conference agreement includes language (Section 724) proposed by the House to prohibit USDA from transmitting or otherwise making available to any non-Department employee questions or responses to questions that are the result of information requested for the appropriations hearing process. The Senate bill had no similar provision.

House Section 724.—The conference agreement includes language (Section 725) proposed by the House to prohibit the use of funds in this Act for the Western Director and Special Assistant to the Secretary within the Office of the Secretary. The Senate bill had no similar provision.

House Section 726.—The conference agreement does not include language proposed by the House to reduce the National Agricultural Statistics Service budget by \$1,500,000 and add it to Departmental Administration for civil rights enforcement. The Senate bill had no similar provision.

House Section 727.—The conference agreement does not include language proposed by the House to prohibit funds from being used to provide assistance to North Korea except for assistance provided directly to needy people by the United Nations Food Programme or private voluntary organizations registered with the United States Agency for International Development. The Senate bill had no similar provision.

House Section 728.—The conference agreement does not include language proposed by the House relating to the City of Galt, California. The Senate bill had no similar provision.

Senate Section 724.—The conference agreement includes language (Section 728) proposed by the Senate to amend section 3(c) of the Federal Noxious Weed Act of 1974 to include kudzu. The House bill had no similar provision.

Senate Section 725.—The conference agreement includes language (Section 729) proposed by the Senate to make the Martin Luther King area of Pawley's Island, South Carolina eligible for loans and grants under section 504 of the Housing Act of 1949. The House bill had no similar provision.

Senate Section 726.—The conference agreement includes language (Section 730) proposed by the Senate to prohibit the Food and Drug Administration from closing or relocating the FDA Division of Drug Analysis in St. Louis, Missouri. The conference agreement does not include language proposed by the Senate to prohibit the Food and Drug Administration from proceeding with a plan to close or consolidate the laboratory in Baltimore, Maryland. The House bill had no similar provision.

Senate Section 727.—The conference agreement does not include language proposed by the Senate to require the Secretary of Agriculture to submit a plan for reducing the employee level in the

Rural Development mission area below the level described in the budget to the House and Senate Committees on Appropriations. The House bill had no similar provision.

Senate Section 728.—The conference agreement includes language (Section 731) proposed by the Senate to modify the conditions for issuance of cotton user marketing certificates. The House bill had no similar provision.

Senate Section 729.—The conference agreement includes language (Section 732) proposed by the Senate that requires the Office of Management and Budget to conduct a comprehensive economic evaluation of the direct and indirect effects of the Northeast Dairy Compact. The House bill had no similar provision.

Senate Section 730.—The conference agreement includes and amends language (Section 733) proposed by the Senate to allow the Secretary of Agriculture to use up to \$2,000,000 from proceeds earned from the sale of grain in the disaster reserve to implement a livestock indemnity program. The House bill had no similar provision.

Senate Section 731.—The conference agreement includes language (Section 734) proposed by the Senate to prohibit contract payments to a producer who plants wild rice on contract acreage unless the contract payment is reduced by an acre for each contract acre planted to wild rice. The House bill had no similar provision.

Senate Section 732.—The conference agreement does not include language proposed by the Senate to prohibit the inspection or certification of agricultural products unless the Secretary of Agriculture inspects and certifies the processing equipment and imposes a fee for the inspection and certification. The House bill had no similar provision.

Senate Section 733.—The conference agreement includes language (Section 735) proposed by the Senate to change the term for Section 515 multi-family rural housing loans from 50 years to 30 years and allow the Secretary of Agriculture to structure loan repayments based on a 50-year amortization schedule. The conference agreement also extends the authorizations for the Section 515 Rural Rental Housing Program and the Section 538 Multi-Family Guarantee Program for one year. The House bill contained no similar provision.

New Section 727.—The conferees have included language that provides for reprogramming procedures for agencies funded by this bill. The conferees are concerned about the lack of formal reprogramming procedures for agencies funded by this bill. Recent testimony before the Committees on Appropriations has indicated many instances of funds being used for purposes other than intended by Congress. Accordingly, the conferees have instituted a formal process and expect all agencies to implement the procedures immediately.

#### CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1998 recommended by the Committee of Conference, with comparisons to the fiscal year 1997 amount, the 1998 budget estimates, and the House and Senate bills for 1998 follow:

New budget (obligational) authority, fiscal year 1997 .....	\$53,889,489,000
Budget estimates of new (obligational) authority, fiscal year 1998	52,302,190,000
House bill, fiscal year 1998 .....	49,603,627,000
Senate bill, fiscal year 1998 .....	50,713,787,000
Conference agreement, fiscal year 1998 .....	49,749,679,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1997 .....	-4,139,810,000
Budget estimates of new (obligational) authority, fiscal year	
1998 .....	-2,552,511,000
House bill, fiscal year 1998 .....	+146,052,000
Senate bill, fiscal year 1998 .....	-964,108,000

JOE SKEEN,  
 JAMES T. WALSH,  
 JAY DICKEY,  
 JACK KINGSTON,  
 GEORGE R. NETHERCUTT, Jr.,  
 HENRY BONILLA,  
 TOM LATHAM,  
 BOB LIVINGSTON,  
 MARCY KAPTUR,  
 VIC FAZIO,  
 JOSÉ E. SERRANO,  
 ROSA L. DELAURO,  
 DAVID R. OBEY,

*Managers on the Part of the House.*

THAD COCHRAN,  
 ARLEN SPECTER,  
 CHRISTOPHER BOND,  
 SLADE GORTON,  
 MITCH M. MCCONNELL,  
 CONRAD BURNS,  
 TED STEVENS,  
 DALE BUMPERS,  
 TOM HARKIN,  
 HERB KOHL,  
 ROBERT C. BYRD,  
 PATRICK J. LEAHY,  
 DANIEL K. INOUE,

*Managers on the Part of the Senate.*