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Agriculture, Rural Development, FDA FY 2008 Funding

Washington, D.C. – Congresswoman Rosa L. DeLauro (Conn. -3), chairwoman of the Agriculture, Rural Development, Food and Drug Administration Appropriations Subcommittee, issued the following statement on the Agriculture, Rural Development, FDA fiscal year 2008 funding included in the end of year package to finish work on the annual appropriation bills.

"In trying to craft this funding measure and meet the priorities of the American people, this Congress attempted to work with the President who stubbornly refused to negotiate. While the President has eyes solely for the Iraq War, this Congress fought against detrimental cuts on issues important to the American people.

"Given this challenge, this Democratic-controlled Congress attempted to mitigate some of the President's harmful cuts and make critical long-term investments in this country. Although the President refused to make any reasonable compromises, this Congress still found a way to direct funds toward critical programs and made very real changes to the President's original budget that ensures we will reinvest in rural America; improve nutrition; protect public health, enhance oversight; and invest in long-term goals.

"The president's budget would have forced cuts in the Agriculture Appropriations bill. Instead, this bill rejects those cuts and directs funds toward critical programs.

Rural Development

- <u>Housing</u>: In addition to restoring \$1.1 billion in direct single family housing loans zeroed out by the President, the bill includes a significant increase for guaranteed single family housing loans provided to address expected surge in demand resulting from sub-prime mortgage crisis, with no fee increase (\$4.2 billion, \$474 million over House and \$546 million over 2007).
- Broadband grants: funded at \$13.406 million, 55% over 2007; President's budget zeroed them out.
- <u>Distance learning and telemedicine</u>: distance learning and telemedicine grants funded at \$34.755 million, \$5 million over 2007 and \$10 million over the budget.

Nutrition

- <u>WIC</u> funded at \$6.020 billion, including \$400 million in emergency funds, an increase of \$816 million over 2007 and \$633 million over the budget. Rejected the proposed cap on state administrative funds.
- <u>Commodity Supplemental Food Program:</u> Rejected the President's elimination of the program and provided \$139.7 million.

Public Health

- <u>Increases overall funding for FDA</u> \$79 million over the President's budget and \$145 million over 2007 (9.2%).
- This includes a significant increase of \$56 million over 2007 for food safety efforts at the agency, with \$28 million of which withheld until July 1 in an effort to begin to transform food safety at the

FDA, as outlined by the House bill – the agency is directed to submit a comprehensive, multi-year performance plan with measurable benchmarks that will then be reviewed by the Committee, before the funds are made available. The remaining \$28 million increase for food safety would be used for hiring domestic and imported food inspectors, and the deployment of inspectors with rapid response capabilities; among other things

- <u>Direct-to-consumer drug ads:</u> provides an increase of \$4 million over 2007 (250%)
- Blocked transfer of funds to the Reagan-Udall foundation.
- Prevents the Food Safety Inspection Service from moving forward with the <u>risk-based inspection</u> system until FSIS addresses IG concerns.
- Prohibits the USDA from establishing or implementing a rule allowing poultry products from China into the United States

FY 2008 OMNIBUS SUMMARY: AGRICULTURE, RURAL DEVELOPMENT & FDA SUBCOMMITTEE

Bill Total

2007 Enacted: \$17.8 billion President's Request: \$17.8 billion

Omnibus: \$18.1 billion – Base Bill

\$1 billion – Emergency Funds: Drought Relief and WIC

KEY INVESTMENTS

The Department of Agriculture: \$16.3 billion, rejecting the President's \$24 million cut and \$163 million above 2007.

Reinvests in Rural America

- **Rural Housing Loans:** \$207 million, rejecting \$171 million of the President's cut but still \$21 million below 2007, funding \$5.6 billion in affordable loans to provide housing to low-income families in rural areas with no increase in fees. The President's budget had eliminated direct loans and shifted funding to guaranteed loans, increasing fees, making these loans more expensive and less accessible for low-income families. This will provide approximately 42,000 single family homeownership opportunities.
- **Homeownership for Rural Families:** \$39 million, rejecting the President's \$24 million cut and \$5 million above 2007, for grants to allow low-income families in rural areas to build their own houses.
- **Rural Community Programs:** \$714 million, \$144 million above the President's request, to support community facilities, water and waste disposal systems, and business loans and grants.

Improving Nutrition

- **Commodity Supplemental Food Program:** \$139.7 million, \$32.5 million above 2007 and rejecting the President's proposal to eliminate for food aid for women, infants, children, and the elderly. In 2007, program participation averaged 485,614 monthly.
- Special Supplemental Nutrition Program for Women, Infants, and Children (WIC): \$6 billion (including \$400 million in emergency funds), \$815.6 million above 2007 and \$633.4 million above the President's request, including \$145 million to restore the President's proposed cuts to grants that help states administer the program. 8.55 million Americans are expected to participate in the program this year.

Protecting Public Health

- **Food Safety and Inspection Service:** \$930.1 million, \$38 million above 2007 and matching the President's request, addressing vacancies in federal meat inspector positions.
- **Food and Drug Administration salaries and expenses:** \$1.7 billion, \$145 million above 2007 and \$79 million above the President's request, including increases to begin a transformation of food safety regulation, improve drug safety, monitor prescription drug advertisements and review generic drug applications.

Enhancing Oversight

- **Crop Insurance:** \$11.2 million in new spending, as requested by the President, to detect potential waste, fraud and abuse in crop insurance and farm loan programs.
- Livestock Competition: an increase of almost \$1 million to enforce the Packers and Stockyards Act.
- **Commodity Futures Trading Commission:** \$111 million, \$13 million above 2007, for additional enforcement staff and other needs.

Investing in Long-term Goals

- **Bringing 21** Century Services to Underserved Rural Areas: \$54.6 million, rejecting the President's \$18 million cut and \$5.3 million above 2007, for grants for distance learning, telemedicine, and broadband development in rural areas.
- **Renewable Energy:** \$847 million, \$617 million above 2007 and \$472 million above the President's request, for bio-energy and renewable energy R&D, including loans and grants in rural areas.
- **Nutrition:** \$928 million, \$16 million above 2007 and \$40 million over the President's request, for nutrition programs including the Expanded Food and Nutrition Education Program, the Fresh Fruit and Vegetable program, the Simplified Summer Food program to provide nutritious foods to children in low-income families, and specialty crop grants to encourage more fruit and vegetable consumption.
- Conservation Programs: \$936.8 million, \$85 million above 2007 and \$112 million above the President's request, for conservation efforts on private lands, increased to accelerate the development and application of new comprehensive nutrient management plans for livestock.

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