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SPECIAL REPORT:

Agriculture Appropriations and California Implications

- Updated October 19, 2000 -

On October 11, 2000, the House approved the conference report (H.Rpt. 106-948) for the FY01 Appropriations for the Department of Agriculture and Related Agencies (H.R. 4635) by a 340 to 75 margin. On October 18, the Senate approved the measure 86 to 8. The following is an examination of the bill from a California perspective prepared by the California Institute. We apologize in advance for any errors or omissions in our discussion and would appreciate any feedback on how to make improving corrections. The ordering of items is not intended to imply any relative importance. The report is available on the Institute's website at <http://www.calinst.org/pubs/agapp01.htm>.

DEPARTMENT OF AGRICULTURE - FY2001 APPROPRIATIONS

The FY 2001 Appropriations conference report for the Department of Agriculture provides total expenditures of \$78.14 billion, including \$9.5 billion for child nutrition programs, and \$714 million for conservation programs.

GENERAL PROVISIONS

- Language is included ensuring that the Konocti Water District is eligible for loans and grants from the Rural Utilities Service
- Language is included ensuring that the City of Coachella is eligible for loans and grants through the rural development mission areas of the USDA
- Of the \$10 million appropriated for the Agricultural Risk Protection Act, \$500,000 is earmarked solely for California
- A total of \$32.6 million is appropriated for fruit fly exclusion and detection. Of this funding, \$700,000 is intended to go to California to pay for trapping costs.

- \$4 million is appropriated to extend the eligibility date for marketing assistance and loan deficiency payments for specialty rice growers in California

NATURAL DISASTER ASSISTANCE AND EMERGENCY APPROPRIATIONS

- The bill authorizes the Secretary to compensate growers whose crops could not be sold because of the Mexican fruit fly quarantines in San Diego and San Bernardino/Riverside counties in 1999, and to compensate growers for losses due to Pierce's disease
- Compensates Valencia orange growers affected by the citrus freeze to raise their total amount of relief to equal that of growers whose crops came due in 1998. This additional disaster assistance is expected to reach \$2.5 million
- \$20 million in Commodity Credit Corporation funds is allocated for payments to California producers of tomatoes, pears, peaches, and apricots that were unable to market their crops because of the failure of the Tri-Valley Growers cooperative.

HASS AVOCADO PROMOTION, RESEARCH, AND INFORMATION

- Includes the language of S.1790/H.R. 2962, introduced by Sens. Barbara Boxer and Dianne Feinstein, and Rep. Ken Calvert (Corona), respectively. The provision will allow importers of Hass avocados to fund and operate a coordinated marketing effort to expand domestic and foreign markets

AGRICULTURAL RESEARCH SERVICE

- The conference report encourages USDA to conduct research on the glassy-winged sharpshooter and Pierce's Disease in Parlier, California. \$1.1 million is appropriated for USDA's Agriculture Research Service research on Pierce's disease
- \$1.9 million is appropriated for Pierce's disease research by the University of California. The conferees declined to appropriate the \$7.14 million in eradication funds that was in the original supplemental appropriations bill because "USDA has received emergency funds from the Commodity Credit Corporation for applied research, eradication, and control of Pierce's Disease."
- \$4.9 million is appropriated for construction of a Western Regional Research Center in California

NATURAL RESOURCE CONSERVATION SERVICE

- The Natural Resource Conservation Service will provide financial and technical assistance to help repair damage to rivers, streams, reservoirs, and other waterways including: \$10,000,000 for the Chino Dairy Preserve in California

VITICULTURE

- \$1.5 million is included for the USDA Viticulture consortium, which prioritizes wine-grape research projects across the country
- Organic Wine. Clarifies the law that permits sulfides in wine made from organic grapes

MISCELLANEOUS

- Argentine Citrus. No restriction is placed on the rulemaking, nor is there any mandate for a National Academy of Science study
- \$1.25 million is appropriated for exotic pest research by the University of California
- \$2 million for Appropriate Technology Transfer for Rural Areas for sustainable agriculture practices, of which \$500,000 is expected to be used to open an office in California
- \$2.5 million is appropriated for the Methyl Bromide Transition Program
- A \$2 million increase, to \$2.1 million, is included for activities concerning imported fire ants. The Conference report says the money is for “the shared responsibility with states to conduct surveys, compliance monitoring, and enforcement responsibilities affiliated with the fire ant quarantine of nursery and greenhouse plants including control, management and eradication of the imported fire ant in New Mexico.”
- The conference report includes language lifting the sanctions against food and medicine sales to Cuba and requiring the President to submit a report to Congress sixty days before the imposition of any future unilateral sanctions
- The report also includes language allowing wholesalers and pharmacies to reimport U.S.-made drugs that are less expensive when purchased abroad. Reimportation may not begin until FDA promulgates final rules on the program and sunsets five years after implementation

FOOD AND DRUG ADMINISTRATION

- \$20 million is appropriated for construction of a new FDA laboratory in Los Angeles