



APPROPRIATIONS UPDATE

HOUSE COMMITTEE ON THE BUDGET
Majority Caucus

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AGRICULTURE APPROPRIATIONS BILL FOR FISCAL YEAR 2002

SUMMARY

As reported by the Committee on Appropriations, the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations bill (H.R. 2330) is consistent with the budget resolution, and complies with the requirements of the Congressional Budget Act. That compliance, however, depends upon the designation of \$150 million in emergency-designated new budget authority [BA].

Through an understanding with the Chairman of the Budget Committee, the emergency designation – which falls under

the Budget Committee’s jurisdiction – will be stricken by the rule governing debate on the legislation, although the funding amount will be left intact. This causes a breach of the Agriculture Subcommittee’s 302(b) allocation. The understanding is that the Appropriations Committee will offset the \$150 million in other appropriations bills. Further details are presented in the discussion below.

With this understanding, the rule removing the emergency designation also waives other points of order that would lie against the bill for exceeding its allocation.

COST OF THE LEGISLATION

The measure provides \$15.669 billion in new discretionary BA and \$15.974 billion in discretionary outlays for 2002 – a decrease of \$92 million in BA from the fiscal year 2001

enacted amount. The bill is \$273 million in discretionary BA above the President’s request. A summary of the breakdown of these levels appears on the next page.

Agriculture and Related Agencies Appropriations Bill (fiscal years; millions of dollars)				
	2001 Enacted	Administration 2002 Request	302(b) for 2002	2002 Bill
Budget Authority	15,761	15,396	15,519	15,669
Outlays	15,352	15,754	15,831	15,974

COMPLIANCE WITH THE BUDGET ACT

Although the bill reported by the Appropriations Committee complies with the Budget Act, the legislation on the House floor fails to comply with sections 302(f) and 311(a) of the Act. These sections prohibit consideration of bills in excess of a subcommittee’s 302(b) allocation pursuant to the levels of budget authority and outlays established in the budget

resolution. The \$15.669 billion in new discretionary budget authority provided by the bill is \$150 million greater than the Agriculture Subcommittee’s 302(b) allocation.

Pursuant to the understanding with the Budget Committee Chairman, the Appropriations Committee is to revise the

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302(b) allocations so that the \$150-million breach is offset through reductions in the 302(b)s of other Appropriations subcommittees. It is also understood that these revised

allocations will reflect the intent that the savings will not come from bills already passed by the House, or reduce defense funding below the President's levels.

EMERGENCIES

As reported, H.R. 2330 provided \$150 million in emergency market assistance payments. This funding is in addition to \$169 million in assistance to specialty crop producers provided in H.R. 2213, the Agriculture Economic Assistance Act, which the House passed on 26 June 2001. The emergency designation – but not the spending – will be removed upon adoption of the rule.

The budget resolution (H.Con.Res. 83) accommodated \$5.5 billion in economic assistance to agriculture producers in fiscal year 2001. The Agriculture Committee recently utilized these funds and provided \$169 million in economic assistance to specialty crop producers in H.R. 2213, which the House passed earlier this week.

The Chairman of the Budget Committee requested an amendment from the Rules Committee removing the emergency designation from market assistance allocated to apple producers.

Furthermore, the budget resolution allocated to the Agriculture Committee, for additional agricultural relief, \$7.4 billion in fiscal year 2002; and the resolution also allows for increases totaling \$66 billion during fiscal years 2003 through 2011.

RESCISSIONS

H.R. 2330 contains two rescissions totaling \$48.616 million. One cancels \$45 million of unobligated funds for the Agriculture Conservation Program, which was terminated in 1997. The other cancels \$3.616 million of budget authority

derived from interest earned on credit payments under the Rural Electrification Act.

The rescissions produce no savings in actual outlays.

Discretionary Spending in the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Bill for Fiscal Year 2002 (in millions of dollars)		
Title	Budget Authority	Outlays
Agriculture Programs	5,601	5,518
Conservation Programs	904	1,005
Rural Development Programs	2,490	2,522
Domestic Food Programs	4,571	4,559
Foreign Assistance Programs	1,107	1,046
Related Agencies and Food and Drug Administration	1,294	1,252
General Provisions	-298	72

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