

Farm Bill 2014: Issues of interest to AIARD Members

The Farm Bill has been an important part of the policy debate in Washington this year and last. At this writing the House has passed the bill, the Senate is expected to vote on it next week.

It has been a very tough year with protracted controversy, but here are some of the results:

International Science and Education competitive grants program authorized at USDA:

SEC. 7117. COMPETITIVE GRANTS FOR INTERNATIONAL AGRICULTURAL SCIENCE AND EDUCATION PROGRAMS.

Section 1459A(c) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977

U.S.C. 3292b(c) is amended to read as follows:

"(c) AUTHORIZATION OF APPROPRIATIONS.-There are authorized to be appropriated to carry out this section-

"(1) such sums as are necessary for each of fiscal years 1999 through 2013; and

"(2) \$5,000,000 for each of fiscal years 2014 through 2018."

The Farmer to Farmer Program -- sending volunteers from land-grant universities and others to developing countries

A baseline increase to \$15 million and a percentage increase to 0.6%. This is an incredible 50% boost to FTF in a Farm Bill filled with funding cuts elsewhere!

Below are the text sections on Farmer-to-Farmer in: 1) the Manager's statement on the bill; and 2) the bill text itself.

1. FROM THE MANAGER'S STATEMENT ON THE FARM BILL CONFERENCE REPORT

(11) Farmer-to-Farmer program

The House bill provides for the Farmer-to-Farmer program not less than the greater of \$15,000,000 or 0.5 percent of the funds made available to carry out the Act. (Section 3014)

The Senate amendment provides for the Farmer-to-Farmer program

not less than the greater of \$10,000,000 or 0.6 percent of the funds made available to carry out the Act. (Section 3014)

The Conference substitute adopts the House provision with an amendment. The amendment provides not less than the greater of \$15,000,000 or 0.6% of the funds made available to carry out this Act for the Farmer-to-Farmer program. The amendment adds a GAO report to review the program and provide recommendations to improve the monitoring and evaluation of the program. (Section 3014)

2. FROM THE ACTUAL BILL TEXT

SEC. 3014. JOHN OGWOSKI AND DOUG BEREUTER FARMER-TO-FARMER PROGRAM.

(a) FUNDING AND REAUTHORIZATION OF PROGRAM.—Section 501 of the Food for Peace Act (7 U.S.C. 1737) is amended— (1) in subsection (d), in the matter preceding paragraph (1), by striking “2012” and inserting “2013, and not less than the greater of \$15,000,000 or 0.6 percent of the amounts made available for each of fiscal years 2014 through 2018,”; and (2) in subsection (e)(1), by striking “2012” and inserting “2018”.

(b) COMPTROLLER GENERAL REPORT.—Not later than 270 days after the date of enactment of this Act, the Comptroller General of the United States shall submit to Congress a report that contains— (1) a review of the John Ogonowski and Doug Bereuter Farmer-to-Farmer Program authorized by section 501 of the Food for Peace Act (7 U.S.C. 1737); and (2) recommendations relating to actions that the Comptroller General determines to be necessary to improve the monitoring and evaluation of assistance provided under such program.

Food Aid -- importantly preserving resources for ag development programs

The bill reauthorizes food aid programs through Fiscal Year 2018, a firm minimum level of \$350 million per fiscal year is provided for Title II development programs, there are more funds are available to support Title II development activities, and there are relatively minor changes to monetization under Title II and Food for Progress. Both Food for Progress, McGovern-Dole Food for Education and the Bill Emerson Humanitarian Trust are reauthorized.

Greater flexibility is provided in two main ways: more flexibility to use Title II funds to support specific logistics, management, and development activities, which is important in cases where monetization is not a good option, and authorization of \$80 million for a USDA Local-Regional Procurement program (subject to annual appropriations by Congress).

Here are the outcomes:

PL 480 Title II ---

- **Reauthorized through FY 2018.**
- **Development Safebox –In general, a range of 20-30% shall be made available for Title II development programs, but the amount for development programs shall not be less than \$350 million in any fiscal year and USAID cannot waive this minimum level. For FY 2014, total Title II funding is \$1.466 billion and the minimum for Title II programs is \$350 million and maximum would be \$440 million.**
- **No changes to monetization, except that applicants will include potential costs and benefits of monetization when applying for a program (Title II and Food for Progress). For Title II, USAID must issue a report to Congress on cost recovery and uses of monetized funds and other support funds, and if the cost recovery (they call it “rate of return”) is less than 70%, the reasons why.**
- **Maximum level for section 202(e) support funds increased from current 13% to 20%, and expands the allowed uses to development activities and to create investment funds, similar to types of activities that are conducted with monetized proceeds. For FY 2014, the maximum is \$293 million.**
- **The Senate provision allowing 20% of Title II funds to be used for unspecified “activities” (which could include local/regional procurement) was not included.**
- **Requires 45 days advanced consultation through the Food Aid Consultative Group before issuing guidance or regulations and the issuance of regulations within 270 days of enactment.**
- **Provides \$17 million of Title II funds each fiscal year (previously was \$22 million) for USAID oversight, management, studies, etc.**

Other PL 480 provisions:

- **The International Emergency Food Relief Program is increased**

- from \$8 million to \$10 million.
- Funds available for prepositioning costs are increased from \$10 to \$15 million.

USDA's Food for Progress and McGovern-Dole Food for Education:

- An applicant will have to include the potential costs and benefits of the monetization when applying for a Food for Progress program.
- No other changes.
- As soon as the Farm Bill passes, USDA can issue Food for Progress program approvals.
- USDA already has the FY 2014 appropriations for FY 2014 for McGovern-Dole and can already appropriate the funds for that program.

USDA Local-Regional Procurement Program, with preference for organizations that conduct or have conducted McGovern-Dole programs (e.g. as transitional programs to shift to local procurement and administration).

- Authorizes appropriations of \$80 million for the USDA LRP Program. Preference is given to organizations that have, or are working to develop, McGovern-Dole programs, although other developmental and emergency LRP uses are allowed.
- Funding for this program is subject to annual appropriations by Congress as part of the Agriculture Appropriations Bill. Therefore, it will compete with PL 480 Title II and McGovern-Dole funds.
- For FY 2014, there is no funding, since it is subject to appropriations.