



Top Stories

Energy and Agriculture Provisions in FY 2016 Omnibus

On Dec. 18, 2015, Congress passed and the president signed the [Consolidated Appropriations Act of 2016](#). The \$1.15 trillion omnibus package completes the FY 2016 appropriations process for all 12 individual spending bills that are part of the federal budget. The Department of Energy would receive a nearly 8 percent increase over 2015 while the Department of Agriculture would receive nearly \$925 million more than FY 2015. [Read a full summary of agency funding allocations](#). Additionally, outside of specific funding provisions, the omnibus included a number of provisions related to [energy](#) and [agriculture](#) issues that may be of interest to state legislatures. The bill formally removes the ban on exporting crude oil, which had been in place since 1973. The bill also extends and phases out the production tax credits (PTC) for wind and Investment Tax Credit (ITC) solar energy over five years. Additionally, the Land and Water Conservation Fund, which expired in September, was reauthorized for the next three years.



The legislation repeals the Country-of-Origin-Labeling mandate that required retailers to notify customers with information regarding the source of certain foods. The repeal is expected to resolve a dispute at the World Trade Organization (WTO) that

could have resulted in billions of dollars in trade retaliation against the U.S.

Additionally, the bill blocks the sale of genetically engineered salmon until the Food and Drug Administration (FDA) publishes guidelines. The bill also increases FDA's budget, to \$104.5 million for the implementation of the Food Safety Modernization Act, and gives \$1 billion to the Food Safety and Inspection Service. There were also no provisions in the omnibus related to EPA's Clean Power Plan or Waters of the U.S. regulation.

From the Administration

12/21/2015— President Obama vetoed two resolutions ([S.J. Res. 23](#) and [S.J. Res. 24](#)) that would have essentially prohibited the Clean Power Plan rule from going into effect. As part of the Congressional Review Act, Congress can approve resolutions undoing formal regulations approved by the executive branch. However, these resolutions currently lack the required two-thirds support to overturn a presidential veto.

12/17/2015—The Department of Energy (DOE) [finalized](#) its energy efficiency standards for commercial air conditioners and warm air furnaces. According to DOE, these standards will save more energy than any other standard issued in the agency's

history. The standards will occur in two phases, with the first phase starting in 2018 and the second five years later.

12/16/2015—The U.S. Department of Agriculture (USDA) joined with DOE and EPA to [release](#) the Biogas Opportunities Roadmap Progress Report, which provides an update on national biogas activities. The report also identifies next steps for federal agencies including promoting biogas utilization and fostering investment in biogas systems.

12/16/2015—DOE [announced](#) almost \$4 million for the Hydroelectric Incentive Program. The program aids developers who add hydroelectric power generating capabilities to existing nonpowered dams.

12/15/2015—USDA [finalized](#) a rule to ensure that farm safety-net payments are issued only to active managers of farms, based upon a provision in the 2014 Farm Bill. The action, which exempts family farm operations, aims to close a loophole where individuals who were not actively part of farm management still received payments.

12/2/2015—USDA released its final [rule](#) governing the inspection of catfish sold in the United States. The rule is the result of a provision in the 2008 farm bill. The program, which USDA anticipates will cost about \$15 million a year, will hold the fish to the same standard of scrutiny that the USDA's Food Safety and Inspection Service applies to the U.S. meat sector.

From the 114th Congress

12/15/2015—One hundred bipartisan members of the U.S. House of Representatives sent a [letter](#) to U.S. Department of Agriculture Secretary Tom Vilsack requesting that he use his authority to designate cottonseed as oilseed. Doing so would allow struggling cotton farmers access to the same risk management tools provided to other farmers through the Agriculture Risk Coverage and Price Loss Coverage programs.

12/2/2015—The U.S. House of Representatives passed the [North American Energy Security and Infrastructure Act](#), an energy legislation package that deals mostly with the exportation of liquefied natural gas. The White House has since

issued a [veto threat](#) if the legislation were to get to the president's desk.

11/25/2015—The U.S. Department of Interior [announced](#) that it disbursed nearly \$9.9 billion in FY 2015 to states from energy production on federal lands and offshore areas.

Additional Resources and Reports of Interest

12/15/2015—The North American Energy Reliability Corp (NERC) released its [2015 Long-Term Reliability Assessment](#) in which it found that the U.S. power sector is facing serious challenges. Such challenges, according to NERC, include a quickly changing energy resource mix, new environmental regulations, and an influx of distributed power sources. Additionally, NERC found that U.S. electric power reserves are trending downward, but do remain sufficient for the next five years.

12/15/2015—NCSL signed on to a U.S. Supreme Court [amicus brief](#) filed by the State and Local Legal Center (SLLC) in a federal energy pre-emption case involving the state of Maryland. In the brief SLLC argued that Maryland directing its local utilities to enter into a long-term contract providing stable revenue to the successful power plant bidder is not field or conflict pre-empted. Therefore, SLLC argues that the lower court misapplied the pre-emption doctrine.

NCSL Resources

NCSL Capitol Forum drew hundreds of legislators and legislative staff to Washington, D.C., for committee meetings, issue sessions and visits to Capitol Hill.

[See presentations and other material from the meeting on our NCSL Capitol Forum resources page.](#)