



NATIONAL CONFERENCE *of* STATE LEGISLATURES

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**Summary of
Title I - Agriculture, Rural Development, Food & Drug Administration, & Related Agencies
in the American Recovery and Reinvestment Act of 2009**

Public Law No: 111-005	
Agriculture Buildings & Facilities & Rental Payments	<ul style="list-style-type: none">• \$24 Million - necessary construction, repair, & improvement activities
Office of the Secretary	Language not included in final bill
Office of Inspector General	<ul style="list-style-type: none">• \$22.5 Million• To remain available until September 30, 2013• Oversight & audit of programs, grants & activities funded by this Act & administered by USDA• Includes \$7.5 million for the U.S. Forest Service
Agricultural Research Service - Buildings & Facilities	<ul style="list-style-type: none">• \$176 Million additional amount• For deferred maintenance at Agricultural Research Service facilities• Priority to be given to critical deferred maintenance, projects that can be completed, & to activities that can commence promptly following enactment of this Act
Cooperative State Research, Education & Economic Service - Research & Education Activities	Language not included in final bill
Farm Service Agency - Salaries & Expenses	<ul style="list-style-type: none">• \$50 Million - maintaining & modernizing the information technology system

Farm Service Agency - Agricultural Credit Insurance Fund Program Account	Language not included in final bill	
Natural Resources Conservation Service	Watershed & Flood Prevention Operations	<ul style="list-style-type: none"> • \$290 million <ul style="list-style-type: none"> ▪ \$145 million - necessary expenses to purchase & restore floodplain easements (section 403 of Agricultural Credit Act of 1976 (16 USC 2203)) ▪ Funding for conducting a floodplain restoration enrollment process that encompasses multiple regions of the country & that will provide the greatest public & environmental benefits. ▪ Provides funding to invest in both structural & non-structural watershed infrastructure improvements ▪ No more than \$30 Million may be obligated for above reasons to any one State ▪ For projects that can be fully funded & completed with such funds, & to activities that can commence promptly following enactment of this Act - also for funds that have already initiated planning, design, or construction work. ▪ Priority shall be given to projects that are the most cost-effective while providing the greatest public safety, flood protection, economic, & environmental benefits
	Watershed Rehabilitation Program	<ul style="list-style-type: none"> • \$50 Million • Funding to rehabilitate aging flood control infrastructure • Priority to be given to projects that are at the greatest risk of failure & present threats to public safety; to projects that can obligate & expend funds both cost effectively & rapidly • For projects that can be fully funded & completed with such funds, & to activities that can commence promptly following enactment of this Act
Rural Housing Service	Rural Housing Insurance Fund Program Account	<ul style="list-style-type: none"> • \$200 Million - Additional amounts for gross obligations for principal amount of direct & guaranteed loans as authorized by title V of the Housing Act of 1949, supporting <ul style="list-style-type: none"> ○ \$1 Billion for section 502 direct loans - direct single family housing loans ○ \$10.472 Billion for section 502 unsubsidized guaranteed loans - guaranteed single family housing loans • Additional amount for the cost of direct & guaranteed loans, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974 <ul style="list-style-type: none"> ○ \$67 Million for section 502 direct loans ○ \$133 Million for section 502 unsubsidized guaranteed loans

	Rural Community Facilities Program Account	<ul style="list-style-type: none"> • \$130 Million - additional amount for the cost of direct loans & grants for rural community facilities programs as authorized by section 306 & described in section 381E(d)(1) of the Consolidated Farm & Rural Development Act • Funding to support \$1.234 billion in loans & grants for essential rural community facilities including hospitals, health clinics, health & safety vehicles & equipment, public buildings, & child & elder care facilities <ul style="list-style-type: none"> ○ \$1.171 billion is for direct community facility loans ○ \$63 million is for community facility grants
Rural Business - Cooperative Service Rural Business Program Account		<ul style="list-style-type: none"> • \$150 Million - additional amount for the cost of guaranteed loans & grants as authorized by sections 310B(a)(2)(A) and 310B(c) of the Consolidated Farm & Rural Development Act (7 USC 1932) • Funding will support \$3.01 billion in rural business loans & grants <ul style="list-style-type: none"> ○ \$2.99 billion for guaranteed business & industry loans ○ \$20 million for rural business enterprise grants
Rural Utilities Service	Rural Water & Waste Disposal Program Account	<ul style="list-style-type: none"> • \$1.38 Billion - additional amount for the cost of direct loans & grants for the rural water, waste water, & waste disposal programs authorized by sections 306 & 310B and described in section 381E(d)(2) of the Consolidated Farm & Rural Development Act <ul style="list-style-type: none"> ○ Funding will support \$3.788 billion in loans & grants for water & waste disposal facilities in rural areas <ul style="list-style-type: none"> ▪ \$2.82 billion for direct loans ▪ \$968 million for grants
	Distance Learning, Telemedicine, & Broadband Program	<ul style="list-style-type: none"> • \$2.5 Billion - additional amount for the cost of broadband loans & loan guarantees, as authorized by the Rural Electrification Act of 1936 (7 USC 901 et seq.) & for grants, including for technical assistance <ul style="list-style-type: none"> ○ the cost of direct & guaranteed loans shall be as defined in section 502 of the Congressional Budget Act of 1974 ○ this is available for grants, loans, and loan guarantees for broadband infrastructure in any area of the country, notwithstanding title VI of the Rural Electrification Act of 1936 ○ At least 75% of the area receiving the funds for a project shall be in a rural area without sufficient access to high speed broadband service to facilitate rural economic development, as determined by the Secretary of Agriculture ○ Priority shall be given to project applications for broadband systems that will deliver end users a choice of more than one service provider ○ Priority to projects that will provide service to the highest proportion of rural residents that do not have access to broadband service

		<ul style="list-style-type: none"> ○ Priority to project applications from or that include borrowers or former borrowers under title II of the Rural Electrification Act of 1936 ○ Priority to those who can demonstrate that project elements will be fully funded upon application approval ○ Priority to projects that can be completed ○ Priority to projects that can commence promptly ○ No area of a project receiving this funding is eligible to receive funding from the Broadband Technology Opportunities Program ○ Secretary of Agriculture shall submit a report on planned spending & actual obligations of these funds no later than 90 days after enactment date of this Act ○ Secretary shall provide quarterly reports until all funds are obligated ○ Reports are to go to the Committees of Appropriations of the House of Representatives and the Senate
Food & Nutrition Service - (see also General Provisions Sec. 101)	Child Nutrition Programs	<ul style="list-style-type: none"> ● \$100 Million - carry out grant program for National School Lunch Program equipment assistance ○ Funds to States administering a school lunch program in a manner proportional with each States' administrative expense allocation States shall provide competitive grants to school food authorities based upon the need for equipment assistance in participating schools with priority given to school in which not less than 50% of the students are eligible for free or reduced price meals under the Richard B. Russell School Lunch Act.
	Special Supplemental Nutrition Program for Women, Infants, & Children (WIC)	<ul style="list-style-type: none"> ● \$500 Million - additional amount for the specialized nutrition program as authorized by section 17 of the Child Nutrition Act of 1966 (42 USC 1786) ○ \$400 million - to be placed in reserve to be allocated as the Secretary deems necessary to support participation if cost or participation exceeds the current budget ○ \$100 million - for purposes specified in section 17(h)(10)(B)(ii) provided that up to 1% of the funding provided for such purposes may be reserved by the Secretary for Federal administrative activities in support of those purposes - to help state agencies implement new management information systems or improve existing management information systems for the program
	Commodity Assistance Program	<ul style="list-style-type: none"> ● \$150 Million - additional amount for emergency food assistance program as authorized by section 27(a) of the Food and Nutrition Act of 2008 (7 USC 2036(1)) and section 204(a)(1) of the Emergency Food Assistance Act of 1983 (& Usc 7508(a)(1)) <ul style="list-style-type: none"> ▪ \$50 Million may be used by the Secretary for costs associated with distribution of commodities ▪ \$25 Million to be made available in fiscal year 2009
General Provisions		
Sec . 101 Temporary Increase in Benefits Under the Supplemental Nutrition	Maximum Benefit Increase	<ul style="list-style-type: none"> ● Consolidated block grants for Puerto Rico & American Samoa shall be calculated using 113.6% of the June 2008 value of the thrifty food plan, beginning the first month that begins not less than 25 days after this Act is enacted

Assistance Program (SNAP - administered under Food & Nutrition Service)		<ul style="list-style-type: none"> • This authority terminates after September 30, 2009, and the value of the maximum allotments, minimum allotments or consolidated block grants may not be reduced below the level in effect for fiscal year 2009.
	Requirements for the Secretary	<ul style="list-style-type: none"> • The benefit increase shall be considered a "mass change" and will require a simple process for States to notify households of the increase in benefits. • Section 16(c)(3)(A) of the Food & Nutrition Act of 2008 (& USC 2025(c)(3)(A)) shall apply to any errors in the implementation of this section, without regard to the 120-day limit described in that section • Additional amount of benefits that a household receives as a result of this section shall be disregarded in determining the amount of overissuances under section 13 of the Food & Nutrition Act of 2008 (7 USC 2022) • The tolerance level for excluding small errors for the purposes of section 16(c) of the Food & Nutrition Act of 2008 (7 USC 2025(c)) shall be set at \$50 through September 30, 2009.
	Administrative Expenses	<ul style="list-style-type: none"> • For State administrative expenses associated with carrying out this section and administering the supplemental nutrition assistance program <ul style="list-style-type: none"> ○ \$145 Million shall be made available in fiscal year 2009 ○ \$150 Million for fiscal year 2010 <ul style="list-style-type: none"> ▪ \$4.5 million for necessary expenses of the Food & Nutrition Service - management & oversight of the program& for monitoring the integrity & evaluating the effects of the payments made ○ Within 60 days after the enactment of this Act, fiscal year 2009 amounts will be made available to States ○ Allocation of funds to States for each fiscal year- except those provided for management & oversight <ul style="list-style-type: none"> ▪ 75% shall be allocated to States based on the share of each State of households that participate in the supplemental nutrition assistance program as reported by USDA for the most recent 12-month period for which data are available, adjusted by the Secretary for participation in disaster programs ▪ 25% shall be allocated to States based on the increase in the number of households that participate in the supplemental nutrition assistance program as reported to the USDA over the most recent 12-month period for which data are available, adjusted by the Secretary for participation in disaster programs
	Food Distribution Program on Indian Reservations	<ul style="list-style-type: none"> • \$5 Million for costs relating to facility improvements & equipment upgrades associated with the Food Distribution Program on Indian Reservations - provided that administrative cost-sharing requirements are not applicable to funds provided in accordance with this provision
	Treatment of	<ul style="list-style-type: none"> • Eligibility for supplemental nutrition assistance program benefits SHALL NOT BE LIMITED

	Jobless Workers	<p>under section 6(o)(2) of the Food & Nutrition Act of 2008 beginning the first month that is not less than 25 days after the enactment of this Act and for each subsequent month through September 30, 2010, unless an individual does not comply with the requirements of a program offered by the State agency that meets the standards required.</p> <ul style="list-style-type: none"> Beginning on October 1, 2010, a State agency shall disregard any period during which an individual received benefits under the supplemental nutrition assistance program prior to October 1, 2010
Sec. 102 Agricultural Disaster Assistance Transition		<ul style="list-style-type: none"> Provides for transitional agricultural disaster assistance, including 2008 Transition Assistance, the Amount of Assistance, Equitable Relief, Limitations, Authority of the Secretary, and Lack of Access under section 531(g) of the Federal Crop Insurance Act (7 USC 1531(g)) and section 901(g) of the Trade Act of 1974 (19 USC 2497(g))
	Farm Operating Loans	<ul style="list-style-type: none"> \$173.367 Million for the principal amount of direct farm operating loans under section 311 of the Consolidated Farm & Rural Development Act (7 USC 1941) \$20.44 Million for the cost of direct farm operating loans, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act Of 1974 (2 USC 661a)
	2008 Aquaculture Assistance	<ul style="list-style-type: none"> Up to \$50 Million of the Commodity Credit Corporation funds may be used to carry out a program of grants to States to assist eligible aquaculture producers for losses associated with high feed input costs during the 2008 calendar year. <ul style="list-style-type: none"> This funding will remain available until September 30, 2010 Secretary shall notify State departments of agriculture within 60 days of enactment of Act of funding availability Grants shall be made on pro rata basis based on the amount of aquaculture feed used in each State during the 2007 calendar year Grants shall be made to States within 120 days of Act enactment. States shall receive grants based on demonstrating that grants will be used to assist eligible aquaculture producers, provide such assistance within 60 days of receiving funds from Secretary, and providing reports regarding the distribution of the funds. Acceptance of these funds by an aquaculture producer makes other assistance under supplemental agricultural disaster assistance programs unavailable. Secretary shall provide a report to Congress within 180 days after enactment of Act
	Food, Conservation & Energy Act of 2008 (PL 110-246) Rural Development mission	<ul style="list-style-type: none"> Programs established or amended by the 2008 Farm Bill using funds of the Commodity Credit Corporation shall be carried out Not more than 3% of funds made available to the Rural Development mission area in this title can be used for administrative costs to carry out loan, loan guarantee and grant activities funded by this title, which shall be transferred to and merged with the appropriation for "Rural Development, Salaries & Expenses" - Provided that of this amount, \$1.75 Million shall be committed to agency projects associated with maintaining the compliance, safety, and soundness of the portfolio of loans guaranteed through the section 502 guaranteed loan program

	Poverty counties	<ul style="list-style-type: none">• At least 10% of amounts appropriated to "Rural Housing Service, Rural Community Facilities Program Account, "Rural Business-Cooperative Service, Rural Business Program Account" and Rural Utilities Service, Rural Water and Waste Disposal Program Account" in this title shall be allocated for assistance in persistent poverty counties, or any county that has had 20% or more of its population living in poverty over the past 30 years, as measured by the 1980, 1990, and 2000 decennial censuses.
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