

Agriculture

America's farm economy is a vital source of strength for our Nation, as well as a leading supplier of food for the entire world. The President's priorities for the agricultural sector include promoting agricultural production and trade, protecting animal and plant health, working to ensure food safety, promoting conservation, fostering strong rural communities, and fighting hunger in America and abroad. In the post-September 11 world, he has also taken unprecedented steps to protect the agricultural industry and food supply from attack.

Opening New Markets to U.S. Farmers and Ranchers:

- The Administration is working to reduce trade barriers and trade distortions through negotiations at the World Trade Organizations, as well as regional and bilateral trade agreements, such as the Central American Free Trade Agreement and the recently passed free trade agreements with Australia and Singapore. The Administration has worked aggressively to enhance access for our farmers and ranchers to the Chinese market. As a result, U.S. exports of soybeans to China reached an all-time high in 2003 of \$2.9 billion, and cotton exports were \$733 million, up 431 percent over 2002.

Protecting Agricultural Producers:

- Meeting a Presidential commitment, the Budget proposes to extend the Milk Income Loss Contract (MILC) program for two years. This proposal will assist the Nation's dairy farmers if the price of milk should fall below a specified level.

Improving Rural America's Access to Information:

- Last year, President Bush announced an initiative to make access to broadband technology available to every American by 2007. The Rural Utilities Service provides financing to increase access to broadband for rural residents and businesses. Since the beginning of this new broadband loan program in February 2003, USDA has approved over \$658 million in loans. The President's FY 2006 Budget provides funding that will support an additional \$359 million in loans.

Protecting the Nation's Agriculture and Food System:

- The 2006 budgets for the Departments of Agriculture (USDA), Health and Human Services (HHS), and Homeland Security (DHS) include a total of \$596 million to improve our ability to detect and contain intentional and unintentional contamination of America's agriculture and food system, a net increase of \$144 million above the 2005 enacted level.
- \$63 million is provided for an interconnected food lab network to increase the size of the network from 21 to 60 labs and improve the rapid exchange of data.
- Early detection of potential threats will be improved through a \$50-million increase for USDA's monitoring and surveillance activities and a \$78 million increase for research by USDA, HHS, and DHS, including research into new detection methods.
- The Budget includes \$59 million to complete construction of USDA's state-of-the-art animal disease research and diagnostic facility located at Ames, Iowa, which will also support the National Animal Health Laboratory Network.

BSE Research:

- The FY 2006 Budget includes an increase of \$7.3 million for research related to Bovine Spongiform Encephalopathy (BSE), commonly known as “mad cow” disease, a 155-percent increase. This research will be focused on increasing the understanding of the disease and development of effective control and diagnostic tools.

Food Programs:

- In 2006, the Food Stamp Program will provide an estimated \$33.1 billion in benefits to 29.1 million people.
- The Budget provides \$5.5 billion for the Special Supplement Nutrition Program for Women, Infants and Children, full funding for all those estimated to be eligible and seeking services.
- The McGovern Dole International Food for Education and Child Nutrition program provides U.S. commodities and financial assistance for school feeding programs in poor countries, increasing student enrollment, attendance, and performance. The 2006 Budget expands the program to reach over 2.5 million recipients, a one-percent increase over 2005 enacted levels.

Multifamily Housing:

- The FY 2006 Budget requests \$214 million for a voucher program for displaced tenants of USDA-financed multifamily housing projects.
- The 2006 Budget also reflects the Administration's preference for loan guarantees as a way to promote private ownership in providing low-income, tenant-based housing in rural America. The multifamily housing guarantees are doubled to \$200 million.

Research:

- USDA provides more than \$2 billion in funding for research, including over 1,000 ongoing projects by USDA scientists at over 100 locations, and more than \$1 billion through grants and other support to individuals, and institutions such as land grant universities and State agricultural extension agencies.
- The Budget proposes to expand the use of competitive research grants by increasing the National Research Initiative by \$70 million, to \$250 million, and establishing a new \$75-million program to provide research grants targeted to regional, State, and local priorities.

Protecting the Nation's Environment:

- The Budget provides \$281 million for USDA's Forest Service and \$211 million for the Department of the Interior to conduct thinning projects that protect forests and rangelands from the threat of catastrophic wildfires that can harm wildlife habitats, destroy homes, damage livelihoods, and prevent immediate forest or range field recovery. These projects support the President's Healthy Forests Initiative to actively manage overstocked Federal forestland threatened by disease and catastrophic wildfires.
- The Budget also includes \$167 million to monitor the environmental effects of these and other projects on our national forests. By supporting watershed enhancements, vegetation management, and forest health research, the Budget improves forest and rangeland health to protect communities, wildlife habitats, and municipal watersheds from catastrophic fires.
- The Budget includes an increase of \$37 million to provide more conservation-related technical assistance to livestock producers to comply with environmental regulations.

- The 2006 Budget includes an increase of \$10 million for USDA's Natural Resources Conservation Service (NRCS) to provide technical assistance to ranchers to help them fight and control invasive species in western states. The National Invasive Species Council has identified invasive species that severely impact western grazing lands, such as the yellow star thistle, leafy spurge, and tamarisk. This increase will enhance NRCS's prevention, management, and restoration activities for priority invasive species.
- In the 2006 Budget, the Administration is requesting \$274 million for the Conservation Security Program (CSP), a 35-percent increase. The CSP rewards farmers and ranchers for their existing levels of conservation and provides incentives for them to enhance their environmental stewardship.