ERRATA

NOTICE: In lieu of a star print, errata are printed to indicate corrections to the original report.

Union Calendar No. 61

105TH CONGRESS, 1st Session | HOUSE OF REPRESENTATIVES | REPORT 105–100

CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1998

REPORT

OF THE

COMMITTEE ON THE BUDGET
HOUSE OF REPRESENTATIVES

TO ACCOMPANY

H. Con. Res. 84

SETTING FORTH THE CONGRESSIONAL BUDGET FOR THE UNITED STATES GOVERNMENT FOR THE FISCAL YEARS 1998, 1999, 2000, 2001, AND 2002

TOGETHER WITH

ADDITIONAL AND DISSENTING VIEWS

MAY 18, 1997.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

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ERRATA

CORRECTION: Replace pages numbered "(123)" and "124".

ADDITIONAL VIEWS OF REP. EARL POMEROY

I want to commend the Chairman and Ranking Member of the Committee for their outstanding efforts in forging this bipartisan balanced budget agreement. I am pleased to support this agreement that balances the federal budget in five years while protecting important national priorities including the education of our children and quality health care for our senior citizens. Importantly, the agreement also provides tax relief for middle income working families.

While I support this budget resolution, I am seriously concerned about the lack of funding allocated to the discretionary account for agriculture, function 350. The resolution assumes a cut of $1.4 billion below a freeze for agriculture over the next five years. Without adjusting for inflation, agriculture spending will be $400 million lower in 2002 than in 1997. In real dollar terms, discretionary funds for agriculture will be cut by more than 22 percent under this budget agreement. Unfortunately, several additional factors will constrain agriculture investment even further.

In 1994, Congress enacted sweeping reforms of the federal crop insurance program by providing catastrophic crop failure coverage to all producers and deleting the authority for congressional provision of ad hoc disaster assistance. As part of this crop insurance agreement, the federal reimbursement to private companies for the sales and service of crop insurance was to be provided for three years from the crop insurance fund, a mandatory expenditure account in the federal budget. Previously, half of the reimbursement had been provided in the agriculture appropriations bill as a discretionary expenditure.

Under the 1994 agreement, provision of the traditionally discretionary half of the delivery cost reimbursement was to be resumed by the Agriculture Appropriations Subcommittee in the 1998 appropriations bill. The problem we now face is that the Congressional Budget Office baseline contains no projection for this delivery cost reimbursement because it was not provided in the 1997 appropriations act.

The Agriculture Appropriations Subcommittee is further burdened in 1998 with requirements to offset $350 million of expenditures in the food stamp program that was displaced by prior enactment of last year's welfare reform bill. In addition, there is an expectation that $375 million more will be required for the WIC program.

Adding together the $350 million for foods stamps, $375 million for WIC and $200 million needed to provide the sales and service of crop insurance, the Agriculture Subcommittee is expected to be $900 million over their 1997 allocation, which would be the basis for establishing the 1998 allocation. To reflect the 1994 crop insurance agreement, the discretionary expenditure in function 350

would have to be increased by $200 million in FY98 and by $1.1 billion through FY02.

Agriculture programs have already been reduced more than any other function of government. I would like to remind my colleagues that American agriculture provides this nation with the safest, most abundant, and most affordable food supply in the world. In addition, agriculture exports contribute more toward a positive trade balance than any other sector of the economy. It is vitally important that we not abandon federal investment in agriculture research, trade and other programs to the detriment of American farmers, consumers and our national economy.

EARL POMEROY.