TO: The Honorable Jason Chaffetz, Chairman

House Committee on Oversight and Government Reform

The Honorable Gregg Harper, Chairman Committee on House Administration

FROM: The Honorable K. Michael Conaway, Chairman

House Committee on Agriculture

DATE:

SUBJECT: Oversight Plan for the House Committee on

Agriculture for the 115<sup>th</sup> Congress

This oversight plan is filed pursuant to Rule X, clause 2(d)(1) of the Rules of the U.S. House of Representatives for the  $115^{th}$  Congress. This plan was prepared in consultation with the Ranking Member and was presented to the full Committee for its consideration.

The Committee and its Subcommittees expect to exercise appropriate oversight activity with regard to the issues listed below. In general, the Committee intends to identify programs that are inefficient, duplicative, outdated or more appropriately administered by State or local governments for possible cuts or elimination. In addition to the list below, the Committee will conduct any other general oversight as appropriate and necessary. The Committee will consult, as appropriate, with other Committees of the House that may share subject matter interest.

# U.S. HOUSE OF REPRESENTATIVES HOUSE COMMITTEE ON AGRICULTURE 115<sup>TH</sup> CONGRESS OVERSIGHT PLAN

The Committee expects to exercise appropriate oversight activity with regard to the following issues:

# 2014 FARM BILL AND CURRENT AGRICULTURAL CONDITIONS:

- Review the current state of the U.S. farm economy;
- Review the U.S. Department of Agriculture's (USDA) implementation of the Agricultural Act of 2014;
- Review programs for waste, fraud, abuse and mismanagement;
- Review the state of credit conditions and availability in rural America;
- Review the effect of weather conditions on crop production;
- Review USDA's implementation of the U.S. Warehouse Act;
- Review of market situation, including effect of crop reports and projections;
- Review USDA's implementation of the U.S. Grain Standards Act;
- Review how Administrative Pay-Go is affecting Department actions; and
- Review discretionary actions by USDA that are not directly authorized by legislation.

#### **ENERGY:**

- Assess energy programs authorized by the Agricultural Act of 2014;
- Review administration of the Biomass Crop Assistance Program (BCAP);
- Review activities funded by the Biomass Research and Development Act (BRDA) and input from the external BRDA Advisory Board;
- Review availability of agriculture and forestry feedstocks for renewable energy production;
- Review current status of research on energy crops and feedstocks;
- Review the Rural Utility Service (RUS) electric loan program;
- Review electricity reliability in rural America;
- Review current provisions in existing law that support agriculture-based energy production and use;
- Review USDA's use of Commodity Credit Corporation funds for the Green Fleet Initiative:
- Review implementation of the Renewable Fuels Standard (RFS); and
- Review renewable fuel programs and their effect on agriculture.

#### CONSERVATION AND THE ENVIRONMENT:

- Review the effect of regulatory activities by the Environmental Protection Agency (EPA) and its effect on agriculture productivity;
- Review EPA grant program activities that impact agriculture;
- Review the effect of regulatory activities carried out pursuant to the Endangered Species Act (ESA), or any proposed legislative changes to such Act, on agricultural producers;
- Review the effect of the Administration's regulatory activity relative to methyl bromide and glyphosate on production of agriculture in the U.S.;
- Review budget and program activities of the Natural Resources Conservation Service (NRCS);
- Review implementation of all of USDA's conservation programs;
- Review USDA's implementation of the conservation compliance provisions in the Agricultural Act of 2014;
- Review EPA's jurisdiction under the Clean Water Act (CWA) and its effect on U.S. agriculture;
- Review of potential effects of EPA's Clean Air Act (CAA) regulatory program on U.S. agriculture;
- Review ongoing discussions and potential consequences for American agriculture under the United Nations Climate Change Conference;
- Review EPA's implementation of the Food Quality Protection Act (FQPA), Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) and Pesticide Registration Improvement Renewal Act (PRIA III);
- Review the effect of litigation and rulemaking concerning FIFRA, ESA, CAA, CWA, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and the Emergency Planning and Community Right to Know Act (EPCRA) to evaluate these statutes' effects on agricultural operations;
- Review the EPA's regulatory actions in regard to pesticide evaluations;

- Review EPA's regulation of Animal Feeding Operations; and
- Review Total Maximum Daily Load strategies and effects on production agriculture.

# FEDERAL CROP INSURANCE AND RISK MANAGEMENT:

- Review USDA's implementation of crop insurance provisions of the Agricultural Act of 2014:
- Review the role and effectiveness of Federal crop insurance;
- Review USDA's and the Risk Management Agency's (RMA) administration and oversight of Federal crop insurance;
- Review the availability of crop insurance as a risk management tool;
- Review the adequacy and availability of risk management tools for the livestock and dairy industries;
- Review USDA's activities established to identify and reduce crop insurance waste, fraud, and abuse;
- Review USDA's crop insurance rating methodology and management of the Standard Reinsurance Agreement (SRA) process;
- Review RMA's yield and revenue protection crop insurance products; and
- Review RMA's progress in approving crop insurance products for underserved commodities.

# IMPLEMENTATION OF TITLE VII OF THE DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT:

- In its review of rulemakings required by Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act (P.L. 111-203)(Dodd-Frank Act), the Committee will continue to ensure:
  - (1) The U.S. Commodity Futures Trading Commission (CFTC) rulemaking processes are transparent and that meaningful comments are accepted and appropriately reviewed;
  - (2) An adequate cost-benefit analysis is performed by the CFTC in accordance with the requirements set forth in the Commodity Exchange Act for proposed or final rules;
  - (3) The CFTC properly coordinates with both domestic and international financial regulators;
  - (4) Past exemptive relief orders, also referred to as "no action letters," issued by the CFTC provide the proper relief for market participants; and
  - (5) Any final or proposed regulations will not harm or adversely affect the U.S. economy or financial markets, including the effect on jobs and competitiveness;
- Examine how Title VII rulemakings have affected U.S. market structure;
- Examine the developing effect of CFTC, SEC, and Prudential Regulator regulations, such as the imposition of new margin and capital requirements, and how they affect the ability of many "end-users" to utilize swaps to hedge against legitimate business risks;
- Examine the level of coordination between U.S. and international regulators for potential effects on U.S. financial institutions compared to their foreign counterparts; and
- Examine the feasibility of timetables established by the Dodd-Frank Act in building the data, technology and connectivity necessary to meet regulatory objectives.

# THE U.S. COMMODITY FUTURES TRADING COMMISSION AND THE DERIVATIVES MARKETS:

- Review the operations of the Commodity Futures Trading Commission (CFTC);
- Review the growing consolidation and internationalization of futures exchange trading;
- Review market machinations for exchange traded energy and agricultural futures products;
- Review enforcement and oversight capabilities of the CFTC both domestically and internationally;
- Continue to examine how the CFTC and futures industry as a whole has addressed the MF Global and PFGBest bankruptcies from both an enforcement and regulatory reform standpoint to ensure that proper remedial action is taken to prevent future losses to segregated funds of customers;
- Continue to examine all sectors of the U.S. derivatives and futures markets, including, but not limited to: exchange or swap execution facility trading; the roles of dealers, interdealer brokers, data repositories, and clearinghouses; trade and price reporting; and proposals aimed at protecting the segregated funds of futures customers, especially in light of the Commodity Exchange Act statutory authorization of the CFTC which expired at the end of FY2013;
- Continue to examine the ongoing investigation and enforcement action by the CFTC and other federal regulators with respect to the manipulation of international financial benchmarks; and
- Review all operations of the CFTC, including, but not limited to: a continued examination of whether the cost-benefit analysis required by section 15a of the CEA is adequate with respect to proposed and finalized rules; the efficiency of internal Commission actions; the Commission's use of its independent leasing authority; stewardship of the Customer Protection Fund.

#### AGRICULTURE TRADE AND INTERNATIONAL FOOD AID:

- Review tariff and non-tariff trade barriers—including domestic subsidies—currently applied by agricultural product producing countries around the world;
- Review ongoing multilateral, regional, and bilateral trade negotiations (including World Trade Organization (WTO) accession agreements) to assess their potential effect on U.S. agriculture;
- Review implementation of existing trade agreements and commitments as well as proposed trade agreements and commitments to determine:
  - (1) whether they are consistent with current U.S. law;
  - (2) whether they will promote economic development in rural areas of the U.S.;
  - (3) their effect or potential effect on current production of import sensitive agricultural commodities, and on exports of U.S. agricultural products;
  - (4) their effect or potential effect on the overall competitiveness of the U.S. agricultural sector, including the production, processing and distribution of agricultural products; and

- (5) whether the agreements provide adequate, enforceable provisions to minimize non-tariff barriers to U.S. exports;
- Monitor existing trade agreements to ensure trading partners are meeting obligations and enforcing trade commitments;
- Review agricultural export programs to determine how well they are promoting the interests of U.S. agriculture and examine proposals to improve, modify or expand such programs;
- Review U.S. food aid programs to determine their effect or potential effect on the reduction of world hunger—particularly the potential effect of trade negotiations on the effectiveness of U.S. food aid programs;
- Review USDA and USAID's implementation of the Global Food Security Act (GFSA);
- Review the market assessments USDA and USAID use to evaluate the potential impact of U.S. food aid on recipient countries;
- Review USAID's increasing use of cash-based food aid, including financial controls;
- Review monitoring and evaluation activities carried out by USDA and USAID; and
- Review sanitary and phytosanitary (SPS) barriers and other technical barriers to U.S. agricultural exports and examine efforts to eliminate such barriers.

#### AGRICULTURAL RESEARCH AND PROMOTION:

- Review implementation of biosecurity protocols at USDA Agricultural Research Service (ARS) laboratories;
- Review USDA's implementation of research, education and extension programs authorized in the Agricultural Act of 2014;
- Review the administration of the ARS research stations and worksites;
- Review USDA's continuing ability to conduct foreign animal disease research, training
  and diagnostic programs at the National Bio and Agro-Defense Facility following the
  transfer of the center to the Department of Homeland Security;
- Assess federal efforts to facilitate research and development of aquacultural enterprises, specifically focusing on the activities of the Joint Subcommittee on Aquaculture;
- Review USDA's regulation of organic standards;
- Review USDA's collection of organic production and market data;
- Review administration of the National Institute of Food and Agriculture (NIFA);
- Review the administration of the Agricultural Food Research Initiative and other competitive research, extension and education grants programs;
- Review efforts to leverage Federal research investment with state, local, and private sources of funding, including a review of the Foundation for Food and Agricultural Research (FFAR);
- Review coordination between ARS, the Economic Research Service (ERS), NIFA and action agencies in USDA—such as NRCS and FSA—in order to prevent duplicative research;
- Review operation of the National Agricultural Research, Extension, Education, and Economics Advisory Board;
- Review USDA's efforts to expand research and development of pathogen reduction technologies;

- Evaluate the current mix of research funding mechanisms to ensure maximum benefits from these investments to producers, processors and consumers;
- Review administration of USDA's agricultural marketing and promotion programs;
- Review coordination between USDA and the Department of Energy on energy research programs;
- Review the sufficiency of research funding under ARS, ERS, the National Agricultural Statistics Service (NASS) and NIFA;
- Review ARS, ERS, NASS and NIFA national program priorities;
- Conduct oversight of the research grant process, generally, and more specifically to coordinate and prevent overlapping research; and
- Review the potential for research and technology transfer to address the needs of both the biofuels and livestock industries.

## **BIOTECHNOLOGY:**

- Review current regulations and research regarding animal and plant biotechnology;
- Review FDA's regulatory activities regarding genetically engineered animals;
- Assess USDA's efforts to develop and promote benefits of biotechnology for increasing agricultural productivity and combating hunger globally;
- Review USDA's management and controls over biotechnology-derived material;
- Review the effect of litigation on USDA's timeliness in resolving petitions to deregulate products of biotechnology;
- Review effects of state, county, and municipal regulation of biotechnology on the freeflow of agricultural products in interstate commerce; and
- Review USDA's implementation of biotech labeling standard.

#### U.S. FOREST SERVICE ADMINISTRATION:

- Review the U.S. Forest Service's (USFS) strategy for dealing with wildfire, including the effect of hazardous fuels management, forest health efforts and fire preparedness;
- Continue to monitor the effectiveness and efficiency of the USFS fire management program;
- Review the effect of fire expenses on other USFS program delivery;
- Assess the USFS strategy for timber harvesting on federal lands;
- Review effects of environmental regulations on National Forest land management;
- Review economic effects of National Forest land management on rural communities;
- Review USFS efforts to promote utilization of National Forest timber for renewable energy purposes; and
- Review USFS's management tools contained in the Farm Bill.

#### **DAIRY:**

- Review USDA's implementation of the dairy risk management provisions in the Agricultural Act of 2014;
- Review options to improve the efficiency and effectiveness of dairy programs; and

• Review efficiency of federal milk marketing order system.

## **OUTREACH AND CIVIL RIGHTS:**

- Review the operations of the Office of Advocacy and Outreach;
- Monitor USDA's outreach efforts to beginning, small, and minority farmers/ranchers;
- Monitor USDA's outreach efforts to military veterans interested in careers in agriculture;
- Review of the operations of the office of the Assistant Secretary for Civil Rights;
- Review USDA's implementation of the receipt for service provisions in the Agricultural Act of 2014;
- Review USDA's process for settling discrimination claims and evaluating individual claims submitted pursuant to such settlements;
- Review the delivery of USDA services and outreach efforts on Indian reservations and tribal lands;
- Review the current status of the Agricultural Census and efforts to reach undercounted farmers and ranchers; and
- Review participation of minority farmers in FSA County/Local Committees as well as outreach to increase participation in County Committee elections.

#### **USDA GENERAL ADMINISTRATION:**

- Review confidentiality of information provided to USDA by agricultural producers;
- Review USDA's implementation of field office consolidation for the purpose of
  effectively and efficiently delivering commodity, conservation, energy and rural
  development programs;
- Review USDA's efforts to modernize its Information Technology (IT) systems; and
- Review the administrative structure of USDA for effectiveness and efficiency.

# FARM CREDIT, RURAL DEVELOPMENT, AND THE RURAL ECONOMY:

- Review the Farm Credit Administration's (FCA) regulatory program and activities regarding the Farm Credit System (FCS) to assure its safety and soundness;
- Review the activities and programs of the Federal Agricultural Mortgage Corporation (also referred to as Farmer Mac);
- Review FSA's direct and guaranteed loan programs and graduation efforts;
- Review the Rural Electrification Act (REA);
- Review the farm economy and access to credit;
- Review implementation of rural development policies and authorities contained in the Agricultural Act of 2014 and the Consolidated Farm and Rural Development Act;
- Conduct oversight of the USDA's Rural Broadband Access Loan and Loan Guarantee Program;
- Review USDA Rural Development's application processes and internal controls related to the Farm Bill;
- Review the administration of the Rural Microentrepreneur Assistance Program;
- Conduct oversight of the implementation of USDA's telecommunications programs;

- Review the status of the Rural Telephone Bank;
- Assess the state of rural water systems and effectiveness of federal funding to build and upgrade those systems;
- Assess the effectiveness of USDA programs targeted toward rural infrastructure and business needs;
- Review agricultural lending practices;
- Review public-private partnerships in lending through guaranteed loans;
- Review the definition of "rural" under rural development programs;
- Review rural development loan programs and default rates; and
- Review the success of rural development programs in persistent poverty areas.

## **USDA FOOD AND NUTRITION PROGRAMS:**

- Review food and nutrition programs including the Supplemental Nutrition Assistance Program (SNAP), fruit and vegetable initiatives, the Emergency Food Assistance Program (TEFAP), the Food Distribution on Indian Reservations (FDPIR) program and other commodity distribution programs;
- Review participant eligibility criteria for SNAP;
- Review the interaction between SNAP and other low-income assistance programs such as the Temporary Assistance for Needy Families (TANF) program, the Low-Income Home Energy Assistance Program (LIHEAP), and provisions in the Affordable Care Act;
- Review SNAP work pilots and the efficiency and accountability of the SNAP Employment & Training program;
- Review educative initiatives such as SNAP-Ed and the Expanded Food and Nutrition Education Program (EFNEP);
- Review efforts by USDA and the states to combat waste, fraud, and abuse within nutrition programs;
- Review efforts by state SNAP administrators to modernize and streamline their programs; and
- Review the Community Food Project Program to ensure cooperative grants are working.

# **SPECIALTY CROPS:**

- Review implementation of the Specialty Crop Competitiveness Act;
- Review the Specialty Crop Block Grant program to ensure that the grants awarded are enhancing the specialty crop industry;
- Review farmers market programs;
- Review implementation and effectiveness of cooperative plant health programs, including Plant Pest and Disease Management and Disaster Prevention and the Clean Plant Network; and
- Review the Specialty Crop Research Initiative.

# **FOOD SAFETY:**

• Review implementation of the FDA Food Safety Modernization Act;

- Review implementation of the FDA Egg Safety Rule;
- Review USDA's administration of meat and poultry inspection laws and the FDA's food inspection activities to ensure the development of scientifically sound systems for food safety assurance;
- Review USDA's implementation of the catfish inspection program;
- Review USDA's efforts to educate consumers regarding safe food handling practices and streamline the assessment and approval of food safety technologies;
- Review implementation of new protocols for meat, poultry, eggs, or seafood safety inspection;
- Review USDA's enforcement of the Humane Methods of Slaughter Act and humane handling regulations; and
- Review the mechanisms to establish scientifically based international food safety standards.

## PLANT AND ANIMAL HEALTH:

- Review enforcement of the Animal Welfare Act;
- Assess federal efforts to reduce threats to human, animal, and plant health due to predatory and invasive species;
- Review efforts of the Animal and Plant Health Inspection Service (APHIS) to manage wildlife conflicts in order to protect public health and safety;
- Assess USDA's Animal Disease Traceability Plan;
- Review implementation of Sec. 10201 (of the 2008 farm bill) regarding plant pest and disease management and disaster prevention;
- Review USDA's regulation on horse protection; and
- Review USDA's regulation on organic livestock and poultry practices.

## LIVESTOCK MARKETING:

- Assess the effectiveness of the Grain Inspection, Packers and Stockyards Administration (GIPSA) in determining market manipulation in the livestock industry;
- Review structural changes in agribusiness and the potential cost and benefits for agricultural producers; and
- Review the USDA's mandatory livestock price reporting system.

## HOMELAND AND AGRICULTURAL SECURITY:

- Examine USDA's preparedness against terrorist threats to production agriculture;
- Review cooperative efforts between the Department of Homeland Security and USDA to prevent against foreign animal disease; and
- Review agricultural inspection activities under the Department of Homeland Security.

## **MISCELLANEOUS:**

• Review the effects of sequestration on USDA operations and programs; and

• Review the effect of transportation infrastructure issues on agriculture and forestry;

# CONSULTATION WITH OTHER COMMITTEES TO REDUCE DUPLICATION:

- With Natural Resources on forestry issues, ESA issues and other public land issues;
- With Science on research:
- With Ways and Means and Education and the Workforce on nutrition programs;
- With Ways and Means on tax and trade issues;
- With Homeland Security on importation of animal and plant material and on research related to agroterrorism;
- With Armed Services on global food security;
- With Judiciary on immigrant agricultural labor;
- With Energy and Commerce on food safety and biomass energy programs both existing and new:
- With Transportation and Infrastructure on certain CWA compliance issues and food aid delivery;
- With Financial Services on Dodd-Frank Act issues;
- With Foreign Affairs on food aid and trade issues;
- With Small Business on addressing economic opportunities for rural America; and
- Any other committee as appropriate.

# AUTHORIZATION OF PROGRAMS WITHIN THE JURISDICTION OF THE HOUSE COMMITTEE ON AGRICULTURE 115<sup>TH</sup> CONGRESS

In the 115<sup>th</sup> Congress, the House Committee on Agriculture intends to continue to reauthorize all expiring authorities within its jurisdiction. In the 114<sup>th</sup> Congress, the Committee passed legislation to reauthorize all of the expired or expiring programs and authorities within its jurisdiction. At the end of the last Congress, only the Commodity Futures Trading Commission (CFTC) remained to be reauthorized. On May 29, 2015, the Committee passed H.R. 2289, the Commodity End-User Relief Act, which would have reauthorized the CFTC. H.R. 2289 was subsequently passed by the House on June 9, 2015, but bill was not taken up by the full Senate.

On January 12, 2017, the House once again passed legislation that reauthorizes the CFTC—H.R. 238, the Commodity End-User Relief Act. H.R. 238 currently awaits action in the Senate.

There are three items within the Committee's jurisdiction that are set to expire in the 115<sup>th</sup> Congress— the programs authorized by the Agricultural Act of 2014 (2014 Farm Bill), the National Forest Foundation Act, and the Pesticide Registration Improvement Act (PRIA).

The Committee plans to spend considerable time examining the programs that were last authorized in the 2014 Farm Bill. The current Farm Bill expires on September 30, 2018. Farm Bill preparation will begin with hearings, both in Washington and in the field, to hear from producers and USDA about how the programs are working. Although dependent on timing in the Senate, it is the Committee's goal to reauthorize the Farm Bill before it expires.

The National Forest Foundation was a lapsed authorization in the Committee's jurisdiction identified at the beginning of the 114<sup>th</sup> Congress. While the program was successfully reauthorized last Congress, its authority will again expire on September 30, 2018, and will most likely be reauthorized during the farm bill process.

In addition to reauthorizing farm bill programs, during the first session of the 115<sup>th</sup> Congress, the Committee will reauthorize PRIA before it expires on September 30, 2017. This will be the fourth iteration of the pesticide registration bill. The Committee anticipates a hearing and markup for consideration of the bill. However, the Committee does not expect the need for a conference with the Senate.

# AUTHORIZATION OF PROGRAMS WITHIN THE JURISDICTION OF THE HOUSE COMMITTEE ON AGRICULTURE 116<sup>TH</sup> CONGRESS

Going forward, the Committee intends to continue the effort to avoid lapsed authorizations. Accordingly, the Committee has identified two authorities set to expire in the 116<sup>th</sup> Congress – Livestock Mandatory Price Reporting and the U.S. Grain Standards Act. Both of these authorities were reauthorized in the 114<sup>th</sup> Congress and the Committee plans to reauthorize them during the course of the 116<sup>th</sup> Congress.