



**United States Department of Agriculture**

**FY 2021**

**BUDGET SUMMARY**

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## ***PREFACE***

This publication summarizes the fiscal year (FY) 2021 Budget for the U.S. Department of Agriculture (USDA). Throughout this publication any reference to the “Budget” is in regard to the 2021 Budget, unless otherwise noted. All references to years refer to fiscal year, except where specifically noted. The budgetary tables throughout this document show actual amounts for 2019, congressionally enacted levels for 2020, and the President’s Budget request for 2021.

The performance tables throughout this document, unless otherwise noted, show target levels for 2020 and 2021 and a baseline amount for target comparison. Performance goals reflect performance levels at ongoing funding levels and do not include the effect of supplemental appropriations. Performance target levels are estimates and subject to change.

Throughout this publication, the “2018 Farm Bill” is used to refer to the Agriculture Improvement Act of 2018. Most programs funded by the 2018 Farm Bill are funded through 2023. Amounts shown in 2021 for most Farm Bill programs reflect those confirmed in the baseline.

Pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, sequestration is included in the numbers for mandatory programs in 2018 and 2019. The sequestration rate for 2019 is 6.2 percent and 2020 is 5.9 percent. The 2021 sequestration rate were not released at the time of this publication therefore, mandatory funds for 2020 and 2021 do not reflect a sequester reduction.

## **DOCUMENT ORGANIZATION**

The Budget Summary is organized into four sections:

- Overview – provides an overview of USDA’s funding.
- Budget Highlights – describes key budget proposals and changes in budget authority and outlays.
- Mission Area and Agency Details – summarizes agency funding, programs, and performance goals.
- Appendix – Department-wide summary tables.

## **BUDGET AND PERFORMANCE PLAN TERMS:**

**Budget Authority (BA):** Authority to commit funds of the Federal Treasury. Congress provides this authority through annual appropriations acts and substantive legislation, which authorizes direct spending. The President’s budget requests the Congress to appropriate or otherwise provide an amount of budget authority sufficient to carry out recommended government programs.

**Obligations:** Commitments of Government funds that are legally binding. For USDA to make a valid obligation, it must have a sufficient amount of BA to cover the obligation.

**Outlays:** Cash disbursements from the Federal Treasury to satisfy a valid obligation.

**Program Level (PL):** The gross value of all financial assistance USDA provides to the public. This assistance may be in the form of grants, guaranteed or direct loans, cost-sharing, professional services, such as research or technical assistance activities, or in-kind benefits, such as commodities.

**Performance Goal:** The target level of performance at a specified time or period expressed as a tangible, measurable outcome against which actual achievement can be compared, including a goal expressed as a quantitative standard, value, or rate. A performance goal comprises a performance measure with targets and timeframes.

**Performance Measures:** Indicators, statistics, or metrics used to gauge program performance. Program performance measures include outcome, output, and efficiency measures.

### **DATA DISPLAY – ZERO TREATMENT**

Amounts in text and tables throughout this document are calculated with the greatest level of precision (decimal places) available and rounded for display purposes. Therefore, amounts in tables and charts may not add to displayed totals due to rounding. Also due to rounding, amounts in this document may appear to be marginally different than those shown in the President’s Budget, which is developed in millions.

In tables throughout this document, amounts equal to zero (0) are displayed as dashes (-). Amounts less than 0.5 and greater than zero are rounded and shown as a zero (0). This display treatment is used to prevent the masking of non-zero amounts that do not round up to one (1).

### **DATA DISPLAY – SCALE**

The Budget is most often depicted or described using budget authority as the scale of measurement. However, there are some cases when other measures or scales are used, so the reader should be aware of the context. Also, note that the budget authority tables contained in this document reflect operating levels.

### **OTHER PUBLICATIONS**

The 2019 Annual Performance Report and 2021 Annual Performance Plan, which provides performance information concerning USDA achievements in 2019 and plans for 2021, can be found at: <http://www.obpa.usda.gov>.

The 2021 Cuts, Consolidations, and Savings Volume of the President’s Budget identifies the lower-priority program activities per the GPRA Modernization Act. The public can access the volume at: <http://www.whitehouse.gov/omb/budget>.

### **CONTACT INFORMATION**

Questions may be directed to the Office of Budget and Program Analysis via e-mail at [bca@obpa.usda.gov](mailto:bca@obpa.usda.gov) or telephone at (202) 720-6176.

**OVERVIEW**

**MISSION STATEMENT**

USDA provides leadership on food, agriculture, natural resources, rural development, nutrition, and related issues based on sound public policy, scientific evidence, and efficient management.

**2021 FUNDING OVERVIEW**

Under current law, the 2021 request for discretionary budget authority to fund programs and operating expenses is about \$23 billion, approximately \$4 billion less than 2020 enacted levels. This includes funding for Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), Rural Development, Forest Service, food safety, research, and conservation programs.

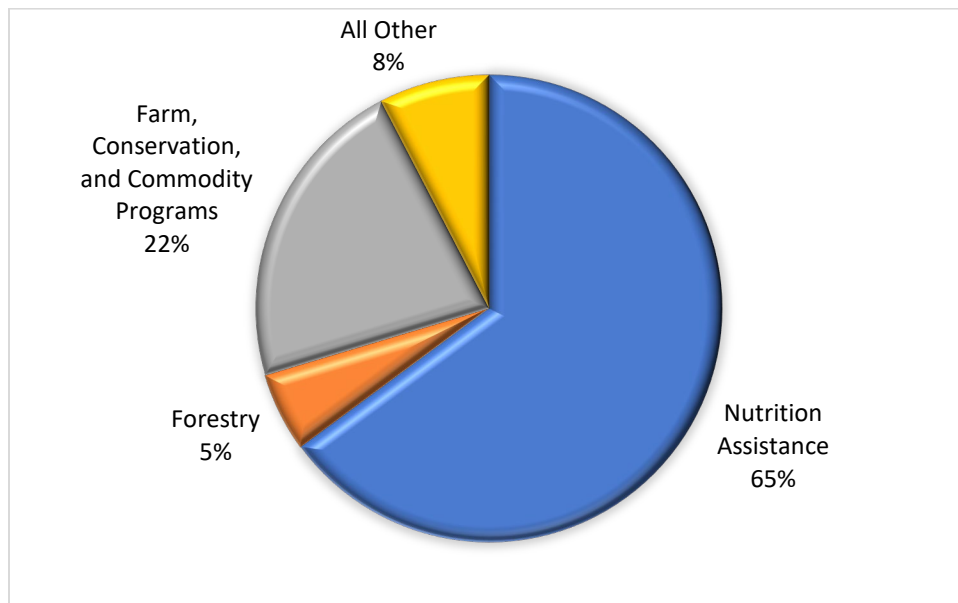
Funding for mandatory programs is estimated to be \$128 billion, \$3 billion more than 2020 enacted levels.

Including negative receipts, offsetting collections, recoveries, etc., USDA is requesting a total of \$146 billion in 2021 available funds. Compared to FY 2020, this amount represents a \$16 billion decrease.

*Figure OV-1. USDA New Budget Authority*



Under current law, USDA’s total outlays for 2021 are estimated at \$146 billion. Outlays for mandatory programs are \$119 billion, 81 percent of total outlays. Mandatory programs provide services required by law but are not funded through annual appropriations acts. Mandatory outlays include crop insurance, nutrition assistance programs, farm commodity and trade programs, and a number of conservation programs. The remaining \$27 billion, or 19 percent, of outlays are for discretionary programs such as: the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), food safety, rural development loans and grants, research and education, soil and water conservation technical assistance, animal and plant health, management of national forests, wildland fire, other Forest Service activities, and domestic and international marketing assistance.

**Figure OV-2. USDA Outlays****Figure OV-3. 2021 Outlays (All Other includes Rural Development, Research, Food Safety, Marketing and Regulatory, and Departmental Management.)**

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## *HIGHLIGHTS BY STRATEGIC GOAL*

The Budget supports achievement of USDA's seven strategic goals.

### **STRATEGIC GOAL 1: ENSURE USDA PROGRAMS ARE DELIVERED EFFICIENTLY, EFFECTIVELY, WITH INTEGRITY AND A FOCUS ON CUSTOMER SERVICE**

To serve America's farmers, ranchers, foresters, and producers as they work to feed and clothe the world, USDA is committed to delivering our programs efficiently, effectively, and with integrity with a focus on customer service. To that end, the Department will modernize and consolidate Information Technology (IT) infrastructure and services, as well as strengthen management and oversight of procurement, property, and finance to ensure our resources are deployed as effectively and efficiently as possible. We will create a safe and modern space that promotes accountability and employee effectiveness. USDA will leverage the strength and talent of our employees and reduce regulatory and administrative burdens to allow agencies to focus on our customers. Improved customer service and employee engagement will create a more effective and accessible USDA for all our stakeholders.

In 2019, USDA completed the realignment of several offices to improve customer service and maximize efficiency. These actions involved innovation, consolidation, and the rearrangement of certain offices into more logical organizational reporting structures. Furthermore, the Department is focused on improving the efficiency and effectiveness of its management activities across the Department and is centralizing business functions in each Mission Area to better align them. Through these mergers, the Mission Areas will not only increase operational efficiencies, but also maximize collaboration between agencies that serve similar customers.

As part of the reorganization, USDA implemented a strategic vision focused on modernizing IT and support services as well as streamlining processes. Through these efforts, IT leadership in each USDA Mission Area will be positioned to more directly focus on their systems, data collection and analysis, and risk management. USDA will also better utilize its internal data by developing administrative dashboards and tracking systems to better understand where efficiencies can be gained in the technology, human resources, fleet, procurement, and real property spaces.

USDA has continued its partnership with the White House Office of American Innovation to modernize its systems with four key strategies: strengthen strategic IT governance; consolidate end-user services and data centers; enable a strategic approach to data management and introduce data-driven capabilities; and improve the USDA customer experience. In 2021, USDA will continue our efforts to be the most effective, efficient, and customer focused Department in the entire Federal Government.

#### **Select Goal-Centric Programs and Initiatives**

##### ***Building Modernization***

The Budget includes more than \$153 million for the Agriculture Buildings and Facilities account of which \$24.7 million will allow USDA to begin addressing concerns arising from the aging infrastructure of USDA's Headquarters Complex. USDA's Modernization project will allow the



Department to address and correct serious life/safety deficiencies, improve accessibility and increase space utilization. Additionally, \$12.5 million will be used to update a fire suppression system and for security enhancements, which is necessary to protect property and personnel at USDA's South building.

### ***IT modernization***

The Budget includes an increase of \$32 million for USDA's transition to a modernized enterprise network system. The current network infrastructure faces challenges in keeping up with expanded requirements for bandwidth and security in a rapidly evolving technological landscape. This lack of modernization negatively impacts USDA's productivity, and poses challenges not only in meeting security requirements but to meeting Mission requirements. The current network capacity is stretched to its limits and some components on the core or "backbone" network are reaching the end of their respective product life cycles. The transition to a new network will provide employees the tools they need to conduct business as well as result in cost savings for the Department in the outyears. Additionally, the budget includes an increase of \$12 million to support an initiative to make documents digitally available. Service Center Agency County Offices, which are designed to be a single location where customers can access the services provided by the Farm Service Agency, Natural Resources Conservation Service, and the Rural Development agencies, maintain large volumes of paper records that are not only inefficient but are not conducive to a good customer experience. This effort will improve the efficiency and effectiveness of the field offices by working to eliminate the use of paper forms and records. Further, the budget requests an increase of \$20.4 million to facilitate document management and electronic signature in Farmers.gov, and another \$2.5 million to connect other NRCS systems to it. In another effort to modernize IT, the Budget includes \$4.7 million to stabilize Food Safety Inspection Services' aging infrastructure and improve connectivity among Food Inspectors.

### ***Cyber Security***

The Budget includes \$49 million to enhance cybersecurity capabilities. This funding will enhance the Department's cybersecurity profile. USDA is currently implementing the Continuous Diagnostics Mitigation (CDM) program as required by the Department of Homeland Security. Implementation thus far has already increased protection of the network, and these additional investments will further enhance the safety and security of government data and the network.

### ***Staff Offices***

The Budget includes \$12.5 million for the Office of Budget and Program Analysis (OBPA) and the Office of the Chief Financial Officer (OCFO) to develop and implement a budget execution system that integrates with the financial system to allow the Department better stewardship of resources and address an enterprise risk. The Budget includes an additional \$2.5 million for OBPA in support of the Foundations for Evidence-Based Policymaking Act of 2018 and enterprise risk management development. Additionally, the Budget includes \$1.5 million to proactively address hiring challenges facing USDA and a create an HR dashboard for employees that improves delivery of HR services within the Department.

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## **STRATEGIC GOAL 2: MAXIMIZE THE ABILITY OF AMERICAN AGRICULTURAL PRODUCERS TO PROSPER BY FEEDING AND CLOTHING THE WORLD**

A strong and prosperous agricultural sector is essential to the well-being of the U.S. economy. America's farmers and ranchers ensure a reliable food supply, support job growth, and promote economic development. To maintain a competitive agricultural sector, USDA will support farmers and ranchers to start and maintain profitable businesses as well as offer financial support to producers affected by natural disasters. Furthermore, USDA's research agencies will continue efforts to increase the efficiency and product quality of plants and animals and provide integrated management options that increase the efficiency of farming practices. Lastly, USDA will also provide tools to producers so that they are well positioned to secure a share of a growing market for agricultural products.

The Farm Production and Conservation (FPAC) mission area supports an effective safety net to the more than three million agricultural producers who provide food and fiber to over 300 million Americans, and millions more around the globe. USDA also provided extensive assistance for a variety of disasters throughout the country, including hurricanes, drought, wildfires, floods, freezes, tornados, and other storms.

### **Select Goal-Centric Programs and Initiatives**

#### ***Commodity Programs***

The Budget provides \$4.6 billion for commodity program payments to maintain an effective farm safety net. Commodity programs are critical components of the farm safety net, serving to provide risk management and financial tools to farmers and ranchers. Approximately 1.7 million farms are enrolled in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs, which are helping cushion the financial strain felt by producers due to continued low prices for many commodities.

#### ***Federal Crop Insurance Program***

The Budget provides \$8.8 billion for the Federal crop insurance program, enough to provide crop insurance coverage for more than \$100 billion in crop value. Crop insurance provides farmers and ranchers a means to effectively manage their risk through difficult periods, helping to maintain America's safe and affordable food supply.

#### ***Farm Loans***

The Budget includes \$79 million to fully support the estimated \$8.9 billion demand for farm loans, providing loans to an estimated 35,000 farmers and ranchers to finance operating expenses, refinance debt or acquire a farm. In addition, the Budget provides \$18 million for the new Heir's Relending Program, authorized in the 2018 Farm Bill, to resolve ownership and succession of farmland.

#### ***Research, Education and Economics***

The Budget includes \$3.3 billion to support research to advance the competitiveness of U.S. agriculture and promote food security. This includes \$1.4 billion to support core research projects of the Agricultural Research Service (ARS) covering a wide range of critical problems facing American agriculture, ranging from animal and crop protection and production, new product

development, environmental stewardship, food safety, and human nutrition. This includes support for science programs, partnerships and innovations, operations and maintenance associated with the National Bio and Agro-Defense Initiative, and \$50 million for the construction and modernization of existing ARS buildings and facilities. Also included in the ARS budget is \$35 million for new initiatives on precision agriculture research, long-term agroecosystems research, artificial intelligence innovations for agriculture production, and research on managing excess water and controlling erosion. In addition, \$1.6 billion is included in discretionary funding to support extramural agricultural research, education, and extension activities of the National Institute of Food and Agriculture (NIFA), including \$600 million for competitive grants through the Agriculture and Food Research Initiative (AFRI). For the Economic Research Service, the Budget proposes a total of \$62 million to focus on core data analysis related to agricultural production. For the National Agricultural Statistics Service, the Budget includes \$177 million, including \$46 million for the Census of Agriculture. The Budget includes \$6 million to separately fund the Office of the Chief Scientist (OCS), that coordinates Department-wide agricultural science, research, education, and economics needs, manages the USDA Science Council, and ensures work of the Department is upheld to the highest degree of intellectual rigor and scientific integrity.

#### ***Next Generation Producer Education***

The Budget includes \$50 million for NIFA to educate America's next generation of farmers. Funding will be used to support agriculture science literacy programs and other community-based efforts, such as 4-H Clubs. Developing a future agriculture workforce is not only critical to the Nation's food security, but also vital in promoting rural prosperity and improving quality of life.

#### ***Hemp Production***

The Budget maintains funding for the Hemp Production Program. Hemp production is expected to allow for new economic opportunities for U.S. farmers. The Budget ensures that the necessary regulatory infrastructure is in place to allow producers to grow hemp consistent with the authority provided by the 2018 Farm Bill.

#### ***Agricultural Pest and Disease Programs***

The Budget includes \$1.036 billion in discretionary funding to protect agriculture from pests and diseases, address sanitary (animal) and phytosanitary (plant) trade concerns, and enforce animal care legislation. This includes programs that support the U.S. field crop, cotton, forestry, livestock, poultry, and specialty crop industries. The Budget maintains the Department's ability to transfer funds to address emergencies.

#### ***National Bio and Agro-Defense Facility***

The Budget supports the continued establishment of the National Bio and Agro-Defense Facility (NBAF) and provides \$81 million for operations and maintenance costs in 2021. Once construction is complete, USDA will operate NBAF and ARS will use the facility to study diseases that threaten the animal agricultural industry and public health while the Animal and Plant Health Inspection Service (APHIS) performs diagnostics related to foreign diseases of animals. Funding is also requested within ARS and APHIS to transition highly pathogenic animal disease work from the obsolete facilities at the Plum Island Animal Disease Center to NBAF.

***Support for Emerging Technologies***

USDA seeks resources that better address the growing needs of emerging technology industries. Specifically, APHIS will use the requested funding to help ensure an effective, efficient, and responsive veterinary biologics program that can provide timely approvals and availability of veterinary vaccines, diagnostics, and other novel biologics to protect animal health, and enhance export opportunities for U.S. veterinary biologics companies. Funding is also requested to allow the Biotechnology Regulatory Services to manage and enhance the unified regulatory website, which allows developers of agricultural biotechnology products to promptly receive a single, coordinated response from Food and Drug Administration, Environmental Protection Agency and USDA to inquiries about Federal regulatory review of an agricultural biotechnology product. Additionally, USDA also seeks additional resources to ensure its regulatory program keeps ahead of the fast-paced, technological innovations in agricultural biotechnology.

**STRATEGIC GOAL 3: PROMOTE AMERICAN AGRICULTURAL PRODUCTS AND EXPORTS**

Expanding international marketing opportunities for U.S. farmers and exporters is a critical source of business and income growth across rural America. It is essential for USDA to continue efforts to promote American agricultural exports, develop international standards, remove trade barriers by monitoring and enforcing existing trade agreements, and negotiate new trade agreements that benefit the U.S. agricultural economy.

More than 20 percent of U.S. agricultural production is exported. In fiscal year 2019, agricultural exports totaled \$135.5 billion. USDA scored significant trade victories during 2019, including continuing to push for final passage of the U.S.-Mexico-Canada Agreement (USMCA), which strengthens the United States trade relationship with its North American neighbors, inking a trade agreement with Japan, working towards a historic trade deal with China, and new or expanded market access for numerous farm products, including beef to Argentina, Tunisia, the EU and Japan, shell eggs to Mexico, poultry and eggs to Tunisia and blueberries to India and Vietnam. In 2021, USDA will continue its efforts to break down trade barriers and increase agricultural exports.

**Select Goal-Centric Programs and Initiatives*****International Markets for U.S. Agricultural Exports***

The Budget includes \$200 million for the Foreign Agricultural Service to reduce trade barriers that disadvantage U.S. agricultural exports and to open new markets for U.S. farm products. The value of agricultural exports resulting from participation in foreign food and agricultural trade shows and missions is expected to reach \$2.35 billion.

***Sanitary and Phytosanitary Barriers to Exports***

The Budget includes \$24 million for the APHIS to address sanitary and phytosanitary barriers that restrict trade. Producers rely on fair and open access to markets. This funding will strengthen USDA's ability to help U.S. agricultural producers export their products to other countries by resolving concerns over animal and plant health issues.

## **STRATEGIC GOAL 4: FACILITATE RURAL PROSPERITY AND ECONOMIC DEVELOPMENT**

When rural Americans share the same level of infrastructure services as the country's urban areas, rural communities can make even greater economic contributions with healthy families and prosperous businesses. Economic and social science research informs decision-makers on current trends in rural America and gaps in existing markets, which USDA then uses to provide benefits to rural American businesses and citizens. USDA leverages funds and stimulates public-private partnerships to build rural infrastructure including: broadband, community facilities, healthcare services and facilities, and safe and affordable housing to help underserved communities become thriving communities.

American prosperity and well-being are intrinsically tied to rural America's ability to thrive in the new global economy; to build and attract an educated workforce and expand its population base; and to use its diverse and abundant natural resources to provide food, fiber, forest products, energy, and recreation. Through the Task Force on Agriculture and Rural Prosperity, the Department has identified actions to improve the quality of life and expand economic development in rural communities. Many of these actions are supported through investments made in USDA lending activities to rural utilities and communities and to strengthen investments in housing programs. These activities promote economic development, advance innovation and technology, ensure a well-trained and productive workforce, and improve the quality of life in rural communities, all of which require access to capital and infrastructure. USDA will continue to facilitate and support access to world-class resources and tools that are needed to build robust, sustainable rural communities for generations to come.

### **Select Goal-Centric Programs and Initiatives**

#### ***Rural Electric Infrastructure***

The Budget supports \$5.5 billion in loans for rural electric improvements, benefiting over 5 million rural residents annually by expanding the use of smart grid technologies and other security and resiliency improvements. The ability to dynamically manage energy use is critical to ensuring network reliability, enhancing system-wide efficiency, and keeping electric rates affordable for rural residents and businesses.

#### ***Rural E-Connectivity***

In addition to \$690 million in program level for the telecommunication infrastructure program which supports communities with population of under 5,000, the Budget provides \$250 million in budget authority to support broadband loans, grants and loan/grant combinations that will provide high speed broadband services to communities with population under 20,000. It also provides \$30 million in budget authority for broadband grants to rural Americans who currently do not receive any broadband service. In addition, the Budget includes \$44 million in budget authority for distance learning and telemedicine grants. Electronic connectivity is fundamental for economic development, innovation, advancements in technology, workforce readiness, and an improved quality of life. As of 2014, 39 percent of the rural population lacked access to broadband at speeds necessary for advanced telecommunications and data transfer capability. The e-connectivity gap not only prevents rural Americans from participating in the global marketplace, but also limits urban Americans from accessing innovations and products from rural America.

### ***Water and Waste Disposal Infrastructure***

The Budget includes funding to support \$1.3 billion in direct loans and \$614 million in grants to improve and expand the water and waste disposal facilities in rural America. Safe drinking water and sanitary waste disposal systems are vital to achieving a high quality of life and are essential to many rural residents. For 2021, USDA will provide improved services to over two million rural residents.

### ***Community Infrastructure***

The Budget supports \$2.5 billion in Community Facilities Direct Loans and \$500 million in Community Facilities Guaranteed Loans for investment in critical community infrastructure, such as healthcare, safety, and educational facilities. The \$20 million is available for direct and guaranteed loan subsidy costs when the risk analysis indicates that a particular loan, as structured, falls outside the parameters of the regular portfolio subsidy rate. This funding can be used for regular community facilities grants, if it is determined that it not needed for subsidy costs. Any unobligated balances remaining on June 30, 2021, may be transferred to grants if not needed for subsidy costs.

### ***Rural Housing Infrastructure***

The Budget supports \$24 billion in funding for the Single-Family Housing Guaranteed Loan Program to enable approximately 160,000 families enjoy homeownership. The Budget also supports \$230 million in multi-family guaranteed loans to support the development of more than 8,000 units for very low-, low-, and moderate-income rural residents. USDA works with other public and private partners to better leverage its investment in housing; in 2018, approximately \$4 was invested by partners for every USDA dollar invested. To help very low- and low-income households afford their rental payments, the Budget includes \$1.5 billion in budget authority to maintain Rental Assistance payments, enough to fund about 281,000 contracts.

### ***Rural Business Support***

Rural areas have traditionally been challenged by the lack of private funding to support business development. The Business and Industry (B&I) Guaranteed Loan Program provides protection to private lenders against loan losses and encourages them to extend credit to establish, expand, or modernize rural businesses. The Budget supports \$1.5 billion in program level in B&I loan guarantees, which is expected to assist 433 businesses support nearly 11,000 jobs and diversify the rural economy.

## **STRATEGIC GOAL 5: STRENGTHEN THE STEWARDSHIP OF PRIVATE LANDS THROUGH TECHNOLOGY AND RESEARCH**

The world population is expected reach 9.7 billion by 2050. Feeding this population will require the adoption of new science and technologies and the implementation of science-based conservation plans to sustainably increase agricultural production. To ensure U.S. private working lands and public agricultural landscapes are conserved, the Department will provide technical and financial assistance using the latest technology and research available. New and improved practices result from fundamental and applied research that facilitates our understanding of the complex interactions between human systems and the environment and then transferring the resulting knowledge into the hands of producers and land managers through information, tools, and decision support.

In 2019, NRCS developed conservation plans covering 27.1 million acres. In accordance with those plans and utilizing Conservation Technical Assistance support, conservation practices and systems designed to improve soil quality were applied to 5.7 million acres of cropland. For 2021, USDA will continue to provide significant resources to support conservation practices and measures that will improve stewardship of our natural resources.

### **Select Goal-Centric Programs and Initiatives**

#### ***Farm Bill Conservation Programs***

The Budget includes \$2.3 billion for the Conservation Reserve Program (CRP) to protect close to 25.0 million acres of environmentally sensitive cropland and grassland. In addition, \$1.8 billion is included for the Environmental Quality Incentives Program (EQIP), and \$450 million for the Agricultural Conservation Easement Program.

## **STRATEGIC GOAL 6: ENSURE PRODUCTIVE AND SUSTAINABLE USE OF OUR NATIONAL FOREST SYSTEM LANDS**

The Nation's forests and grasslands are a fundamental part of the American landscape and are a legacy that the Forest Service holds in trust for present and future generations. Forests provide clean air and water, forest and rangeland products, mineral and energy resources, quality habitat for fish and wildlife, recreational opportunities, jobs and memorable experiences. The Forest Service plays a critical role in making America's forests and grasslands resilient to threats and disturbances while mitigating wildfire risk. The Department also manages the National forests and grasslands to ensure that they are healthy and sustainable, while also allowing rural communities to access and benefit from economic opportunities that our Nation's forests offer. This work is complemented by USDA's research in forestry, ecology, and economics to ensure world-class science guides effective policies and management practices.

### **Select Goal-Centric Programs and Initiatives**

#### ***Reducing the Risk of Wildfires***

The Budget includes \$4.4 billion to mitigate wildfire risk. The Budget supports the Forest Service's activities that protect life, property and natural resources on National Forest System (NFS) lands, other federal lands, and an additional 20 million acres of non-federal lands under agreements. In addition, the Consolidated Appropriations Act of 2018 provided new budget authority to fight wildfires known as the "fire fix." Beginning in 2020 and continuing through 2027, the Forest Service and the Department of the Interior will have new budget authority available when Suppression funding has been exhausted. This budget authority is \$2.35 billion in 2021 (of which \$2.04 billion is allocated to the Forest Service) and increases by \$100 million each year through 2027. The budget stability enabled by the additional budget authority will be leveraged by the agency to more strategically approach programmatic and fiscal management of wildland fire management programs.

#### ***Active Forest Management***

The Budget includes an investment of \$2 billion to improve the health and resilience of National forests, ensuring that our National forests and grasslands continue to provide clean air and water, forest and rangeland products, mineral and energy resources, quality habitat for fish and wildlife, recreational opportunities, and jobs. With \$510 million for Hazardous Fuels Reduction and \$385 million for Forest Products, among other programs, the agency will accomplish a timber

output of 4 billion board feet while improving 3.5 million acres of National Forest System land to reduce or maintain fuel conditions and 1.1 million acres of National Forest System lands to mitigate wildfire risk.

### ***Use and Access Opportunities in National Forests***

The Budget includes \$264 million to increase recreational opportunities in National forests and promote rural prosperity. The Budget will prioritize permitting for outfitters and guides, maintaining and growing strong collaborations with partners and volunteer groups, and work to address the recreational needs of today's public, who want year-round activities on NFS lands. The agency will also continue to improve its permitting processes to promote other critical land uses on NFS lands such as energy, utility, and communication infrastructure.

## **STRATEGIC GOAL 7: PROVIDE ALL AMERICANS ACCESS TO A SAFE, NUTRITIOUS, AND SECURE FOOD SUPPLY**

A plentiful supply of safe and nutritious food is essential to the healthy development of every child in America and to the well-being and productivity of every family. USDA works to help prevent foodborne illness and protect public health as well as aid access to safe, nutritious, and balanced meals and promote a healthy diet.

USDA's nutrition assistance programs help ensure food security by providing access to a nutritious diet with emphasis on those facing need due to unemployment, recession, disaster, age, or disability. These programs also work to promote well-being by providing assistance to help ensure access to a diet consistent with the Dietary Guidelines for Americans.

USDA supports and protects the Nation's agricultural system and the consumers it serves by safeguarding the quality and wholesomeness of meat, poultry, and egg products. USDA has collaborated extensively with other Federal partners to safeguard the food supply, prevent foodborne illnesses and improve consumers' knowledge about the food they eat. USDA will continue to focus on preventing product contamination and foodborne illness and modernizing systems and approaches to safeguard the food Americans serve their families every single day.

### **Select Goal-Centric Programs and Initiatives**

#### ***Safeguards the Nation's Food Supply***

The Budget includes nearly \$1.1 billion to fully fund the costs necessary to support over 8,700 FSIS personnel who ensure the safety of meat, poultry, and egg products at over 6,400 processing, slaughter, and import establishments in the U.S. Nearly 93 percent of these personnel act as frontline inspectors and investigators and provide surveillance to protect the Nation's food supply. Funding will ensure that FSIS has a workforce and the information technology to efficiently and effectively further its mission.

#### ***Nutrition Assistance***

The Budget includes funding to support estimated participation levels under current law, including \$68.3 billion for the Supplemental Nutrition Assistance Program (SNAP), \$25 billion for Child Nutrition Programs, and \$5.5 billion for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). In 2021, estimated participation levels are: 37.2 million per month



for SNAP, 28 million per day for the National School Lunch Program, and 6.2 million per month for WIC.

Participation in these nutrition assistance programs is expected to continue declining with sustained economic growth that enables families to work toward self-reliance. In addition, with the implementation of Administration's regulatory reforms, SNAP participation will decrease further as eligibility loopholes are closed and able-bodied adults are moved toward self-sufficiency. Over ten years, participation is anticipated to decrease by 4.5 million individuals due to the combination of ongoing economic growth and the sustained impact of these reforms.

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## **PROGRAM REFORMS**

The 2021 President's Budget includes legislative proposals to reform programs to better target Federal dollars, while contributing to deficit reduction efforts. The Budget also reduces and eliminates programs that do not support USDA's core mission or are a lower priority.

### **Prioritizing Work**

Thanks to the Administration's pro-growth policies, the economy is thriving and the nation has the lowest unemployment in more than half a century. A growing economy produces more jobs, yet our safety net programs as currently structured are not doing enough to move low-income families from welfare to sustained independence. The Budget retains the proposal to overhaul the SNAP work requirements for all adults ages 18 to 65, unless they qualify for specific exemptions. Under the proposal, those subject to the work requirement would need to work or participate in specific work preparation activities at least 20 hours per week, averaged to 80 hours per month, in order to continue receiving SNAP benefits. This proposal is expected to save \$37 billion over 10 years. This proposal builds on the recently finalized regulation that strengthened and standardized work requirements and State waiver options for work-capable adults.

### **Reform the Food Safety Net While Promoting Work**

The Budget includes bold proposals to help participants in the Supplemental Nutrition Assistance Program (SNAP) enter the job market and work toward self-sufficiency. The Budget continues the America's harvest box proposal, allowing innovative partnerships with the private sector to combine traditional SNAP EBT benefits with 100 percent American grown foods provided directly to households. The proposal ensures that Americans in need have access to a nutritious diet while significantly reducing the cost to taxpayers. States maintain the ability to provide food choices to their recipients, including innovative approaches for the inclusion of fresh products. The Budget also includes proposals to reserve benefits for those most in need, promote efficiency in State operations, and strengthen program integrity by focusing on administrative reforms and outcome-based employment strategies.

### **Target Commodity Programs and Crop Insurance**

The Budget proposes legislation to optimize and improve crop insurance and commodity programs in a way that maintains a strong safety net while also achieving savings, reducing subsidies to higher income farmers, and reducing payments made to private sector insurance companies. The Budget includes a set of proposals, including those that would reduce the average premium subsidy for crop insurance and limit commodity and crop insurance subsidies to those producers that have an Adjusted Gross Income of \$500,000 or less. Additionally, the Budget proposes reductions to subsidies provided to participating insurance companies by capping underwriting gains at 12 percent, better aligning the underwriting gains to the risks associated with their participation in the crop insurance program, and addressing disaster payments and crop insurance duplication. The Budget proposes to eliminate reimbursements for 508(h) crop insurance development. The Budget proposes to eliminate commodity certificates, separate payment limit for peanut producers, make marketing assistance loan forfeitures subject to the \$125,000 payment limit, limit eligibility for commodity subsidies to one manager per farm and eliminate all funding for the Livestock Forage Disaster Program. In total, these reforms are expected to save more than \$33 billion over 10 years.

**Streamline Conservation Programs**

The Budget proposes legislation to streamline Federal conservation efforts to focus on programs that protect environmentally sensitive land and increase conservation practice implementation. Specifically, it would reduce funding for the Agricultural Conservation Easement Program by \$40 million per year and eliminate the Conservation Stewardship Program. Proposals are also included to target enrollment and incentive payments for CRP. In total, these reforms are expected to save more than \$9.1 billion over 10 years.

**Modernize Inspection Activities**

The Budget includes proposed legislation to charge a user fee to cover the inspection of meat, poultry, and egg products. The Budget also proposes to conduct rulemakings to collect user fees for select Marketing and Regulatory programs. These collections will be returned to Treasury. As the recipients and the benefits of these services can be readily identified, there are promising opportunities to assess user fees.

**Reforms Section 32 Activities**

The Budget delinks U.S. Customs receipts from the Section 32 program and instead proposes to directly appropriate funding to the Agricultural Marketing Service (AMS), the Food and Nutrition Service (FNS), and the Department of Commerce. These funds will be provided to each agency without further appropriation and available for the same purposes as previous receipt-funded activities. Within USDA, AMS will be provided \$340 million for surplus agricultural commodity purchases and administrative costs (a historical average spending level for these activities that will be adjusted annually for inflation). Additionally, FNS will receive an initial permanent mandatory appropriation of approximately \$21.8 billion, equal to the amount that would have otherwise been made available by transfer from AMS and including the cost associated with commodity purchase activities traditionally carried out under Section 32.

**Elimination of Lower Priority Programs**

The Budget includes proposals to eliminate several programs that are inefficient or duplicative of other federal or private sector initiatives. These include some Rural Business-Cooperative Service programs, the Single-Family Housing Direct Loan program, the McGovern-Dole International Food for Education Program, Food for Progress, among others.

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*FARM PRODUCTION AND CONSERVATION***MISSION**

The Farm Production and Conservation (FPAC) mission area focuses on domestic agricultural issues. Locating the Farm Service Agency (FSA), the Risk Management Agency (RMA), the Natural Resources Conservation Service (NRCS) and the FPAC Business Center under one mission area provides a simplified one-stop shop for USDA's primary customers, the men and women farming, ranching, and managing forests across America. FSA, RMA, and NRCS implement programs designed to mitigate the significant risks of farming through crop insurance, conservation programs and technical assistance, and commodity, lending, and disaster programs.

Agriculture, food, and related industries contributed \$1.053 trillion to U.S. gross domestic product (GDP) in 2017, a 5.4-percent share. The output of America's farms contributed \$132.8 billion of this sum—about 1 percent of GDP in 2017, 21.6 million full- and part-time jobs were related to the agricultural and food sectors—11.0 percent of total U.S. employment. Direct on-farm employment accounted for about 2.6 million of these jobs, or 1.3 percent of U.S. employment. The agricultural sector has a significant impact on not only the rural economy, but the National economy as well.

When American farmers are financially healthy, they not only support themselves and their families, but also their employees, local equipment dealers, farm service suppliers and the rural communities where they live and do business. USDA's farm safety-net and disaster programs play a critical role to help ensure that American agriculture continues to be financially healthy.

In 2019, the FPAC Mission Area worked to make several changes, as authorized by the Agriculture Improvement Act of 2018 (2018 Farm Bill), to strengthen USDA's commodity, disaster, conservation, and farm loan programs. The 2018 Farm Bill repealed certain programs, continued some programs with modifications and authorized several new programs, including improving the price protection for dairy producers. The 2018 Farm Bill included a number of changes to the Conservation Reserve Program (CRP), including reducing rental rates for both general and continuous acreage, dedicating 2 million acres for grassland enrollment, and gradually increasing the CRP acreage cap to 27 million acres by 2023. The 2018 Farm Bill also reauthorized and increased funding for the Environmental Quality Incentives Program (EQIP), eliminated the former Conservation Stewardship Program (CSP) authorized under the 2014 Farm Bill and authorized a new dollar-capped CSP that is more closely aligned with EQIP. The 2018 Farm Bill continued to strengthen the Federal crop insurance program, and increased the loan limits under the FSA farm ownership and operating loan programs.

In 2019, FSA provided over \$3.1 billion in Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) payments to producers for the 2017 crop year. ARC and PLC are an important part of the farm safety net and provide assistance during crop revenue or commodity price downturns.

The 2018 Farm Bill authorized several changes to the Margin Protection Program for Dairy (MPP-Dairy) and renamed the program to the Dairy Margin Coverage (DMC) program. DMC offers protection to dairy producers when the difference between the all-milk price and the average feed cost (the margin) falls below a certain dollar amount selected by the producer. Sign-up for DMC began on June 17, 2019, and provided coverage for the 2019 calendar year retroactive to

January 1, 2019. In 2019, USDA provided \$305.9 million to dairy producers experiencing depressed milk prices.

FSA continues to provide tools for America's farmers to be good stewards of the land. The Conservation Reserve Program (CRP) has protected and conserved environmentally sensitive land since 1986. In 2019, USDA enrolled about 245,000 acres under the continuous signup program. In addition, USDA extended eligible contracts on about 970,000 acres for one year, which equates to 81 percent of the acreage set to expire on September 30, 2019.

FSA farm loan programs provide an important safety net for producers, by providing a source of credit when they are temporarily unable to obtain credit from commercial sources. The majority of FSA's direct and guaranteed farm ownership and operating loans are targeted to underserved populations such as beginning farmers and socially disadvantaged producers, who generally have had a more difficult time obtaining credit to maintain and expand their operations. In 2019, FSA provided 32,240 direct and guaranteed loans to farmers and ranchers, totaling more than \$5.7 billion.

Crop insurance is designed to allow farmers and ranchers to effectively manage their risk through difficult periods, helping to maintain America's food supply and the sustainability of small, limited resource, socially disadvantaged and other underserved farmers. In crop year 2019, the Federal crop insurance program provided protection for nearly \$104 billion in agricultural production.

NRCS works in partnership with private landowners, communities, local governments, and other stakeholders to promote the sustainable use and safeguard the productivity of the Nation's private working lands. The agency provides conservation planning, technical assistance, and financial assistance to farmers, ranchers and foresters to help them conserve, enhance and protect natural resources. In addition, NRCS works with these partners to leverage resources and innovative ideas to make the landscape and critical infrastructure more resilient. In 2019, NRCS developed conservation plans covering 27.1 million acres. In accordance with those plans and utilizing Conservation Technical Assistance (CTA) Program support, conservation practices and systems designed to improve soil quality were applied to 5.7 million acres of cropland.

The FPAC Business Center provides mission support services to FSA, RMA, and NRCS including acquisition, budget, economic analysis, finance, homeland security, human resources, information technology, performance, and related activities.

**FARM SERVICE AGENCY**

FSA supports the delivery of farm loans, commodity, conservation, disaster assistance, and related programs. FSA utilizes the Commodity Credit Corporation (CCC), which funds most of the USDA commodity, export, and conservation programs.

*Table FPAC-1. FSA Budget Authority (millions of dollars)*

Item	2019 Actual	2020 Enacted	2021 Budget
<b>Discretionary:</b>			
FSA Salaries and Expenses:			
Salaries and Expenses (Direct Appropriation).....	\$1,082	\$1,123	\$1,105
Transfer from Program Accounts.....	294	291	294
Total, Salaries and Expenses.....	1,375	1,414	1,399
Agricultural Credit Insurance Fund Program Account:			
Transfer to FPAC Business Center.....	(16)	(16)	0
Loan Subsidy.....	85	89	65
Loan Program Expenses.....	10	10	13
Total, ACIF Program Account.....	95	99	79
State Mediation Grants.....	4	6	7
Grassroots Source Water Protection Program.....	7	7	-
Total, Ongoing Discretionary Programs	1,480	1,526	1,484
Other Funding:			
Geographically Disadvantaged Farmers and Ranchers.....	2	2	-
Emergency Conservation Program.....	558	-	-
Emergency Forest Restoration Program.....	480	-	-
Conservation Reserve Pilot.....	1	1	-
ARC Pilot.....	5	-	-
Food for Progress.....	6	-	-
Oriental Fruit Fly .....	9	-	-
Total, Other Funding.....	1,061	3	-
Total, Discretionary Programs.....	2,541	1,529	1,484
<b>Mandatory:</b>			
Dairy Indemnity Program.....	1	1	1
Total, FSA.....	2,541	1,529	1,484

Totals may not sum due to rounding.

**Salaries and Expenses**

The Budget includes \$1.5 billion to support Federal and non-Federal staffing. FSA delivers its programs through more than 2,100 USDA Service Centers, 50 State offices, and an area office in Puerto Rico. For 2021, the Budget requests an increase of \$20.4 million for Farmers.gov for improved document management and electronic signature that support future self-service and employee service capabilities. This is intended to reduce the time spent by employees on manual processes and by producers and ranchers in interacting with county offices, thus enabling better

customer service. Also, the Budget requests \$11.3 million to support recovery jump teams to assist producers affected by disasters.

Funding for State mediation grants is proposed at \$6.9 million, an increase of close to \$1.4 million above the funding provided in FY 2020 appropriations. These grants are made to States to support certified programs to provide alternative dispute resolution. As the 2018 Farm Bill expanded the issues covered under these program funds, such as lease issues, family farm transition, and farmer-neighbor disputes, USDA anticipates that there will be greater demand for the mediation services.

*Table FPAC-2. FSA Staff Years*

Item	2019 Actual	2020 Enacted	2021 Budget
Federal	2,891	2,950	2,950
Non-Federal:			
Permanent Full-Time	6,704	6,831	6,831
Temporary	459	200	524
Total, Non-Federal	7,162	7,031	7,355
<b>Total, FSA Staff Years</b>	<b>10,053</b>	<b>9,981</b>	<b>10,305</b>

*Table FPAC-3. ACIF Program Level (PL) and Budget Authority (BA) (millions of dollars)*

Item	2019 PL	BA	2020 PL	BA	2021 PL	BA
<b>Discretionary:</b>						
Farm Operating Loans:						
Guaranteed Unsubsidized	\$1,960	\$21	\$1,960	\$21	\$2,118	\$24
Direct	1,530	60	1,550	58	1,633	38
Total, Operating Loans	3,490	81	3,510	79	3,752	62
Farm Ownership Loans:						
Guaranteed Unsubsidized	2,750	0	2,750	0	2,750	0
Direct	1,500	0	1,875	0	2,119	0
Total, Ownership Loans	4,250	0	4,625	0	4,869	0
Emergency Loans	38	2	38	2	38	*
Indian Land Acquisition Loans	20	0	20	0	20	0
Highly Fractionated Indian Land Loans	10	2	10	3	0	0
Boll Weevil Eradication Loans	30	0	60	*	60	0
Guaranteed Conservation Loans	150	0	150	0	150	0
Heir's Relending Program	0	0	18	5	18	3
Program Loan Cost Expense (PLCE)	0	10	0	10	0	13
<b>Total, ACIF</b>	<b>7,988</b>	<b>95</b>	<b>8,431</b>	<b>99</b>	<b>8,907</b>	<b>79</b>

\* Less than \$500,000.

Totals may not sum due to rounding

The farm loan programs serve as an important safety net for America's farmers by providing a source of credit if they are temporarily unable to obtain credit from commercial sources. The 2018

Farm Bill increased the loan limits for many of the farm loan programs, thereby increasing loan demand in 2019, particularly direct farm ownership loans. In order to meet the anticipated demand for farm credit, the Budget supports \$8.9 billion in farm loans.

The Budget supports an estimated 35,000 farmers and ranchers by financing operating expenses and providing opportunities to acquire a farm or keep an existing one. The availability of farm operating loans provides farmers with short-term credit to finance the costs of continuing or improving their farming operations, such as purchasing seed, fertilizer, livestock, feed, equipment, and other supplies. For farm operating loans, the Budget supports \$1.6 billion in direct loans and \$2.1 billion in guaranteed loans. The requested loan levels will serve more than 35,000 farmers, almost 27,000 of whom will receive direct loans and approximately 9,000 will receive guaranteed loans. For farm ownership loans, the Budget includes funding to support \$2.1 billion in direct loans and \$2.8 billion for guaranteed loans. These loan levels will provide an estimated 11,000 farmers with the opportunity to either acquire their own farm or keep an existing one, and an estimated 7,000 farmers will receive direct loans and about 4,000 farmers will receive guaranteed loans.

The Budget will provide \$18 million for the new Heir's Relending Program, authorized in the 2018 Farm Bill, to resolve ownership and succession of farmland. Also, the Budget supports a \$37.7 million loan level for emergency (EM) loans. Demand for EM loans is difficult to predict. Funding is requested to ensure that support is available in the event of a natural disaster. The Budget supports \$60 million in boll weevil eradication loans and \$20 million in Indian Land Acquisition loans. The Budget does not support funding for the Highly Fractionated Indian Loan program.

### Commodity Credit Corporation (CCC) Programs

*Table FPAC-4. CCC Budget Authority (millions of dollars)*

Item	2019 Actual	2020 Estimate	2021 Budget
Commodity Credit Corporation Fund	19,578	22,548	11,163
Proposed Legislation	-	-	-839
Total, CCC	19,578	22,548	10,324

*The Budget includes proposals for changes to certain programs above.*

### Commodity Programs

The commodity programs provide risk management and financial tools to farmers and ranchers. These programs, including the Agriculture Risk Coverage (ARC), Price Loss Coverage (PLC), and Dairy Margin Coverage (DMC) program, provide protection against adverse market fluctuations. As a result, outlays for many of these programs vary significantly from year to year as market conditions change. Total CCC net outlays (Table FPAC-5) are about \$8.8 billion, a decrease of about \$9.9 billion from the 2020 estimates, as 2020 outlays included the 2019 Trade Mitigation Program.



*Table FPAC-5. CCC Net Outlays (millions of dollars)*

Item	2019 Actual	2020 Estimate	2021 Budget
<b>Commodity Programs:</b>			
Loan Deficiency Payments	\$1	\$294	\$160
Agriculture Risk Coverage/Price Loss Coverage	3,127	2,591	3,432
Dairy Margin Coverage*	289	637	665
Other	165	389	316
<i>Subtotal, Commodity Payments</i>	3,582	3,910	4,573
Disaster Programs	399	601	573
Noninsured Crop Disaster Assistance Program	153	182	193
Bio-based Fuel Production	-	-	-
Biomass Crop Assistance Program (BCAP)	-	-	-
All Other**	17,226	13,754	3,992
<i>Total, CCC Commodity Programs</i>	21,360	18,446	9,330
<b>Conservation Programs:</b>			
Conservation Reserve Program	1,902	2,044	2,297
Emergency Forestry Conservation Reserve Program	-	-	-
<i>Total, Conservation Programs</i>	1,902	2,044	2,297
<b>Export Programs:</b>			
Quality Samples Program	3	2	3
Market Access Program (MAP)	195	188	200
Foreign Market Development (Cooperator) Program	33	32	35
Technical Assistance for Specialty Crops Program	6	8	9
<i>Total, Export Programs</i>	236	231	246
<b>Total CCC Fund</b>	21,596	18,678	9,576
<b>Other CCC Activities:</b>			
CCC Export Loans (current, discretionary)	9	9	6
Pima Agriculture Cotton Trust Fund	15	15	16
Agriculture Wool Apparel Manufacturers Trust Fund	27	29	31
Farm Storage Facility Loans	-	-	-
<i>Total, Other CCC Programs</i>	51	53	53
Total, Current Law	21,647	18,731	9,630
Proposed Legislation***	-	-	-839
<b>Total, CCC</b>	21,647	18,731	8,791

\* Previously the Margin Protection Program - Dairy

\*\* All Other includes Trade Mitigation Program (MFP) and other CCC programs.

\*\*\* The Budget includes proposals for changes to certain programs above.

ARC and PLC provide assistance only when commodity revenue or price downturns occur. Under ARC, producers were given the choice to elect ARC–County (ARC-CO) or ARC-Individual (ARC-IC). ARC-CO offers revenue protection on a county basis. ARC-IC offers revenue protection on an individual farm basis. Producers are able to elect PLC or ARC-CO on a commodity-by-commodity basis, but ARC-IC has to be elected on a farm basis. Payments under PLC occur if the U.S. average market price for the crop is less than the effective reference price, therefore offering price protection. Payments under ARC-CO occur when actual crop revenue is below the ARC revenue guarantee for a crop year. Under ARC-IC, payments are issued when the actual individual crop revenues, summed across all covered commodities on the farm, are less than ARC individual guarantees summed across those covered commodities on the farm. ARC and PLC payments are issued after October 1 or as soon as practicable thereafter, after the end of the applicable marketing year for the covered commodity. The ARC and PLC payment issued in fiscal year 2019 were primarily for the 2017 crop year, and similarly the payments to be made in fiscal years 2020 and 2021 are for crop years 2018 and 2019, respectively. The 2018 Farm Bill allows producers the opportunity to elect either ARC-CO or PLC by crop for both the 2019 and 2020 crop years. Then, starting with the 2021 crop, the choice between County ARC-CO and PLC can be made for each crop year through 2023. Also, the 2018 Farm Bill authorizes a nationwide one-time PLC yield update that will be in effect for 2020-2023 crops. In addition, the PLC reference price now has an escalator option, not to exceed 115 percent of the statutory reference price.

The 2018 Farm Bill renamed the Margin Protection Program for Dairy (MPP-Dairy) to the Dairy Margin Coverage (DMC) program. In addition, the 2018 Farm Bill made several major changes including lowering premiums, adding new levels of coverage, and allowing producers to make a separate election for covered production over 5 million pounds. In addition, the 2018 Farm Bill provided for the repayment of premium previously paid under MPP-Dairy by allowing a 50 percent cash payment or a 75 percent credit toward new premiums, based on the amount of premium the dairy operation paid for coverage during 2014 to 2017. The 2018 Farm Bill also repealed the Dairy Product Donation Program and replaced it with a new fluid milk donation program.

In July 2018, USDA launched a trade mitigation package of up to \$12 billion aimed at assisting farmers suffering from damage due to unjustified retaliation by foreign nations for the 2018 production year. Producers of certain commodities had the opportunity to sign up for the Market Facilitation Program (MFP), and USDA also began purchasing identified commodities under the Food Purchase and Distribution Program. Additionally, USDA awarded funding under the Agricultural Trade Promotion Program, assisting American farmers to find and access new markets for their products.

On May 23, 2019, USDA announced that additional aid, of up to \$16 billion, would be provided to assist farmers, in line with the estimated impacts of unjustified retaliatory tariffs on U.S. agricultural goods and other trade disruptions. Of the total, about \$14.5 billion is through MFP direct payments.

*Table FPAC-6. CCC Net Outlays by Commodity (millions of dollars)*

Item	2019 Actual	2020 Estimate	2021 Budget
<b>Commodity:</b>			
Feed Grains	\$970	\$832	\$443
Wheat	1,049	569	1,376
Rice	495	607	393
Upland Cotton	70	569	1,114
Tobacco	-	-	-
Dairy and Products	319	701	733
Soybeans	270	210	69
Other Oilseeds	82	110	104
Sugar	-	-	-
Peanuts	300	302	314
Sunflower Seed Non-Oil	-	1	-
Vegetable Oil Products	-	-	-
Other Commodities	21	12	19
<b>Total, Commodity Payments</b>	<b>3,582</b>	<b>3,910</b>	<b>4,573</b>

*Totals may not add due to rounding.*

### **Conservation Programs**

Most of the conservation programs administered by FSA and NRCS (see NRCS section for further information) are funded through the CCC. These programs help farmers adopt and maintain conservation systems that protect water and air quality, reduce soil erosion, protect and enhance wildlife habitat and wetlands, conserve water, and sequester carbon.

#### **Conservation Reserve Program (CRP)**

The purpose of CRP is to assist farm owners and operators in conserving and improving soil, water, air, and wildlife resources by converting highly erodible and other environmentally sensitive acreage normally devoted to the production of agricultural commodities to a long-term resource-conserving cover. CRP participants enroll in contracts for periods from 10 to 15 years in exchange for annual rental payments and cost-share and technical assistance for installing approved conservation practices. Amounts for CRP include financial and technical assistance. In addition to highly erodible cropland, CRP also can enroll cropland and marginal pastureland in areas adjacent to lakes and streams that are converted to buffers, and cropland that can serve as restored or constructed wetlands, cropland contributing to water quality problems, and cropland converted to valuable wildlife habitat.

CRP enrolls land through general signups and continuous signups, including the Conservation Reserve Enhancement Program (CREP). CREP agreements are Federal/State partnerships designed to address specific environmental objectives. Under general signup provisions, producers compete nationally during specified enrollment periods for acceptance based on an environmental benefits index. Under continuous signup provisions, producers enroll specified

high-environmental value lands such as wetlands, riparian buffers, and various types of habitat at any time during the year without competition.

The 2018 Farm Bill extended and modified the authorization for CRP through 2023. The acreage cap is increased from 24 million acres to 27 million acres by 2023 and included 8.6 million acres for continuous practices and 2 million acres for grasslands. Two new pilot programs are created: the Clean Lakes, Estuaries, and Rivers initiative (CLEAR 30, which has 30-year contracts) and a Soil Health and Income Protection Program. FSA is expected to target at least 40 percent of continuous CRP acres to the practices considered as CLEAR 30. A proportional, historic State acreage allocation was included for a portion of the acres available for enrollment. The 2018 Farm Bill authorized up to \$12 million in incentive payments for tree thinning and related activities and provides additional haying and grazing flexibilities. In addition, the 2018 Farm Bill reauthorized up to \$50 million for the Transition Incentive Program (TIP) through 2023. The TIP encourages the transition of expiring CRP land to a beginning, socially disadvantaged, or veteran farmer or rancher so land can be returned to sustainable grazing or crop production.

In 2019, no acres were enrolled in CRP under general signup, over 245,000 acres were enrolled under continuous signup, and no acres were enrolled in the CRP Grasslands program. In addition, USDA extended eligible contracts on about 970,000 acres for one year. Total CRP enrollment at the end of FY 2019 was about 22.3 million acres, of which about 13.5 million acres were enrolled under general signups, 8.0 million acres under continuous signups and 921,000 acres under grasslands signups. About 5.4 million acres in CRP will be expiring at the end of FY 2020 and 3.0 million expiring at the end of FY 2021.

CRP Grasslands helps landowners and operators protect grassland, including rangeland, pastureland, and certain other lands, while maintaining the areas as grazing lands. The program emphasizes support for grazing operations, plant and animal biodiversity, and grassland and land containing shrubs and forbs under the greatest threat of conversion.

Riparian and grass buffers improve water quality and provide vital habitat for wildlife. By reducing water runoff and sedimentation, riparian and grass buffers protect groundwater and help improve the condition of lakes, rivers, ponds and streams.

### **Agricultural Disaster Assistance**

The Livestock Indemnity Program (LIP), Livestock Forage Disaster Program (LFP), Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish Program (ELAP), and the Tree Assistance Program (TAP) were authorized by the 2008 Farm Bill, through September 30, 2011, under the USDA Supplemental Disaster Assistance Program. The 2018 Farm Bill reauthorized these disaster programs and made some changes to several of them.

*Table FPAC-7. Supplemental Agricultural Disaster Assistance Outlays (millions of dollars)*

Item	2019 Actual	2020 Estimate	2021 Budget
<b>Commodity:</b>			
LFP	\$288	\$492	\$480
LIP	50	33	28
TAP	15	32	26
ELAP	46	44	38
Total, Other CCC Programs	399	601	573
Total, Current Law	399	601	573
Proposed Legislation	<sup>a</sup> -	-	-480
Total, Supplemental Agricultural Disaster Assistance	399	601	93

*The Budget includes proposals for changes to certain programs above.  
Totals may not sum due to rounding.*

LIP provides benefits to producers for livestock deaths in excess of normal mortality caused by adverse weather or attacks by animals reintroduced into the wild by the Federal Government. The 2018 Farm Bill amends LIP to include coverage for: 1) death or sale loss resulting from diseases caused by, or transmitted by, a vector that cannot be controlled by vaccination or acceptable management practices; and 2) death of unweaned livestock due to adverse weather. In addition, the Bipartisan Budget Act of 2018 eliminated the payment limit for LIP.

LFP provides compensation to livestock producers who have suffered grazing losses due to drought on land that is native or improved pastureland with permanent vegetative cover or is planted specifically for grazing. It also provides compensation to producers who have suffered grazing losses due to fire on rangeland managed by a Federal agency.

ELAP provides emergency assistance to eligible producers of livestock, honeybees and farm-raised fish for losses due to disease (including cattle tick fever), adverse weather, or other conditions, such as blizzards and wildfires, not covered by LFP and LIP.

TAP provides financial assistance to qualifying orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes, and vines damaged by natural disasters. The 2018 Farm Bill eliminated the payment limit for TAP.

### **Proposed Legislation**

The Budget includes several legislative proposals to better target commodity and conservation assistance, and to eliminate all funding for certain CCC programs to fund other Administration priorities. The legislative proposals: (1) limit commodity and conservation payments to participants that have an Adjusted Gross Income of \$500,000 or less; (2) eliminate commodity certificates; (3) eliminate the separate \$125,000 payment limit for peanuts; (4) make Marketing Assistance Loans forfeitures subject to the \$125,000 payment limit; (5) limit all farms to one manager that can qualify as actively engaged; (6) target enrollment in CRP to environmentally sensitive areas, limit the enrollment of whole farm fields and eliminate all funding for signing incentive payment and practice incentive payments, with the exception of the CREP; (7) limit CRP

annual rental payments to 80 percent of the average county rental rates as determined by National Agriculture Statistics Service; (8) addresses duplication between disaster programs and crop insurance (by repealing Section 733 from Division A of the Consolidated and Further Continuing Appropriations Act, 2015) and (9) eliminate all funding for the LFP. See Appendix for details.

**RISK MANAGEMENT AGENCY***Table FPAC-8. RMA Budget Authority (millions of dollars)*

Item	2019 Actual	2020 Enacted	2021 Budget
<b>Discretionary:</b>			
RMA Salaries and Expenses Appropriations .....	\$58	\$58	\$59
Transfer from FCIC (Mandatory) .....	7	7	7
Total, Salaries and Expenses (appropriation plus transfer)	65	65	66
<b>Mandatory:</b>			
Indemnities Net of Producer Paid Premium <sup>a</sup> .....	8,022	3,968	5,965
Delivery Expense <sup>b</sup> .....	1,567	1,583	1,599
Underwriting Gain <sup>c</sup> .....	2,143	2,127	1,134
FCIA Initiatives .....	41	38	38
Mandatory Appropriations .....	11,773	7,716	8,736
Total, RMA (before adjustments).....	11,838	7,781	8,802
Proposed Legislation <sup>d</sup> .....	-	-	-32
Total, RMA .....	11,838	7,781	8,770

<sup>a</sup> The amount of premium subsidy paid by the Federal government is not reflected in the table above. The Budget for the Federal Crop Insurance Program assumes a crop year loss ratio (gross indemnities/total premium) of 1.0 for 2020. However, the fiscal year loss ratio could be higher or lower than 1.0 due to differences in the timing of certain cash flows (see discussion below on estimated indemnities).

<sup>b</sup> Reimbursements to private companies.

<sup>c</sup> Payments to private insurance companies. The 2020 underwriting gains reflect a projected 1.0 loss ratio for the 2019 crop year.

<sup>d</sup> The Budget includes proposals for the crop insurance program, including a general provision on duplicate payments. See Appendix for details.

**Discretionary Funding – Salaries and Expenses**

Discretionary funds for the Federal crop insurance program cover most of Federal salaries and related expenses to manage the program. The Budget includes \$59 million in discretionary appropriations for these costs. Further, the Federal Crop Insurance Act authorizes the transfer of up to \$7 million each fiscal year from mandatory funding to the RMA Salaries and Expenses account for program compliance and integrity reviews.

**Mandatory Funding**

The Federal crop insurance program provides a safety net that protects producers from a wide range of risks caused by natural disasters, as well as the risk of price fluctuations. Currently, about 80 percent of risk protection is provided by “revenue insurance,” which protects against losses due to low yields, low prices, or a combination of low yields and prices.

Federal crop insurance is delivered to producers through private insurance companies that share in the risk of loss and opportunity for gain. The companies are reimbursed for their delivery expenses and receive underwriting gains in years of favorable loss experience. The costs associated with the Federal crop insurance programs include premium subsidies, indemnity payments (in excess of producer paid premiums), underwriting gains paid to private companies, reimbursements to private companies for delivery expenses, and other authorized expenditures.

A key performance measure for the Federal crop insurance program is the normalized value of risk protection provided by Federal Crop Insurance Corporation (FCIC) sponsored insurance – shown in table FPAC-9 on a crop year basis. The value of FCIC risk protection is the actual dollar insurance liability for a given crop year. However, this value is strongly influenced by commodity price swings or trends. The normalized value of risk protection uses a five-year baseline to smooth variations caused by these trends. The baseline model uses the most recent crop insurance data, and other USDA market conditions data, to develop normalized value projections for major crops. For the 2019 crop year, the Federal crop insurance program provided about \$104 billion in risk protection or about \$78.2 billion in (normalized) risk protection. The 2020 and 2021 crop year targets reflect projections of normalized value of risk protection as described above.

Actual indemnities for 2019 reflect crop year 2018 losses that were paid out in 2019, plus the portion of crop year 2019 losses paid out in 2019. The loss ratio for the 2018 crop year was 0.74. Estimated losses for crop years 2020 and 2021 reflect the statutory target loss ratio of 1.0.

*Table FPAC-9. - Risk Protection Through FCIC-Sponsored Insurance (billions of dollars)*

Key Performance Measure	2019 Actual	2020 Target	2021 Target
Annual normalized value of risk protection	78.2	77.6	77.9

In 2019, the total cost for the Federal crop insurance programs was about \$11.8 billion. Of this amount, about \$8.0 billion was for net indemnities to producers (gross indemnities minus producer paid premiums/fees). Another \$1.6 billion was paid to the private insurance companies for delivery expenses and \$2.1 billion for underwriting gains, and \$41 million was used for Federal Crop Insurance Act initiatives, such as Risk Management Education Partnership Agreements.

### **Proposed Legislation**

The Budget proposes legislative changes to the Federal crop insurance program. Legislative proposals include eliminating the 508(h) process, targeting crop insurance subsidies to producers that have an Adjusted Gross Income of \$500,000 or less; a reduction of 15 percentage points for the premium subsidy for Harvest Price coverage, a 10 percentage point reduction for all other insurance policies other than catastrophic level of coverage policies; a cap on underwriting gains for Approved Insurance Providers of 12 percent return on retained premium; addressing duplication between disaster programs and crop insurance (by repealing Section 733 from Division A of the Consolidated and Further Continuing Appropriations Act, 2015), and further addressing disaster/crop insurance duplication by recommending that FCIC remove tree replacement crop insurance policies.



**NATURAL RESOURCES CONSERVATION SERVICE***Table FPAC-10. NRCS Budget Authority (millions of dollars)*

Item	2019 Actual	2020 Enacted	2021 Budget
<b>Discretionary:</b>			
Private Lands Conservation Operations <sup>a</sup> .....	\$819	\$830	\$830
Watershed Rehabilitation Program .....	10	10	0
Watershed and Flood Prevention Operations.....	150	175	-
Total, Discretionary Programs .....	979	1,015	830
Other funding:			
Water Bank Program .....	4	4	-
Urban Agricultural Office .....	0	5	-
Mitigation Banking .....	0	5	-
Emergency Watershed Protection Program .....	435	0	-
Total, Other Funding .....	439	14	-
<b>Mandatory:</b>			
Farm Bill Programs:			
Environmental Quality Incentives Program .....	1,750	1,750	1,800
Agricultural Conservation Easement Program .....	450	450	450
Regional Conservation Partnership Program.....	300	300	300
Conservation Stewardship Program (2018).....	700	725	750
Conservation Stewardship Program (2014)	894	1,835	508
Agricultural Management Assistance <sup>b</sup> .....	5	5	5
Conservation Reserve Program Tech. Assist.....	95	95	95
Voluntary Public Access and Habitat Incentive Program.....	50	-	-
Feral Swine Eradication and Control Pilot .....	38	-	-
Watershed Protection and Flood Prevention	50	50	50
Total, Mandatory Programs <sup>c</sup> .....	4,332	5,210	3,958
Total, Current Law.....	5,750	6,239	4,788
Proposed Legislation <sup>d</sup> .....	-	-	-157
Total, NRCS.....	5,750	6,239	4,631

<sup>a</sup> The Budget shows total staff resources necessary to implement the private lands conservation programs in the retitled Private Lands Conservation Operations (PLCO) account. PLCO includes the total for discretionary technical assistance and associated science and technology programs provided through the previously-titled Conservation Operations account in addition to the total technical assistance necessary to implement Farm Bill programs. For comparability, both discretionary and mandatory funds are shown for 2019 through 2021.

<sup>b</sup> NRCS is authorized to receive 50 percent of total AMA funding and the rest is provided to RMA and FSA.

<sup>c</sup> The amounts for Total Mandatory Programs include the Technical Assistance funding levels listed on Table FPAC-14.

<sup>d</sup> The Budget includes proposals for changes to certain programs above.

**Private Lands Conservation Operations (PLCO)**

The Budget proposes to retitle the Conservation Operations account to Private Lands Conservation Operations. PLCO would consolidate the discretionary and mandatory technical assistance (TA) funding necessary for the agency to support its core mission of delivering conservation to

America's private working lands. The proposed discretionary funding for PLCO for 2021 is \$830 million, of which \$729 million is for the Conservation Technical Assistance Program, and \$101 million is for Soil Survey, Snow Survey, and Plant Materials Centers. The Budget requests increases for, among other items, the Soils Survey Program, to enhance the assessment of watershed health by providing static and dynamic soil properties that affect water quality and that can be used for assessment and modeling, and the Snow Survey and Water Supply Forecasting Program, to improve water supply forecasts and provide real-time climate and snowpack information in basins that provide water in the western United States. The Snow Survey and Water Supply Forecasting Program is critical to predicting water supplies for western crop irrigation and animal drinking supplies, as well as, predicting potential snow melt that may contribute to springtime flooding. The Snow Survey and Water Supply Forecasting Program is critical to predicting water supplies for western crop irrigation and animal drinking supplies, as well as predicting potential snow melt that may contribute to springtime flooding. Funding is also requested to support the connection of NRCS IT systems to Farmers.gov. A total of \$1.19 billion in mandatory TA is estimated to be needed to support Farm Bill conservation program implementation.

**Table FPAC-11. PLCO Budget Authority (millions of dollars)**

Item	2019 Actual	2020 Enacted	2021 Budget
<b>Discretionary:</b>			
Conservation Technical Assistance.....	\$720	\$730	\$729
Soil Surveys.....	75	75	80
Snow Surveys.....	9	9	11
Plant Materials.....	9	9	10
Watershed Projects.....	6	6	-
Total, Discretionary Programs.....	819	830	830
<b>Mandatory:</b>			
Farm Bill Programs (Technical Assistance): <sup>a</sup>			
Environmental Quality Incentives Program.....	482	472	553
Agricultural Conservation Easement Program.....	171	128	130
Regional Conservation Partnership Program.....	145	216	190
Conservation Stewardship Program.....	380	198	208
Agricultural Management Assistance <sup>b</sup> .....	1	1	1
Conservation Reserve Program Tech. Assist.....	109	112	95
Voluntary Public Access and Habitat Incentive Program.....	5	5	2
Feral Swine Eradication and Control Pilot.....	4	4	1
Farm and Ranchland Protection Program.....	53	51	11
Total, Mandatory Programs.....	1,350	1,187	1,191
Total, PLCO.....	2,169	1,966	2,021

<sup>a</sup> The Budget proposes to show total staff resources necessary to implement the private lands conservation program in the retitled Private Lands Conservation Operations (PLCO) account. PLCO includes the total for discretionary technical assistance and associated science and technology programs provided through the previously-titled Conservation Operations account in addition to the total technical assistance necessary to implement Farm Bill programs.

<sup>b</sup> NRCS is authorized to receive 50 percent of total AMA funding and the rest is provided to RMA and AMS.

NRCS organizational changes, part of the USDA reorganization announced in 2017, are reflected in the 2021 Budget, including the transfer of geospatial staff and funding to the FPAC Business Center (FPAC BC).

Through the CTA Program, NRCS works with land owners and managers to develop conservation plans that outline the specific conservation practices needed to improve farm operations and enhance farm environmental sustainability. NRCS partners with third-party private sector entities (known as Technical Service Providers) to collaborate and provide technical assistance for conservation planning and activities.

### **Environmental Quality Incentives Program (EQIP)**

EQIP provides assistance to landowners who face serious natural resource challenges (such as soil erosion, air quality, water quality and quantity, and the sustainability of fish and wildlife habitat) that impact soil, water and related natural resources, including grazing lands, wetlands, and wildlife habitat. The 2018 Farm Bill reauthorized EQIP and provided enhanced authorities,

including new conservation planning activities, increased payments for certain incentive practices, and places a greater emphasis on soil testing and health.

### **Agricultural Conservation Easement Program (ACEP)**

ACEP has two components: agricultural land easements, under which NRCS assists eligible entities to protect agricultural land by limiting non-agricultural land uses; and wetland reserve easements, under which NRCS provides technical and financial assistance to landowners to restore, protect and enhance wetlands through the purchase of wetlands reserve easements. NRCS continues to maintain existing easements and contracts formed under the previous programs. The 2018 Farm Bill reauthorized funding for ACEP and further authorized new enhancements to streamline the agricultural land easement process, which will build upon prior years' efforts to help farmers and ranchers keep their land in agriculture.

### **Regional Conservation Partnership Program (RCPP)**

Producers receive technical and financial assistance through RCPP while NRCS and its partners help producers install and maintain conservation activities. These projects may focus on water quality and quantity, soil erosion, wildlife habitat, drought mitigation, flood control, and other regional priorities. Partners include producer associations, State or local governments, Indian Tribes, non-governmental organizations, and institutions of higher education. The 2018 Farm Bill reauthorized funding for RCPP and created new opportunities for farmers.

### **Conservation Stewardship Program (CSP)**

CSP encourages participants to undertake new conservation activities to build upon existing conservation activities. CSP was authorized under the 2014 Farm Bill. However, the 2018 Farm Bill eliminated the former program and created a new CSP that is closely aligned with EQIP, provided enhanced features, and modified the program to be dollar based (not acre-based) by eliminating the \$18-per-acre payment rate.

### **Proposed Legislation**

The Budget proposes legislative changes to NRCS conservation programs. Specifically, the Budget proposes to reduce the funding for ACEP by \$40 million per year and to eliminate CSP.

### **FARM PRODUCTION AND CONSERVATION BUSINESS CENTER**

The FPAC BC was formed to consolidate mission support functions within the newly formed FPAC mission area. FPAC BC is responsible for financial management, budgeting, human resources, information technology, acquisitions/procurement, customer experience, internal controls, risk management, strategic and annual planning, and other mission-wide activities in support of the customers and employees of FSA, NRCS, and RMA. The FPAC BC was established in 2018 via a transfer of funding and personnel from FSA, RMA, and NRCS. The FPAC BC also provides administrative support for the CCC.

The 2021 Budget provides \$244 million in discretionary funding for FPAC BC. This includes an additional \$6 million for new functions (Geospatial Information System and Public Affairs) being transferred from NRCS to the FPAC BC, and \$10 million for the Digital Records Management Service (DRMS) initiative. This initiative will improve the efficiency and effectiveness of the field offices by working to eliminate the use of paper forms and records. Rather than transferring \$16 million from the ACIF account, direct appropriations are requested. Including mandatory funding, the 2021 budget provides a total of \$304 million for the FPAC BC, an increase of \$24 million over the 2020 Enacted level.

*Table FPAC-12. FPAC Business Center Budget Authority (millions of dollars)*

Item	2019 Actual	2020 Enacted	2021 Budget
<b>Discretionary:</b>			
FPAC Business Center	\$216	\$204	\$244
Sub-Total, Discretionary Programs	216	204	244
FSA - Agriculture Credit Insurance Fund Transfer	16	16	-
Total, Discretionary Programs	232	220	244
<b>Mandatory:</b>			
NRCS - Agricultural Conservation Easement Program	8	8	8
NRCS - Conservation Stewardship Program	21	21	21
NRCS - Environmental Quality Incentives Program	31	31	31
Total, Mandatory Programs	60	60	60
Total, FPAC BC	293	280	304

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## *TRADE AND FOREIGN AGRICULTURAL AFFAIRS*

### **MISSION**

Agricultural trade is essential for the vitality of the U.S. agricultural sector and the economy as a whole. Over 20 percent of U.S. agricultural production is exported, and these exports make a critical contribution to the prosperity of local and regional economies across rural America. Every \$1 billion worth of agricultural exports supports an estimated 8,400 jobs and \$1.30 billion in additional economic activity. In FY 2019, U.S. farm and food exports reached \$135.5 billion. U.S. agricultural exports have continued to outpace U.S. agricultural imports since 1960, generating a surplus in U.S. agricultural trade. Agricultural exports in 2020 are currently forecast to reach \$139 billion.

The Trade and Foreign Agricultural Affairs mission area (TFAA), established by the Secretary in May 2017, works to reduce trade barriers that impede or disadvantage U.S. agricultural exports and open new markets for U.S. farm products. The mission area includes the activities of the Foreign Agricultural Service (FAS) and the U.S. Codex Alimentarius Office, an interagency partnership that engages stakeholders in the development of international governmental and non-governmental food standards.

Recent U.S. successes in international trade include continuing to push for final passage of the U.S.-Mexico-Canada Agreement (USMCA), which strengthens the United States trade relationship with its North American neighbors, signing a trade agreement with Japan, completing the first phase of a historic trade deal with China, and opening or expanding market access for numerous farm products, including beef to Argentina, Tunisia, the EU and Japan, shell eggs to Mexico, poultry and eggs to Tunisia and blueberries to India and Vietnam.

### **FOREIGN AGRICULTURAL SERVICE**

FAS administers a variety of programs that are designed to facilitate access to international markets and thereby support a competitive U.S. agricultural system. FAS also carries out activities that promote productive agricultural systems in developing countries and contribute to increased trade and enhanced global food security. Working bilaterally and with international organizations, FAS encourages the development of transparent and science-based regulatory systems that allow for the safe development and use of agricultural goods derived from new technologies. FAS works with other USDA agencies, the Office of the United States Trade Representative, and others in the Federal government to monitor and negotiate new trade agreements and enforce existing trade agreements. The United States has free trade agreements (FTA) with 20 countries around the world that expand export opportunities for U.S. food and agricultural producers.

**Table TFAA-1. FAS Budget Authority (millions of dollars)**

Item	2019 Actual	2020 Enacted	2021 Budget
<b>Discretionary:</b>			
FAS Salaries and Expenses:			
Salaries and Expenses (Direct Appropriation).....	\$214	\$216	\$194
Transfer from CCC Export Credit Program Account.....	6	6	6
Total, FAS Salaries and Expenses .....	220	222	200
Foreign Food Assistance:			
McGovern-Dole International Food for Education Program <sup>a</sup> .....	210	220	-
P.L. 480 Title II Donations .....	1,716	1,725	-
P.L. 480 Title I Program Account: Transfer to FSA S&E .....	0	0	0
Total, Discretionary Programs .....	2,147	2,167	200
<b>Mandatory:</b>			
Quality Samples Program.....	2	3	3
Foreign Food Assistance:			
Food for Progress - CCC Funded .....	145	166	166
Bill Emerson Humanitarian Trust <sup>b</sup> .....	-	-	-
Farm Bill Market Development Programs:			
Market Access Program.....	191	200	200
Emerging Markets Program.....	6	8	8
Foreign Market Development (Cooperator) Program.....	32	35	35
Technical Assistance for Specialty Crops Program.....	5	9	9
Priority Trade Fund.....	-	4	4
Pima Agriculture Cotton Trust Funds.....	15	16	16
Agricultural Wool Trust Fund .....	28	30	30
Total, Farm Bill Market Development Programs.....	277	301	302
Total, Mandatory Programs .....	424	470	470
Total, Current Law.....	2,571	2,636	670
Proposed Legislation <sup>c</sup> .....	-	-	-212
Total, FAS.....	2,571	2,636	458

<sup>a</sup> \$15 million can be used for local and regional procurement in 2019 and \$20 million in 2020.

<sup>b</sup> Assets of the Trust can be released any time the Administrator of the U.S. Agency for International Development determines that P.L. 480 Title II funding for emergency needs is inadequate to meet those needs in any fiscal year.

<sup>c</sup> The Budget includes proposals for changes to certain programs above.

### CCC Export Credit Guarantee Programs (GSM-102)

**Table TFAA-2. FAS CCC Export Credit Programs Program Level (PL) and Budget Authority (BA) (millions of dollars)**

Item	2019 PL	BA	2020 PL	BA	2021 PL	BA
GSM-102 Guarantees.....	\$2,024	-	\$5,000	-	\$5,000	-
Facilities Financing Guarantees .....	-	-	500	-	500	-
Total, CCC Export Credit .....	2,024	-	5,500	-	5,500	-

The CCC export credit guarantee programs, administered by FAS in conjunction with FSA, provide payment guarantees for the commercial financing of U.S. agricultural exports. These

programs facilitate exports to buyers in countries where credit is necessary to maintain or increase U.S. sales.

The Budget includes an overall program level of \$5.5 billion for CCC export credit guarantees in 2021. This estimate reflects the level of sales expected to be registered under the export credit guarantee programs. However, the actual level of programming could vary from this estimate, depending upon program demand, market conditions, and other relevant factors during the course of the year. Of the total program level for export credit guarantees expected to be issued by CCC in 2021, \$5 billion will be made available under the GSM-102 program, which provides guarantees on commercial export credit extended with short-term repayment terms (18 months).

The Budget also includes an estimated program level of \$500 million for facility financing guarantees. Under this activity, CCC provides guarantees to facilitate the financing of goods and services exported from the United States to improve or establish agriculture-related facilities in emerging markets. By supporting such facilities, these guarantees enhance sales of U.S. agricultural products to countries where demand is constricted due to inadequate storage, processing, or handling capabilities.

#### **Quality Samples Program (QSP)**

Under QSP, CCC provides funding to assist private entities to furnish samples of U.S. agricultural products to foreign importers in order to overcome trade and marketing obstacles. The program, which is carried out under the authority of the CCC Charter Act, provides foreign importers with a better understanding and appreciation of the characteristics of U.S. agricultural products.

#### **Agricultural Trade Promotion and Facilitation Programs**

FAS administers several programs, in partnership with private sector cooperator organizations or State agencies, which support the development, maintenance, and expansion of commercial export markets for U.S. agricultural commodities and products. In 2019, more than 900 U.S. companies and organizations participated in 22 USDA endorsed trade shows in 16 countries, drawing buyers from all over the world. On-site sales totaled nearly \$300 million and 12-month projected sales reported by exhibitors were estimated at over \$2 billion.

##### **Market Access Program (MAP)**

Under MAP, CCC funds are used to reimburse participating organizations for a portion of the cost of carrying out overseas marketing and promotional activities, such as consumer promotions. MAP participants include nonprofit agricultural trade organizations, State-regional trade groups, cooperatives, and private companies that qualify as small businesses. MAP has a brand promotion component that provides export promotion funding to small companies and thereby helps expand the number of small and medium-sized entities that export. The 2018 Farm Bill provides not less than \$200 million per year for this program.

##### **Emerging Markets Program (EMP)**

EMP authorizes CCC funding to be made available to carry out technical assistance activities that promote the export of U.S. agricultural products and address technical barriers to trade in emerging markets. Many types of technical assistance activities are eligible for funding, including feasibility studies, market research, industry sector assessments, specialized training, and business workshops. The 2018 Farm Bill provides not more than \$8 million per year for this program.



**Foreign Market Development (Cooperator) Program**

This program provides cost-share assistance to nonprofit commodity and agricultural trade associations to support overseas market development activities that are designed to remove long-term impediments to increased U.S. trade. These activities include technical assistance, trade servicing, and market research. Unlike MAP, Cooperator Program activities are carried out on a generic commodity basis and do not include brand-name or consumer promotions. The 2018 Farm Bill provides not less than \$34.5 million per year for this program.

**Technical Assistance for Specialty Crops (TASC) Program**

TASC is designed to address unique barriers that prohibit or threaten the export of U.S. specialty crops. Under the program, grants are provided to assist U.S. organizations in activities designed to overcome sanitary, phytosanitary, or technical barriers to trade. The 2018 Farm Bill provides \$9 million per year for this program.

**Priority Trade Fund**

When the amounts requested under applications for the Agricultural Trade Promotion and Facilitation Programs exceed available funding for one or more of those programs, the 2018 Farm Bill provides an additional \$3.5 million per year through the Priority Trade Fund to access, develop, maintain, and expand markets for United States agricultural commodities via these programs.

**Foreign Food Assistance**

USDA supports global food security through in-country capacity building, basic and applied research, improved market information, statistics and analysis, as well as food assistance. FAS contributes to these efforts by carrying out a variety of food aid programs that support economic growth and development in recipient countries.

**McGovern-Dole International Food for Education and Child Nutrition Program**

The program provides for the donation of U.S. agricultural commodities and associated financial and technical assistance to carry out preschool and school feeding programs in foreign countries. Maternal, infant, and child nutrition programs also are authorized under the program. The Budget proposes to eliminate the program. In-kind food aid is associated with high transportation and other costs and is inefficient compared to other types of development assistance. In addition, the McGovern-Dole program has unaddressed oversight and performance monitoring challenges. To replace the inefficient food aid provided through this program, the 2021 request includes funding for emergency food needs within the new, more efficient International Humanitarian Assistance (IHA) account.

**International Food Aid**

Assistance provided under the authority of P.L. 480 is a primary means by which the United States provides foreign food assistance. Title I provides for sales of U.S. agricultural commodities governments and private entities of developing countries through concessional financing agreements, however, new Title I agreements are no longer utilized. P.L. 480 Title II provides emergency and development food assistance in foreign countries.

***P.L. 480 Title II***

P.L. 480 Title II grants fund emergency and development food aid programs authorized under Title II of the Food for Peace Act (P.L. 83-480). Funding for Title II is appropriated to the USDA and

is administered by the U.S. Agency for International Development (USAID). There is no request for P.L. 480 Title II. To replace the inefficient food aid provided through Title II, the 2021 request includes funding for emergency food needs within the new, more efficient International Humanitarian Assistance (IHA) account.

### ***Food for Progress***

The Food for Progress Act of 1985 authorizes U.S. agricultural commodities to be provided to developing countries and emerging democracies that have made commitments to introduce and expand free enterprise in their agricultural economies. Food for Progress agreements can be entered into with foreign governments, private organizations, nonprofit agricultural organizations, cooperatives, or intergovernmental organizations. Agreements currently provide for the commodities to be supplied on grant terms. The Food for Progress authorizing statute provides for the use of CCC funding for commodity procurement, transportation, and associated non-commodity costs for the program. The budget includes a proposal to eliminate Food for Progress. To replace the inefficient food aid provided through this program, the 2021 request includes funding for emergency food needs within the new, more efficient International Humanitarian Assistance (IHA) account. The 2018 Farm Bill authorizes funding for this program based on metric tonnage, which is estimated to equate to \$166 million in 2021.

### ***Bill Emerson Humanitarian Trust***

The Bill Emerson Humanitarian Trust (the Trust) is a commodity and/or monetary reserve designed to ensure that the United States can meet its international food assistance commitments under P.L. 480 Title II. The Trust's assets can be released any time the Administrator of the United States Agency for International Development (USAID) determines that P.L. 480 Title II funding for emergency needs is inadequate to meet those needs in any fiscal year. When a release from the Trust is authorized, the Trust's assets (whether commodities or funds) cover all commodity costs associated with the release. All non-commodity costs, including ocean freight charges; internal transportation, storage, and handling overseas; and certain administrative costs are paid for by CCC.

No assistance has been provided using the Trust's authority in 2019 or to date in 2020. As of December 31, 2019, the Trust held \$282 million of cash and no commodities.

### **Trust Funds**

The 2018 Farm Bill authorized two trust funds for payments to reduce injury to domestic manufacturers resulting from U.S. tariffs on inputs to their manufacturing processes. These include the Agricultural Wool Apparel Manufacturers Trust Fund, which provides CCC funding for up to \$30 million for reducing injury to domestic manufacturers resulting from tariffs on wool fabric that are higher than tariffs on certain apparel articles made of wool fabric, and the Pima Agriculture Cotton Trust Fund, which provides CCC funding of up to \$16 million for reducing injury to domestic manufacturers resulting from tariffs on cotton fabric that are higher than tariffs on certain apparel articles made of cotton fabric. Payments are made to manufacturers that submit an affidavit certifying that U.S. tariffs caused them injury.

### **Salaries and Expenses**

FAS headquarters staff and attaches covering more than 170 countries partner with other U.S. government agencies, trade associations, as well as regional and international organizations in a coordinated effort to negotiate trade agreements; establish transparent, science-based standards; and resolve trade barriers.

*Table TFAA-3. FAS Salaries and Expenses (millions of dollars)*

Item	2019 Actual	2020 Enacted	2021 Budget
Trade Policy .....	\$75	\$72	\$68
Trade Supporting Initiatives .....	67	69	60
Market Analysis & Advice .....	49	50	45
Efficient Operations .....	24	25	21
Total, Appropriated Programs .....	214	216	194
Reimbursable Program Activities:			
FAS Computer Facility and Other IRM Costs Funded by CCC USAID and Dept. of State Assistance and Reconstruction and Stabilization .....	22	22	23
Other Reimbursable Agreements .....	45	34	24
Total, Reimbursable Program Activities .....	98	91	82
Total, FAS Salaries and Expenses .....	263	256	231

Unnecessarily restrictive regulations to address risks to human, animal, and plant health (SPS) are major barriers to the expansion of global agricultural trade. The proliferation of labeling, registration, certification, and quality standards requirements for routinely consumed food products can also result in unnecessary technical barriers to trade (TBT). Working in concert with other U.S. trade and regulatory agencies and in frequent communication with private sector stakeholders, FAS works to improve market access for U.S. agricultural products and reduce the harm to the industry resulting from unnecessarily restrictive regulations by monitoring and enforcing international rules, strengthening the global regulatory framework, and encouraging the adoption of international standards.

FAS promotes science-based standards and supports trade in U.S. agricultural products produced with new technologies by monitoring worldwide developments in technologies, including their adoption and regulation by trading partners, and promoting the use of new technologies in support of food security and sustainable agriculture. A proactive stance is critical, because the development of divergent regulatory systems for new technologies could bring a virtual halt to trade in some commodities with a potential trade impact reaching billions of dollars.

*Table TFAA-4. KPM – Export Support (billions of dollars)*

Key Performance Measure	2019 Actual	2020 Target	2021 Target
Value of agricultural exports resulting from participation in foreign agricultural trade shows and trade missions	\$2.2	\$2.13	\$2.35
Value of trade preserved through resolution of foreign market access issues such as U.S. export detainment, restrictive SPS and TBT issues, and trade regulations	2.5	6-8	8

In 2021, FAS will conduct its activities and programs through offices in Washington, D.C. and at 93 overseas locations. The overseas offices represent and advocate for U.S. agricultural interests; provide reporting on agricultural policies, production, and trade for more than 170 countries; assist U.S. exporters, trade groups, and State export marketing officials in their trade promotion efforts; and help to implement technical assistance and trade capacity building programs that contribute to

increased food security. The Budget provides an appropriated funding level of \$194 million for FAS activities. The Budget supports an increase of \$4.3 million for overseas costs, including International Cooperative Administrative Support Services, Capital Security Cost-Sharing, and Locally Employed Staff, as well as an increase of \$2.4 million for pay, awards, and FERS costs. Reductions include \$6.5 million to reduce staff years by 40 through attrition, \$9 million in Headquarters administrative costs, and \$13 million in management support contracts.

In addition, the Budget assumes an estimated \$82 million in funding to be made available to FAS through reimbursable agreements. This includes funding for technical assistance, training, and research activities that FAS carries out overseas on behalf of USAID, foreign governments, and international organizations, and development assistance activities that are funded by USAID and the Department of State. Although funded by other agencies, these activities are an important component of the Department's efforts to support economic development and enhance food security in developing countries. \$6 million will be transferred from CCC for administrative expenses to carry out the CCC Export Credit Guarantee Program.

### **Proposed Legislation**

The Budget proposes legislative changes to the programs administered by FAS, including terminating the Food for Progress Program and the Pima Agriculture Cotton and the Agricultural Wool Apparel Manufacturer's Trust Funds. See Appendix for details.

## ***RURAL DEVELOPMENT***

### **MISSION**

Rural Development (RD) provides financial and technical assistance to rural communities, residents, businesses, and private and public entities for a broad range of purposes that bring prosperity and better living to rural America. These programs are grouped within three agencies: (1) the Rural Business-Cooperative Service (RBS) provides assistance for the development of business and industry, including small businesses, and renewable energy and energy improvement projects; (2) the Rural Utilities Service (RUS) provides assistance for water and waste disposal, rural electric and telecommunications, including broadband access; and (3) the Rural Housing Service (RHS) provides assistance for home ownership, multi-family housing, and essential community facilities such as healthcare and public safety infrastructure.

USDA assistance through these programs will increase availability of high-speed e-connectivity, strengthen community infrastructure, advance education opportunities, modernize healthcare, strengthen utility infrastructure, and support workforce training and veterans' employment to enhance quality of life in the rural communities. RD programs will also expand stakeholder participation and involvement of local, tribal and state governments in the contribution to rural prosperity.

The type of assistance offered includes direct and guaranteed loans, grants, and other payments. Several programs require or encourage recipients to contribute their own resources or obtain third-party financing to support the total cost of projects, thereby leveraging government support with private sector financing.

Direct and guaranteed loans subsidy costs depend on several factors, including default rates, the prevailing interest rates, whether the interest rate is subsidized by the government, and whether there are fees. The loan programs all have administrative costs as well. In the tables, the budget authority for each program reflects the subsidy cost to the government to support these loan levels. Several of the loan programs operate at a very low or negative subsidy rate. These less costly loan programs provide most of the financial assistance in RD's loan portfolio.

***Table RD-1. KPM – Leveraging and Distressed Communities***

<b>Key Performance Measure</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
	<b>Actual</b>	<b>Target</b>	<b>Target</b>
Percent of targeted RD investments that leverage private sector funding	83	79	80
Percent of RD assistance that went to distressed communities	11	13	14

### **RURAL UTILITIES SERVICE**

In many areas of rural America, families and communities lack access to modern utility infrastructure, such as reliable electric power, high-speed broadband, and clean drinking water that is often taken for granted in more urban and suburban areas. RUS focuses on a number of efforts, including expansion of broadband access and seeking commercial investment, to modernize utility infrastructure projects through increased public-private partnership activities.

**Table RD-2. RUS Program Level (PL) and Budget Authority (BA) (millions of dollars)**

Item	2019 PL	BA	2020 PL	BA	2021 PL	BA
<b>Discretionary:</b>						
Electric Programs:						
Direct Loans.....	\$5,500	-	\$5,500	-	\$5,500	-
Rural Energy Saving Program.....	71	\$10	70	\$12	-	-
Guaranteed Loans.....	750	-	750	-	-	-
Telecommunications Programs:						
Treasury Loans.....	359	2	345	4	690	\$5
Direct FFB.....	345	-	345	-	-	-
Distance Learning and Telemedicine Grants	34	34	50	50	44	44
Opioid Crisis	16	16	-	-	-	-
Broadband Programs:						
Direct Loans.....	30	6	11	2	-	-
Direct Loans/Grants Combination <sup>a</sup> .....	125	125	300	300	250	250
Grants.....	30	30	35	35	30	30
High Energy Costs Grants.....	10	10	10	10	-	-
Water and Waste Disposal Programs:						
Direct Loans.....	1,400	-	1,400	64	1,270	-
Guaranteed Loans.....	50	0	50	0	58	0
Grants.....	614	614	591	591	614	614
Subtotal, Water and Waste.....	2,064	614	2,041	650	1,942	614
Subtotal, RUS Programs.....	9,320	846	9,456	1,067	8,456	942
Salaries and Expenses.....	33	33	33	33	38	38
Total, RUS.....	9,353	880	9,490	1,100	8,494	980

<sup>a</sup> This program received funding from the Cushion of Credit earning, \$425 million in 2019 and \$255 million in 2020.

### Electric and Telecommunications Programs

The Electric and Telecommunications programs administered by RUS provide loans to establish and leverage private sector investments as well as fill credit gaps that still exist for some rural areas and borrowers.

#### Electric Loan Program

The Budget supports \$5.5 billion in electric Treasury loans to construct, acquire, and improve electric infrastructure including renewable energy, electric transmission, distribution, smart grid technology, energy efficiency, grid resiliency, and security enhancements.

The electric program key performance measure identifies the number of borrowers/subscribers receiving new and/or improved electric service. The Budget supports broader scale energy development activities, such as smart grid, energy conservation and energy efficiency programs. The requested loan authority is estimated to support 5.1 million rural consumers.

#### Telecommunication Loan Program

The Budget requests \$5 million in budget authority to support \$690 million in telecommunications Treasury loans for the construction, extension and improvement of telecommunication facilities that expand broadband and e-connectivity to the communities with populations of up to 5,000.

The funding request is projected to support 20 loans benefitting an estimated 100,000 rural subscribers.

### **Broadband, Distance Learning and Telemedicine Programs**

The Budget includes \$250 million in budget authority to continue the Broadband Pilot Program that provides loans, grants and a loan/grant combination. In addition, the Budget includes \$30 million for broadband grants to support new or improved broadband access in communities with populations of up to 20,000. These programs provide capital access for strengthening e-Connectivity that broadens economic opportunities and job creation in rural America. Improved connectivity means rural communities can offer robust business services, expand access to modern healthcare, and improve education.

The Budget also includes \$44 million for Distance Learning and Telemedicine (DLT) grants. This program is designed specifically to assist rural communities that would otherwise be without access to learning and medical services over the Internet.

The key performance measure displays information for the traditional telecommunications broadband and DLT programs.

*Table RD-3. KPM – Improving Telecommunication Services*

Key Performance Measure	2019 Actual	2020 Target	2021 Target
Borrowers/subscribers benefiting (thousands)	68.9	118.5	162

### **Water and Waste Disposal Program**

The Water and Waste Disposal Program has provided financing for rural communities to establish, expand or modernize water treatment and waste disposal facilities. These facilities provide safe drinking water and sanitary waste disposal for residential users, and help communities thrive by attracting new business. Projects are designed to improve the energy efficiency of water and waste facilities and expand water conservation efforts.

The Budget supports \$1.27 billion in direct loans and \$58 million in guaranteed loans for water and waste disposal facilities to provide safe and sanitary water services. The Budget also requests \$614 million in budget authority for grants, providing a total water and waste disposal program level of \$1.9 billion.

Financing is available only to those communities with low median household income levels. Priority is given to projects in rural areas with populations of not more than 10,000 people.

**RURAL HOUSING SERVICE*****Table RD-4. RHS Program Level (PL) and Budget Authority (BA) (millions of dollars)***

Item	2019 PL	BA	2020 PL	BA	2021 PL	BA
<b>Discretionary:</b>						
Single Family Housing (Sec. 502):						
Direct Loans.....	\$1,000	\$68	\$1,000	\$90	-	-
Guaranteed Loans .....	24,000	-	24,000	-	\$24,000	-
Multi Family Housing:						
Direct Loans (Sec. 515).....	40	9	40	12	-	-
Guaranteed Loans (Sec. 538).....	230	-	230	-	230	-
Very Low-Income Repair (Sec. 504):						
Direct Loans.....	28	3	28	5	-	-
Grants.....	30	30	30	30	30	\$30
Farm Labor Housing Grants (Sec. 516) ....	10	10	10	10	-	-
Farm Labor Housing Loans (Sec. 514) .....	28	7	28	9	-	-
All Other Direct Loans .....	20	1	20	1	10	-
Grants and Payments:						
Rental Assistance/Vouchers (Sec. 521) ..	1,331	1,331	1,375	1,375	1,450	1,450
Mutual and Self-Help (Sec. 523).....	30	30	31	31	-	-
Multi-Family Housing Revitalization.....	26	26	29	29	-	-
Multi-Family Housing Revitalization, Pilot Project .....	-	-	-	-	40	40
Multi-Family Housing Voucher Program	27	27	32	32	-	-
Rural Housing Preservation.....	15	15	15	15	15	15
Community Facilities Programs:						
Direct Loans.....	2,800	-	2,800	-	2,500	-
Guaranteed Loans .....	148	4	500	-	500	-
Non-Conforming CF Loans.....	-	-	-	-	-	20
Grants.....	46	46	50	50	40	40
Subtotal, RHS Programs.....	29,809	1,608	30,218	1,689	28,815	1,595
Salaries and Expenses.....	412	412	412	412	240	240
Total, RHS .....	30,221	2,020	30,630	2,101	29,055	1,835

**Single Family Loan Program**

The Single-Family Housing programs support homeownership opportunities for low-income families in rural areas. Guaranteed loans are limited to families with incomes less than 115 percent of area median income. The interest rate on guaranteed loans is negotiated between the borrower and the private lender.

The Budget proposes to eliminate the Single-Family Housing direct loan program to focus on creating homeownership opportunities through the guaranteed program. The Budget supports a \$24 billion loan level for the Guaranteed Single-Family Housing program. This level is expected to provide approximately 160,000 homeownership opportunities. The Budget also supports \$10 million in program level for single family housing credit sales of acquired property. In addition, the Budget proposes \$30 million in budget authority for very-low income housing repair grants.



### **Multi-Family Housing Programs**

The Multi-Family Housing program (direct and guaranteed portfolio) provides financing for rental housing projects and rental assistance payments for the low-income tenants of those projects. The portfolio currently includes about 14,500 projects which provide 453,000 total housing units. Approximately 651,000 limited-income individuals, many of whom are elderly, with an average annual income of about \$11,176 reside in approximately 426,600 direct portfolio units.

The Budget requests \$1.45 billion in budget authority for rental assistance and voucher payments to fully fund all contract renewals, ensuring that the residents living in USDA-financed multi-family housing properties can continue to benefit from these grants and vouchers. Of this total, \$1.41 billion is for contracts renewals that provide rental assistance payments. Most Section 515 projects that are financed with direct loans receive rental assistance payments. These payments are made to the project sponsors and are used to reduce the rents of occupants to no more than 30 percent of the family income. For those tenants living in projects leaving the Section 515 program, the Budget also includes \$40 million for the Multi-Family Housing Voucher program, which is included in the \$1.5 billion requested under the Rental Assistance Program. The Budget proposes to consolidate the Multi-Family Housing Preservation and Revitalization programs with the Rural Housing Insurance Fund and the Voucher program with the Rental Assistance program account.

The Budget continues the 2020 proposal requiring tenants utilizing rental assistance to contribute a minimum rent of \$50 per month, unless the tenant qualifies for a hardship exemption as determined by the Secretary. USDA's hardship exemptions will be in line with the Department of Housing and Urban Development's hardship exemptions.

The Budget would support \$230 million in Section 538 Guaranteed Loans for multi-family housing, which will be the focus of new construction in 2020 and requests \$40 million in budget authority for the Multi-Family Housing Preservation and Revitalization program and \$15 million in budget authority for Housing Preservation grants. The Budget proposes to eliminate the Multi-Family Housing Direct loan program and the Farm Labor Housing program.

### **Community Facilities Loan Program**

Community Facilities loans provide funding for a wide range of essential community facilities to rural communities with populations of 20,000 or less, with priority given to healthcare, public safety, and education facilities.

The Budget supports \$2.5 billion in Community Facilities direct loans and \$500 million in Community Facilities guaranteed loans.

- The \$20 million is available for direct and guaranteed loan subsidy costs when the risk analysis indicates that a particular loan, as structured, falls outside the parameters of the regular portfolio subsidy rate. Any unobligated balances remaining on June 30, 2021, may be transferred to grants if not needed for subsidy costs.
- The Budget requests \$30 million in budget authority to support in Community Facilities grants, which will be targeted towards underserved communities.
- \$10 million is provided for Tribal College grants to improve education and career-building opportunities, specifically for STEM (science, technology, engineering, and math) programs.

Table RD-5 shows the percent of the approximately 46 million rural residents who are provided with improved essential healthcare community services.

*Table RD-5. KPM – Percentage of Rural Population Provided Access to Community Facilities*

<b>Key Performance Measure</b>	<b>2019 Actual</b>	<b>2020 Target</b>	<b>2021 Target</b>
Healthcare Facilities	2.45	6.8	6.8

NOTE: Some facility types serve more than one purpose.

**RURAL BUSINESS-COOPERATIVE SERVICE****Table RD-6. RBS Program Level (PL) and Budget Authority (BA) (millions of dollars)**

Item	2019 PL	BA	2020 PL	BA	2021 PL	BA
<b>Discretionary:</b>						
Business and Industry Guar. Loans.....	\$950	\$22	\$1,000	\$21	\$1,250	-
Distressed Communities .....	-	-	-	-	250	\$7
Rural Business Development Grants.....	35	35	37	37	-	-
Delta Regional Authority Grants/ARC .....	8	8	9	9	-	-
Intermediary Relending Program .....	19	4	19	5	-	-
Healthy Food Financing Initiative.....	2	2	5	5	-	-
Rural Economic Development: <sup>a</sup>						
Direct Loans.....	50	-	50	-	-	-
Grants <sup>b</sup> .....	10	-	10	-	-	-
Rural Microentrepreneur Assistance:	3	3	6	6	-	-
Rural Innovation Stronger Economy Grant	-	-	5	5	-	-
Rural Cooperative Development Grants:						
Rural Cooperative Development Grants ....	6	6	6	6	-	-
Small, Socially Disad. Producer Grants ....	3	3	3	3	3	3
Appropriate Tech. Transfer to Rural Areas						
.....	3	3	3	3	-	-
Agriculture Innovation Center	3	3	3	3	-	-
Value-Added Producer Grants .....	15	15	12	12	-	-
Higher Blends Infrastructure Program .....	-	-	-	-	100	100
Rural Energy for America Guar. Loans .....	8	0	20	1	-	-
Subtotal, RBS Programs.....	1,114	104	1,188	115	1,603	110
Salaries and Expenses.....	4	4	4	4	-	-
Total, Discretionary Programs .....	1,119	108	1,192	120	1,603	110
<b>Mandatory:</b>						
Farm Bill:						
Biorefinery Assistance Guar. Loans .....	50	50	-	25	-	-
Biorefinery for Advanced Biofuels.....	7	7	7	7	7	7
Rural Energy for America Loans.....	309	14	163	6	546	13
Rural Energy for America Grants.....	33	33	41	41	37	37
Local Agriculture Market Program.....	19	19	18	18	19	19
Biobased Market Program .....	3	3	3	3	3	3
Total, Mandatory Programs .....	421	126	332	200	612	79
Total, Current Law.....	1,540	234	1,524	319	2,215	189
Proposed Legislation <sup>b</sup> .....	0	0	0	0	-583	-50
Total, RBS .....	1,540	234	1,524	319	1,632	139

<sup>a</sup> Funding for these programs is provided from earnings from electric cooperative investments and fees.

<sup>b</sup> The Budget includes proposals for changes to certain programs above.

**Business and Industry Guaranteed Loan Program**

The Business and Industry (B&I) Guaranteed Loan Program provides protection against loan losses so that lenders are willing to extend credit to establish, expand, or modernize rural businesses. The B&I program promotes the creation of rural businesses to secure start-up capital,

finance business expansion, and create jobs, which helps to diversify the rural economy and support such sectors as local and regional food and the bioenergy/bio-economy.

The Budget supports \$1.5 billion in B&I loan guarantees – an increase of \$500 million from the 2020 enacted level. The loan program will bifurcate into two cohorts: one to support a market-driven program at no cost to the government; and the other to serve high-impact businesses in distressed and high-priority communities and \$7.4 million in budget authority is requested to support \$250 million in program level. The total level of B&I funding is expected to assist 433 businesses and create or save about 11,000 jobs.

### **Rural Cooperative Development Grants**

The Budget requests \$3 million to provide grants to assist minority producers.

### **Higher Blends Infrastructure Incentive Program (HBIIP)**

In April 2017, President Donald J. Trump established the Interagency Task Force on Agriculture and Rural Prosperity to identify legislative, regulatory and policy changes that could promote agriculture and prosperity in rural communities. On October 4th, 2019, the Administration announced an agreement to expand domestic ethanol and biodiesel use. As part of this agreement, USDA committed to seeking opportunities to consider infrastructure projects to facilitate higher biofuel blends. Biofuels, which contribute to energy security, reduce air pollution, and support rural economic development, are an important market for U.S. farmers. Infrastructure constraints and other barriers currently limit the market for biofuels and thereby the commodities used to produce them, contributing to lower commodity prices.

In FY 2020, USDA will invest \$100 million through the Commodity Credit Corporation (CCC) to expand retail renewable fuel infrastructure. For FY 2021, the President's Budget requests \$100 million in appropriated funds for grants to promote domestic ethanol and biodiesel infrastructure and consumption. This funding will build on prior experience gained through the Biofuels Infrastructure Partnership (BIP) which USDA operated from 2016-2019 and supported retail E15, E85, and biodiesel infrastructure, as well as USDA's experience operating programs that support biofuel and rural energy initiatives. Providing additional biofuels infrastructure across rural America will help improve the distribution of higher blends of ethanol and biodiesel and increase the domestic consumption of agricultural commodities. The request also includes authority to use up to 3 percent of the program funds for administrative costs that will be transferred and merged with the Rural Development "Salaries and Expenses" account. The funding and authority for this program started in 2020 through Section (5) and Section (11) of the CCC Charter Act (15 USC 714c).

The Budget proposes to eliminate all other discretionary RBS programs.

### **Proposed Legislation**

The Budget proposes to eliminate the statutory authority of Rural Energy for America program and rescind the mandatory funds provided in the 2018 Farm Bill.

**RURAL DEVELOPMENT**

In USDA's efforts to enhance customer services with streamlined processes, RD is making strides to reduce redundancies and inefficiencies. Supporting these objectives, the Budget proposes a staff level of 4,600 employees, the same as the 2020 estimate. The Budget provides \$761 million for salaries and expenses, that will enable RD to modernize its workforce by building capacity with an emphasis on customer service. The Budget will improve IT capabilities to both support a mobile workforce and improve customer interactions with RD. The 2021 Budget includes set asides for specific IT investments: retiring the Program Loan Accounting System (\$5 million) and the Automated Multi-family Accounting System (\$5 million), and system upgrades to implement direct endorsement by lenders of the single-family loan guarantee program (\$5 million), for which USDA has had authority for since 2016. These IT investments are critical to ensuring high levels of security, availability, and accountability for loan program accounting and customer service.

The request also includes \$40 million to relocate employees located at the Goodfellow facility in St. Louis, Missouri.

*Table RD-7. Rural Development (millions of dollars)*

Item	2019 Actual	2020 Enacted	2021 Budget
Salaries and Expenses:			
Appropriation .....	\$237	\$248	\$483
Transfers:			
Rural Electric and Telecommunications Loan Program.....	33	33	38
Rural Housing Insurance Fund Program .....	412	412	240
Rural Development Loan Fund Program .....	4	4	-
Total, Transfers.....	450	450	278
Total, Salaries and Expenses.....	687	698	761
Total, Rural Development.....	687	698	761

## ***FOOD, NUTRITION, AND CONSUMER SERVICES***

### **MISSION**

The programs and funding of Food, Nutrition, and Consumer Services (FNCS) provide access to safe, nutritious, and wholesome meals, while promoting a healthy diet.

Within FNCS, the Food and Nutrition Service (FNS) administers USDA's domestic nutrition assistance programs. Working in partnership with State agencies and other cooperating organizations, FNS helps ensure children and low-income Americans have sufficient food to support nutritious diets. Also, within FNCS, the Center for Nutrition and Policy Promotion (CNPP) improves the health of Americans by developing and promoting dietary guidance that links the best evidence-based, scientific research to the nutrition needs of Americans. Over the course of a year, one in four Americans is served by one of USDA's 15 nutrition assistance programs. FNCS is committed to continually improving the performance, efficiency, and integrity of these programs.

FNS Federal staff leverage their efforts by working with State and local partners to deliver nutrition assistance through the Supplemental Nutrition Assistance Program (SNAP); Child Nutrition Programs, including the National School Lunch Program (NSLP), the School Breakfast Program (SBP), the Summer Food Service Program (SFSP), and the Child and Adult Care Food Program (CACFP); the Special Supplemental Nutrition Program for Women, Infants and Children (WIC); The Emergency Food Assistance Program (TEFAP); the Food Distribution Program on Indian Reservations (FDPIR); and several similar programs targeted to specific needs.

In FY 2019 CNPP, in partnership with the Department of Health and Human Services (HHS) established a charter for the 2020 Dietary Guidelines for Americans and selected 20 nationally recognized experts to serve on the Committee. In 2020, the Committee will complete its scientific review of the evidence on nutrition and health topics and provide a report of their findings to the Secretaries of USDA and HHS. To increase transparency in the process of developing the Dietary Guidelines, USDA launched a new consumer-friendly website to keep the public abreast of the work of the Committee.

***Table FNCS-1. KPM -Food Insecurity***

<b>Key Performance Measure</b>	<b>2019 Target</b>	<b>2020 Target</b>	<b>2021 Target</b>
Percent of American Households with Consistent, Dependable Access to Food	87.9	89.0	89.2

NOTE: The most recent data for this measure is from FY 2018 when the actual percentage was 88.9%. The 2019 Target was set before actual 2018 data was available. Actual 2019 data will be available in September 2020.

## **FOOD AND NUTRITION SERVICE**

The Budget provides funding for the major nutrition assistance programs, accounting for projected program participation and food cost inflation. It seeks to prevent and reduce food insecurity and improve the nutritional status of recipients.

To support FNS's work to identify and eliminate waste, fraud, and abuse, the Budget provides resources for program integrity efforts in all of the major programs, including SNAP, WIC, and the Child Nutrition Programs.

FNS will continue efforts to promote healthy eating in part by the use and promotion of MyPlate and the Dietary Guidelines for Americans. CNPP works in collaboration with the Department of Health and Human Services to develop the Dietary Guidelines for Americans to promote health and prevent chronic disease.

***Table FNCS-2. FNS Budget Authority (millions of dollars)***

*FNS Budget Authority (millions of dollars)*

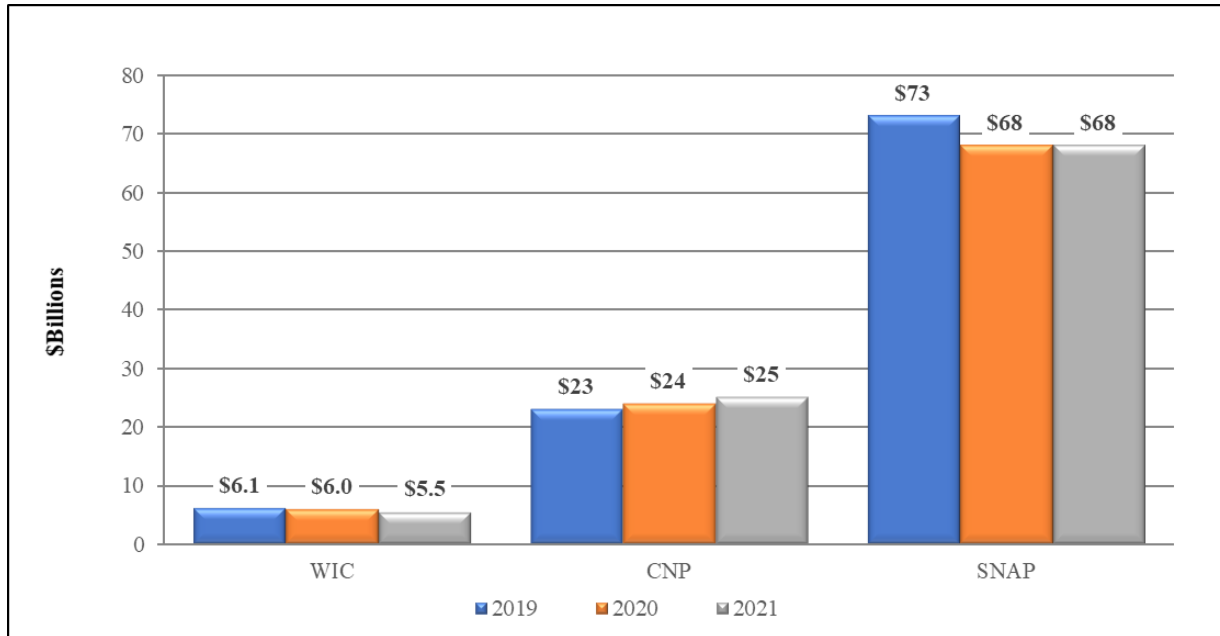
Item	2019 Actual	2020 Enacted	2021 Budget
<b>Discretionary:</b>			
Special Supplemental Nutrition Program (WIC) <sup>a</sup> .....	\$6,075	\$6,000	\$5,451
Commodity Assistance Program:			
Commodity Supplemental Food Program.....	223	245	-
The Emergency Food Assistance Program (TEFAP), Soup Kitchens, Food Banks.....	80	80	80
Farmers' Market Nutrition Program.....	19	19	-
Pacific Island Assistance and Disaster Assistance.....	1	1	1
Nutrition Services Incentive Program <sup>b</sup> .....	0	1	-
Total, Commodity Assistance Program.....	323	346	81
Nutrition Programs Administration.....	165	156	155
Total, Discretionary Programs.....	\$6,563	\$6,502	\$5,687
<b>Mandatory:</b>			
WIC: Universal Product Database.....	1	1	1
Supplemental Nutrition Assistance Program (SNAP).....	73,477	67,886	68,281
Child Nutrition Programs (CNP).....	23,141	23,615	25,041
Permanent Appropriations.....	200	208	203
Farm Bill:			
Seniors Farmers' Market Nutrition Program.....	21	21	21
TEFAP Farm Bill Projects.....	4	4	4
Total, Mandatory Programs.....	96,844	91,735	93,551
Total, Current Law.....	103,407	98,237	99,238
Proposed Legislation <sup>c</sup> .....	-	-	-14,876
Total, FNS.....	103,407	98,237	84,362

<sup>a</sup> Does not reflect cancelled unobligated balances.

<sup>b</sup> Funds are transferred from the Department of Health and Human Services, Administration on Aging. Funds for 2021 will be determined at a later date.

<sup>c</sup> The 2021 Budget includes proposals for changes to certain programs above.

**Figure FNCS-1. FNS Budget Authority**



**Supplemental Nutrition Assistance Program (SNAP)**

SNAP will continue to respond to economic need while incorporating changes consistent with the President’s Executive Order on Welfare Reform that will streamline program operations and reserve taxpayer dollars for eligible households most in need. In 2021, participation is estimated to fall to an average level of 37.2 million participants per month from 38.1 million in 2020, due to the improving economy and SNAP reforms designed to move participants toward self-sufficiency. While participation is expected to decrease, the Budget provides for an increase to account for a rise in food costs. FNS will work to provide better customer service to participants by providing States flexibility to test new ways to administer programs.

SNAP Employment & Training (E&T) is a State-administered program designed to help participants move toward self-sufficiency. States have flexibility in designing E&T programs that meet the needs of their participants and local economy. The Agriculture Improvement Act of 2018 helps to promote self-sufficiency and supports E&T activities that engage able-bodied adults in education and skills-based training; encourages State and local innovations; requires case management, designed to achieve long-term stability in employment.

**Table FNCS-3. KPM – SNAP E&T Participation**

Key Performance Measure	2019 Target	2020 Target	2021 Target
Percentage of SNAP Employment & Training participants engaged in education and skills-based training (new methodology)	N/A	29.5	31.5

FDPIR provides food packages to Indian Tribal Organizations to improve nutrition and provide culturally appropriate sustenance. The Budget requests \$134 million in FY 2021 to fund FDPIR food and administrative costs, down from \$160.2 million in 2020. The decrease in funding is due



to reduced inventory purchases. The program is projected to serve 90,000 participants a month in 2021, the same number as in 2020.

### **Child Nutrition Programs**

Through subsidies for meals that meet program standards, the National School Lunch Program, School Breakfast Program, Summer Food Service Program, Child and Adult Care Food Program, Fresh Fruit and Vegetable Program, and Special Milk Program assist State and local governments and private non-profit organizations in ensuring that children in schools and child care – and adults in adult day care programs – receive meals that meet their nutritional needs, foster healthy eating habits, reduce the number of overweight and obese children, and safeguard their health. The Budget funds the Child Nutrition Programs through new appropriations and prior year balances, at a level that will support anticipated increases in participation and food cost inflation. The Budget projects serving 5.25 billion lunches and snacks (an increase of 124 million over the current estimate for 2020) and 2.52 billion breakfasts in schools, 2.1 billion meals in child and adult care centers, and 155 million meals through Summer Food Service Program.

*Table FNCS-4. KPM - National School Lunch Program (NSLP) Participation*

Key Performance Measure	2019 Actual	2020 Target	2021 Target
Annual percentage of eligible children participating in NSLP	56.5	59.0	59.0
Annual percentage of eligible children participating in School Breakfast Program (new measure)	29.6	31.0	31.0

Whereas almost 22 million children receive free or reduced-price meals on school days, about one in eight children who participate in the lunch program during the school year, or approximately 3.6 million children, receive free meals during summer months when school is not in session. USDA has been working to reduce food insecurity and hunger among school children in the summer. In 2019, 156 million meals were served during summer, including lunches and breakfasts served in the Summer Food Service Program as well as in schools through the Seamless Summer Option.

The Budget funds Farm to School initiatives at \$9.1 million, with \$4.1 million for the Farm to School Team and \$5 million provided annually under Section 18 of the Richard B. Russell National School Lunch Act for Farm to School grants. These grants ensure continued support of local and regional food systems by facilitating linkages between schools and their local food producers.

### **Special Supplemental Nutrition Program for Women, Infant, and Children**

WIC helps improve the health and nutritional intake of low-income pregnant, breastfeeding and postpartum women, infants, and children up to their fifth birthday. WIC serves about half of all babies in the United States. It provides participants with benefits, redeemable at certified WIC retailers, for foods dense in nutrients known to be lacking in the diets of eligible groups. The program also provides nutrition education, breastfeeding counseling, and referrals to critical health and social services.

The Budget includes \$5.5 billion and proposes a \$1.2 billion rescission for WIC. This funding level is sufficient to serve all eligible participants projected to seek WIC benefits in 2021. The WIC program has been experiencing lower-than-expected participation rates, due to continued flat or declining birth rates – particularly among mothers under the age of 30, as well as a projected

decline in per-person costs. In 2021, an average of 6.2 million low-income women, infants and children are expected to participate in the program each month.

### Commodity Assistance Program (CAP)

The Budget provides \$81 million for CAP. The Budget continues to propose the elimination of funding for the Commodity Supplemental Food Program and the Farmers' Market Nutrition Program.

### Nutrition Programs Administration (NPA)

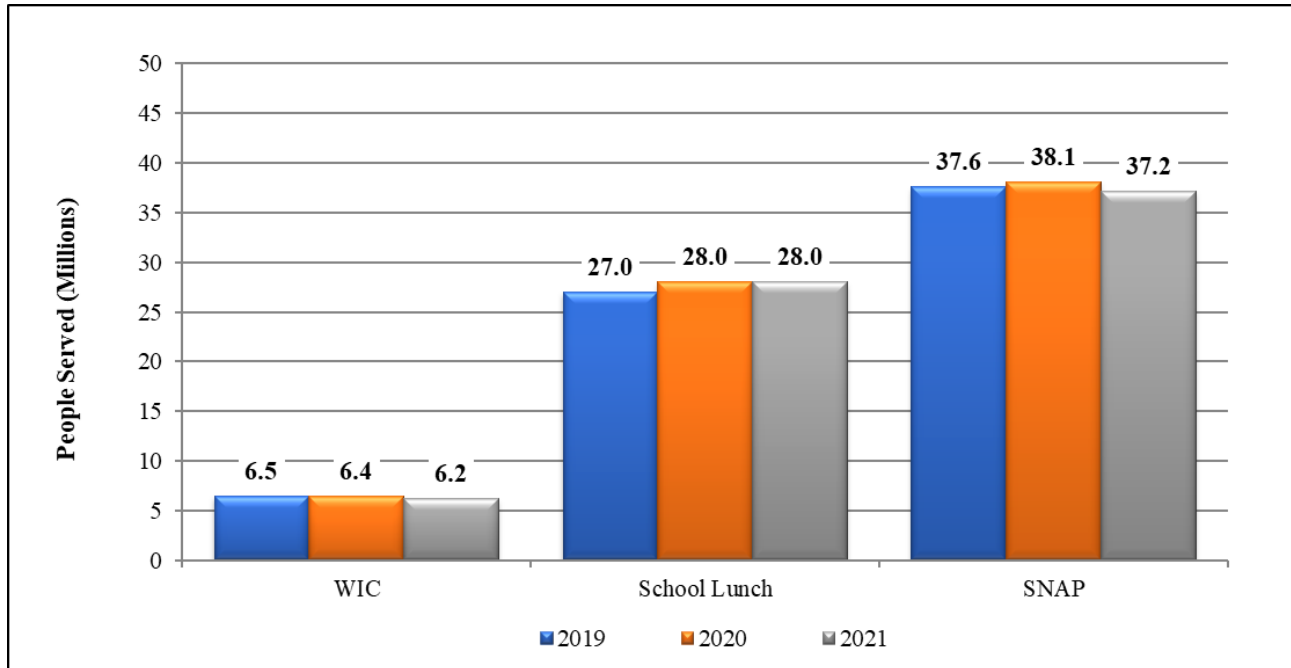
The Budget provides \$155 million for NPA to support Federal management and oversight of USDA's investment in nutrition programs. This will help ensure oversight and program integrity, simplify and improve the programs, and encourage healthy and nutritious diets.

## Key Indicators

### Table FNCS-5. FNS Key Indicators

#### FNS Key Indicators

Item	2019 Actual	2020 Enacted	2021 Budget
<b>Average Participation, Millions:</b>			
Supplemental Nutrition Assistance Program (per month).....	37.6	38.1	37.2
Free School Lunch.....	20.0	21.0	22.0
All School Lunches (per day).....	29.0	30.0	30.0
Free School Breakfast.....	12.0	12.3	12.3
All School Breakfasts (per day).....	15.0	15.0	15.0
WIC (per month).....	6.5	6.4	6.2
Commodity Supplemental Food Program (CSFP):			
Elderly (per month).....	0.70	0.74	-
FDPIR (per month).....	0.08	0.10	0.10
<b>Average/Person/Month Food Benefit:</b>			
Supplemental Nutrition Assistance Program.....	\$121.94	\$123.20	\$125.84
WIC.....	40.83	41.14	41.91
CSFP: Elderly (FNS Funded).....	21.92	22.47	-
FDPIR (FNS Funded).....	81.92	83.66	85.71
<b>Per Meal Subsidies Including Commodities:</b>			
<b>School Lunch:</b>			
Free.....	3.37	3.48	3.57
Reduced.....	2.97	3.08	3.17
Paid.....	0.37	0.39	0.40
<b>School Breakfast:</b>			
Free.....	2.14	2.20	2.26
Reduced.....	1.84	1.90	1.96
Paid.....	0.31	0.31	0.32

*Figure FNCS-2. People Served Through Nutrition Assistance Programs*

### Proposed Legislation

The Administration has made significant reforms to SNAP through the regulatory process, including changes to close eligibility loopholes and eliminate States' misuse of ABAWD waivers. Building upon these successes, which, in total, are estimated to save nearly \$50 billion over ten years, the Budget proposes to overhaul Supplemental Nutrition Assistance Program (SNAP) work requirements by requiring that all able-bodied adult participants work toward self-sufficiency. The Budget continues the America's Harvest Box proposal, allowing innovative partnerships with the private sector to combine the traditional SNAP EBT benefits with 100 percent American-grown foods provided directly to households. The proposal ensures that Americans in need have access to a nutritious diet while significantly reducing the cost to taxpayers. States maintain the ability to provide choice to their recipients, including innovative approaches for the inclusion of fresh products. In addition, the Budget proposes new program integrity initiatives that improve payment accuracy through enhanced data sharing, ensuring benefit dollars are appropriately targeted to eligible households. The Budget includes proposals in Child Nutrition Programs that improve integrity through streamlined verification processes and improve targeting of school meals through standardizing community eligibility requirements. Estimates of the budgetary impact of these proposals can be found in Table APP-7 of the Appendix.

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## *FOOD SAFETY*

### **MISSION**

The Food Safety mission area is responsible for ensuring the Nation's commercial supply of meat, poultry, and egg products is safe, wholesome, and properly labeled and packaged. This includes products produced domestically in Federally-inspected establishments, as well as products imported from foreign countries.

The mission area covers the activities of the Food Safety and Inspection Service (FSIS), which provides Federal inspection of meat, poultry and processed egg products establishments; supports cost share funding of same as or at least equal to State meat and poultry inspection programs; implements the Public Health Information System to assign and track science-based, data-driven inspections; and determines international equivalence of foreign food safety systems and verifies these systems maintain equivalence. Additionally, the Undersecretary for Food Safety chairs the U.S. Codex Policy Committee, which is an interagency partnership provides leadership for U.S. Government participation in the work of the Codex Alimentarius to develop the international food standards used by governments and industry to protect consumer health and to ensure fair trade practices. FSIS coordinates the development of its policies with other USDA agencies and other Federal agencies, including the Food and Drug Administration (FDA), the Environmental Protection Agency, and the CDC, to support an integrated farm-to-table approach to food safety.

Initiatives to modernize operations and inspection systems continued in 2019. For the first time in more than five decades, FSIS is modernizing inspection at market hog slaughter establishments with a goal of protecting public health while allowing for food safety innovations. The final regulations on modernization of swine slaughter inspection has new requirements that apply to all swine slaughterhouses to demonstrate that they are controlling for pathogens throughout the slaughter system. FSIS has amended the regulations to require that swine slaughter establishments develop written sanitary dressing plans and implement microbial sampling to monitor process control for enteric pathogens that can cause foodborne illness. The final rule also allows market hog establishments to choose if they will operate under the New Swine Slaughter Inspection System NSIS, which provides establishments additional flexibility, or continue to operate under traditional inspection. Under the new system and the traditional systems, FSIS will continue to conduct 100% inspection of animals before slaughter and 100% carcass-by-carcass inspection. Under the NSIS, FSIS offline inspectors will conduct more food safety and humane handling verification tasks to protect the food supply and animal welfare.

FSIS has finalized several deregulatory actions in 2019, including removing unnecessarily prescriptive requirements and taking a more science-based approach to regulatory controls. Requiring establishments to follow these regulations no longer makes sense since meat and poultry establishments have been required to operate under Hazard Analysis and Critical Control Point (HACCP) system since the late 1990s and are required to have controls in place to prevent hazards before, during, and after slaughter and processing operations. These final deregulatory actions include eliminating redundant regulations for hog carcass cleaning, no longer requiring carcasses to be stamped with the USDA mark of inspection if the carcasses are to be processed at the same facility, and no longer restricting the hours that an official establishment may prepare uninspected, inedible products, such as animal and pet food.

Initiatives to modernize operations and inspection systems and finalize deregulatory actions will continue in 2020. These include eliminating dual weight labeling requirements for certain meat

and poultry products and amending the egg products inspection regulations by requiring official plants that process egg products to develop and implement HACCP systems and Sanitation Standard Operating Procedures and to meet other sanitation requirements consistent with meat and poultry regulations. When the rule becomes final, plants will be required to produce egg products in such a way that the finished product is free of detectable pathogens but will have additional flexibility in their production process. This modernization effort will lead to innovations in the egg products industry as well as align egg products regulations with the meat and poultry products regulations.

FSIS has continued targeted sampling and uses other strategies to control Shiga-toxin producing *E. coli*, *Listeria monocytogenes*, *Salmonella*, and *Campylobacter*. FSIS is continuing to use whole genome sequencing to track illnesses, inform inspection and policy decisions, and enhance its collaborations with other Federal agencies and state governments. In 2019, FSIS proposed revised pathogen reduction performance standards for *Campylobacter* in not-ready-to-eat comminuted chicken and turkey products. FSIS also proposed revised pathogen reduction performance standards for *Salmonella* in raw ground beef and new *Salmonella* standards for beef manufacturing trimmings. FSIS will consider comments received on these proposed standards before announcing the final performance standards in the Federal Register.

FSIS continues to strengthen its collaboration with the CDC and FDA to meet its goal to improve coordination of federal food safety efforts and address cross-cutting priorities for food safety data collection, analysis, and use. In recent years, the development of cell-cultured products derived from the stem cells of animals has raised questions about regulatory jurisdiction, food safety controls and labeling of these meat and poultry products. In March 2019, FSIS and FDA released a formal agreement to address the regulatory oversight of human food produced using this new technology. The formal agreement describes the oversight roles and responsibilities for both agencies and how the agencies will collaborate to regulate the development and entry of these products into commerce. This shared regulatory approach will ensure that cell-cultured products derived from the cell lines of livestock and poultry are produced safely and are accurately labeled.

*Table FdS-1. FSIS Budget Authority (millions of dollars)*

Item	2019 Actual	2020 Enacted	2021 Budget
<b>Discretionary:</b>			
Federal Food Safety and Inspection	936	936	974
State Food Safety and Inspection	62	67	67
International Food Safety and Inspection	17	17	17
Public Health Data Communication Infrastructure System	35	35	35
Total, Discretionary Programs	1,049	1,054	1,092
<b>Mandatory:</b>			
Trust Funds (Voluntary Inspection Services)	14	15	16
User Fees (Overtime/Holiday Inspection Services)	220	234	248
Total, Mandatory Programs	235	249	264
Proposed Legislation <sup>a</sup>	-	-	-
Total, FSIS	1,284	1,303	1,356

**Table Footnotes**

<sup>a</sup> The Budget includes a user fee proposal for changes to certain programs above. No budget authority impact is estimated for 2021.

To accomplish its functions, FSIS inspectors are located at over 6,400 slaughtering and processing establishments and import houses. Headquarters personnel are responsible for overseeing administration of the program and ensuring that scientific and technological developments are incorporated into inspection procedures.

Foodborne illness is recognized as a significant public health problem in the United States. About 128,000 people are hospitalized, and 3,000 die each year from foodborne diseases, according to estimates from the Centers for Disease Control and Prevention (CDC). USDA and other Federal agencies are working in cooperation to ensure that Americans have access to safe and healthy food. In addition to its work ensuring safe and wholesome products are available to the consumer, FSIS also develops aids for consumers and conducts public education campaigns to inform consumers about safe food handling methods to decrease the likelihood of foodborne illness from products that were improperly stored, handled, and/or prepared. With the funding requested, FSIS aims to achieve the following performance measures:

*Table FdS-1. Key Performance Measure (KPM) – Food Safety*

KPM	2019 Actual	2020 Target	2021 Target
Percent of Establishments that Meet Pathogen Reduction Performance Standards	84	87	90
Percent of Establishments whose Public Health Regulation noncompliance rate decreases below the early warning cut point 120 days after receiving an Early Warning Alert.	74	74	74

### **Budget**

The Budget proposes discretionary funding of \$1.092 billion, an increase of \$38 million from 2020 Enacted. The 2021 Budget proposes an increase of \$21.7 million for pay costs, Federal Employees' Retirement System (FERS) contributions, and awards for its employees. Additionally, FSIS initiated a review of its frontline Consumer Safety Inspector (CSI) positions in 2018 and found that the evolution of CSI duties, complexity, scope, and broadened required knowledge base has raised the full performance level of the work to a GS-9. To convert all CSI GS-8 positions into full-performance GS-9s, the 2021 Budget requests an increase of \$5.7 million to cover cost of this conversion. The reclassification of the CSI position will enable FSIS to more effectively and efficiently accomplish its mission and manage its workforce. The Budget also proposes an investment of \$4.7 million to modernize and stabilize FSIS' aging information technology (IT) infrastructure and increase connectivity to mission critical systems for FSIS inspectors, veterinarians and public health professionals on the frontlines. Mission critical IT assets, such as the Public Health Information System, facilitate the collection and sharing of vital data that allows FSIS to continually improve its food safety mission and achieve operational excellence. Finally, the Budget requests \$15 million for the relocation of its Mid-Western Laboratory currently located in St. Louis, Missouri. Due to environmental issues and deteriorating infrastructure in the Government Services Administration's (GSA) Goodfellow facility, GSA has been working with FSIS to identify a suitable new facility. FSIS continually searches for ways to improve its processes and gain savings through ongoing management reforms and modernization efforts. These efforts will allow FSIS to maintain food safety oversight and reduce operating expenses while allowing FSIS to continue to meet its mandate to protect public health.

**User Fees and Trust Funds**

FSIS estimates it will collect \$264 million in 2021 through existing user fee and trust fund activities for providing overtime, holiday, and voluntary inspection services.

**Proposed Legislation**

FSIS is proposing a user fee to cover all domestic inspection, import re-inspection, and most of the central operations costs for Federal, State, and International inspection programs for meat, poultry, and egg products. The fee would not cover Federal functions such as investigation, enforcement, risk analysis, and emergency response. FSIS would implement this user fee beginning in 2022.

Similar to last year's proposal, the FSIS FY 2021 Budget proposes a change to the current overtime/holiday billing policy to allow for FSIS to charge fees for inspection of establishment operations outside of their scheduled shifts. Currently the establishments are billed for services provided outside of their approved hours of inspection only when the inspector is also in an overtime status. This makes it difficult for FSIS to employ part-time employees or provide flexible schedules to employees while still collecting fees for services provided as requested by the plant.

***NATURAL RESOURCES AND ENVIRONMENT*****MISSION**

The Natural Resources and Environment (NRE) mission area ensures the productive and sustainable use of our National Forest System (NFS) lands, contributes to the economic health of rural communities through use and access opportunities, and helps the nation mitigate wildfire risk. The mission area includes the Forest Service (FS).

**FOREST SERVICE*****Table NRE-1. FS Budget Authority (millions of dollars)***

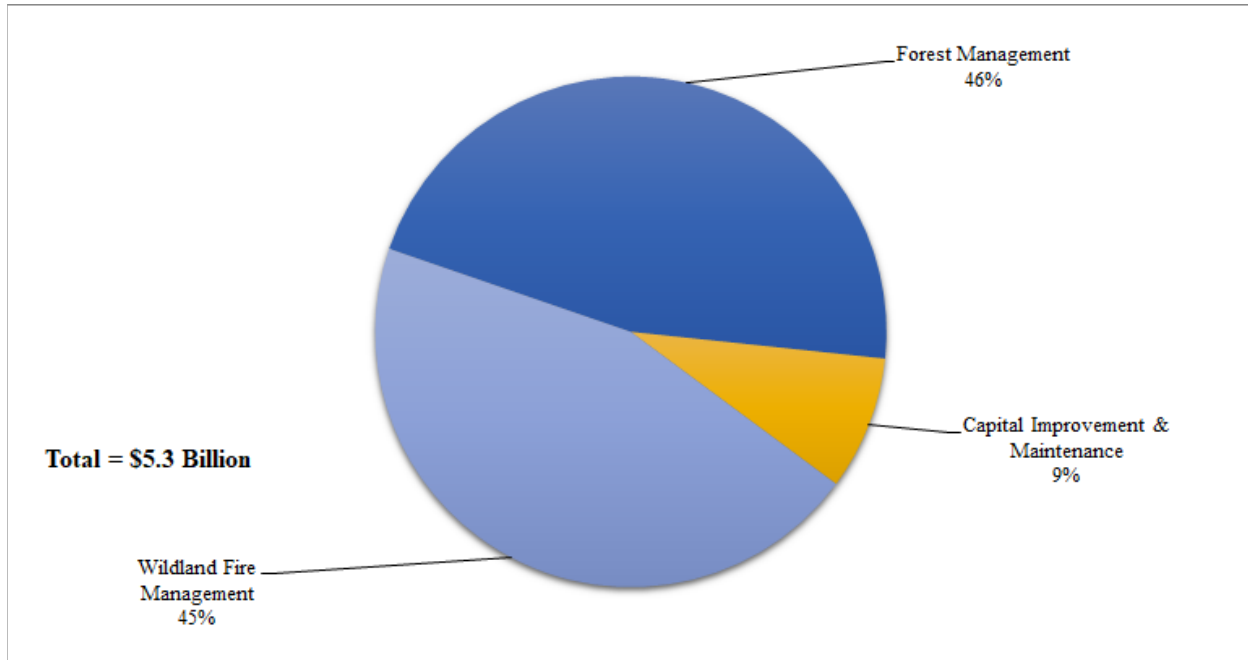
Item	2019 Actual	2020 Enacted	2021 Budget
<b>Discretionary:</b>			
Forest and Rangeland Research	\$300	\$305	\$249
State and Private Forestry	337	347	217
National Forest System:			
Hazardous Fuels Reduction	435	445	510
Forest Products	368	373	385
Law Enforcement Operations	131	131	133
Recreation, Heritage and Wilderness	260	262	264
Other NFS Activities	744	746	713
Total, NFS	1,938	1,958	2,005
Wildland Fire Activities:			
Preparedness	1,340	1,340	1,398
Suppression	1,665	1,011	1,011
Total, Wildland Fire Activities	3,005	2,351	2,409
Capital Improvement and Maintenance	446	455	453
Land Acquisition accounts	73	80	0
Other Appropriations	5	6	10
Total, Discretionary Programs	6,105	5,500	5,345
<b>Wildfire Suppression Operations Reserve Fund:</b>			
Wildfire Suppression Operations Reserve Fund	0	1,950	2,040
<b>Mandatory:</b>			
Permanent Appropriations	816	497	496
Trust Funds	353	143	150
Total, Mandatory Programs	1,169	640	646
Proposed Legislation	0	0	60
Total, FS	7,274	8,090	8,091

The NRE mission area prioritizes investments to reduce wildland fire risk, improve forest and grassland conditions at a larger landscape scale through a model of shared stewardship, promote recreation opportunities on NFS lands, and generate jobs and economic benefits for rural communities. The Forest Service will use existing authorities to strengthen State partnerships and leverage active management tools to improve forest conditions, while also focusing on reforming internal processes to streamline program delivery and improve customer service. In addition, the agency remains committed to addressing harassment, bullying, and retaliation and taking decisive actions when this unacceptable conduct occurs. The agency has taken, and will continue to take,



significant steps to improve policies, accountability, reporting systems, and training around workplace culture.

**Figure NRE-1. FS Discretionary Budget Authority**



### Forest and Rangeland Research

For 2021, \$249 million is proposed for Forest and Rangeland Research to focus on research that identifies practical strategies and tactics to improve forest and rangeland condition, supports community economic development, and helps save lives and protect property from wildfires. Research and Development funding will be prioritized for activities that have the highest impact in meeting agency goals and objectives, including active forest management, maintaining and improving infrastructure, and effective wildland fire response. The Budget continues to support research products that inform policy and land management decisions, and technology transfers designed to provide economic, health, and environmental benefits nationwide. The Budget provides \$78 million for Forest Inventory and Analysis to maintain the Nation's foremost continuous forest census covering all 50 States, which provides critical information for forest management planning across the country.

### State and Private Forestry

For 2021, \$217 million is proposed for State and Private Forestry programs. This funding will support the agency's Shared Stewardship initiative, which aims to bring States and other stakeholders together to prioritize cross-boundary investments in management and monitoring to improve forest conditions and reduce wildfire risk. As insects and diseases threaten more than 4 million acres across the United States, this Budget includes about \$85 million to address the greatest emerging threats to forest health on and off Forest Service lands. The Budget also commits \$21 million to the Working Forest Lands program to focus on priority areas identified in State Forest Action Plans and ensure the productivity and health of private forest lands.

### National Forest System

The Forest Service manages over 193 million acres of public land in 44 States and Puerto Rico, collectively known as the National Forest System (NFS). The Budget proposes to fund NFS at \$2 billion, prioritizing programs designed to increase the health and resilience of the lands, while also

meeting the multiple use requirements for the resources on our Nation's forests and grasslands. The Budget ensures that active management of NFS lands will continue, providing clean air and water, forest and rangeland products, mineral and energy resources, quality habitat for fish and wildlife, recreational opportunities, and jobs. It also supports the agency's Shared Stewardship initiative.

Hazardous Fuels, Forest Products, Vegetation and Watershed, and Wildlife and Fisheries programs work together to restore healthy, resilient landscapes and create safer communities. The Forest Products program is critical to local economies, generating over 43,000 jobs and about \$3.2 billion of gross domestic product annually. With \$510 million dedicated to Hazardous Fuels Reduction and \$385 million for Forest Products, the agency will focus on active forest management, selling 4 billion board feet of timber while improving more than 4.6 million acres of National Forest System lands to mitigate wildfire risk.

The Budget also continues to support use and access opportunities on NFS lands. Acknowledging that outdoor recreation supports about 149,000 full and part-time jobs and contributes about \$11.2 billion to the Gross Domestic Product, the Budget supports recreation at \$264 million. The agency will maintain its high rate of visitor satisfaction, prioritizing permitting for outfitters and guides, maintaining and growing strong collaborations with partners and volunteer groups, and building on pilot programs to improve customer service and address the recreational needs of today's public, who want year-round activities on NFS lands.

***Table NRE-2. KPM – Forest Management***

<b>Key Performance Measure</b>	<b>2019 Actual</b>	<b>2020 Target</b>	<b>2021 Target</b>
Volume of timber sold (billion board feet)	3.3	3.7	4.0

***Table NRE-3. KPM – National Forest Customer Satisfaction (percent of total customers)***

<b>Key Performance Measure</b>	<b>2019 Actual</b>	<b>2020 Target</b>	<b>2021 Target</b>
Satisfied with recreation facilities, services, and settings	95	95	95

***Table NRE-4. KPM – Mitigate Wildfire Risk (millions of acres, annually)***

<b>Key Performance Measure</b>	<b>2019 Actual</b>	<b>2020 Target</b>	<b>2021 Target</b>
Treated to reduce or maintain fuel conditions (NFS and non-federal lands)	2.9	3.5	3.5
Final treatment effectively mitigated wildfire risk (NFS lands)	0.85	1.10	1.10

### **Wildland Fire Management**

About 63 million acres of NFS lands and 70,000 communities are at risk of uncharacteristically severe wildfires. Over the last ten years, across all jurisdictions nationwide, an average of more than 64,000 wildfires burned about 6.5 million acres of Federal, Tribal, State, and private land. The demand for effective wildland fire management grows more critical because the length of fire season is almost year-round in some areas, development in the Wildland Urban Interface continues unabated, and fuel loads are at high levels.

Through Wildland Fire Management (WFM), Forest Service protects life, property and natural resources on NFS lands, other federal lands, and an additional 20 million acres of non-federal lands under agreements. The Budget proposes \$2.4 billion for WFM activities. The Budget supports Preparedness at about \$1.4 billion to maintain an organization that ensures readiness capability and program leadership necessary for appropriate, risk informed, and effective responses to wildfires nationwide. The Forest Service continues to improve Preparedness budgeting by evaluating cost centers, eliminating redundancies, and ensuring more consistency in contracting for assets on wildfire incidents. The agency will also continue to right-size its aviation assets, evaluating the best mix of asset types and ownership models to provide the necessary aviation capability.

The Budget proposes about \$1 billion for Suppression to fund firefighters and equipment in direct support of wildfire incidents; aviation asset operations; incident support functions; and wildfire management administration. This funding amount was established by the Consolidated Appropriations Act of 2018 and will remain constant until 2028.

In 2021, \$23.5 million is requested for priority investments toward an intra-agency (OneUSDA) Land Mobile Radio (LMR) shared services model. By providing OneUSDA LMR support services and merging radio operations with those across the Department, USDA aims to lower costs, improve operational efficiencies, and close gaps in delivery and security to better respond to emergencies, criminal activity, wildfires, and other disasters.

The Budget includes a \$10 million increase for priority Risk Management Assistance investments. These investments will aid the Forest Service in its efforts to mitigate wildfire risk, leveraging State, local, and county partnerships to create operational tools that increase the speed and efficiency of critical firefighter deployment and reduce the risk of wildland fire to people and property.

The Budget also requests \$15 million in funding to implement the Wildfire Technology Modernization section of the Dingell Conservation and Management Act (2019), which includes developing a common operating picture of all fire resources and will significantly increase accountability for how the agency uses assets.

### **Wildfire Suppression Operations Reserve Fund**

The risk and frequency of severe wildfire continues to increase, but the Forest Service is mitigating the risk, protecting public safety, property, and natural resources. The Consolidated Appropriations Act of 2018 provided new budget authority to fight wildfires known as the “fire fix.” Beginning in 2020, the Forest Service and the Department of the Interior will have new budget authority available when base Suppression funding has been exhausted. This budget authority is \$2.4 billion in 2021 (of which \$2.04 billion is allocated to the Forest Service) and increases by \$100 million each year through 2027. The budget stability enabled by the additional budget authority will enable the agency to more strategically approach programmatic and fiscal management of wildland fire management programs.

### **Capital Improvement and Maintenance**

The Forest Service provides public access to national forests for recreation; facilities for fire response and forest research; and infrastructure for businesses and industries. For 2021, the Budget proposes \$453 million for the construction and maintenance of infrastructure on the NFS, including buildings, recreation sites, facilities, roads, and trails. At this funding level, the agency

will focus on maintaining public health and safety, reducing the deferred maintenance backlog, and for the operations, maintenance, and reconstruction of existing roads, including timber haul roads.

### **Proposed Legislation**

The Budget contains discretionary legislative proposals, including a request to reauthorize the collection of recreation revenue for use in providing quality recreation facilities and supporting land management operations (Federal Lands Recreation Enhancement Act). The Budget also includes proposals to improve active forest management on national forest lands, allow equal treatment for grazing permits on all National Forest System lands, and provide additional time for comprehensive river management plans for Wild and Scenic Rivers. Finally, the Budget shares a proposal with Department of the Interior to create a Public Lands Infrastructure Fund to help address the need for additional deferred maintenance funding.

The mandatory legislative proposals in the Budget include a request for the reauthorization of the authority to collect and retain fees for the harvest of forest botanical products. In addition, the Budget includes a proposal to allow the Forest Service to repair the roads in the order of those most needed for forest health, as well as proposals to reduce the land exchange administrative burden. Finally, the Budget also includes a new fee to recover costs to streamline minerals permitting, and the retention of a portion of mineral receipts to pay for infrastructure and other critical needs.

## ***MARKETING AND REGULATORY PROGRAMS***

### **MISSION**

The Marketing and Regulatory Programs (MRP) mission is to facilitate and expand the domestic and international marketing of U.S. agricultural products, to help protect the agricultural sector from animal and plant health threats, and to ensure humane care and treatment of regulated animals. These programs provide the basic infrastructure to improve agricultural market competitiveness for the overall benefit of consumers and producers of American agriculture. U.S. agricultural exports totaled \$135.5 billion in FY 2019, supported by MRP and other mission areas in USDA.

To meet demand for American grain and to ensure consistent grain quality, MRP is providing service at export facilities 24 hours a day. MRP also assists producers in management and domestic marketing by providing market trend analysis and business and marketing tools. MRP also helps increase the competitiveness of the agricultural sector by working to protect the Nation's agriculture from pests and diseases, thereby increasing the efficiency of production.

### **ANIMAL AND PLANT HEALTH INSPECTION SERVICE**

***Table MRP-1. APHIS Budget Authority (millions of dollars)***

<b>Item</b>	<b>2019 Actual</b>	<b>2020 Enacted</b>	<b>2021 Budget</b>
<b>Discretionary:</b>			
Safeguarding and Emergency Preparedness/Response:			
Animal Health:			
Animal Health Technical Services	38	38	42
Aquatic Animal Health	2	2	2
Avian Health	63	63	63
Cattle Health	97	105	98
Equine, Cervid and Small Ruminant Health	21	27	21
National Veterinary Stockpile	6	6	6
Swine Health	25	25	25
Veterinary Biologics	16	17	21
Veterinary Diagnostics	37	37	32
National Bio- and Agro-defense Facility	14	21	20
Zoonotic Disease Management	17	17	17
Total, Animal Health	334	356	347
Plant Health:			
Agricultural Quarantine Inspection (Appropriated)	32	32	33
Cotton Pests	12	12	12
Field Crop and Rangeland Ecosystems Pests	12	14	12
Pest Detection	27	27	28
Plant Protection Methods Development	21	21	21
Specialty Crop Pests	186	192	183
Tree and Wood Pests	60	60	56
Total, Plant Health	350	358	345
Wildlife Services:			
Wildlife Damage Management	108	110	110

Wildlife Services Methods Development	19	19	19
Total, Wildlife Services	127	129	129
Regulatory Services:			
Animal and Plant Health Regulatory Enforcement	16	16	16
Biotechnology Regulatory Services	19	19	28
Total, Regulatory Services	35	35	44
Emergency Management:			
Contingency Fund	0	0	0
Emergency Preparedness & Response	41	41	42
Total, Emergency Management	41	41	42
Total, Safeguarding and Emergency Preparedness	887	918	908
Safe Trade and International Technical Assistance:			
Agriculture Import/Export	16	16	16
Overseas Technical & Trade Operations	24	24	24
Total, Safe Trade and International Technical Assistance	40	40	40
Animal Welfare	32	32	33
Agency-Wide Activities (including GSA Rent/DHS Security)	52	52	52
Total, Salaries and Expenses	1,011	1,042	1,033
Buildings and Facilities	3	3	3
Total, Non-Emergency Programs	1,014	1,045	1,036
Emergency Funding (CCC) and other transfers	-	-	-
Total, Discretionary Programs	1,014	1,045	1,036
<b>Mandatory:</b>			
Agricultural Quarantine Inspection (AQI) Fees	827	844	895
Trust Funds and User Fees	8	9	9
Farm Bill: Plant Pest and Disease Mgmt. and Disaster Prev.	70	71	75
Farm Bill: Feral Swine Eradication and Control Pilot Program	38	-	-
Farm Bill: Animal Disease Prevention and Mgmt. Program <sup>a</sup>	120	-	-
Total, Mandatory Programs	1,063	924	979
Total, APHIS	2,077	1,969	2,015

<sup>a</sup> Funds carried over from FY 2019 will be available in FY 2020 and FY 2021.

APHIS works cooperatively with State and local agencies, private groups, and foreign governments to protect the Nation’s agriculture. The Budget includes discretionary funding of \$1.033 billion for Salaries and Expenses and \$3 million for the Buildings and Facilities account.

**Table MRP-2. KPM – Maximizing the Ability of American Agricultural Producers to Prosper by Feeding and Clothing the World**

Key Performance Measure	2019 Actual	2020 Target	2021 Target
Percent of high-risk plant pests for which early detection surveys are conducted.	96	96	96
Number of hours it takes to mobilize resources once it is determined that a Federal emergency response is needed to manage an agricultural outbreak.	24	24	24

**Safeguarding and Emergency Preparedness/Response**

The Budget requests \$908 million to support safeguarding and emergency programs. Animal health and specialty crops programs alone protect livestock, poultry, and specialty crops annually valued at \$204 billion.

To combat any sudden, urgent and unforeseen pest and disease outbreaks, the Secretary retains authority to transfer funds from the CCC or other USDA accounts. The Budget provides technical assistance and financial support to help control or eradicate a variety of animal and plant health threats.

***Animal Health***

The Budget supports a total of \$347 million for Animal Health, which includes funding for the National Bio and Agro-Defense Facility. The Budget proposes to enhance animal disease traceability efforts, increase support for veterinary biologics, and continue support for poultry, swine, and aquatic animal health efforts. At the proposed funding level for cattle fever tick (CFT), APHIS would restore activities back to the FY 2019 levels and continue to focus efforts on mitigation activities that reduce CFT from the permanent quarantine zone. APHIS will continue working with States and other stakeholders to leverage resources in addressing the highest priority animal health issues.

***Plant Health***

The Budget includes \$345 million for Plant Health. After a 20-year battle, APHIS declared the United States free of the plum pox virus, which is considered the most devastating viral disease of stone fruit worldwide. By eradicating this disease, APHIS and state departments of agriculture, universities, and tribes protect more than 1 million commercial acres of stone fruit across the country, as well as stone fruit exports worth \$5 billion in 2018. The Budget proposes decreases to the Federal share of funding for specific plant pest and disease programs, accounting for recent successes in addressing plant pests. APHIS will continue working with States and other stakeholders to leverage resources in addressing plant health issues.

***Wildlife Services***

The Budget includes a total of \$129 million for Wildlife Services. APHIS will use this funding to continue to resolve human/wildlife conflicts and protect agriculture, human health and safety, personal property, and natural resources from wildlife damage and wildlife-borne diseases in the United States, including the management of rabies and other zoonotic diseases caused by various wildlife species. This discretionary funding will be supplemented by the mandatory funding provided by Section 2408 of the 2018 Farm Bill to address damage caused by feral swine.

***Regulatory Services***

The Budget includes \$44 million for Regulatory Services. This includes funding for the Animal and Plant Health Regulatory Enforcement (APHRE) program, which promotes the integrity of APHIS programs by providing effective investigative and enforcement services. In FY 2019, APHRE initiated 1,359 new cases, issued 218 official warnings, issued 339 pre-litigation settlements resulting in the collection of \$714,665 in stipulated penalties, and obtained administrative orders assessing \$308,660 in civil penalties. The funding for Regulatory Services includes an increase for biotechnology work to support Executive Order 13874, Modernizing the Regulatory Framework for Agricultural Biotechnology Products. This funding will aid developers as they navigate the biotechnology product review process.

***Emergency Management***

The Budget includes \$42 million for Emergency Management. In FY 2019, APHIS continued to expand its animal health readiness capacity by increasing the number of first responders to enable the Agency to respond more rapidly and effectively to animal health emergency events. As of the end of FY 2019, 119 of the 130 (92 percent) National Incident Management Team Command and General Staff positions were filled.

**Safe Trade and International Technical Assistance**

The Budget maintains the level of funding for Safe Trade and International Technical Assistance activities at \$40 million. APHIS will continue to support activities to facilitate safe U.S. agricultural trade. APHIS eliminated unjustified sanitary and phytosanitary barriers for export markets worth more than \$90 million a year in just the last three months of fiscal year 2019.

**Animal Welfare**

The Budget for Animal Welfare activities is \$33 million. APHIS will continue to support activities related to the protection of animal species covered under the Animal Welfare Act and the Horse Protection Act.

**Buildings and Facilities**

The Budget includes \$3 million in funding for general facility improvement projects. The program will continue to centrally coordinate and prioritize facility improvement projects using the remaining available funds.

**User Fees**

In addition to discretionary funding, APHIS collects mandatory user fees to cover costs related to agricultural quarantine and inspection activities that occur at ports of entry. A portion of these collections are provided to the Department of Homeland Security's Customs and Border Protection (CBP) to conduct front line inspections at points of entry. With user fee funding, APHIS supports international trade by assessing the plant and animal health risks associated with such trade. APHIS also develops regulations to protect agricultural health; inspects and quarantines imported plant materials intended for planting; trains agricultural inspectors and detector dog teams; and provides the scientific support necessary to carry out these activities as well as those carried out by CBP. In addition to the current user fee program, the Budget seeks to implement user fees for select APHIS programs through rulemaking.



**AGRICULTURAL MARKETING SERVICE***Table MRP-3. AMS Budget Authority (millions of dollars)*

Item	2019 Actual	2020 Enacted	2021 Budget
<b>Discretionary:</b>			
Marketing Services:			
Market News	34	34	30
Shell Egg Surveillance	3	3	2
Standardization	5	5	5
Market Protection and Promotion	35	44	31
National Bioengineered Food Disclosure Standard	2	2	1
Transportation and Market Development	10	9	6
Acer Access and Development	4	6	-
Packers and Stockyards	23	23	23
Hemp Production	-	16	17
Grain Regulatory	20	20	21
US Warehouse Activities	11	15	14
Appropriated GSA Rent and DHS Security	1	1	1
International Food Procurement Program	9	9	-
Dairy Business Innovation Initiative	2	a	-
Total, Marketing Services	159	187	151
Payments to States and Possessions	1	1	-
Total, Discretionary Programs	160	188	151
<b>Mandatory:</b>			
Funds for Strengthening Markets, Income, and Supply (Section 32):			
Commodity Program Expenses (including carry-in)	1,321	1,594	1,190
Section 32 Administrative Funds:			
Marketing Orders and Agreements	21	20	20
Commodity Purchase Services	36	37	37
Total, Section 32 Administrative Funds	57	57	57
Total, Section 32 Funds	1,435	1,708	1,304
User Fees:			
Perishable Agricultural Commodities Act	11	11	11
Commodity Grading Services	174	167	167
Inspection and Weighing Services	55	55	55
Total, User Fee Funded Programs	240	233	233
Trust Funds:			
Wool Research, Development and Promotion	2	2	2
Farm Bill:			
Specialty Crop Block Grants	85	85	85
Organic Production and Market Data Initiatives	4	-	-
Local Agriculture Market Program	31	31	31
Milk Donation Program	9	5	5
Modernization Technology Upgrade for National Organic Prog.	5	-	-
Sheep Production and Marketing Grant Program	2	-	-
Total, Farm Bill Programs	138	123	123
Total, Mandatory Programs	1,813	2,007	1,604
Total, AMS	1,973	2,220	1,755

<sup>a</sup> Funded through General Provision.

<sup>b</sup> Funding made available in FY2019 is available for multiple years.

AMS' mission is to facilitate the competitive and efficient marketing of agricultural products in domestic and international markets, while ensuring fair trading practices. AMS programs aid producers in meeting the changing demands of consumers and domestic and international marketing practices. The Budget proposes discretionary funding of \$151 million.

AMS administers a variety of programs that enhance the marketing and distribution of agricultural products. Activities include, but are not limited to: the collection, analysis, and dissemination of market information; surveillance of shell egg handling operations; development of commodity grade standards; protection of producers from unfair marketing practices; statistical sampling and analysis of commodities for pesticide residues; development and enforcement of organic standards; facilitating hemp production; enforcing the use of the National Bioengineered Food Disclosure Standard; and research and technical assistance aimed at improving efficiency of food marketing and distribution.

### **Marketing Services**

#### ***Market News***

The Budget proposes \$30 million for Market News to support data collection and reporting of commodity information, a reduction of \$4 million through savings from a new, more efficient data management system and by reducing the amount and frequency of certain data collections.

#### ***Egg Surveillance***

The Budget funds Shell Egg Surveillance at \$2 million. The Shell Egg Surveillance Program inspects registered shell egg facilities and monitors the disposition of restricted eggs to limit the number of restricted eggs in consumer channels. The program prevents eggs not meeting minimum U.S. standards from entering the consumer marketplace.

#### ***Standardization***

The Budget funds Standardization at \$5 million. This program develops, reviews, and maintains agricultural commodity standards that describe a product's attributes for trade purposes.

#### ***Market Protection and Promotion-Federal Seed Act Program***

The Budget provides \$2 million for the Federal Seed Act Program. This program promotes fair competition in the seed trade, by among other requirements, ensuring seed is accurately labeled.

#### ***Market Protection and Promotion-Country of Origin Labeling***

The Budget provides \$4 million for the Country of Origin Labeling program. The program requires retailers to notify their customers of the country of origin of covered commodities, and that the method of production for fish and shellfish be noted at the final point of sale. AMS will save \$1 million by increasing the program's focus on follow-up reviews where non-compliances have been found.

#### ***Market Protection and Promotion-Pesticide Data Program***

The Budget provides \$12 million for the Pesticide Data Program, which is the main supplier of data regarding actual levels of pesticide residues on commodities. The program works collaboratively with the Environmental Protection Agency and the Centers for Disease Control and Prevention to target residue data collection related to high risk commodities and vulnerable populations. Cooperative agreements with Michigan and Ohio will be eliminated at this funding level and the methodology used by the remaining States will be adjusted to compensate.

***Market Protection and Promotion-National Organic Program***

The Budget provides \$12 million for the National Organic Program, which works to meet consumer demand for organically-produced goods by supporting the development, maintenance, and enforcement of national standards governing the production and handling of organic agricultural products. AMS will decrease expenses by not developing additional courses for stakeholders, decrease proactive investigations and forecasting. The funding level proposed is consistent with the fiscal year 2018 enacted level.

***Market Protection and Promotion-Farmers Market and Local Food Promotion Program***

The Budget does not include funding for this program. The program will continue to implement initiatives using mandatory funding provided by Section 10102 of the 2018 Farm Bill.

***National Bioengineered Food Disclosure Standard***

The Budget requests just under \$1 million to implement the National Bioengineered Food Disclosure Standard, which was published December 2018, including outreach to farmers, consumers, and food companies. At this funding level, AMS will strive to pursue the most flagrant violations and resolve complaints as they are identified.

***Transportation and Market Development***

The Budget requests \$6 million for Transportation and Market Development, which conducts research and outreach related to grain shipping and supply chains. The program connects agricultural producers with high value market opportunities through its national market directories. AMS will reduce the number of cooperative activities and studies conducted in partnership with Federal and State agencies and universities. The program will continue to implement initiatives using mandatory funding provided by Section 10102 of the 2018 Farm Bill.

***Acer Access and Development***

The Budget does not include funding for this program. Over the past several years, over \$10 million has been provided for the promotion of the maple syrup industry.

***Packers and Stockyards***

The Budget includes \$23 million for the Packers and Stockyards program, which regulates and monitors the activities of livestock, meat, and poultry market participants to support fair practices.

***Hemp Production***

The Budget includes \$17 million for the Hemp Production program, which regulates the growing of hemp as authorized by the Section 10113 of the 2018 Farm Bill.

***Grain Regulatory Program***

The Budget includes \$21 million for the Federal Grain Inspection Service. The program establishes the official U.S. standards and quality assessment methods for grain and related products and regulates handling practices to ensure compliance with the United States Grain Standards Act and the Agricultural Marketing Act of 1946. This funding is used in combination with user-fee funded field activities.

***U.S. Warehouse Activities***

The Budget requests \$14 million for U.S. Warehouse Activities. This program supports the efficient use of commercial facilities in the storage of Commodity Credit Corporation-owned commodities. The program administers a nationwide warehousing system, establishes posted county prices for major farm program commodities, and manages CCC commodity inventories.

The United States Warehouse Act (USWA) authorizes the licensing of operators who store agricultural products and a separate licensing for qualified persons to sample, inspect, weigh, and grade agricultural products. The USWA authorizes the application of user fees to cover the costs of administering the Act, including unannounced warehouse examinations to encourage compliance. Warehouses engaged in export food aid operations are required to be licensed.

### ***International Food Procurement***

The Budget proposes to eliminate funding to procure domestic product for international food aid, consistent with the proposal to eliminate the Foreign Agriculture Service's foreign food assistance funding.

### **Payments to States and Possessions**

The Budget proposes to eliminate the Federal-State Marketing Improvement Program (FSMIP). Stakeholders have indicated a preference for Farm Bill programs, such as the Specialty Crop Block Grant.

### **Section 32 Funds**

Section 32 of the Act of August 24, 1935, authorizes the appropriation for each fiscal year of an amount equal to 30 percent of the gross receipts from duties collected under customs laws of the United States during the preceding calendar year. These funds are used to encourage domestic consumption of perishable commodities that are not eligible for price support from USDA and encourage the export of agricultural products. This includes purchases of commodities and removal of surplus commodities from the marketplace for distribution to Federal nutrition assistance programs such as the National School Lunch Program and diversion programs that bring production in line with demand. Section 32 funds are also used to finance the administrative costs associated with the purchase of commodities and developing the specifications used for food procurement throughout the Federal government. The Budget proposes to delink Section 32 from customs receipts, and to directly appropriate mandatory funding for the same purposes at the 10-year historical average, adjusted for inflation, to purchase surplus commodities and for the administration of commodity purchases.

Marketing Orders and Agreements help stabilize market prices and the supply of milk and certain specialty crops. The Orders are administered locally by marketing order committees and market administrators. Local activities are funded through assessments on regulated handlers.

### **User Fee Programs**

AMS operates select programs through license fees and user fees. The Commodity Grading Services program provides voluntary commodity grading and classing services for dairy products, fresh and processed fruits and vegetables, meat and meat products, poultry, eggs, tobacco, and cotton. AMS also offers certification services to verify contract specifications on quantity and quality, acceptance and condition inspection services for all agricultural commodities upon request, and export certification services for a number of commodities. AMS' audit verification services review production and quality control systems and verify industry marketing claims. In addition, AMS enforces the Perishable Agricultural Commodities Act which prohibits unfair and fraudulent practices in the marketing of perishable agricultural commodities by regulating shippers, distributors, and retailers. Full and prompt payment for fresh fruits and vegetables is a key objective of the program. The Grain Inspection and Weighing user fees provide for the mandatory inspection and weighing of grain at export ports and the inspection and weighing of grain at domestic locations. AMS is required to conduct or delegate inspection and weighing, and

to supervise such activities. The Warehouse Examinations license fee provides for unannounced examinations to encourage compliance with licensing terms under the USWA. The Budget seeks to implement user fees for select AMS programs through rulemaking.

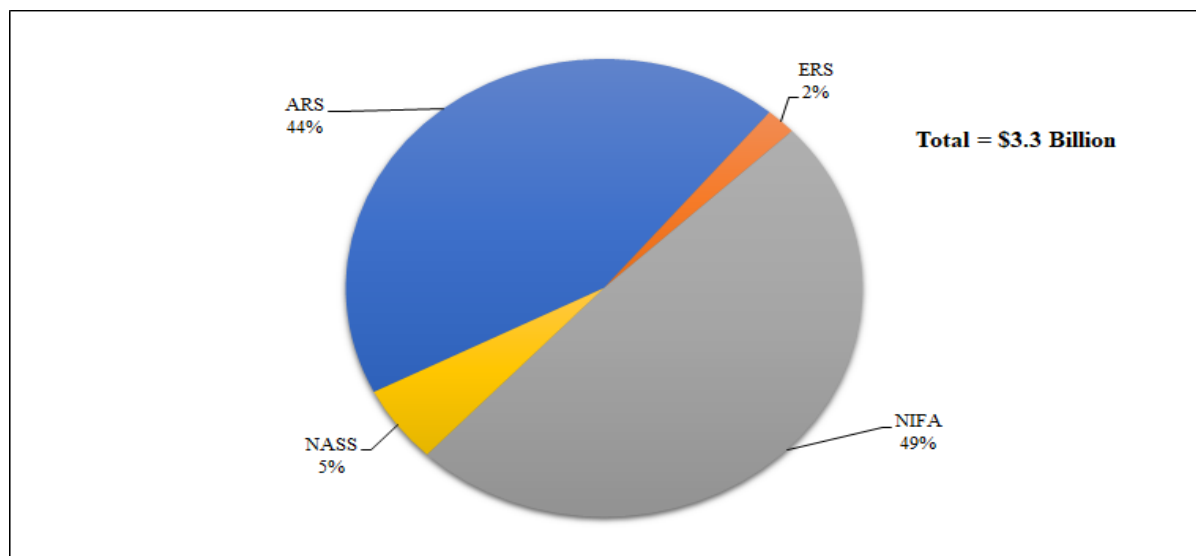
## RESEARCH, EDUCATION, AND ECONOMICS

### MISSION

USDA supports a variety of agricultural research topics to address complex challenges that require multi-faceted approaches through in-house research and in partnership with land-grant institutions, non-profits, and the private sector. USDA brings together expertise from a wide range of scientific disciplines to address sustainable agricultural growth and food security. Key themes include: Sustainable Agricultural Intensification, Agricultural Climate Adaptation, Food and Nutrition Translation, Value-added Innovations, and Agriculture Science-Policy Leadership. These programs among others will ensure that the U.S. can do its part to meet present and future food, feed, fiber, and fuel needs both at home and abroad as the world population is expected to grow to nearly 10 billion people by 2050.

Research, Education, and Economics (REE) responsibilities are carried out by four agencies: (1) the Agricultural Research Service (ARS) conducts intramural research in natural and biological sciences; (2) the National Institute of Food and Agriculture (NIFA) partners with land-grant and non-land grant colleges and universities in carrying out extramural research, higher education, and extension activities; (3) the Economic Research Service (ERS) performs intramural economic and social science research and market analysis, and produces indicators of agricultural and rural economic performance, and of food security; and (4) the National Agricultural Statistics Service (NASS) conducts the Census of Agriculture and provides the official, current statistics on agricultural production and indicators for the economic and environmental health of the farm sector. REE made important investments in FY 2019 to advance U.S. agriculture. ARS scientists and collaborators developed peanut extracts with less allergens, which will be used as part of the first allergy treatment available in the world for individuals with peanut allergies. NIFA-supported researchers developed a soybean cultivar with the ability to produce high yields even when days get shorter, can grow in regions that are not suited for most existing soybean cultivars, and is resistant to soybean cyst nematodes, the primary pest of soybeans. NASS conducted the 2017 Census of Agriculture, contacting the nearly three million farmers in the U.S. with a response rate of 71.5 percent. Results from the Census were released in FY 2019. ERS analyzed potential implications of climate change on farmers' risk management. Results suggest that increases in both insured value and yield variability could increase costs of the federal crop insurance system.

**Figure REE-1. REE Discretionary Budget Authority**



**AGRICULTURAL RESEARCH SERVICE**

ARS is the USDA's chief scientific, in-house research agency. ARS conducts research to solve technical problems of broad scope and high national priority and provides access to scientific information. ARS's research covers a wide range of critical problems affecting American agriculture and the Nation as a whole, ranging from animal and crop protection and production to human nutrition, food safety, and natural resources conservation. ARS employs over 6,000 employees and carries out approximately 690 research projects at 90 research locations throughout the Nation and in several foreign countries. ARS includes the National Arboretum and the National Agricultural Library, the Nation's major information resource on food, agriculture, and natural resource sciences.

The Budget includes discretionary funding of \$1.4 billion to support ARS research with an emphasis on basic research and efforts to support the transfer of research and development products to industry to promote the Nation's economic growth through innovation. Robust funding for agriculture research is requested in support of the Administration's "Industries for the Future" initiative including \$35 million for new initiatives on precision agriculture research, long-term agroecosystems research, artificial intelligence innovations for agriculture production, and research on managing excess water and controlling erosion.

The ARS Budget also includes \$102.6 million for the National Bio and Agro-Defense Facility (NBAF), a state-of-the-art biocontainment facility for the study of foreign, emerging, and zoonotic animal diseases that pose a threat to U.S. animal agriculture and public health, which will replace the Plum Island Animal Disease Center. This includes an increase of \$15 million for operations and maintenance.

The Budget also provides \$50 million for the construction and modernization of existing ARS buildings and facilities where there is a significant backlog for repairs and improvements. Specifically, in FY 2021 these funds will be used for renovation/construction at the Beltsville Agricultural Research Center (BARC) in Maryland, the U.S. Meat Animal Research Center in Nebraska, The Center for Medical Agricultural and Veterinary Entomology in Florida, the Crop Science Research Laboratory in Mississippi, and the Plant Genetic Resources Conservation Unit in Georgia. While the FY 2021 Budget does not propose any lab closures, some lower-priority and extramural research projects would be redirected or eliminated.

**Table REE-1. ARS Budget Authority (millions of dollars)****ARS Budget Authority (millions of dollars)**

Item	2019 Actual	2020 Enacted	2021 Budget
<b>Discretionary:</b>			
Product Quality/Value Added	102	118	110
Livestock Production	103	114	107
Crop Production	258	283	280
Food Safety	114	114	110
Livestock Protection	102	117	121
Crop Protection	207	217	195
Human Nutrition	91	93	90
Environmental Stewardship	225	232	229
Total, Research Programs	1,202	1,288	1,242
National Agricultural Library	26	29	25
Repair and Maintenance	20	20	20
Buildings and Facilities	381	193	50
NBAF Operations and Maintenance	57	79	81
Total, Discretionary Programs	1,686	1,609	1,418
<b>Mandatory:</b>			
Trust Funds	22	22	22
Total, Mandatory Programs	22	22	22
Total, ARS	1,708	1,631	1,440

**Livestock Production**

The Budget includes \$107 million for this program. ARS' livestock production program is directed toward: (1) safeguarding and utilizing animal genetic resources, associated genetic and genomic databases, and bioinformatic tools; (2) developing a basic understanding of the physiology of livestock and poultry; and (3) developing information, tools, and technologies that can be used to improve animal production systems. The research is heavily focused on the development and application of genomics technologies to increase the efficiency and product quality of beef, dairy, swine, poultry, aquaculture, and sheep systems.

**Crop Production**

The Budget includes \$280 million for this program. ARS' crop production program focuses on developing and improving ways to reduce crop losses while protecting and ensuring a safe and affordable food supply. The research program concentrates on effective production strategies that are environmentally friendly, safe to consumers, and compatible with sustainable and profitable crop production systems. Research activities are directed at safeguarding and utilizing plant genetic resources and their associated genetic, genomic, and bioinformatic databases that facilitate selection of varieties and/or germplasm with significantly improved traits.

**Food Safety**

The Budget includes \$110 million for this program. Ensuring that the U.S. has the highest levels of affordable, safe food requires that the food system be protected at each stage from production through processing and consumption from pathogens, toxins, and chemical contaminants that cause diseases in humans. ARS' current food safety research is designed to yield science-based knowledge on the safe production, storage, processing, and handling of plant and animal products;



and on the detection and control of toxin producing and/or pathogenic bacteria and fungi, parasites, chemical contaminants, and plant toxins.

### **Livestock Protection**

The Budget includes a total of \$121 million for this program. ARS' animal health program is directed at protecting and ensuring the safety of the Nation's agriculture and food supply through improved disease detection, prevention, control, and treatment. Basic and applied research approaches are used to solve animal health problems, with emphasis on methods and procedures to control animal diseases.

### **Crop Protection**

The Budget includes \$195 million to support these activities. ARS research on crop protection is directed to understand pest and disease transmission mechanisms and identify and apply new technologies that increase understanding of virulence factors and host defense mechanisms.

### **Human Nutrition**

The Budget includes \$90 million for this program. As excessive consumption replaces diseases related to malnutrition as a primary public health concern in the U.S., the ARS human nutrition research program has increasingly focused on research studying the maintenance of health throughout the lifespan along with prevention of obesity and chronic diseases via food-based recommendations.

### **Environmental Stewardship**

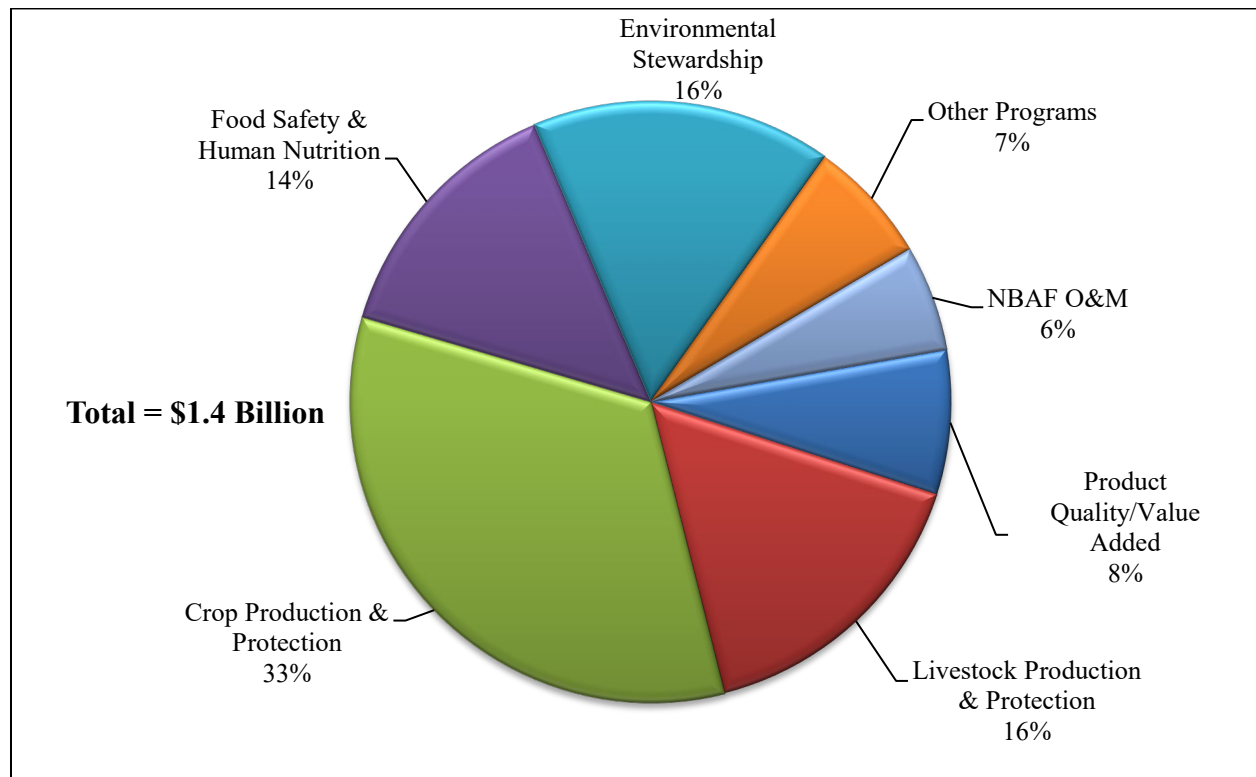
The Budget includes \$229 million for this program. ARS research programs in environmental stewardship emphasize developing technologies and systems that support profitable production and enhance the Nation's vast renewable natural resource base. ARS is currently developing the scientific knowledge and technologies needed to meet challenges and opportunities in: water availability and watershed management, changes in climate, gaseous and particulate matter emissions, soil health and productivity, agricultural and industrial byproducts, agricultural system competitiveness and sustainability, and conservation and restoration of range lands, pasture ecosystems, and agroecosystems.

### **National Agricultural Library (NAL)**

The Budget includes \$25 million for NAL. NAL is the primary agricultural information resource of the U.S. NAL is the premier library for collecting, managing, and disseminating agricultural knowledge. It provides services directly to the staff of USDA and to the public, primarily via the NAL web site, [www.nal.usda.gov](http://www.nal.usda.gov). NAL provides library and information services that delivers agricultural information to the public through Agricultural Online Access (AGRICOLA); conserves rare and at-risk items; and works in partnership with other USDA and Federal agencies to broadly disseminate information.

### **Repair and Maintenance**

The Budget includes \$20 million to address repair and maintenance needs. ARS allocates funding for the repair and maintenance of existing ARS facilities and infrastructure. Performing regular repair and maintenance on ARS infrastructure can extend the life span of research laboratories and facilities, provide opportunities for longer term savings, and ensure Federal scientists' capacity to conduct safe, quality research. Funding will support specific projects such as the replacement of air handling units, boilers, and chillers that have reached the end of their service lives.

**Figure REE-2. ARS Research Programs**

### **NATIONAL INSTITUTE OF FOOD AND AGRICULTURE**

NIFA has the responsibility of providing linkages between the Federal and State components of a national agricultural research, extension, and higher education system. NIFA provides funding for projects conducted in partnership with State agricultural experiment stations, the State Cooperative Extension System, land-grant universities, colleges, and other research and education institutions, as well as individual researchers. Federal funds are distributed to enhance capacity at universities and institutions by statutory formula funding and competitive grants. NIFA is responsible for administering the Nation's leading competitive grants program for agricultural sciences, the Agriculture and Food Research Initiative (AFRI), which supports research with strong potential to contribute to major breakthroughs in the food, agricultural, natural resource, and human sciences.

The Budget includes \$1.6 billion in discretionary funding for NIFA, including \$600 million for AFRI, while eliminating lower priority programs. The Department continues to support capacity funds and competitive grants to generate solutions to the Nation's critical food and agriculture problems. The 2018 Farm Bill established the Citrus Trust Fund to build upon the success of NIFA's Specialty Crop Research Initiative by providing \$25 million a year for 5 years to combat citrus diseases and pests, both domestic and invasive, which pose imminent harm to the U.S. citrus production and threaten industry viability.

### **Formula (Capacity) Programs**

The Budget includes \$770 million for these programs. NIFA manages programs that provide grants to the States on the basis of statutory formulas. These formula grants provide long-term, sustainable support needed to grow the capacity for agricultural research, education, and extension activities at land-grant institutions and State agricultural experiment stations. These programs include Hatch Act, Smith-Lever 3(b) and 3(c), 1890 Institutions, McIntire-Stennis Cooperative Forestry, and other grants.

### Agriculture and Food Research Initiative (AFRI)

The Budget includes \$600 million for AFRI. AFRI is the Nation's premier competitive, peer-reviewed research program for fundamental and applied sciences in agriculture. It is broad in scope with programs ranging from fundamental science to farm management and community issues. AFRI programs are aligned with six Farm Bill Priority Areas: 1) plant health and production and plant products; 2) animal health and production and animal products; 3) food safety, nutrition, and health; 4) bioenergy, natural resources, and environment; 5) agriculture systems and technology; and 6) agriculture economics and rural communities. In FY 2021, artificial intelligence (AI) is a priority element of the Administration's "Industries for the Future" initiative and \$100 million of the AFRI increase will emphasize AI, Machine Learning, and Predictive Science by investing \$100 million in these emphasis areas across the Sustainable Agricultural Systems, Foundational and Applied Science, and Education and Workforce Development programs.

### Minority-Serving Institution Programs

The Budget includes \$183 million for these programs. NIFA administers programs dedicated to strengthening research and extension capacity at minority-serving institutions and the ability of these institutions to continue their effective programming. These include research, extension, teaching, and facilities programs at the 1890s institutions; research, education and extension grants for Tribal colleges (including the Federally Recognized Tribes Extension Program) and Hispanic-serving institutions; and education grants for Alaska Native-Serving, Native Hawaiian-Serving institutions, and Insular Areas institutions. The Budget proposes to combine the education grants for Alaska Native-Serving, Native Hawaiian-Serving institutions, and Insular Areas institutions into one program. These programs support minority-serving institutions in reaching underrepresented students interested in entering the food and agricultural workforce.

*Table REE-2. NIFA Budget Authority (millions of dollars)*

Item	2019 Actual	2020 Enacted	2021 Budget
<b>Discretionary:</b>			
Formula Grants:			
Smith-Lever 3 (b) and (c)	315	315	299
Hatch Act	259	259	243
1890 Research and Extension	107	124	103
McIntire-Stennis Cooperative Forestry	36	36	29
Expanded Food and Nutrition Education Program	69	70	69
Renewable Resources Extension Act (RREA)	4	4	4
Facility Improvements at 1890 Institutions	20	21	20
Tribal Colleges Education Equity Grants Program	3	4	3
Animal Health and Disease Research	4	4	-
Total, Formula Grants	817	837	770
1890 Capacity Building Grants (Research)	19	23	19
Agriculture and Food Research Initiative	415	425	600
Integrated Activities - Section 406 Organic Transition	6	6	6
Crop Protection and Pest Management Activities	20	20	20
Sustainable Agriculture Research/Education and Extension	37	37	37
IR-4 Minor Crop Pest Management	12	12	17
Scholarships at 1890 Institutions	-	5	10

Native American Endowment Fund Interest	5	5	5
Other Higher Education Programs	29	31	16
Federally-Recognized Tribes Extension Program	3	3	3
Food Safety Outreach Program	8	8	8
Extension Services at 1994 Institutions	6	8	6
Federal Administration	20	20	20
Electronic Grants Administration System	8	8	8
Food and Ag. Defense Initiative (Reg. Diagnostic Network)	8	8	8
Veterinary Medical Services Act	8	8	8
Children, Youth, and Families at Risk	8	8	8
Other Research, Extension and Integrated Programs	47	60	27
<b>Total, Discretionary Programs</b>	<b>1,476</b>	<b>1,532</b>	<b>1,596</b>
<b>Mandatory:</b>			
Native American Endowment Fund	12	12	12
Farm Bill:			
Food Insecurity Nutrition Incentive Program/Gus Schumacher Nutrition	45	45	48
Agricultural Risk Management Education Program	9	9	10
Beginning Farmer and Rancher Development Program	15	14	18
Specialty Crop Research Initiative	75	75	80
Emergency Citrus Disease Research and Extension Program	25	24	25
Organic Agriculture Research and Education Initiative	20	19	25
Urban, Indoor and Other Emerging Ag Production	10	-	-
Scholarships for 1890 Students	40	-	-
<b>Total, Farm Bill Programs</b>	<b>239</b>	<b>186</b>	<b>206</b>
<b>Total, Mandatory Programs</b>	<b>251</b>	<b>198</b>	<b>218</b>
<b>Total, NIFA</b>	<b>1,727</b>	<b>1,730</b>	<b>1,814</b>

### **ECONOMIC RESEARCH SERVICE**

ERS' mission is to inform and enhance public and private decision making by anticipating emerging issues and conducting sound, peer-reviewed economic research on policy-relevant issues related to agriculture, food, natural resources, and rural America. ERS is also the primary source of statistical indicators that, among other things, gauge the health of the farm sector (including farm income estimates and projections), assess the current and expected performance of the agricultural sector (including trade), and provide measures of food security in the U.S. and abroad. The Agency's intramural research is conducted by a highly trained staff of economists and social scientists through an integrated program of research, market outlook, analysis, and data development addressing a broad range of topics, including but not limited to global agricultural market conditions, trade restrictions, agribusiness concentration, farm business and household income, farm program participation and risk management, farm and retail food prices, foodborne illnesses, food labeling, local and organic products and markets, nutrition, food assistance programs, drought resilience, conservation, technology adoption, and rural employment. Key clientele includes White House and USDA policy officials, program administrators/managers, the U.S. Congress, other Federal agencies, State and local government officials, and organizations including farm and industry groups interested in public policy issues. ERS develops its research program in coordination with other USDA research agencies, USDA-program agencies, and other external collaborators.

The budget includes \$62 million to focus on core programs of research, data development, market outlook, and development of high-profile economic and statistical indicators. Research results and economic indicators on such important agricultural, food, natural resource, and rural issues are fully disseminated to public and private decision makers through reports and articles; special staff analyses, briefings, and presentations; databases; and individual contact.

*Table REE-3. ERS Budget Authority (millions of dollars)*

Item	2019 Actual	2020 Enacted	2021 Budget
<b>Discretionary:</b>			
Economic Research Service .....	\$87	\$85	\$62

### NATIONAL AGRICULTURAL STATISTICS SERVICE

NASS' mission is to provide timely, accurate, and useful statistics in service to U.S. agriculture. Each year, NASS conducts over 450 surveys on 200 different commodities. These data illustrate the changing nature and needs of agriculture and provide accurate and up-to-date information necessary for decision-making by producers, agribusinesses, farm organizations, commodity groups, public officials, and others. NASS data also keep agricultural markets stable, efficient, and fair by ensuring accessible and objective data are available to both commodity market buyers and sellers. NASS also conducts the quinquennial Census of Agriculture (Ag Census), a complete count of U.S. farms and ranches and the people who operate them. The Ag Census surveys farmers and ranchers on land use and ownership, operator characteristics, production practices, income and expenditures, and other topics.

The Budget includes \$177 million in program funding, including \$10 million to provide support for a pilot study utilizing historical remotely sensed data, precision agriculture data, FSA data, and survey data in combination with 3-m and 10-m resolution imagery which will lead to more precise and timelier early-season predictions of harvested acres and production. In addition, NASS will conduct a redesign of its survey process allowing for increased use of administrative data reducing the burden placed on agricultural producers.

The Ag Census provides comprehensive data on the agricultural economy with national, State, and county level details. The Ag Census data are relied upon to measure trends and new developments in the agricultural sector. NASS published the results of the 2017 Census of Agriculture in 2019. The Budget proposes an increase of \$1 million to enhance outreach activities in areas with particularly poor response rates and work to increase participation through online data collection.

*Table REE-4. NASS Budget Authority (millions of dollars)*

Item	2019 Actual	2020 Enacted	2021 Budget
<b>Discretionary:</b>			
Agricultural Estimates .....	\$129	\$135	\$131
Census of Agriculture .....	45	45	46
Total, NASS .....	174	180	177

**DEPARTMENTAL ACTIVITIES****MISSION**

Departmental staff offices provide essential support, without which other Departmental agencies and programs would be unable to carry out their duties and are leading the Department's efforts to improve customer service to the public. Their functions include legal counsel, economic analysis, communications coordination, financial management, budget and policy support, and program appeal hearings for the Department's program activities. The Budget proposes funding to ensure that these offices can support staffing levels needed to provide leadership, oversight, and coordination.

**DEPARTMENTAL STAFF OFFICES***Table DA-1. Departmental Activities Budget Authority (millions of dollars)*

Item	2019 Actual	2020 Enacted	2021 Budget
<b>Discretionary:</b>			
Office of the Secretary .....	\$21	\$22	\$29
Office of Homeland Security .....	1	1	1
Office of Partnerships and Public Engagement .....	5	6	2
Departmental Administration .....	22	21	27
Office of Communications .....	8	7	7
Total, Office of the Secretary .....	57	58	67
Executive Operations:			
Office of the Chief Economist .....	21	24	21
Office of Hearings and Appeals .....	15	15	16
Office of Budget and Program Analysis .....	10	10	21
Office of the Chief Information Officer .....	56	67	143
Office of the Chief Financial Officer .....	6	6	11
Office of Civil Rights .....	24	24	21
Office of the General Counsel .....	45	45	46
Office of Ethics .....	4	4	4
Office of Information Affairs .....			3
Agriculture Buildings and Facilities .....	60	128	153
Office of Safety, Security, and Protection .....			25
Hazardous Materials Management .....	4	4	3
Total Executive Operations .....	45	45	40
Total, Discretionary Programs .....	302	386	532
<b>Mandatory:</b>			
Farm Bill:			
Farming Opportunities and Training Outreach .....	15	15	18
Multiple Crop and Pesticide Use Survey .....	1	-	-
Total, Farm Bill Programs .....	16	15	18
Office of the Secretary:			
Trust Fund .....	-	-	-

Item	2019 Actual	2020 Enacted	2021 Budget
Total, Mandatory Programs .....	16	15	18
Total, DA .....	317	401	550

### **Office of the Secretary (OSEC)**

OSEC serves as the management arm of the Department, administering and overseeing the work of the organization. This involves formulating and providing policy direction for all areas of the Department's responsibilities including research, educational and regulatory activities, nutrition, conservation and farm programs, forestry, and international agriculture. This Budget includes \$29 million for OSEC, of which \$6 million is requested for the establishment of the Office of the Chief Scientist (OCS).

The Office of the Chief Scientist (OCS) is an integral part of USDA leadership. OCS coordinates Department-wide agricultural science, research, education, and economics needs, manages the USDA Science Council, ensures work of the Department is upheld to the highest degree of intellectual rigor and scientific integrity, overseeing implementation, training, and compliance with the scientific integrity policy of the Department. OCS integrates strategic program planning and evaluation functions across the programs of the Department and assists the Chief Scientist in coordinating the international engagements of the Department with the Department of State and other international agencies and offices of the Federal Government. OCS establishes linkages among the USDA and other science-performing organizations in government, academia, industry, and non-profit organizations. OCS ensures that science performed by the Department is disseminated to decision leaders nationally and internationally.

### **Office of Homeland Security (OHS)**

The Budget includes \$1.3 million for OHS to provide overall leadership and coordination of programs in the Department to plan for and respond to major natural and terrorist emergencies and threats. This involves coordination with mission areas/agencies for policy formulation, response plans, reporting, and action assignments to meet acute and major threats to the food and agriculture system and key USDA assets.

### **Office of Partnerships and Public Engagement (OPPE)**

This Budget includes \$2 million for OPPE. The Secretary established the OPPE to rapidly expand outreach to America's agricultural community and facilitate greater access to USDA programs. Additionally, OPPE serves as the lead agent for USDA partnership and outreach activities with tasking and reporting authority to direct, coordinate and control all target programs. Programs include all components of the Office of Advocacy and Outreach including Small Farms and Beginning Farmer/Rancher and Youth Outreach and Integration into Workforce Diversity 2030, Office of Tribal Relations, Military Veterans Agricultural Liaison and Supporting Veterans Program Initiative, The Center for Faith-Based and Neighborhood Partnerships, and any other such programs the Secretary deems essential to serve the interest of USDA. In addition, the 2018 Farm Bill provides mandatory funding for the Farming Opportunities Training and Outreach Program

formerly known as the Outreach and Education for Socially Disadvantaged Farmers and Ranchers and Veteran Farmers and Ranchers Program – 2501 Grant Program.

### Departmental Administration (DA)

DA was established to ensure that the USDA administrative programs and policies meet the needs of USDA program organizations and are consistent with laws and mandates. DA provides leadership to ensure the timely and effective delivery of high quality and cost-effective mission support services across the Department and coordinates human resources, procurement, property management, emergency preparedness and response activities, and programs for small and disadvantaged business utilization. This Budget includes \$27.2 million for DA, which includes: \$2 million for the hiring of critical personnel to lead, support, and provide oversight on the implementation of the Program Management Improvement and Accountability Act (PMIAA) and for complex and high dollar value contracting actions critical to USDA; \$2 million for the Office of the Executive Secretariat to accelerate preparation by the Department to meet the National Archives and Records Administration (NARA) requirement to submit records solely in electronic format by December 31, 2022; and \$1.5 million for the Office of Human Resource Management (OHRM) to proactively address hiring challenges facing USDA by creating an Enterprise Staff Acquisition Team, and a Human Resources Self-Service Dashboard.

*Table DA-2. KPM*

Key Performance Measure	2019 Actual	2020 Target	2021 Target
Number of Tier 1 data centers across the Department. <sup>1</sup>	6	4	2
Ranking of the Top 10 Best Places to Work in the Federal Government for large agencies by the Partnership for Public Service. <sup>2</sup>	16	Top 10	N/A
Department's overall real property footprint through effective disposal and consolidation efforts (million square feet).	31.3	31.2	30.1
Department's light duty fleet (vehicles in thousands).	27.1	27.1	N/A

1/ FY 2020 is the last reporting year for this measure

2/ USDA is retiring this measure

### Office of Communications (OC)

OC provides leadership and coordination for the development of communication strategies for the Department and plays a critical role in disseminating information about USDA's programs to the general public. The Budget includes \$7.4 million for OC to continue to develop effective communications strategies that increase the visibility and the transparency of USDA programs.

### Office of the Chief Economist (OCE)

OCE advises the Secretary and Department officials on the economic implications of Department policies, programs, associated regulations and proposed legislation; and serves as the focal point for the Department's economic intelligence, analysis and review related to domestic and international food and agriculture markets. OCE also provides advice and analysis on bioenergy, global climate change, environmental services markets, sustainable development, agricultural labor, and new uses of agricultural products. The Budget includes \$20.9 million for OCE.



**Office of Hearings and Appeals (OHA)**

OHA, formerly the National Appeals Division, conducts evidentiary administrative appeal hearings and reviews arising from program operations of the Service Center Agencies, which include the Rural Development mission area, and Farm Production and Conservation. OHA is also responsible for the regulatory hearing and administrative proceedings conducted by the Administrative Law Judges and the Judicial Officer. The Budget includes \$15.5 million for OHA to carry out these functions.

**Office of Budget and Program Analysis (OBPA)**

OBPA ensures that USDA programs are delivered efficiently, effectively, and with integrity by incorporating performance, evidence and risk into decision making. OBPA advocates for the necessary resources required and executes the budget to ensure the USDA can effectively and efficiently accomplish its mission for the benefit of the American people. OBPA leads USDA's strategic planning; enterprise risk management; performance management and reporting; budget analysis, justification, and control; and legislative and regulatory actions. The Budget includes \$20.6 million for OBPA which includes \$8.5 million for the creation of a Departmental Budget Execution System. USDA presently lacks a budget system that enables the Department to track and monitor at a Departmental level the execution of USDA's budget. OBPA's request will enable USDA to improve the review and oversight of the execution of the budget, in order to maintain fiduciary responsibility to the American taxpayer. Additional resources of \$2.4 million are requested to hire critical personnel to ensure oversight and compliance with the Congressional Review Act (CRA). This funding will also support evidence-building activities, including personnel, and develop and maintain systems to enhance and integrate capabilities required by The Foundations for Evidence-Based Policymaking Act of 2018. This increase will also support USDA's efforts in further establishing an Enterprise Risk Management (ERM) program, which OBPA oversees and coordinates for the Department.

**Office of the Chief Information Officer (OCIO)**

OCIO provides policy guidance, leadership and coordination for the Department's information management, technology investment and cyber security activities in support of USDA program delivery. The Budget includes \$142.8 million for OCIO to fund ongoing activities and increase efforts for cybersecurity enhancements. Included in the request is \$49 million to enhance the Department's cyber security profile through the acquisition and implementation of relevant tools and services. The Budget includes an increase of \$31.5 million for the transition to a modernized enterprise network (USDANet), which will make the network more reliable and functional for USDA employees. USDA continues to partner with the White House Office of American Innovation to modernize its systems, such as consolidating end-user support services and data centers, and migrating data and functions to the cloud, which will improve IT service and reliability for both the internal and external USDA customer.

Additionally, \$8.5 million is included to support the Forest Service's Land Mobile Radio (LMR) program. In FY 2021, the Forest Service will allocate \$15 million in priority investments toward an intra-agency (OneUSDA) LMR shared services model. By providing OneUSDA LMR support services and merging radio operations with those across the Department, USDA aims to lower costs, improve operational efficiencies, and close gaps in delivery and security to better respond

to emergencies, criminal activity, wildfires, and other disasters. The \$8.5 million requested in OCIO will complement funding requested in the Forest Service's budget to cover the costs associated with including them in this important initiative.

In addition, \$3.9 million is included to hire critical personnel and provide ongoing support services to USDA. This increase will allow OCIO to fully staff cybersecurity, capital planning, enterprise architecture, and other policy programs and allow for inflation increases for support, hardware, and software contracts. In addition, it will allow USDA to fund Department-wide services that will improve the efficiency, effectiveness and IT services provided to USDA, assisting USDA better meet the needs of its customers, and mission.

The Budget also includes \$32 million for the relocation of Enterprise Data Center (EDC) operations from the Goodfellow Federal Center facility. The Goodfellow Federal Complex has been the subject of numerous environmental concerns over the past several years. GSA has announced the results of a cost-of-ownership analysis on the Goodfellow Federal Center. The study results indicated that the taxpayer investment needed to keep the complex functional, exceeds the costs to house federal tenants elsewhere. Therefore, GSA has determined that retaining ownership of the Goodfellow Federal Center is not in the long-term best interests of the Federal Government.

#### **Office of the Chief Financial Officer (OCFO)**

OCFO provides overall direction and leadership in the development of financial management policies and systems and produces the Department's consolidated financial statements. OCFO also oversees the provision of administrative accounting, payroll, and related systems for USDA and other agencies through the operation of the National Finance Center. The Budget includes \$11.1 million to support these activities. Included in this request is an increase of \$4 million to support enhancements to USDA's Financial Management System (FMMI) to support a Budget Spending and Execution Tool that is requested within OBPA's Budget request. This funding would ensure that USDA resources are loaded into FMMI at the congressionally mandated limit and that FMMI reports are generated to meet congressional reporting requirements without requiring manual intervention. This capability would allow USDA Program and Staff offices to perform budget execution at a programmatic level that is consistent and compliant with federal requirements. Without this funding, Department personnel will continue to perform labor-intensive reporting of budget execution via spreadsheets and rely on manual interventions that strain employee resources and increase labor costs.

In addition, the budget includes \$1 million to support hiring and personnel cost. OCFO is responsible for the financial leadership of an enterprise that has more than 100,000 employees, 14,000 offices and field locations, \$208 billion in assets, and \$143 billion in annual spending. As USDA has grown to meet the demands of the American farmers and ranchers, OCFO's funding has remained relatively flat. In order to meet demands and ensure proper fiscal stewardship, OCFO has had to absorb inflation, cost of living adjustments, promotions, and within grade increases, which has resulted in reduced services to USDA. These resources will enable OCFO to better meet the needs of its customers, meet critical deadlines and remain in compliance with USDA's Department policies and federal laws and regulations.

### **Agriculture Buildings and Facilities (Ag B&F)**

The Ag B&F account provides funding for maintenance, utilities and administration of the more than 2.5 million square feet in the two USDA headquarters buildings, as well as the USDA-owned George Washington Carver Center. This funding provides USDA Agencies the facilities necessary to carry out their missions.

The Budget includes \$152.8 million for AG B&F, of which \$32 million would continue modernization of the South Building. The budget builds on the funding provided by Congress to continue its multi-year One Neighborhood and headquarters modernization strategy to address critical health and safety and accessibility deficiencies, as well as failing operational systems. The modernization of the South Building and the George Washington Carver Center will increase capacity and allow the Department to dispose of more of its leases in the National Capital Region. In addition to modernization funding, \$12.5 million is included to provide for fire suppression and security enhancements. A study conducted in 2019 found that approximately sixty percent of the USDA's South Building lacks a fire suppression system. A working fire suppression system is necessary to control damage, loss to equipment and facilities in the case of a fire and is essential to protecting USDA employees and visitors. Additionally, a review of our security systems uncovered opportunities to improve the safety and security of our employees and visitors.

### **Office of Safety, Security, and Protection (OSSP)**

OSSP was established on October 13, 2019, to improve facility emergency management and response. OSSP provides Department-wide leadership, policy, and management in the safeguarding of property and personnel. OSSP is committed to identifying and addressing security risks that may affect USDA personnel, infrastructure, and facilities. Funding for OSSP is currently in Agriculture Buildings and Facilities, Departmental Administration and Office of Homeland Security. While the Office is being consolidated, inter-agency agreements will be used during FY 2020. The budget proposes to realign \$25 million in appropriations to a new account established for OSSP.

### **Hazardous Materials Management (HMM)**

HMM provides for the efficient management and cleanup of hazardous materials on facilities and lands under the jurisdiction, custody, and control of the Department; and the prevention of releases of hazardous substances from USDA facilities. The Budget includes \$3.5 million for the HMM program.

### **Office of Civil Rights (OCR)**

OCR provides policy guidance, leadership, coordination and training, and complaint adjudication and processing for the Department and its agencies. OCR's mission is to facilitate the fair and equitable treatment of USDA customers and employees and ensure the delivery and enforcement of civil rights programs and activities. Through its efforts, OCR strives to: (1) foster a positive civil rights climate at USDA; (2) process Equal Employment Opportunity (EEO) and program complaints in a timely, efficient and cost-effective manner; (3) reduce and prevent EEO and program complaints through training and guidance; and (4) offer alternative dispute resolution services. The Budget requests \$20.6 million for OCR.

**Office of the General Counsel (OGC)**

OGC provides legal oversight, counsel, and support to the Department's agencies and offices. The Budget includes \$52.6 million to ensure that resources are available for OGC to carry out its full range of responsibilities and support USDA program delivery. The request includes \$4.2 million for the Office of Ethics, which reports to the General Counsel, to administer ethics regulations and statutes governing employee conduct; carry out public confidential financial disclosure reporting programs; develop and implement supplemental ethics policies, provide advice and assistance to USDA employees; and train employees on all ethics statutes, regulations, and policies. In addition, \$2.5 million is requested for the establishment of the Office of Information Affairs. In FY 2020, USDA began managing Freedom of Information Act (FOIA) functions for all USDA staff offices and the mission areas for Research Education and Economics and Trade and Foreign Agricultural Affairs in a stand-alone office under the General Counsel through interagency agreements. Apart from the Office of the Inspector General, the General Counsel would be delegated authority to directly manage the OIA, as its Chief FOIA Officer (CFOIA). For those mission areas remaining outside the OIA, lines of authority will be directed to the newly designated CFOIA. The increase in funding will aid the agency in providing day-to-day oversight over USDA's FOIA program, responding to the increasing number of complex records requests for those FOIA functions realigned to the OIA, creating FOIA policy and training directives, and preparing all statutorily required reports.

***OFFICE OF INSPECTOR GENERAL*****MISSION**

The Office of Inspector General (OIG) conducts and supervises audits and investigations to prevent and detect fraud, waste, and abuse and to improve the effectiveness of USDA programs and operations. As the law enforcement arm of USDA, OIG also investigates criminal activity involving the Department's programs and personnel. The Budget includes \$100 million for OIG for audit and investigation review of the Department's programs. A portion of these funds will be used to help develop business intelligence products to better detect and reduce program vulnerabilities.

***Table DA-3. OIG Budget Authority (millions of dollars)***

<b>Item</b>	<b>2019 Actual</b>	<b>2020 Enacted</b>	<b>2021 Budget</b>
<b>Discretionary:</b>			
Office of Inspector General.....	\$98	\$98	\$100

Note: Appendix tables do not include proposed legislation.

Table APP-1. New Budget Authority (thousands of dollars)

Mission Area / Agency	2019 Actual	2020 Enacted	2021 Budget
<b>OFFICE OF THE SECRETARY:</b>			
Immediate Office.....	\$5,051	\$5,051	\$5,143
Assistant to the Secretary for Rural Development.....	800	0	0
Assistant Secretary for Congressional Relations .....	3,869	3,869	3,941
Office of Homeland Security .....	1,496	1,496	1,336
Office of Partnerships and Public Engagement.....	4,711	6,211	1,957
Assistant Secretary for Administration .....	875	875	887
Departmental Administration .....	22,301	21,376	27,161
Office of Communications.....	7,500	7,261	7,411
Subtotal, Office of the Secretary.....	46,603	46,139	47,836
Assistant Secretary for Civil Rights.....	901	901	914
Under Secretary for Research, Education, and Economics.....	800	800	813
Office of the Chief Scientist.....	0	0	6,000
Under Secretary for Marketing and Regulatory Programs.....	901	800	914
Under Secretary for Food Safety.....	800	800	813
Under Secretary for Farm Production and Conservation.....	901	901	1,141
Under Secretary for Rural Development.....	0	800	1,036
Under Secretary for Food, Nutrition, and Consumer Services.....	800	800	813
Under Secretary for Trade and Foreign Agricultural Affairs.....	875	875	891
Office of Codex Alimentarius.....	3,976	4,775	4,817
Under Secretary for Natural Resources & Environment.....	875	875	875
Total, Office of the Secretary.....	57,432	58,466	65,988
<b>DEPARTMENTAL ADMINISTRATION:</b>			
Agriculture Buildings and Facilities:			
Building Operations and Maintenance.....	59,967	128,167	152,830
Office of Safety, Security, and Preparedness.....	0	0	24,978
Hazardous Materials Management.....	3,503	4,503	3,523
Total, Departmental Management.....	63,470	132,670	181,331
<b>OFFICE OF THE CHIEF INFORMATION OFFICER.....</b>	55,630	66,580	142,812
<b>OFFICE OF THE CHIEF ECONOMIST.....</b>	21,286	24,013	20,857
<b>OFFICE OF HEARINGS AND APPEALS.....</b>	15,222	15,222	15,533
<b>OFFICE OF BUDGET AND PROGRAM ANALYSIS.....</b>	9,525	9,525	20,660
<b>OFFICE OF THE CHIEF FINANCIAL OFFICER.....</b>	6,028	6,028	11,104
<b>OFFICE OF CIVIL RIGHTS.....</b>	24,206	24,206	20,633
<b>OFFICE OF INSPECTOR GENERAL.....</b>	98,208	98,208	100,389
<b>OFFICE OF THE GENERAL COUNSEL.....</b>	45,146	45,146	45,878
<b>OFFICE OF INFORMATION AFFAIRS.....</b>	0	0	2,500
<b>OFFICE OF ETHICS.....</b>	4,136	4,136	4,222

Mission Area / Agency	2019 Actual	2020 Enacted	2021 Budget
<b>ECONOMIC RESEARCH SERVICE</b> .....	86,757	84,757	62,109
<b>NATIONAL AGRICULTURAL STATISTICS SERVICE:</b>			
Agricultural Estimates.....	129,217	134,994	131,165
Census of Agriculture.....	45,300	45,300	46,300
Total, National Agricultural Statistics Service.....	174,517	180,294	177,465
<b>AGRICULTURAL RESEARCH SERVICE:</b>			
Salaries and Expenses.....	1,303,266	1,414,366	1,367,970
Buildings and Facilities.....	381,200	192,700	50,000
Total, Agricultural Research Service.....	1,684,466	1,607,066	1,417,970
<b>NATIONAL INSTITUTE OF FOOD AND AGRICULTURE:</b>			
Research and Education Activities.....	927,649	962,864	1,067,986
Native American Endowment Fund.....	(11,880)	(11,880)	(11,857)
Native American Interest.....	4,595	5,069	5,199
Extension Activities.....	505,692	526,557	484,832
Integrated Activities.....	38,000	38,000	38,000
Total, National Institute of Food and Agriculture.....	1,475,936	1,532,490	1,596,017
Total, REE.....	3,421,676	3,404,607	3,253,561
<b>ANIMAL AND PLANT HEALTH INSPECTION SERVICE:</b>			
Salaries and Expenses.....	1,011,136	1,042,711	1,032,988
Buildings and Facilities.....	3,175	3,175	2,574
Total, Animal and Plant Health Inspection Service.....	1,014,311	1,045,886	1,035,562
<b>AGRICULTURAL MARKETING SERVICE:</b>			
Marketing Services.....	159,095	186,936	150,933
Payments to States and Possessions.....	1,235	1,235	0
Total, Agricultural Marketing Service.....	160,330	188,171	150,933
<b>FOOD SAFETY AND INSPECTION SERVICE</b> .....	1,049,344	1,054,344	1,092,405
<b>FARM PRODUCTION AND CONSERVATION:</b>			
Business Center.....	216,350	203,877	243,602
Transferred from Program Account.....	16,081	16,081	0
Transferred from P.L. 480 and CCC Export Credit.....	0	0	430
Total, Business Center.....	232,431	219,958	244,032
<b>FARM SERVICE AGENCY:</b>			
Salaries and Expenses:			
Appropriation.....	1,081,655	1,122,837	1,104,684
Transferred from Program Accounts.....	293,522	291,377	294,114
Total, Salaries and Expenses.....	1,375,177	1,414,214	1,398,798
State Mediation Grants.....	3,904	5,545	6,914
Grassroots Source Water Program.....	6,500	6,500	0
Dairy Indemnity Program.....	(500)	(500)	(500)
Agricultural Credit Insurance Fund Program Account.....	94,609	99,310	78,577
FSA Salaries and Expenses Transfer.....	(306,998)	(306,998)	(294,114)
Total, Farm Service Agency.....	1,480,190	1,525,569	1,484,289

Mission Area / Agency	2019 Actual	2020 Enacted	2021 Budget
<b>COMMODITY CREDIT CORPORATION:</b>			
Reimbursement for Net Realized Losses .....	(10,888,368)	(26,309,033)	(25,915,352)
<b>RISK MANAGEMENT AGENCY:</b>			
Salaries and Expenses.....	58,361	58,361	59,440
Federal Crop Insurance Fund.....	(11,773,000)	(7,716,000)	(8,736,000)
Total, Risk Management Agency.....	(11,831,361)	(7,774,361)	(8,795,440)
<b>NATURAL RESOURCES CONSERVATION SERVICE:</b>			
Conservation Operations.....	819,492	829,628	830,186
Watershed and Flood Prevention Operations.....	150,000	175,000	0
Watershed Rehabilitation.....	10,000	10,000	0
Total, Natural Resources Conservation Service.....	979,492	1,014,628	830,186
<b>RURAL DEVELOPMENT:</b>			
Salaries and Expenses:			
Appropriation.....	236,835	247,835	483,480
Transferred from Program Accounts.....	449,992	449,992	278,000
Total, Salaries and Expenses.....	686,827	697,827	761,480
<b>RURAL HOUSING SERVICE:</b>			
Rural Community Facilities Program.....	50,063	49,000	60,000
CF Salaries and Expenses Transfer.....	(0)	(0)	(0)
Rural Housing Insurance Fund Program Account.....	98,063	126,685	40,000
RHIF Salaries and Expenses Transfer.....	(412,254)	(412,254)	(240,000)
Rural Housing Assistance Grants.....	45,000	45,000	45,000
Rental Assistance Program.....	1,331,400	1,375,000	1,450,000
Multi-Family Housing Revitalization Program Account .....	51,500	60,000	0
Mutual and Self-Help Housing Grants.....	30,000	31,000	0
Total, Rural Housing Service.....	1,606,026	1,686,685	1,595,000
Rural Business Program.....	65,040	66,500	7,400
B&I Salaries and Expenses Transfer.....	(0)	(0)	(0)
Intermediary Relending Fund Program Account.....	4,157	5,219	0
RDLF Salaries and Expense Transfer.....	(4,468)	(4,468)	(0)
Rural Cooperative Development Grants.....	11,600	11,600	3,000
Value-Added Agricultural Product Market Development.....	17,500	15,000	0
Rural Microentrepreneur Assistance Program.....	0	6,000	0
Higher Blends Infrastructure Incentive Program.....	0	0	100,000
Rural Energy for America Program.....	335	706	0
Total, Rural Business-Cooperative Service.....	98,632	105,025	110,400
Rural Water and Waste Disposal Program.....	623,690	659,480	614,070
Water and Waste Salaries and Expenses Transfer.....	(0)	(0)	(0)
Rural Electrification & Telecommunications Loans Program Account.....	1,725	3,795	4,554
RETL Salaries and Expenses Transfer.....	(33,270)	(33,270)	(38,000)
Distance Learning, Telemedicine, and Broadband Program.....	69,830	87,000	324,000
Total, Rural Utilities Service.....	695,245	750,275	942,624
Total, Rural Development.....	3,086,730	3,239,812	3,409,504



Mission Area / Agency	2019 Actual	2020 Enacted	2021 Budget
<b>FOOD AND NUTRITION SERVICE:</b>			
Child Nutrition Programs:			
Child Nutrition Programs (mandatory).....	(23,065,777)	(23,532,094)	(25,028,436)
Child Nutrition Programs (discretionary).....	75,004	83,004	12,475
Total, Child Nutrition Programs.....	(23,140,781)	(23,615,098)	(25,040,911)
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).....	6,075,000	6,000,000	5,451,501
Supplemental Nutrition Assistance Program:			
SNAP (mandatory).....	(73,475,923)	(67,885,287)	(68,281,364)
SNAP (discretionary).....	998	998	0
Total, Supplemental Nutrition Assistance Program.....	(73,476,921)	(67,886,285)	(68,281,364)
Commodity Assistance Program:			
Commodity Supplemental Food Program.....	222,891	245,000	0
Farmers' Market Nutrition Program.....	18,548	18,548	0
Emergency Food Assistance Program.....	79,630	79,630	79,630
Pacific Island and Disaster Assistance.....	1,070	1,070	1,070
Total, Commodity Assistance Program.....	322,139	344,248	80,700
Nutrition Programs Administration.....	162,688	153,891	155,251
NPA: Bill Emerson and Mickey Leland Hunger Fellowships.....	2,000	2,000	0
Total, Discretionary Food and Nutrition Service.....	6,637,829	6,584,141	5,699,927
Total, Food and Nutrition Service.....	(103,179,529)	(98,001,522)	(99,009,727)
<b>FOREIGN AGRICULTURAL SERVICE:</b>			
Foreign Agricultural Service.....	213,890	215,513	193,703
Transferred from Program Accounts.....	6,382	6,063	6,063
Total, Salaries and Expenses.....	220,272	221,576	199,766
McGovern-Dole International Food for Education Program.....	210,255	220,000	0
Subtotal, Foreign Agricultural Service.....	430,527	441,576	199,766
Public Law 480:			
Title II Grants.....	1,716,000	1,725,000	0
Administrative Expenses (for FSA).....	(142)	(142)	(112)
Total, P.L. 480.....	1,716,142	1,725,142	112
Commodity Credit Corporation:			
CCC Export Loans Program Account.....	(8,845)	(6,381)	(6,381)
Total, Foreign Agricultural Service.....	2,146,527	2,166,576	199,766
<b>GENERAL PROVISIONS:</b>			
AMS: Micro-Grants for Food Security.....	0	5,000	0
AMS: Dairy Business Innovation Initiatives.....	0	20,000	0
APHIS: Citrus Greening.....	8,500	8,500	0
FAS - International Agricultural Education Fellowship Program.....	0	1,000	0
FNS: CNP - Farm to School Pilot Program.....	5,000	9,000	0
FNS: CNP - School Breakfast Expansion Grants.....	0	5,000	0
FNS: CNP - Healthy Fluid Milk Incentives Project.....	0	1,000	0
FNS: SNAP - Food Distribution Program on Indian Reservations.....	0	3,000	0
FNA: NPA - Nutrition Assistance Program Study.....	0	4,000	0
FNS: NPA - NAP Preliminary Planning for SNAP Technology Implementation.....	0	2,000	0
FSA: Food For Progress .....	6,000	0	0
FSA: Conservation Reserve Pilot Program.....	1,000	1,000	0
FSA: Oriental Fruit Fly Quarantine.....	9,000	0	0
FSA: Transportation Cost Payment Program for Geographically Disadvantaged.....	1,996	2,000	0
FSA: County-level Ag Risk Coverage Payments Pilot.....	5,000	0	0
NIFA: Enhance Opportunities for Military Veterans.....	5,000	5,000	0

Mission Area / Agency	2019 Actual	2020 Enacted	2021 Budget
NIFA: Centers of Excellence (1890 Institutions).....	5,000	6,000	0
NIFA: Tribal Student Scholarships.....	0	5,000	0
NIFA: Agricultural Genome to Phenome Initiative.....	0	1,000	0
NRCS: Water Bank.....	4,000	4,000	0
NRCS: Mitigation Banking.....	0	5,000	0
NRCS - Urban Agriculture Office.....	0	5,000	0
OCE: Food Loss Liaison.....	0	400	0
OCS: - Honeybee and Pollinator Research Coordinator.....	0	400	0
OPPE/NIFA: Farm Opportunities Training and Outreach.....	0	5,000	0
RD: RHS - MFHP - Maturing Mortgage Pilot.....	1,000	1,000	0
RD: RHS - Rural Hospital Technical Assistance.....	0	1,000	0
RD: RHS - Protecting Animals with Shelter Grants.....	0	2,000	0
RD: RBS - Healthy Food Financing Initiative.....	2,000	5,000	0
RD: RBS - Rural Microentrepreneur Assistance Program.....	3,000	0	0
RD: RBS - Rural Innovation Stronger Economy Grant Program.....	0	5,000	0
RD: RUS - Address the Opioid Epidemic through DLT.....	16,000	0	0
RD: RUS - Broadband Loan and Grant Pilot Program.....	550,000	555,000	0
RD: RUS - Rural Water Technical Assistance Grant Program.....	0	5,000	0
RD: RUS - Rural Energy Savings Program.....	10,000	12,000	0
Total, General Provisions.....	632,496	684,300	0
<b>TOTAL, Agriculture Discretionary Budget Authority.....</b>	<b>21,299,131</b>	<b>21,669,678</b>	<b>18,091,512</b>
<b>FOREST SERVICE:</b>			
Forest and Rangeland Research .....	300,000	305,000	249,330
State and Private Forestry .....	336,990	346,990	217,443
National Forest System .....	1,898,000	1,917,510	2,005,062
Forest Landscape Restoration Fund.....	40,000	40,000	0
Wildland Fire Management .....	3,004,986	2,350,620	2,409,444
Capital Improvement and Maintenance .....	446,000	455,000	453,173
Land Acquisition Accounts .....	73,379	79,748	0
Other Appropriations .....	5,357	5,545	10,384
Suppression Cap Adjustment (Fire Fix) .....	(0)	(1,950,000)	(2,040,000)
Total, Forest Service .....	6,104,712	5,500,413	5,344,836
<b>TOTAL, Interior Discretionary Budget Authority (FS and NRE).....</b>	<b>6,105,587</b>	<b>5,501,288</b>	<b>5,345,711</b>
<b>TOTAL, Discretionary Budget Authority.....</b>	<b>27,404,718</b>	<b>27,170,966</b>	<b>23,437,223</b>
<b>TOTAL, Agriculture Mandatory Budget Authority.....</b>	<b>119,215,448</b>	<b>125,454,794</b>	<b>127,973,509</b>
<b>TOTAL, Budget Authority.....</b>	<b>146,620,166</b>	<b>152,625,760</b>	<b>151,410,732</b>

*Table APP-2. Available Resources (millions of dollars)*

Mission Area / Agency	2019 Actual	2020 Estimate	2021 Budget
<b>FARM PRODUCTION AND CONSERVATION</b>			
Farm Service Agency * .....	\$2,614	\$1,714	\$1,503
Commodity Credit Corporation.....	19,582	28,065	15,076
Risk Management Agency.....	11,840	7,780	8,782
Natural Resources Conservation Service.....	5,433	5,876	4,221
FPAC Business Center.....	262	264	304
<b>TRADE AND FOREIGN AGRICULTURAL AFFAIRS</b>			
Foreign Agricultural Service*.....	225	267	9
P.L. 480.....	1,716	1,725	0
<b>RURAL DEVELOPMENT *</b>			
Rural Business-Cooperative Service.....	259	248	185
Rural Housing Service.....	2,226	3,215	1,498
Rural Utilities Service.....	2,770	2,065	1,442
Salaries and Expenses.....	240	251	486
<b>FOOD, NUTRITION, AND CONSUMER SERVICES</b>			
Food and Nutrition Service.....	103,540	97,237	98,039
<b>FOOD SAFETY</b>			
Food Safety and Inspection Service.....	1,064	1,069	1,108
<b>NATURAL RESOURCES AND ENVIRONMENT</b>			
Forest Service.....	7,764	8,125	8,061
<b>MARKETING AND REGULATORY PROGRAMS</b>			
Agricultural Marketing Service.....	485	505	453
Animal and Plant Health Inspection Service.....	1,549	1,396	1,433
Section 32 Funds.....	1,123	1,152	1,248
<b>RESEARCH, EDUCATION, AND ECONOMICS</b>			
Agricultural Research Service.....	1,702	1,625	1,436
Economic Research Service.....	88	85	62
National Agricultural Statistics Service.....	177	180	177
National Institute of Food and Agriculture.....	1,726	1,737	1,802
<b>DEPARTMENTAL ACTIVITIES</b>			
Office of the Secretary.....	3,075	81	84
Agriculture Buildings and Facilities.....	60	128	153
Executive Operations.....	184	202	314
Office of Inspector General.....	98	98	100
Working Capital Fund.....	11	0	0
Subtotal, USDA.....	<b>169,813</b>	<b>165,090</b>	<b>147,976</b>
Offsetting Receipts, Rescissions & Other Adjustments.....	-3,105	-3,061	-1,501
<b>Total, U.S. Department of Agriculture.....</b>	<b>166,708</b>	<b>162,029</b>	<b>146,475</b>

Note: \* FSA, RD, and FAS mandatory funding includes downward reestimates. Salaries and Expenses transfers for these agencies are shown in the agencies in which funds are initially appropriated.

*Table APP-3. Available Resources Discretionary / Mandatory (millions of dollars)*

Mission Area / Agency	2019 Actual	2020 Estimate	2021 Budget
<b>FARM PRODUCTION AND CONSERVATION</b>			
FPAC Business Center			
DISC.....	\$202	\$204	\$304
MAND.....	60	60	0
Farm Service Agency *			
DISC.....	2,537	1,544	1,485
MAND.....	77	170	18
Commodity Credit Corporation			
DISC.....	30	7	-14
MAND.....	19,552	28,058	15,090
Risk Management Agency			
DISC.....	68	58	39
MAND.....	11,772	7,722	8,743
Natural Resources Conservation Service			
DISC.....	1,422	1,029	770
MAND.....	4,011	4,847	3,451
<b>TRADE AND FOREIGN AGRICULTURAL AFFAIRS</b>			
Foreign Agricultural Service*			
DISC.....	422	436	194
MAND.....	-197	-169	-185
P.L. 480			
DISC.....	1,716	1,725	0
<b>RURAL DEVELOPMENT *</b>			
Rural Business-Cooperative Service			
DISC.....	108	121	110
MAND.....	151	127	75
Rural Housing Service			
DISC.....	2,167	2,102	1,835
MAND.....	59	1,113	-337
Rural Utilities Service			
DISC.....	879	1,085	981
MAND.....	1,891	980	461
Salaries and Expenses			
DISC.....	237	248	483
MAND.....	3	3	3
<b>FOOD, NUTRITION, AND CONSUMER SERVICES</b>			
Food and Nutrition Service			
DISC.....	6,144	5,599	4,500
MAND.....	97,396	91,638	93,539
<b>FOOD SAFETY</b>			
Food Safety and Inspection Service			
DISC.....	1,049	1,054	1,092
MAND.....	15	15	16

Mission Area / Agency	2019 Actual	2020 Estimate	2021 Budget
<b>NATURAL RESOURCES AND ENVIRONMENT</b>			
Forest Service			
DISC.....	6,559	7,455	7,383
MAND.....	1,205	670	678
<b>MARKETING AND REGULATORY PROGRAMS</b>			
Agricultural Marketing Service			
DISC.....	160	213	148
MAND.....	325	292	305
Animal and Plant Health Inspection Service			
DISC.....	1,023	1,054	1,036
MAND.....	526	342	397
Section 32 Funds			
MAND.....	1,123	1,152	1,248
<b>RESEARCH, EDUCATION, AND ECONOMICS</b>			
Agricultural Research Service			
DISC.....	1,684	1,607	1,418
MAND.....	18	18	18
Economic Research Service			
DISC.....	87	85	62
MAND.....	1	0	0
National Agricultural Statistics Service			
DISC.....	176	180	177
MAND.....	1	0	0
National Institute of Food and Agriculture			
DISC.....	1,487	1,550	1,596
MAND.....	239	187	206
<b>DEPARTMENTAL ACTIVITIES</b>			
Office of the Secretary			
DISC.....	3,060	65	68
MAND.....	15	16	16
Agriculture Buildings and Facilities			
DISC.....	60	128	153
Executive Operations			
DISC.....	184	201	313
MAND.....	0	1	1
Office of Inspector General			
DISC.....	98	98	100
Working Capital Fund			
DISC.....	11	0	0
<b>Offsetting Receipts</b>			
Department of Agriculture			
DISC.....	-412	-418	-426
MAND.....	-2,687	-2,637	-1,068
NET.....	-6	-6	-7
<b>Total, U.S. Department of Agriculture.....</b>	<b>166,708</b>	<b>162,029</b>	<b>146,475</b>

Note: \* FSA, RD, and FAS mandatory funding includes downward reestimates. Salaries and Expenses transfers for these agencies are shown in the agencies in which funds are initially appropriated.

*Table APP-4. Program Level (millions of dollars)*

Mission Area / Agency	2019 Actual	2020 Estimate	2021 Budget
<b>FARM PRODUCTION AND CONSERVATION</b>			
Farm Service Agency .....	\$10,517	\$10,056	\$10,344
Commodity Credit Corporation.....	19,582	28,065	15,076
Risk Management Agency.....	11,840	7,780	8,782
Natural Resources Conservation Service.....	5,433	5,876	4,221
FPAC Business Center.....	262	264	304
<b>TRADE AND FOREIGN AGRICULTURAL AFFAIRS</b>			
Foreign Agricultural Service.....	225	267	9
P.L. 480.....	1,716	1,725	0
Export Credit Guarantee.....	2,024	5,500	5,500
<b>RURAL DEVELOPMENT</b>			
Rural Business-Cooperative Service.....	1,540	1,524	1,632
Rural Housing Service.....	30,221	30,630	29,055
Rural Utilities Service.....	9,353	9,490	8,494
Salaries and Expenses.....	690	701	764
<b>FOOD, NUTRITION, AND CONSUMER SERVICES</b>			
Food and Nutrition Service.....	103,540	97,237	98,039
<b>FOOD SAFETY</b>			
Food Safety and Inspection Service.....	1,064	1,069	1,108
<b>NATURAL RESOURCES AND ENVIRONMENT</b>			
Forest Service.....	7,764	8,125	8,061
<b>MARKETING AND REGULATORY PROGRAMS</b>			
Agricultural Marketing Service.....	485	505	453
Animal and Plant Health Inspection Service.....	1,549	1,396	1,433
Section 32 Funds.....	1,123	1,152	1,248
<b>RESEARCH, EDUCATION, AND ECONOMICS</b>			
Agricultural Research Service.....	1,702	1,625	1,436
Economic Research Service.....	88	85	62
National Agricultural Statistics Service.....	177	180	177
National Institute of Food and Agriculture.....	1,726	1,737	1,802
<b>DEPARTMENTAL ACTIVITIES</b>			
Office of the Secretary.....	3,075	81	84
Agriculture Buildings and Facilities.....	60	128	153
Executive Operations.....	184	202	314
Office of Inspector General.....	98	98	100
Working Capital Fund.....	11	0	0
Subtotal, USDA.....	<b>216,049</b>	<b>215,498</b>	<b>198,651</b>
Offsetting Receipts, Rescissions & Other Adjustments.....	-3,105	-3,061	-1,501
<b>Total, U.S. Department of Agriculture.....</b>	<b>212,944</b>	<b>212,437</b>	<b>197,150</b>

*Table APP-5. Discretionary Outlays (millions of dollars)*

Mission Area / Agency	2019 Actual	2020 Estimate	2021 Budget
<b>FARM PRODUCTION AND CONSERVATION</b>			
Farm Service Agency.....	\$1,581	\$2,386	\$1,821
Commodity Credit Corporation.....	12	18	-3
Risk Management Agency.....	68	58	39
Natural Resources Conservation Service.....	909	1,217	1,347
FPAC Business Center.....	117	198	304
<b>TRADE AND FOREIGN AGRICULTURAL AFFAIRS</b>			
Foreign Agricultural Service.....	326	662	492
P.L. 480.....	1,620	1,524	926
<b>RURAL DEVELOPMENT</b>			
Rural Business-Cooperative Service.....	99	143	113
Rural Housing Service.....	1,844	1,959	1,847
Rural Utilities Service.....	622	1,059	1,488
Salaries and Expenses.....	197	309	437
<b>FOOD, NUTRITION, AND CONSUMER SERVICES</b>			
Food and Nutrition Service.....	5,878	5,661	4,855
<b>FOOD SAFETY</b>			
Food Safety and Inspection Service.....	1,038	1,046	1,093
<b>NATURAL RESOURCES AND ENVIRONMENT</b>			
Forest Service.....	5,835	6,905	7,282
<b>MARKETING AND REGULATORY PROGRAMS</b>			
Agricultural Marketing Service.....	151	277	159
Animal and Plant Health Inspection Service.....	990	1,336	1,043
<b>RESEARCH, EDUCATION, AND ECONOMICS</b>			
Agricultural Research Service.....	1,188	1,479	1,836
Economic Research Service.....	82	98	64
National Agricultural Statistics Service.....	170	199	175
National Institute of Food and Agriculture.....	1,263	1,770	1,575
<b>DEPARTMENTAL ACTIVITIES</b>			
Office of the Secretary.....	505	572	72
Agriculture Buildings and Facilities.....	65	148	149
Executive Operations.....	181	205	379
Office of Inspector General.....	90	109	100
Working Capital Fund.....	-53	189	34
Subtotal, USDA	24,778	29,527	27,627
Offsetting Receipts, Rescissions & Other Adjustments.	-412	-418	-426
<b>Total, U.S. Department of Agriculture.....</b>	<b>24,366</b>	<b>29,109</b>	<b>27,201</b>

*Table APP-6. Outlays (millions of dollars)*

Mission Area / Agency	2019 Actual	2020 Estimate	2021 Budget
<b>FARM PRODUCTION AND CONSERVATION</b>			
Farm Service Agency.....	\$1,632	\$2,563	\$1,840
Commodity Credit Corporation.....	21,390	23,325	12,520
Risk Management Agency.....	11,994	8,204	10,243
Natural Resources Conservation Service.....	4,017	4,842	6,005
FPAC Business Center.....	177	246	313
<b>TRADE AND FOREIGN AGRICULTURAL AFFAIRS</b>			
Foreign Agricultural Service.....	100	512	307
P.L. 480.....	1,620	1,524	926
<b>RURAL DEVELOPMENT</b>			
Rural Business-Cooperative Service.....	-22	108	52
Rural Housing Service.....	1,745	3,089	1,515
Rural Utilities Service.....	4,006	2,065	1,952
Salaries and Expenses.....	198	309	437
<b>FOOD, NUTRITION, AND CONSUMER SERVICES</b>			
Food and Nutrition Service.....	92,586	93,989	94,934
<b>FOOD SAFETY</b>			
Food Safety and Inspection Service.....	1,052	1,061	1,109
<b>NATURAL RESOURCES AND ENVIRONMENT</b>			
Forest Service.....	6,443	7,586	7,980
<b>MARKETING AND REGULATORY PROGRAMS</b>			
Agricultural Marketing Service.....	434	583	475
Animal and Plant Health Inspection Service.....	1,303	1,749	1,426
Section 32 Funds.....	889	932	1050
<b>RESEARCH, EDUCATION, AND ECONOMICS</b>			
Agricultural Research Service.....	1,208	1,497	1,854
Economic Research Service.....	82	99	64
National Agricultural Statistics Service.....	170	199	175
National Institute of Food and Agriculture.....	1,404	1,955	1,789
<b>DEPARTMENTAL ACTIVITIES</b>			
Office of the Secretary.....	517	589	89
Agriculture Buildings and Facilities.....	65	148	149
Executive Operations.....	182	205	379
Office of Inspector General.....	90	109	100
Working Capital Fund.....	-53	189	34
Subtotal, USDA	153,229	157,677	147,717
Offsetting Receipts, Rescissions & Other Adjustments.	-3,105	-3,061	-1,501
<b>Total, U.S. Department of Agriculture.....</b>	<b>150,124</b>	<b>154,616</b>	<b>146,216</b>

Note: \* FSA and RD mandatory funding includes downward reestimates.



Table APP-7. Staff Years

Mission Area / Agency	2019 Actual	2020 Estimate	2021 Budget
<b>FARM AND FOREIGN AGRICULTURAL SERVICES</b>			
Farm Service Agency.....	2,891	2,950	2,950
Risk Management Agency.....	363	363	363
Natural Resources Conservation Service.....	8,744	8,743	8,629
FPAC Business Center.....	1,340	1,879	1,922
<b>Trade and Foreign Agricultural Affairs:</b>			
Foreign Agricultural Service.....	953	953	884
<b>RURAL DEVELOPMENT</b>			
Rural Development.....	4,313	4,600	4,600
<b>FOOD, NUTRITION, AND CONSUMER SERVICES</b>			
Food and Nutrition Service.....	1,399	1,557	1,557
<b>FOOD SAFETY</b>			
Food Safety and Inspection Service.....	8,622	9,263	9,190
<b>NATURAL RESOURCES AND ENVIRONMENT</b>			
Forest Service.....	30,870	30,850	30,372
<b>MARKETING AND REGULATORY PROGRAMS</b>			
Animal and Plant Health Inspection Service.....	7,367	8,151	8,111
Agricultural Marketing Service.....	3,213	3,693	3,693
<b>RESEARCH, EDUCATION, AND ECONOMICS</b>			
Agricultural Research Service.....	5,948	6,236	6,260
National Institute of Food and Agriculture.....	314	208	243
Economic Research Service.....	283	329	187
National Agricultural Statistics Service.....	874	945	937
<b>DEPARTMENTAL ACTIVITIES</b>			
Office of the Secretary and Assistant Secretaries.....	104	94	117
Office of Homeland Security and Emergency Coordination.....	53	48	48
Office of Partnerships and Public Engagement.....	49	52	52
Departmental Administration.....	298	367	381
Office of Communications.....	56	57	57
Agriculture Buildings and Facilities.....	81	81	63
Office of Security, Safety and Protection.....	0	0	59
Hazardous Materials Management.....	4	4	4
Office of the Chief Economist.....	61	62	62
Office of Hearings and Appeals.....	73	74	78
Office of Budget and Program Analysis.....	42	45	55
Office of Chief Information Officer.....	916	1,147	1,163
Office of Chief Financial Officer.....	1,296	1,427	1,422
Office of the General Counsel.....	232	270	265
Office of Ethics.....	21	21	21
Office of Information Affairs.....	0	0	4
Office of Civil Rights.....	121	128	128
Office of Inspector General.....	435	482	482
<b>Subtotal, USDA Federal Staffing.....</b>	<b>81,336</b>	<b>85,079</b>	<b>84,359</b>
FSA, Non-Federal Staffing.....	7,162	7,031	7,355
<b>TOTAL, U.S. DEPARTMENT OF AGRICULTURE STAFFING...</b>	<b>88,498</b>	<b>92,110</b>	<b>91,714</b>

*Table APP-8. User Fee Proposals (millions of dollars)*

Mission Area / Agency / Proposal	2021 BA	2021 Outlays
<b>Food Safety:</b>		
Food Safety and Inspection Service:		
Establish a user fee to cover all domestic inspection and import re-inspection and most of the central operations costs for Federal, State, and International inspection programs for meat, poultry, and egg products. The fee would not cover Federal functions such as investigation, enforcement, risk analysis, and emergency response. This user fee would be implemented in 2022. Total collections are estimated to be \$5.9 billion over 10 years. ....	0	0
FSIS proposes a change to the current Overtime/Holiday billing policy. Currently the plants are billed for services provided outside of their eight approved hours of inspection only when the inspector is also in an overtime status. This prevents FSIS from employing part-time employees or providing flexible schedules to employees while still collecting fees for services provided as requested by the plant .....	0	0

*Table APP-9. Budget-Related Proposals (millions of dollars)*

Mission Area / Agency / Proposal	2021 BA	2021 Outlays
<b>Farm Production and Conservation:</b>		
Farm Service Agency:		
Limit commodity and conservation assistance to those producers that have an Adjusted Gross Income (AGI) of \$500,000 or less. Total savings over 10 years are estimated to be about \$1.3 billion.....	-63	-63
Make Marketing Assistance Loan (MAL) gains subject to the \$125,000 payment limit and eliminate the use of Commodity Certificates. Total savings over 10 years are estimated to be \$114 million. ....	-34	-34
Remove the separate \$125,000 payment limit for peanuts. Total savings over 10 years are estimated to be \$524 million. ....	-44	-44
Make Marketing Assistance Loan (MAL) forfeitures subject to the \$125,000 payment limit. Total savings over 10 years are estimated to be \$10 million. ....	-1	-1
Limit all farms to one manager that can qualify as actively engaged. Total savings over 10 years are estimated to be \$700 million.....	-70	-70
Eliminate the Economic Adjustment Assistance Program (EEAP) for Upland Cotton Users. Total savings over 10 years are estimated to be \$430 million. ....	-43	-43
Eliminate the Livestock Forage Disaster Program (LFP). Total savings over 10 years are estimated to be about \$5 billion.....	-480	-480
Target enrollment in CRP to environmentally sensitive areas, limit the enrollment of whole farm fields (with the exception of grasslands) and eliminate all funding for signing and practice incentive payments (SIPs and PIPs), with the exception of the Conservation Reserve Enhancement Program. Total savings over 10 years are estimated to be \$706 million.	-58	-58
Limit CRP payments to 80 percent of the National Agricultural Statistics Service (NASS) county rental rates. Total savings over 10 years are estimated to be about \$584 million.....	0	0
Risk Management Agency:		
The Budget proposes to eliminate reimbursements to the private sector for the development of new crop insurance products. It also proposes to change the approval process for new products under 508(h) to be at the discretion of the Federal Crop Insurance Corporation Board, and not mandatory. Ten year savings estimated at \$120 million.....	-12	-12
Target crop insurance subsidies to producers that have an Adjusted Gross Income of \$500,000 or less. The savings over ten years is estimated to be \$652 million.....	0	0

Mission Area / Agency / Proposal	2021 BA	2021 Outlays
Reduce the premium subsidy for Harvest Price coverage by 15 percentage points, and reduce all other insurance policy subsidies by 10 percentage points other than catastrophic level of coverage (CAT). The savings over ten years is estimated to be \$21.4 billion.....	0	0
Reduce the cap on underwriting gains on Approved Insurance Providers (AIPs) to 12 percent of the return on retained premium. The savings over ten years is estimated to be \$2.8 billion.....	0	0
Address disaster payment and crop insurance duplication – Repeal General Provision 733 in FY 2015 Appropriations. The savings over ten years is estimated to be \$360 million.....	0	0
Address disaster payment and crop insurance duplication – FCIC removal of tree placement policies. The savings over ten years is estimated to be \$174 million.....	0	0
 Natural Resources Conservation Service		
Reduce Agricultural Conservation Easement Program by \$40M per year. The savings over 10 years is estimated to be \$306 million .....	-7	-7
Eliminate the Conservation Stewardship Program. The savings over 10 years is estimated to be \$7.6 billion.....	-150	-150
<hr/>		
<b>Trade and Foreign Agricultural Affairs:</b>		
Foreign Agricultural Service:		
Eliminate funding for the Food for Progress. Total savings over 10 years is \$1.7 billion .....	0	-166
Eliminate funding for the Pima Agriculture Cotton Trust Fund. Total savings over 10 years is \$48 million.....	0	-16
Eliminate funding for the Agricultural Wool Apparel Manufacturers Trust Fund. Total savings over 10 years is \$90 million.....	0	-30
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<b>Rural Development:</b>		
Rural Business-Cooperative Service:		
Eliminate the Rural Energy for America loan and grant program. Total savings over 10 years are estimated to be \$434 million .....	-50	-4
Eliminate the Interest Payment to the Rural Economic Development Program. Total savings over 2 years are estimated to be \$10 million....	0	0

**Food, Nutrition, and Consumer Services:**

## Food and Nutrition Service:

Convert part of SNAP allotments to USDA Harvest Box. Total savings over 10 years are estimated to be \$121.4 billion. ....	-11,416	-11,416
Work requirements for able-bodied adults ages 18 to 65 for 20 hours per week Total savings over 10 years are estimated to be \$36.6 billion.....	-3,197	-3,197
Eliminate the Low Income Home Energy Assistance Program (LIHEAP)/Heating Cooling Standard Utility Allowance (HCSUA) link, creating a single, consistent nationwide policy. Total savings over 10 years are estimated to be \$8.2 billion.....	-403	-403
Cap Federal State administrative expenses to States at the 50th percentile with inflation adjustments in future years. Total savings over 10 years are expected to be \$8.9 billion .....	0	0
Eliminate the minimum benefit. Total savings over 10 years are expected to be \$2.8 billion .....	-263	-263
Cap benefits at the 6-person maximum allotment. Total savings over 10 years are expected to be \$1.3 billion.....	-124	-124
Modify age limit definitions for certain SNAP populations. Total savings over 10 years are expected to be \$535 million .....	0	0
Eliminate SNAP nutrition education. Total savings over 10 years are expected to be \$4.9 billion .....	-448	-448
Increase claims retention rate to fund State integrity efforts. Total costs over 10 years are expected to be \$81 million .....	8	8
Authority to conduct SNAP data matching between recipients and store owners. Total savings over 10 years are expected to be \$38 million .....	-4	-4
Create a single national SNAP EBT gateway. Total costs over ten years are expected to be \$100 million.....	10	10
Eliminate funding for interoperability grants. Total savings over ten years are expected to be \$5 million.....	-0.5	-0.5
Improve integrity in the school meal verification process. Total savings over ten years are expected to be \$464 million. ....	0	0
Require individual schools to meet or exceed the identified student threshold to participate in CEP whether participating individually, in a group of schools, or districtwide. Total savings over ten years are expected to be \$1.2 billion.....	-20	-20
Consideration of potential interactions reduces savings by \$2.7 billion over ten years .....	490	490

Under the proposal to de-link Section 32 program funding from customs receipts, FNS would receive a direct appropriation for Child Nutrition Commodity Purchases. Total costs over ten years are expected to be \$4.9 billion .....	493	493
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**Natural Resources and Environment:**

Forest Service:

Reauthorize the Federal Lands Recreation Enhancement Act to enable the agency to continue to retain recreation fees for use in providing quality recreation facilities and supporting land management operations. Total savings over ten years are expected to be \$650 million.	-65	-65
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Reauthorize the Forest Botanical Products program to allow the agency to continue to charge and retain fees for the harvest of forest botanical products. Total savings over ten years are expected to be \$20 million. ...	-2	-2
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Mineral Extraction Permit fee with total savings over ten years expected to be \$600 million. ....	-60	-60
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**Marketing and Regulatory Programs:**

Agricultural Marketing Service:

Reform Section 32 activities by permanently delinking U.S. Customs receipts from the Section 32 program and directly appropriating funding to the Agricultural Marketing Service (AMS), the Food and Nutrition Service (FNS), and the Department of Commerce. Total savings is estimated to be \$5.1 billion over 10 years	-415	-415
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Reform of Farm-Bill Funded Market Development and Expansion Programs by requiring grant recipients to at least match the Federal investment. There are no total savings estimated as the Federal funding level for the programs will not change .....	0	0
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*Table APP-10. Administrative Action Collection (millions of dollars)*

<b>Mission Area / Agency / Proposal</b>	<b>2021 Collections</b>
<b>Marketing and Regulatory Programs:</b>	
Animal and Plant Health Inspection Service:	
In FY 2021, USDA will administratively implement fees to cover the Government’s full cost for providing services for activities related to the Animal Welfare Licensing for Animal Dealers, Regulatory Review of Genetically Engineered Organisms, and Veterinary Biologics Product Approval. The estimated fees would result in receipts of \$12 million, which includes \$5 million for animal welfare, \$2 million for Biotechnology Regulatory Services, and \$5 million for veterinary biologics. Total collections are estimated to be \$249 million over 10 years.....	12
Agricultural Marketing Service:	
In FY 2021, USDA will administratively implement fees to cover the Government’s full cost for providing services for activities related to select AMS programs. The estimated fees would result in receipts of \$41 million, which includes \$9 million for hemp production, \$12 million for Packers and Stockyards Program, \$10 million for the Federal Grain Inspection Service, and \$10 million for Administrative cost associated with Marketing Orders and Agreements. Total collections are estimated to be \$762 million over 10 years.....	41



**United States Department of Agriculture**