

Agriculture and Related Agencies: FY2021 Appropriations

July 1, 2020

SUMMARY

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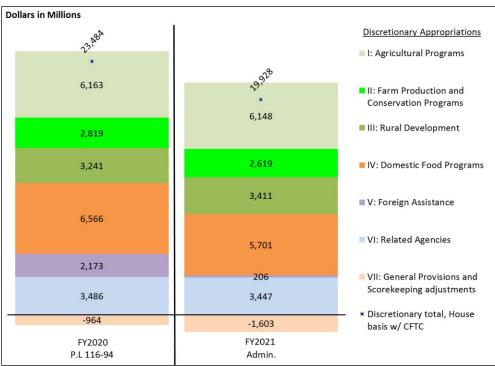
Agriculture and Related Agencies: FY2021 Appropriations

The Agriculture appropriations bill funds the U.S. Department of Agriculture (USDA) except for the U.S. Forest Service. It also funds the Food and Drug Administration (FDA) and—in even-numbered fiscal years—the Commodity Futures Trading Commission (CFTC).

Agriculture appropriations include both mandatory and discretionary spending. Discretionary amounts, though, are the primary focus during the bill's development. The largest discretionary spending items are the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC); agricultural research; rural development; FDA; foreign food assistance and trade; farm assistance loans and salaries; food safety inspection; animal and plant health programs; and technical assistance for conservation programs.

For FY2021, the Trump Administration requests \$19.9 billion for discretionary-funded accounts within the jurisdiction of Agriculture appropriations subcommittees. The request would be a reduction of \$3.6 billion from FY2020 (-15%). The primary changes in the Administration's request includes reductions to foreign food assistance (-\$1.97 billion); domestic nutrition assistance (-\$1.06 billion); and agricultural research, rural development, regulatory, and farm production and conservation agencies (-\$530 million). The overall nondefense spending cap for FY2021 that Congress may use to develop the FY2021 appropriations is about 1% higher than in FY2020.

Separate from the regular FY2020 annual appropriation, Congress passed four supplemental appropriations acts in response to the COVID-19 pandemic, all designated as emergency spending. These acts provide \$53 billion during FY2020 to programs in the jurisdiction of the Agriculture appropriations subcommittees. Of this, \$36 billion are specified supplemental amounts, \$3 billion is from an indefinite authorization, and \$14 billion is reimbursement for past obligations that is comparable to the annual appropriation.



Discretionary Agriculture Appropriations, by Title, FY2020-FY2021

Source: CRS, using P.L. 116-94, House Cmte. Print 38-679, unpublished CBO tables, OMB FY2021 Budget of the U.S. Government, Appendix, and USDA FY2020 Budget Explanatory Notes.

Note: Admin. = Trump Administration Budget Request. CFTC = Commodity Futures Trading Commission. For comparability, includes CFTC in Related Agencies in all columns regardless of jurisdiction.

Contents

Status of F § 2021 Agriculture Appropriations	1
Scope of Agriculture Appropriations	4
Recent Trends in Agriculture Appropriations	7
Action on FY2021 Appropriations	8
Administration's Budget Request	
Budget Caps, Subcommittee Allocations, and Sequestration	
Budget Resolution	
Budget Caps	
House Action	
Senate Action	
Other Appropriations Issues	
Policy-Related Provisions	
COVID-19 Supplemental Appropriations in FY2020	
Budget Sequestration Continues on Mandatory Spending	
Figures	
Figure 1. Timeline of Action on Agriculture Appropriations, FY2011-FY2021	2
Figure 2. Scope of Agriculture and Related Agencies Appropriations	
Figure 3. Discretionary Agriculture Appropriations, by Title, FY2011-FY2021	
Figure 4. BCA Discretionary Limits, FY2014-FY2021	
rigure 1. Derrollseredonary Emines, r 1201+1 12021	10
Tables	
Table 1. Status of FY2021 Agriculture Appropriations	1
Table 2. Agriculture and Related Agencies Appropriations, by Title, FY2020-FY2021	
Table 3. Agriculture and Related Agencies Appropriations, by Agency, FY2019-FY2021	
	26
Table A-1. USDA Departmental Administration Appropriations	
Table B-1. General Provisions: Changes in Mandatory Program Spending (CHIMPS)	
Table B-2. General Provisions: Rescissions from Discretionary Accounts	
Table B-3. General Provisions: Other Appropriations	
Table B-4. General Provisions: Scorekeeping Adjustments	
Table C-1. Summary of Sequestration on Agriculture Accounts	
Table D-1. Congressional Action on Agriculture Appropriations Since FY1996	30
Appendixes	
Appendix A. Appropriations in Administrative Accounts	20

Appendix B. Appropriations in General Provisions	22
Appendix C. Budget Sequestration	27
Appendix D. Action on Agriculture Appropriations, FY1996-FY2021	30
Contacts	
Author Information	31

Status of FY2021 Agriculture Appropriations

On February 10, 2020, the Trump Administration released its FY2021 budget request to Congress (**Table 1**). As of June 29, 2020, neither the House nor the Senate has yet marked up an FY2021 Agriculture appropriations bill. See **Figure 1** for a comparison of timelines and **Appendix D** for more details.

Table 1. Status of FY2021 Agriculture Appropriations

	н	louse Actio	n	S	enate Actio	n	_
Administration Request	Subcmte.	Cmte.	Floor	Subcmte.	Cmte.	Floor	Final Appropriation
2/10/2020 OMB Budget Appendix USDA FDA CFTC FCA	_	_	_	_	_	_	_

Source: CRS, compiled from Congress.gov, OMB, and agency websites.

Note: OMB = Office of Management and Budget, USDA = U.S. Department of Agriculture, FDA = Food and Drug Administration, CFTC = Commodity Futures Trading Commission, and FCA = Farm Credit Administration.

For accounts in the jurisdiction of the Agriculture appropriations bill, the Administration's budget requests \$19.9 billion in discretionary spending, a \$3.6 billion reduction from FY2020 (-15%, **Table 2**). This is based on the jurisdiction of the House Agriculture subcommittee, including the Commodity Futures Trading Commission (CFTC).¹

The primary changes in the Administration's FY2021 request compared to FY2020 include reductions to foreign assistance (-\$1.97 billion) and domestic nutrition assistance (-\$1.06 billion) and reductions to agricultural research, rural development, regulatory, and farm production and conservation agencies (-\$530 million).

As Congress develops appropriations bills, the overall nondefense spending cap for FY2021 that was set in the Bipartisan Budget Act of 2019 (P.L. 116-37) is about 1% higher than in FY2020.

¹ Jurisdiction for CFTC appropriations differs between the chambers. Since FY2008, CFTC is marked up in the Agriculture Subcommittee of the House Appropriations Committee and in the Financial Services and General Government Subcommittee of the Senate Appropriations Committee. The enacted CFTC appropriation is carried in the Agriculture bill in even-numbered fiscal years and in the Financial Services bill in odd-numbered fiscal years.

Table 2. Agriculture and Related Agencies Appropriations, by Title, FY2020-FY2021

Budget authority in millions of dollars

	FY2	.020		FY20	21		Change
Title of Agriculture Appropriations Act	P.L. 116-94	COVID-19 Actsa	Admin. request ^b	House	Senate	Enacted	FY2020 to Admin.
I. Agricultural Programs: Discretionary	6,163.1	133.8	6,148.0	_	_	_	-15.1
Mandatory	1,404.0	_	1,431.0	_	_	_	+27.0
Subtotal	7,567.1	_	7,579.0	_	_	_	+11.9
II. Farm Production and Conservation Programs	2,819.0	3.0	2,618.7	_	_	_	-200.2
Mandatory	36,268.5	14,000.0	34,269.6	_	_	_	-1,998.9
Subtotal	39,087.5	14,003.0	36,888.3	_	_	_	-2,199.2
III. Rural Development	3,240.6c	45.5	3,410.5	_	_	_	+169.9
IV. Domestic Food Programs: Discretionary	6,566.0	1,350.0	5,700.7	_	_	_	-865.3
Mandatory	91,436.3	24,710.0	93,309.8	_	_	_	+1,873.5
Subtotal	98,002.3	26,060.0	99,010.5	_	_	_	+1,008.2
V. Foreign Assistance	2,172.7	4.0	205.9	_	_	_	-1,966.8
VI. Food and Drug Administration	3,171.5c	163.0	3,220.4	_	_	_	+48.9
Commodity Futures Trading Commission	315.0	_	226.5	_	_	_	-88.5
VII. General Provisions:							
CHIMPS and rescissions ^d	-1,006.1	_	-1,200.0	_	_	_	-193.9
Emergency appropriations	535.0	_	0.0	_	_	_	-535.0
Other appropriations	440.3	12,600.0	0.0	_	_	_	-440.3
Scorekeeping adjustmentse	-398.0	_	-403.0	_	_	_	-5.0
Emergency designation in this bill	-535.0	a	0.0	_	_	_	+535.0
Discretionary: Senate basis w/o CFTC	[23,169.1]	14,299.3	19,701.3	_	_	_	-3,467.9
Discretionary: House basis w/ CFTC	23,484.1	14,299.3	19,927.8	_	_	_	-3,556.4
Mandatory	129,108.8	38,710.0	129,010.4	_	_	_	-98.4
Total: Senate basis w/o CFTC	152,278.0	53,009.3	148,711.7	_	_	_	-3,566.3
Total: House basis w/ CFTC	152,593.0	53,009.3	148,938.2	_	_	_	-3,654.8

Source: CRS, using appropriations text and reports; unpublished CBO tables; OMB FY2021 Budget of the U.S. Government, Appendix; and USDA FY2020 Budget Explanatory Notes.

Notes: Amounts are nominal discretionary budget authority unless labeled otherwise. Bracketed amounts are not in the official totals due to differing House-Senate jurisdiction for CFTC but are shown for comparison.

- a. Total from four coronavirus supplemental appropriations acts (P.L. 116-123, P.L. 116-127, P.L. 116-136, P.L. 116-139), all of which was emergency spending. Although amounts were not designated mandatory, they are grouped here for comparison to accounts in the annual appropriations. See detail in **Table 3**.
- b. The request is based on current law and does not reflect the Administration's various legislative proposals.
- c. Excludes amounts that are provided separately in General Provisions (see Table B-3).
- d. Changes in Mandatory Program Spending (CHIMPS) revise mandatory programs via appropriations (**Table B-1**). Rescissions are permanent cancellations of previous authorizations (see **Table B-2**).
- e. "Scorekeeping adjustments" are part of the official accounting for budget enforcement (Table B-4).

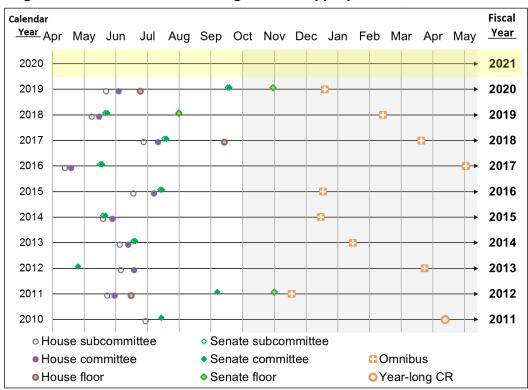


Figure 1. Timeline of Action on Agriculture Appropriations, FY2011-FY2021

Source: CRS. For specific dates and links to bills, see Appendix D.

Notes: Blue shading shows the beginning of each fiscal year. Yellow shading is the current appropriations cycle.

Other CRS Resources for Agricultural Appropriations

Agencies and selected programs. See also amounts in Table 3.

- CRS Report R46255, International Food Assistance: FY2020 Appropriations
- CRS Report R46011, FY2020 Appropriations for Agricultural Conservation
- CRS Insight IN11168, The CCC Anomaly in an FY2020 Continuing Resolution
- CRS In Focus IF11245, FY2019 Supplemental Appropriations for Agriculture
- CRS Report R45743, USDA Domestic Food Assistance Programs: FY2019 Appropriations
- CRS Report R44576, The Food and Drug Administration (FDA) Budget: Fact Sheet
- CRS Report R45413, FY2018 and FY2019 Agriculture Appropriations: Federal Food Safety Activities
- CRS In Focus IF10953, Agriculture Appropriations: Animal and Plant Health

COVID-19 supplemental appropriations.

- CRS In Focus IF11491, Supplemental Appropriations for Agriculture and Related Agencies Due to COVID-19
- CRS Report R46395, USDA's Coronavirus Food Assistance Program (CFAP) Direct Payments
- CRS Report R46347, COVID-19, U.S. Agriculture, and USDA's Coronavirus Food Assistance Program (CFAP)
- CRS Report R46348, COVID-19: Supply Chain Disruptions in the U.S. Fruit and Vegetable Industry: In Brief
- CRS Insight IN11366, COVID-19 Disrupts U.S. Meat Supply; Producer Prices Tumble
- CRS Insight IN11250, USDA Domestic Food Assistance Programs' Response to COVID-19: P.L. 116-127, P.L. 116-136, and Related Efforts
- CRS In Focus IF11575, COVID-19 and Global Food Security: Issues for Congress
- CRS Insight IN11415, COVID-19 and USDA Farm Loan Flexibilities
- CRS Insight IN11391, USDA Rural Development and COVID-19: Supplemental Funding and Agency Actions

Scope of Agriculture Appropriations

The Agriculture appropriations bill—formally known as the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act—funds all of the U.S. Department of Agriculture (USDA), excluding the U.S. Forest Service.² It also funds the Food and Drug Administration (FDA) in the Department of Health and Human Services (HHS) and, in even-numbered fiscal years, CFTC.

Jurisdiction is with the House and Senate Committees on Appropriations and their Subcommittees on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies. The bill includes mandatory and discretionary spending, but the discretionary amounts are the primary focus (**Figure 2**). Some programs are not in the authorizing jurisdiction of the House or Senate Agriculture Committees, such as FDA; Special Supplemental Nutrition Program for Women, Infants, and Children (WIC); or child nutrition (checkered regions in **Figure 2**).

The federal budget process treats discretionary and mandatory spending differently:³

• **Discretionary spending** is controlled by annual appropriations acts and receives most of the attention during the appropriations process. The annual budget resolution⁴ process sets spending limits for discretionary appropriations. Agency operations (salaries and expenses) and many grant programs are discretionary.

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² Although the Forest Service is part of USDA, its appropriations jurisdiction is in the Interior Appropriations Act.

³ See CRS In Focus IF11032, *Budgetary Decisionmaking in Congress*; and CRS Report R44582, *Overview of Funding Mechanisms in the Federal Budget Process, and Selected Examples*.

⁴ See CRS Report R42388, *The Congressional Appropriations Process: An Introduction*.

• **Mandatory spending**⁵ is carried in the appropriation and usually advanced unchanged, since it is controlled by budget rules during the authorization process. Spending for so-called entitlement programs is determined in laws such as the 2018 farm bill⁷ and 2010 child nutrition reauthorization. S

In the FY2020 appropriation (P.L. 116-94), the discretionary amount is 15% (\$23 billion) of the \$153 billion total. Mandatory spending carried in the act comprised \$129 billion, about 85% of the total, of which about \$106 billion is attributable to programs in the 2018 farm bill.

Within the discretionary total, the largest spending items are WIC, agricultural research, rural development, FDA, foreign food aid and trade, farm assistance loans and salaries, food safety inspection, animal and plant health programs, and technical assistance for conservation program.

The main mandatory spending items are the Supplemental Nutrition Assistance Program (SNAP) and other food and nutrition act programs, child nutrition (school lunch and related programs), crop insurance, and farm commodity and conservation programs that are funded through USDA's Commodity Credit Corporation (CCC). SNAP is referred to as an "appropriated entitlement" and requires an annual appropriation. Amounts for the nutrition program are based on projected spending needs. In contrast, the CCC appropriations reimburse spending from a line of credit. 10

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⁵ Mandatory spending creates funding stability and consistency compared to annual discretionary appropriations. In agriculture, it originated with farm commodity programs that had uncertain outlays due to weather and markets.

⁶ See CRS Report 98-560, Baselines and Scorekeeping in the Federal Budget Process.

⁷ P.L. 115-334 (Agricultural Act of 2018). See CRS Report R45425, *Budget Issues That Shaped the 2018 Farm Bill*.

⁸ P.L. 111-296 (Healthy, Hunger-Free Kids Act of 2010). See CRS In Focus IF10266, *Child Nutrition Reauthorization (CNR): An Overview*.

⁹ See CRS Report RS20129, Entitlements and Appropriated Entitlements in the Federal Budget Process.

¹⁰ See CRS Report R44606, The Commodity Credit Corporation: In Brief.

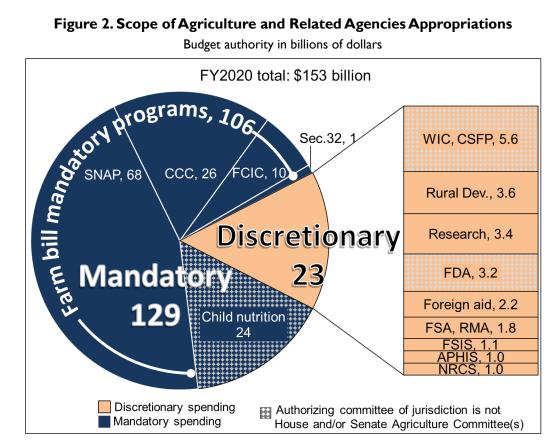


Figure 2. Scope of Agriculture and Related Agencies Appropriations

Source: CRS.

Notes: SNAP = Supplemental Nutrition Assistance Program; CCC = Commodity Credit Corporation; FCIC = Federal Crop Insurance Corporation; Section 32 = Funds for Strengthening Markets, Income and Supply; WIC = Special Supplemental Nutrition Program for Women, Infants, and Children; CSFP = Commodity Supplemental Food Program; FDA = Food and Drug Administration; FSA = Farm Service Agency, incl. Farm Production and Conservation Business Center; RMA = Risk Management Agency; FSIS = Food Safety and Inspection Service; APHIS = Animal and Plant Health Inspection Service; NRCS = Natural Resources Conservation Service. Does not show agencies under \$0.5 billion. Spending in the General Provisions are presented with the agencies.

Key Budget Terms

Budget authority is the main purpose of an appropriations act or a law authorizing mandatory spending. It provides the legal basis from which to obligate funds. It expires at the end of a period, usually after one year unless specified otherwise (e.g., two years or indefinite). Most funding amounts in this report are budget authority.

Obligations are contractual agreements between a government agency and its clients or employees. These occur when an agency agrees to spend money from its budget authority. The Antideficiency Act prohibits agencies from obligating more budget authority than is provided in law, such as during a government shutdown.

Outlays are the payments (cash disbursements) that satisfy a valid obligation. Timing of outlays may differ from budget authority or obligations because payments from an agency may not occur until services are fulfilled, goods are delivered, or construction is completed, even though an obligation occurred.

Program level represents the sum of the activities undertaken by an agency. A program level may be higher than a budget authority if the program (I) receives user fees, (2) includes loans that are leveraged by an expectation of repayment (loan authority may exceed budget authority), or (3) receives transfers from other agencies.

Rescissions are actions that reduce budget authority after enactment. They generally score budgetary savings. CHIMPS (Changes in Mandatory Program Spending) are adjustments via an appropriations act that can change available funding for mandatory programs. CHIMPS usually change spending for one year and may score either as an increase or decrease to outlays. They do not change the underlying authority of the program in law.

For more background, see CRS Report 98-721, Introduction to the Federal Budget Process.

Recent Trends in Agriculture Appropriations

Discretionary Agriculture appropriations reached a 10-year low in FY2013 after decreasing from a high in FY2010. Since FY2013, they have gradually increased 19% over seven years. Changes within titles have generally been proportionate to changes in the overall bill, though some areas have sustained relative increases, such as FDA (related agencies) and rural development.

The stacked bars in **Figure 3** represent the discretionary authorization for each appropriations title. The total of the positive stacked bars is the budget authority in Titles I-VI. In FY2018, USDA reorganization affected the placement of some programs between Titles I and II of the bill (most noticeably the Farm Service Agency). In most years, the cumulative appropriation for the agencies is higher than the official discretionary total in the spending allocation (the blue line) because of the budgetary offset from negative amounts in Title VII (general provisions) and other negative scorekeeping adjustments. These negative offsets are mostly due to rescissions of prioryear unobligated funds and, before FY2018, limits placed on mandatory programs.

Historical trends may be tempered by inflation adjustments, as shown in the dotted line. In FY2020 the inflation-adjusted total is 0.2% less than it was in FY2011 and 2.8% less than it was in FY2018.

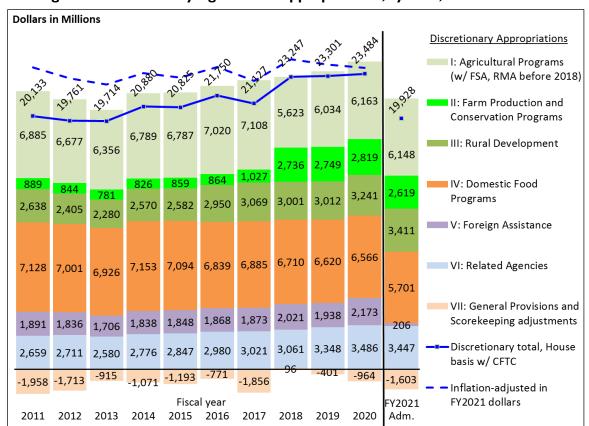


Figure 3. Discretionary Agriculture Appropriations, by Title, FY2011-FY2021

Source: CRS.

Note: For FY2021, Adm. is the Trump Administration's request. For comparability, includes CFTC in Related Agencies in all columns regardless of jurisdiction. The inflation-adjusted line was calculated using the gross domestic product price deflator. Amounts printed diagonally indicate the solid line, which is the subcommittee allocation.

Action on FY2021 Appropriations

Administration's Budget Request

The Trump Administration released its FY2021 budget proposal to Congress on February 10, 2020.¹¹ USDA concurrently released its more detailed budget summary and justification, ¹² as did the FDA, ¹³ the CFTC, ¹⁴ and the Farm Credit Administration. ¹⁵ The Administration also highlighted separately some of its proposed reductions and eliminations. ¹⁶

For accounts in the jurisdiction of the Agriculture appropriations bill, the Administration's budget requests \$19.9 billion, a \$3.6 billion reduction from FY2020 (-15%; **Table 3**, **Figure 3**). This is compiled based on the jurisdiction of the House Agriculture subcommittee, including the CFTC.

The primary changes in the Administration's request compared to what Congress enacted in FY2020 include reductions to the following:

- Foreign assistance (-\$1.97 billion, -90%), mostly by eliminating funding for Food for Peace Title II grants (-\$1.73 billion) and the McGovern-Dole International Food for Education (-\$220 million).¹⁸
- **Domestic nutrition assistance programs (-\$1.06 billion)**, mostly from reductions to the WIC program (-\$549 million, -9%) and the commodity assistance program (-\$264 million, -77%). In addition, the Administration proposes rescinding more from unspent WIC balances than was done by the enacted FY2020 General Provisions (-\$200 million), which contributes to the overall budget effect of the request.
- Farm Production and Conservation mission area (-\$200 million, -7%), mostly from defunding watershed programs that are typically not requested by the Administration.
- Agricultural research agencies (-\$151 million net, -4%), including from the Agricultural Research Service (ARS) facilities (-\$143 million, -74%); ARS salaries and expenses (-\$46 million, -3%); the Economic Research Service (-\$23 million, -27%); and formula research grants (-\$53 million). The request would increase competitive research (+\$175 million) and create funding for the Office of Chief Scientist (+\$6 million).¹⁹
- **Rural development (-\$130 million)**, from reductions to rural business development programs (-\$95 million, -90%); rural housing programs (-\$92

¹¹ OMB, FY2021 Budget of the U.S. Government, Appendix.

¹² USDA, FY2021 USDA Budget Summary; and USDA, FY2021 Budget Explanatory Notes for Committee on Appropriations.

¹³ FDA, FY2021 Justification of Estimates for Appropriations Committees.

¹⁴ CFTC, FY2021 President's Budget Request.

¹⁵ Farm Credit Administration, FY2021 Proposed Budget and Performance Plan.

¹⁶ OMB, FY2021 Budget of the U.S. Government, Major Savings and Reforms.

¹⁷ This represents the Administration's request based on current law and does not reflect the Administration's various legislative proposals that would change mandatory programs and any related changes to appropriations.

¹⁸ A similar reduction is discussed in CRS Report R46255, International Food Assistance: FY2020 Appropriations.

¹⁹ CRS Report R46341, Federal Research and Development (R&D) Funding: FY2021.

million, -5%); rural water and the regular rural broadband and distance learning/telemedicine accounts (-\$58 million, -8%); and a net reduction to the rural broadband E-Connect program (-\$50 million net,²⁰ -17%). The Administration would increase rural development salaries and expenses (+\$64 million net) and create a new Higher Blends Infrastructure Initiative (+\$100 million).

- **Regulatory agencies (-\$50 million)**, mostly by reducing the Agricultural Marketing Service (-\$40 million, -21%) and the Animal and Plant Health Inspection Service (-\$10 million, -1%).
- Commodity Futures Trading Commission (-\$89 million, -28%, to be replaced by new user fees).
- Eliminating other appropriations that were in General Provisions (-\$140 million).

These reductions are offset by increases to the following:

- USDA administration (+\$142 million, +30%), mostly by increasing the Office of Chief Information Officer (+\$76 million, +155%); buildings and facilities (+\$25 million, +19%); the Office of Budget and Program Analysis (+\$11 million, +117%); and Departmental Administration (+\$6 million, +27%). The request would create an Office of Safety, Security and Protection (+\$25 million) and an Office of Information Affairs (+\$2.5 million). It would reduce the Office of Public Partnership and Engagement (-\$4 million, -68%).
- Food Safety Inspection Service (+\$38 million, +4%).
- Food and Drug Administration (+49 million, +2%).

Budget Caps, Subcommittee Allocations, and Sequestration

Budget enforcement has procedural and statutory elements. The procedural elements relate to a budget resolution and are enforced with points of order. The statutory elements impose discretionary spending limits and are enforced with budget caps and sequestration.²¹

Budget Resolution

Typically, each chamber's Appropriations Committee receives a top-line limit on discretionary budget authority, referred to as a "302(a)" allocation, from the Budget Committee via an annual budget resolution. The Appropriations Committees then in turn subdivide the allocation among their subcommittees, referred to as the "302(b)" allocations.²²

For FY2021, the House and Senate Budget Committees have not reported a budget resolution.

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²⁰ The FY2021 budget request would move funding for the rural broadband E-Connect program into the regular Rural Utilities Service program account (+\$250 million) while eliminating funding that was in the General Provisions title of the FY2020 appropriation (-\$300 million). This is separate from the supplemental \$100 million for E-Connect that was in the CARES Act coronavirus appropriation.

²¹ CRS Report R42388, The Congressional Appropriations Process: An Introduction.

²² References to 302(a) and 302(b) are to sections of the Congressional Budget Act of 1974.

Budget Caps

The Budget Control Act of 2011 (BCA, P.L. 112-25) set discretionary budget caps from FY2013 through FY2021 as a way of reducing federal spending.²³ Sequestration is an across-the-board backstop to achieve budget reductions if spending exceeds the budget caps (2 U.S.C. §901(c)).²⁴

Subsequent Bipartisan Budget Acts (BBAs) have avoided sequestration on discretionary spending—with the exception of FY2013—by raising those caps four times in two-year increments in 2013, 2015, 2018, and 2019 (**Figure 4**).²⁵

Most recently, the BBA of 2019 (P.L. 116-37) raised the cap applicable to FY2021 nondefense discretionary spending to \$627 billion. Agriculture appropriations are part of the nondefense spending category. The BBA provides language to execute (or "deem") the caps for the appropriations process without a budget resolution.²⁶

The \$627 billion nondefense budget cap for FY2021 is about 1% greater than the cap that was used to write the FY2020 appropriations. This cap is to be shared among many appropriations subcommittees when spending allocations are made.

Discretionary Spending Allocations

In the absence of a budget resolution and without committee meetings during the coronavirus pandemic, subcommittee allocations have not been announced in either chamber.

Defense Non Defense Change \$800 \$700 \$600 \$500 \$400 \$300 \$200 \$100 \$0 FY14 FY15 FY16 FY17 FY18 FY19 FY20 FY21

Figure 4. BCA Discretionary Limits, FY2014-FY2021

Budget authority in billions of nominal dollars

Source: CRS Insight IN11148, The Bipartisan Budget Act of 2019: Changes to the BCA and Debt Limit.

²³ CRS Report R44874, The Budget Control Act: Frequently Asked Questions.

²⁴ CRS Report R42972, Sequestration as a Budget Enforcement Process: Frequently Asked Questions.

²⁵ CRS Insight IN11090, Increasing the BCA Spending Limits: Characteristics of Previously Enacted Legislation.

²⁶ CRS Insight IN11148, The Bipartisan Budget Act of 2019: Changes to the BCA and Debt Limit.

House Action

The House Agriculture Appropriations Subcommittee held hearings in February and March 2020 on the request for USDA overall, the FDA and FCA budget requests, and the USDA and HHS Offices of Inspector General.²⁷ Neither the Agriculture subcommittee nor the Appropriations Committee has marked up a FY2021 Agriculture appropriations bill.

Senate Action

The Senate Agriculture Appropriations Subcommittee held a hearing on the USDA budget request in March 2020.²⁸ Neither the Agriculture subcommittee nor the Appropriations Committee has marked up a FY2021 Agriculture appropriations bill.

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²⁷ House Agriculture Appropriations Subcommittee, hearing videos at https://appropriations.house.gov/subcommittees/agriculture-rural-development-food-and-drug-administration-and-related-agencies-116th/congress_hearing.

 $^{{}^{28}\} Senate\ Agriculture\ Appropriations\ Subcommittee,\ hearing\ videos\ at\ https://www.appropriations.senate.gov/subcommittees/agriculture-rural-development-food-and-drug-administration-and-related-agencies.}$

Table 3. Agriculture and Related Agencies Appropriations, by Agency, FY2019-FY2021

Budget authority in millions of dollars

	FY2019	FY2	020	_	FY2	021	_	Change: F	Y2020 to
Agency or major program	P.L. 116-6	P.L. 116- 94	COVID- 19 Acts ^a	Admin. request ^b	House	Senate	Enacted	Admin. request	House
Title I. Agricultural Programs									
Departmental Administration (Table A-I)	390.4	472.8	0.8	614.7	_	_	_	+141.9	_
Research, Education and Economics									
Agricultural Research Service	1,684.5	1,607.1	_	1,418.0	_	_	_	-189.1	_
National Institute of Food and Agriculture	1,471.3	1,527.4	_	1,590.8	_	_	_	+63.4	_
National Agricultural Statistics Service	174.5	180.3	_	177.5	_	_	_	-2.8	_
Economic Research Service	86.8	84.8	_	62.1	_	_	_	-22.6	_
Under Secretary	0.8	0.8	_	6.8	_	_	_	+6.0	_
Marketing and Regulatory Programs									
Animal and Plant Health Inspection Service	1,014.3	1,045.9	55.0	1,035.6	_	_	_	-10.3	_
Agricultural Marketing Service	160.3	188.2	45.0	148.4	_	_	_	-39.7	_
Section 32 (M)	1,374.0	1,404.0	_	1,431.0	_	_	_	+27.0	_
Under Secretary	0.9	0.8	_	0.9	_	_	_	+0.1	_
Food Safety									
Food Safety and Inspection Service	1,049.3	1,054.3	33.0	1,092.4	_	_	_	+38.1	_
Under Secretary	0.8	0.8	_	0.8	_	_	_	+0.0	_
Subtotal, Title I									
Discretionary	6,033.9	6,163.1	133.8	6,148.0	_	_	_	-15.1	_
Mandatory (M)	1,374.0	1,404.0	_	1,431.0	_	_	_	+27.0	_
Subtotal	7,407.9	7,567.1	_	7,579.0	_	_	_	+11.9	_

	FY2019	FY2	.020	-	FY2	021		Change: FY2020 to		
Agency or major program	P.L. 116-6	P.L. 116- 94	COVID- 19 Acts ^a	Admin. request ^b	House	Senate	Enacted	Admin. request	House	
Title II. Farm Production and Conservation										
Business Center	216.4	203.9	_	243.6	_	_	_	+39.7	_	
Farm Service Agency ^c	1,494.2	1,541.7	3.0	1,484.9	_	_	_	-56.8	_	
FSA Farm Loans: Loan Authorityd	7,987.7	8,431.0	_	8,916.8	_	_	_	+485.8	_	
Risk Management Agency	58.4	58.4	_	59.4	_	_	_	+1.1	_	
Federal Crop Insurance Corporation (M)	15,410.6	9,959.0	_	8,716.0	_	_	_	-1,243.0	_	
Commodity Credit Corporation (M)	15,410.0	26,309.0	14,000.0e	25,553.1	_	_	_	-755.9	_	
Conservation Operations	819.5	829.6	_	830.2	_	_	_	+0.6	_	
Watershed and Flood Prevention	150.0	175.0	_	0.0	_	_	_	-175.0	_	
Watershed Rehabilitation Program	10.0	10.0	_	0.0	_	_	_	-10.0	_	
Under Secretary	0.9	0.9	_	1.1	_	_	_	+0.2	_	
Subtotal, Title II										
Discretionary	2,748.8	2,819.0	3.0	2,618.7	_	_	_	-200.2	_	
Mandatory (M)	30,821.1	36,268.5	14,000.0	34,269.6	_	_	_	-1,998.9	_	
Subtotal	33,569.9	39,087.5	14,003.0	36,888.3	_	_	_	-2,199.2		
Title III. Rural Development										
Salaries and Expenses (including transfers) ^f	686.8	697.8	_	761.5	_	_	_	+63.6		
Rural Housing Service	1,606.0	1,686.7	_	1,595.0	_	_	_	-91.7		
RHS Loan Authority ^d	28,293.8	28,646.0	_	27,260.0	_	_	_	-1,386.0	_	
Rural Business-Cooperative Service	98.6	105.0	20.5	110.4	_	_	_	+5.4	_	
RBCS Loan Authority ^d	1,026.4	1,088.9	1,000.0	1,500.0	_	_	_	+411.1	_	
Rural Utilities Service	620.2g	750.3g	25.0	942.6 ^h	_	_	_	+192.3	_	
RUS Loan Authorityd	8,419.9	8,401.2	_	7,518.0	_	_	_	-883.2	_	

	FY2019	FY2	020		FY2	021		Change: F	Y2020 to
Agency or major program	P.L. 116-6	P.L. 116- 94	COVID- 19 Acts ^a	Admin. request ^b	House	Senate	Enacted	Admin. request	House
Under Secretary ⁱ	i	0.8	_	1.0	_	_	_	+0.2	_
Subtotal, Title III	3,011.7g	3,240.6 g	45.5g	3,410.5	_	_	_	+169.9	_
Subtotal, RD Loan Authority ^d	37,740.0	38,136.1	1,000.0	36,278.0	_	_	_	-1,858.1	_
Title IV. Domestic Food Programs									
Child Nutrition Programs (M)	23,140.8	23,615.1	8,800.0	25,040.9	_	_	_	+1,425.8	_
WIC Program	6,075.0	6,000.0	500.0	5,451.5	_	_	_	-548.5	_
SNAP, Food and Nutrition Act Programs (M)	73,476.9	67,886.3	15,910.0	68,281.4	_	_	_	+395.1	_
Commodity Assistance Programs	322.1	344.2	850.0	80.7	_	_	_	-263.5	_
Nutrition Programs Administration	164.7	155.9	_	155.3	_	_	_	-0.6	_
Under Secretary	0.8	0.8	_	0.8	_	_	_	+0.0	_
Subtotal, Title IV									
Discretionary	6,620.3	6,566.0	1,350.0	5,700.7	_	_	_	-865.3	_
Mandatory (M)	96,560.0	91,436.3	24,710.0	93,309.8	_	_	_	+1,873.5	_
Subtotal	103,180.3	98,002.3	26,060.0	99,010.5	_	_	_	+1,008.2	_
Title V. Foreign Assistance									
Foreign Agricultural Service	213.9	215.5	4.0	193.7	_	_	_	-21.8	_
Food for Peace Title II, and admin. expenses	1,500.18	1,725.1	_	0.1	_	_	_	-1,725.0	_
McGovern-Dole Food for Education	210.3	220.0	_	0.0	_	_	_	-220.0	_
CCC Export Loan Salaries	8.8	6.4	_	6.4	_	_	_	+0.0	_
Office of Codex Alimentarius	4.0	4.8	_	4.8	_	_	_	+0.0	_
Under Secretary	0.9	0.9	_	0.9	_	_	_	+0.0	_
Subtotal, Title V	1,938.0	2,172.7	4.0	205.9	_	_	_	-1,966.8	_

	FY2019	FY2	020		FY2	021		Change: F	/2020 to
Agency or major program	P.L. 116-6	P.L. 116- 94	COVID- 19 Acts ^a	Admin. request ^b	House	Senate	Enacted	Admin. request	House
Title VI. Related Agencies									
Food and Drug Administration	3,080.5	3,171.5	163.0	3,220.4	_	_	_	+48.9	_
Commodity Futures Trading Commission ^k	[268.0]	315.0	_	226.5	_	_	_	-88.5	_
Subtotal, Title VI	[3,348.5]	3,486.5	163.0	3,446.9	_	_	_	-39.6	_
Title VII. General Provisions									
Changes in Mandatory Programs, CHIMPS									
a. Conservation programs	[-60.2] ^m	-60.2	_	-60.2	_	_	_	+0.0	_
b. Nutrition programs	+5.0	+9.0	_	_	_	_	_	-9.0	_
c. Farm Production & Conservation Bus. Ctr.	[+60.2] ^m	+60.2	_	+60.2	_	_	_	+0.0	_
d. Other CHIMPS and mandatory rescissions	+10.0	_	_	_	_	_	_	_	_
Subtotal, CHIMPS (Table B-I)	+15.0	+9.0	_	+0.0	_	_	_	-9.0	_
Rescissions (discretionary) ⁿ (Table B-2)	-505.0	-1,015.1	_	-1,200.0	_	_	_	-184.9	_
Other appropriations (Table B-3)									
a. Emergency/disaster programs	_	535.0°	_	_	_	_	_	-535.0	_
b. Water and Waste Water	75.0	_	_	_	_	_	_	_	_
c. Broadband pilot ^h	125.0	300.0	100.0	h	_	_	_	-300.0	_
d. Food for Peace	216.0	_	_	_	_	_	_	_	_
e. Coronavirus Food Assistance Program	_	_	12,500.0p	_	_	_	_	_	_
f. Other appropriations	77.5	140.3	_	_	_	_	_	-140.3	_
Subtotal, Other appropriations	493.5	975.3	12,600.0	0.0	_	_	_	-975.3	_
Subtotal, Title VII	3.5	-30.8	12,600.0	-1,200.0	_	_	_	-1,169.2	_

	FY2019	FY2	020	FY2021				Change: FY2020 to	
Agency or major program	P.L. 116-6	P.L. 116- 94	COVID- 19 Acts ^a	Admin. request ^b	House	Senate	Enacted	Admin. request	House
Scorekeeping Adjustments (Table B-4)									
Emergency declaration in this bill	_	-535.0°	a	_	_	_	_	+535.0	_
Other scorekeeping adjustments	-404.0	-398.0	_	-403.0	_	_	_	-5.0	_
Subtotal, Scorekeeping adjustmentsq	-404.0	-933.0	_	-403.0	_	_	_	+530.0	_
Totals									
Discretionary: Senate basis w/o CFTCk	23,032.7	[23,169.1]	14,299.3	19,701.3	_	_	_	-3,467.9	_
Discretionary: House basis w/ CFTCk	[23,300.7]	23,484.1	14,299.3	19,927.8	_	_	_	-3,556.4	_
Mandatory (M)	128,755.1	129,108.8	38,710.0	129,010.4	_	_	_	-98.4	_
Total: Senate basis w/o CFTC	151,787.8	[152,278.0]	53,009.3	148,711.7	_	_	_	-3,566.3	_
Total: House basis w/ CFTC	[152,055.8]	152,593.0	53,009.3	148,938.2	_	_	_	-3,654.8	_

Source: CRS, using appropriations text and reports; unpublished CBO tables; OMB FY2021 Budget of the U.S. Government, Appendix; and USDA FY2020 Budget Explanatory Notes.

Notes: Amounts are nominal discretionary budget authority in millions of dollars unless labeled otherwise. "(M)" indicates that the account is mandatory authority (or primarily mandatory authority). Bracketed amounts are not in the official totals due to differing House-Senate jurisdiction for CFTC but are shown for comparison.

- a. Total from four coronavirus supplemental appropriations acts (P.L. 116-123, P.L. 116-127, P.L. 116-136, P.L. 116-139), all of which was emergency spending. Although amounts were not designated as mandatory, they are grouped here for comparison to accounts that are in the annual appropriations. See detail in CRS In Focus IF11491, Supplemental Appropriations for Agriculture and Related Agencies Due to COVID-19.
- b. The request is based on current law and does not reflect the Administration's various legislative proposals.
- c. Includes regular FSA salaries and expenses plus transfers for farm loan program salaries and administrative expenses. Also includes farm loan program loan subsidy, State Mediation Grants, Dairy Indemnity Program (mandatory funding), and Grassroots Source Water Protection Program. Does not include appropriations to the Foreign Agricultural Service for export loans and P.L. 480 administration that are transferred to FSA.
- d. Loan authority is the amount of loans that can be made or guaranteed with a loan subsidy. This amount is not added in the budget authority subtotals or totals.
- e. The CARES Act (P.L. 116-136) provided \$14 billion of reimbursement to the CCC after a June 2020 financial statement. Although it is not budget authority for direct coronavirus support and not counted in CARES Act accounting, it is comparable to the CCC reimbursement in regular annual appropriations.
- f. Rural Development salaries and expenses include a base amount plus transfers from the three rural development agencies. Amounts presented for the agencies therefore include program funds for loans and grants.
- g. Excludes a portion of the other appropriations that are provided separately in General Provisions (see **Table B-3**).

- h. The ReConnect Broadband Pilot Program that was created in the FY2018 appropriation has been funded by separate appropriation in the General Provisions title. In FY2019 and FY2020 it is augmented by a transfer from the Cushion of Credit account that is available outside the appropriations caps. For example, in FY2020, appropriators direct \$555 million to ReConnect from \$300 million appropriated in General Provisions and \$255 million from the Cushion of Credit account. For FY2021, the Administration requests \$250 million in the Rural Utilities Service account rather than through General Provisions.
- i. The USDA-initiated reorganization in 2017 created an "Assistant to the Secretary for Rural Development" as part of the Office of the Secretary rather than the previously Senate-confirmed undersecretary position. The 2018 farm bill reinstated the undersecretary position, and the FY2020 appropriation funds it as such.
- j. In addition to the specified supplemental amounts for the SNAP account in the CARES Act (P.L. 116-136), the Families First Coronavirus Response Act (P.L. 116-127, §1101) authorized and appropriated open-ended funding for the Pandemic Electronic Benefit Transfer (P-EBT) program. The amount displayed does not include the P-EBT funding.
- k. Jurisdiction for the Commodity Futures Trading Commission (CFTC) is in the House Agriculture Appropriations Subcommittee and the Senate Financial Services Appropriations Subcommittee. After FY2008, CFTC is carried in the enacted Agriculture appropriations in even-numbered fiscal years. It is always carried in House Agriculture subcommittee markup but never in Senate Agriculture subcommittee markup. Bracketed amounts are not in the Agriculture appropriations totals due to differing House-Senate jurisdiction for CFTC but are shown for comparison.
- I. Includes reductions (limitations and rescissions) and increases to mandatory programs that are known as CHIMPS.
- m. These bracketed amounts were not in the official CBO scoring of CHIMPS. Appropriations acts in FY2018 and FY2019 transferred mandatory conservation funding into the Farm Production and Conservation Business Center, but the official CBO scoring of appropriations at that time did not record it as a CHIMP the way that the FY2020 scoring reflects. For more background, see CRS Report R46011, FY2020 Appropriations for Agricultural Conservation.
- n. Rescissions are actions that permanently reduce a budget authority subsequent to an enacted appropriation. They score budgetary savings. Any rescissions from mandatory programs are included with the CHIMPS.
- o. Emergency appropriations in FY2020 include \$535 million for Ebola and \$1.5 billion for the Wildfires and Hurricane Indemnity Program, which was offset with \$1.5 billion in rescissions (**Table B-3**).
- p. Includes \$9.5 billion specified in the CARES Act for payments to farmers and \$3 billion from indefinite authority in the Families First Coronavirus Relief Act that USDA used for the Farmers to Families Food Boxes Program.
- q. "Scorekeeping adjustments" are not necessarily appropriated items and may not be shown in Appropriations Committee tables but are part of the official CBO score (accounting) of the bill. They predominantly include "negative subsidies" in loan program accounts (mostly from receipt of fees) and adjustments for emergency designations in the bill.

Other Appropriations Issues

Policy-Related Provisions

Besides setting spending authority, appropriations acts are also a vehicle for policy-related provisions that direct executive branch actions.²⁹ These provisions, limitations, or riders may have the force of law if they are included in the act's text, but their effect is generally limited to the current fiscal year unless they amend the U.S. Code, which is rare in appropriations acts.

Report language may also provide policy instructions. Although report language does not carry the force of text in an act, it often explains congressional intent, which the agencies may be expected to follow.

In the past, Congress has said that committee reports and the joint explanatory statement need to be read together to capture all of the congressional intent for a fiscal year. For example, the explanatory statement for the FY2020 Further Consolidated Appropriations act instructs that the earlier House and Senate reports should be read together with the conference agreement:

Congressional Directives. The statement is silent on provisions that were in both the House Report (H.Rept. 116-107) and Senate Report (S.Rept. 116-110) that remain unchanged by this agreement, except as noted in this statement.

The House and Senate report language that is not changed by the statement is approved and indicates congressional intentions. The statement, while repeating some report language for emphasis, does not intend to negate the language referred to above unless expressly provided herein.³⁰

COVID-19 Supplemental Appropriations in FY2020

In March and April 2020, Congress passed and the President signed four supplemental appropriations acts in response to the novel coronavirus pandemic—designated Coronavirus Disease 2019, or COVID-19.31 These acts in FY2020 include support for programs in the jurisdiction of the Agriculture appropriations subcommittees. The four acts are:

- 1. Coronavirus Preparedness and Response Supplemental Appropriations Act (P.L. 116-123, March 6, 2020);
- 2. Families First Coronavirus Response Act (P.L. 116-127, March 18, 2020);
- 3. CARES Act (P.L. 116-136, March 27, 2020); and
- 4. Paycheck Protection Program and Health Care Enhancement Act (P.L. 116-139, April 27, 2020).

These acts together specify \$36 billion of appropriations to programs in the jurisdiction of the Agriculture appropriations subcommittees. In addition, the second act authorized indefinite funding for commodity food assistance, from which the USDA has announced that it would obligate \$3 billion to date.³² The third act provided for \$14 billion of reimbursement for the CCC

²⁹ See CRS Report RL30240, Congressional Oversight Manual.

³⁰ U.S. Congress, House Committee on Appropriations, Further Consolidated Appropriations Act, 2020, committee print, 116th Cong., 2nd Sess., January 2020, 38-679 (Washington, DC: GPO, 2020), p. 305.

³¹ CRS In Focus IF11491, Supplemental Appropriations for Agriculture and Related Agencies Due to COVID-19.

³² The Farmers to Families Food Box Program, discussed in CRS Report R46347, COVID-19, U.S. Agriculture, and USDA's Coronavirus Food Assistance Program (CFAP).

that, while not immediately available for obligation and not counted as COVID-19 relief, is comparable to the regular CCC reimbursements in annual Agriculture appropriations acts and is included in this report.

Columns labeled "COVID-19 Acts" in **Table 2**, **Table 3**, and other appendix tables summarize these combined \$53 billion of appropriations through the coronavirus supplemental acts. All of this spending is designated as emergency spending and not counted against budget caps.

Budget Sequestration Continues on Mandatory Spending

Sequestration is a process to reduce federal spending through automatic, largely across-the-board reductions that permanently cancel budget authority. Sequestration is triggered as a budget enforcement mechanism when federal spending exceeds statutory budget goals.

Despite the BBA agreements that have raised discretionary spending caps to avoid sequestration on discretionary accounts, sequestration still impacts mandatory spending. Sequestration on mandatory accounts began in FY2013 and continues to the present. Congress has amended the BCA five times to extend sequestration on mandatory spending accounts. The original sunset of sequestration was to be FY2021; it is now scheduled to continue through FY2029. Sequestration has reduced mandatory spending by about 6% per year, amounting to about \$1.5 billion of reductions annually from agriculture accounts in recent years. See **Appendix C** for effects.

Appendix A. Appropriations in Administrative Accounts

Table A-I. USDA Departmental Administration Appropriations

Budget authority in millions of dollars

	FY2019	FY2	020		FY2	021	_	Change: FY2020 to		
Agency or major program	P.L. 116-6	P.L. 116- 94	COVID- 19 Acts	Admin. request	House	Senate	Enacted	Admin. request	House	
Office of the Secretary										
Office of the Secretary	5.1	5.1	_	5.1	_	_	_	+0.1	_	
Assistant to the Sec. for Rural Development ^a	0.8	_	_	_	_	_	_	_	_	
Office of Homeland Security	1.5	1.5	_	1.3	_	_	_	-0.2	_	
Public Partnership and Engagement ^b	4.7	6.2	_	2.0	_	_	_	-4.3	_	
Assistant Secretary for Admin.	0.9	0.9	_	0.9	_	_	_	+0.0	_	
Departmental Administration	22.3	21.4	_	27.2	_	_	_	+5.8	_	
Asst. Sec. Congressional Relations	3.9	3.9	_	3.9	_	_	_	+0.1	_	
Office of Communications	7.5	7.3	_	7.4	_	_	_	+0.1	_	
Subtotal	46.6	46.1	_	47.9	_	_	_	+1.7	_	
Executive Operations										
Office of Chief Economist	21.3	24.0	_	20.9	_	_	_	-3.2	_	
Office of Hearings and Appeals	15.2	15.2	_	15.5	_	_	_	+0.3	_	
Office of Budget, Program Analysis	9.5	9.5	_	20.7	_	_	_	+11.1	_	
Subtotal	46.0	48.8	_	57.1	_	_	_	+8.3	_	
Other Administration										
Chief Information Officer	55.6	66.6	_	142.8	_	_	_	+76.2	_	
Chief Financial Officer	6.0	6.0	_	11.1	_	_	_	+5.1	_	

	FY2019	FY2	020		FY20	021		Change: F	/2020 to
Agency or major program	P.L. 116-6	P.L. 116- 94	COVID- 19 Acts	Admin. request	House	S enate	Enacted	Admin. request	House
Assistant Secretary for Civil Rights	0.9	0.9	_	0.9	_	_	_	+0.0	_
Office of Civil Rights	24.2	24.2	_	20.6	_	_	_	-3.6	_
Buildings and facilities	60.0	128.2	_	152.8	_	_	_	+24.6	_
Office of Safety, Security, and Protection	_	_	_	25.0	_	_	_	+25.0	_
Hazardous materials management	3.5	4.5	_	3.5	_	_	_	-1.0	_
Office of Inspector General	98.2	98.2	_	100.4	_	_	_	+2.2	_
General Counsel	45.1	45.1	0.8	45.9	_	_	_	+0.7	_
Office of Information Affairs	_	_	_	2.5	_	_	_	+2.5	_
Office of Ethics	4.1	4.1	_	4.2	_	_	_	+0.1	_
Subtotal	297.7	377.9	0.8	509.8	_	_	_	+131.9	
tal, Departmental Administration	390.4	472.8	0.8	614.7	_	_	_	+141.9	

Source: CRS, using appropriations text and reports; unpublished CBO tables; OMB FY2021 Budget of the U.S. Government, Appendix; and USDA FY2020 Budget Explanatory Notes.

- a. The USDA-initiated reorganization in 2017 created an "Assistant to the Secretary for Rural Development" as part of the Office of the Secretary rather than the previously Senate-confirmed undersecretary position. The 2018 farm bill reinstated the undersecretary position, and the FY2020 appropriation funds it as such.
- b. Formerly, this was the Office of Advocacy and Outreach.

Appendix B. Appropriations in General Provisions

Table B-I. General Provisions: Changes in Mandatory Program Spending (CHIMPS)

Budget authority in millions of dollars

	FY2019	FY2	020		FY2	021		Change: FY2020 to	
CHIMPS and mandatory rescissions	P.L. 116-6	P.L. 116- 94	COVID- 19 Acts	Admin. request	House	Senate	Enacted	Admin. request	House
Farm bill programs									
Farm Security Rural Investment Act conservation programs	[-60.2]0	-60.2	_	-60.2	_	_	_	+0.0	_
Farm to School	+5.0	+9.0	_	0.0	_	_	_	-9.0	_
Subtotal, farm bill programs	+5.0	-51.2	_	-60.2	_	_	_	-9.0	_
Other CHIMPS									
Farm Production & Conservation (FPAC) Business Center	[+60.2]0	+60.2	_	+60.2	_	_	_	+0.0	_
Food for Progress	+10.0	_	_	_	_	_	_	_	_
Total CHIMPS	+15.0	+9.0	_	+0.0	_	_	_	-9.0	_

Source: CRS, using appropriations text and reports; unpublished CBO tables; OMB FY2021 Budget of the U.S. Government, Appendix; and USDA FY2020 Budget Explanatory Notes.

Note:

a. Amounts in brackets were not in the official CBO scoring of CHIMPS. The FY2019 appropriations act transferred mandatory conservation funding into the Farm Production and Conservation Business Center, but the official CBO scoring of appropriations at that time did not record it as a CHIMP the way that the FY2020 scoring reflects. For more background, see CRS Report R46011, FY2020 Appropriations for Agricultural Conservation.

Table B-2. General Provisions: Rescissions from Discretionary Accounts

Budget authority in millions of dollars

	FY2019	FY2	020		FY2	Change: FY2020 to			
Rescissions from discretionary accounts	P.L. 116-6	P.L. 116- 94	COVID- 19 Acts	Admin. request	House	Senate	Enacted	Admin. request	House
Special Supplemental Nutrition Program for Women, Infants, and Children	-500.0	-1,000.0	_	-1,200.0	_	_	_	-200.0	_
Electric loan refinancing	_	-15.1	_	_	_	_	_	+15.1	_
USDA unobligated balances	-5.0	_	_	_	_	_	_	_	_
Total	-505.0	-1,015.1	_	-1,200.0	_	_	_	-184.9	_

Source: CRS, using appropriations text and reports; unpublished CBO tables; OMB FY2021 Budget of the U.S. Government, Appendix; and USDA FY2020 Budget Explanatory Notes.

Table B-3. General Provisions: Other Appropriations

Budget authority in millions of dollars

	FY2019	FY2	020		FY2	Change: FY2020 to			
Program	P.L. 116-6	P.L. 116- 94	COVID- 19 Acts	Admin. request	House	Senate	Enacted	Admin. request	House
FDA buildings and facilities	_	20.0	_	_	_	_	_	-20.0	
Coronavirus Food Assistance Program	_	_	12,500.0a	_	_	_	_	_	_
Agriculture Risk Coverage pilot	5.0	_	_	_	_	_	_	_	_
Dairy Innovation	_	20.0	_	_	_	_	_	-20.0	
Mitigation banking	_	5.0	_	_	_	_	_	-5.0	_
Conservation Reserve Program pilot	1.0	1.0	_	_	_	_	_	-1.0	
Citrus greening	8.5	8.5	_	_	_	_	_	-8.5	_
Protecting Animals with Shelter Grants	_	2.0	_	_	_	_	_	-2.0	_
Fruit fly quarantine payments	9.0	_	_	_	_	_	_	_	_

	FY2019	FY2	020		FY2	021		Change: F	/2020 to
Program	P.L. 116-6	P.L. 116- 94	COVID- 19 Acts	Admin. request	House	Senate	Enacted	Admin. request	House
Geographically disadvantaged farmers	2.0	2.0	_	_	_	_	_	-2.0	_
Farming Opportunities Training and Outreach	_	5.0	_	_	_	_	_	-5.0	_
Water Bank	4.0	4.0	_	_	_	_	_	-4.0	_
Rural Energy Savings Program	10.0	12.0	_	_	_	_	_	-12.0	_
Maturing mortgage pilot	1.0	1.0	_	_	_	_	_	-1.0	_
Rural microentrepreneur assistance program	3.0	_	_	_	_	_	_	_	_
Water and Waste Water	75.0	_	_	_	_	_	_	_	_
Waste water pilot	_	5.0	_	_	_	_	_	-5.0	_
Broadband pilot ^b	125.0	300.0	100.0	b	_	_	_	-300.0	_
Distance Learning Telemedicine	16.0	_	_	_	_	_	_	_	_
Rural Hospital Technical Assistance	_	1.0	_	_	_	_	_	-1.0	_
Tribal Demonstration Projects	_	3.0	_	_	_	_	_	-3.0	_
Healthy Food Financing Initiative	2.0	5.0	_	_	_	_	_	-5.0	_
Healthy Fluid Milk	_	1.0	_	_	_	_	_	-1.0	_
RISE grants	_	5.0	_	_	_	_	_	-5.0	_
NIFA military veterans grants	5.0	5.0	_	_	_	_	_	-5.0	_
Genome to Phenome	_	1.0	_	_	_	_	_	-1.0	_
NIFA 1890 land grants, Centers of Excellence	5.0	6.0	_	_	_	_	_	-6.0	_
Tribal Student Scholarships	_	5.0	_	_	_	_	_	-5.0	_
International Agriculture Education	_	1.0	_	_	_	_	_	-1.0	_
Pollinator Research Coordinator	_	0.4	_	_	_	_	_	-0.4	_
Urban Agriculture Office	_	5.0	_	_	_	_	_	-5.0	_
Food Loss Liaison	_	0.4	_	_	_	_	_	-0.4	

	FY2019	FY2	020		FY2	021		Change: F	Y2020 to
Program	P.L. 116-6	P.L. 116- 94	COVID- 19 Acts	Admin. request	House	Senate	Enacted	Admin. request	House
Food for Peace	216.0	_	_	_	_	_	_	_	_
Food for Progress	6.0	_	_	_	_	_	_	_	_
Nutrition Assistance Program Study	_	6.0	_	_	_	_	_	-6.0	_
Micro-grants for Food Security	_	5.0	_	_	_	_	_	-5.0	_
School breakfast expansion	_	5.0	_	_	_	_	_	-5.0	_
Subtotal, other spending provisions	493.5	440.3	12,600.0	_	_	_	_	-440.3	_
Disaster/Emergency programs									
Ebola prevention and treatment	_	+535.0	_	_	_	_	_	_	_
Rescission of unobligated emergency funding	_	-1,500.0	_	_	_	_	_	_	_
WHIP (Wildfire, Hurricanes Indemnity Program)	_	+1,500.0	_	_	_	_	_	_	_
Subtotal, disaster/emergency programs	_	+535.0°	_	_	_	_	_	_	_
Total	493.5	975.3°	12,600.0	0.0	_	_	_	-975.3	_

Source: CRS, using appropriations text and reports; unpublished CBO tables; OMB FY2021 Budget of the U.S. Government, Appendix; and USDA FY2020 Budget Explanatory Notes.

Note: Excludes supplemental appropriations outside the annual appropriations act.

- a. Includes \$9.5 billion specified in the CARES Act for payments to farmers and \$3 billion from indefinite authority in the Families First Coronavirus Relief Act that USDA used for the Farmers to Families Food Boxes Program.
- b. The ReConnect Broadband Pilot Program that was created in the FY2018 appropriation has been funded by separate appropriation in the General Provisions title. In FY2019 and FY2020 it is augmented by a transfer from the Cushion of Credit account that is available outside the appropriations caps. For example, in FY2020, appropriators direct \$555 million to ReConnect from \$300 million appropriated in General Provisions and \$255 million from the Cushion of Credit account. For FY2021, the Administration requests \$250 million in the Rural Utilities Service account rather than through General Provisions.
- c. Appropriations designated as emergency spending in FY2020 and are not counted against the discretionary spending limit include \$535 million for Ebola and \$1.5 billion for WHIP, which was offset with \$1.5 billion in rescissions (see **Table B-4**).

Table B-4. General Provisions: Scorekeeping Adjustments

Budget authority in millions of dollars

	FY2019	FY2	020		FY2	021		Change: F	/2020 to
Scorekeeping adjustment	P.L. 116-6	P.L. 116- 94	COVID- 19 Acts	Admin. request ^a	House	Senate	Enacted	Admin. request	House
Loan program negative subsidies									
Rural housing negative subsidy	-135.0	-125.0	_	-125.0	_	_	_	+0.0	_
Rural community facilities negative subsidy	-72.0	-72.0	_	-72.0	_	_	_	+0.0	_
Rural elec. & tele. loan negative subsidy	-173.0	-176.0	_	-176.0	_	_	_	+0.0	_
Rural water & waste loan negative subsidy	-2.0	-3.0	_	-3.0	_	_	_	+0.0	_
Ag credit loan negative subsidy	-23.0	-23.0	_	-23.0	_	_	_	+0.0	_
Subtotal, negative subsidies	-405.0	-399.0	_	-399.0	_	_	_	+0.0	_
Denali Commission	_	_	_	-4.0	_	_	_	-4.0	_
Child nutrition equipment grants	1.0	1.0	_	_	_	_	_	-1.0	_
Emergency designations not counted in allocation	_	-535.0 ^b	c	_	_	_	_	+535.0	_
Total	-404.0	-933.0	_	-403.0	_	_	_	+530.0	_

Source: CRS, using appropriations text and reports; unpublished CBO tables; OMB FY2021 Budget of the U.S. Government, Appendix; and USDA FY2020 Budget Explanatory Notes.

Notes: A negative subsidy for a loan program generally occurs when the interest rate and/or fees charged to the borrowers are more than sufficient to cover the costs of the risk of default (Government Accountability Office, "Credit Reform: Current Method to Estimate Credit Subsidy Costs Is More Appropriate for Budget Estimates Than a Fair Value Approach," GAO-16-41, January 2016, p. 8).

- a. The Administration's request does not specify the negative subsidies for the loan programs. This table assumes continuation of amounts in FY2020 pending CBO scorekeeping that will accompany FY2021 House and Senate markup.
- b. Appropriations designated as emergency spending in FY2020 include \$535 million for Ebola and \$1.5 billion for the Wildfires and Hurricane Indemnity Program, which was offset with \$1.5 billion in rescissions of prior-year emergency appropriations (see **Table B-3**).
- c. Amounts in the coronavirus supplemental appropriations acts were all designated as emergency spending and are not noted further here because the acts faced no budget constraint.

Appendix C. Budget Sequestration

Sequestration is a process to reduce federal spending through automatic, largely across-the-board reductions that permanently cancel mandatory and/or discretionary budget authority.³³ A sequestration rate is the percentage reduction that is subtracted from an appropriated budget authority to achieve an intended budget goal.

Sequestration is triggered as a budget enforcement mechanism when federal spending exceeds statutory budget goals.³⁴ Sequestration is currently authorized by the Budget Control Act (BCA, P.L. 112-25). For discretionary accounts, sequestration continues through FY2021. For mandatory accounts, Congress amended the BCA to continue sequestration through FY2029.

OMB computes sequestration rates annually. **Table C-1** shows the rates of sequestration that have been annually and the total amounts of budget authority that have been cancelled from accounts in Agriculture appropriations.

Table C-I. Summary of Sequestration on Agriculture Accounts

(million dollars)

Fiscal Year	Sequestration Rate ^a	Budget Authority Subject to Sequestration ^b	Sequestered Budget Authority ^b
	D	iscretionary S pendir	ıg
2013	5.0%	23,064	1,153
		Mandatory Spending	
2013	5.1%	13,987	713
2014	7.2%	14,610	1,052
2015	7.3%	15,795	1,153
2016	6.8%	26,748	1,819
2017	6.9%	24,429	1,686
2018	6.6%	19,938	1,316
2019	6.2%	24,682	1,530
2020	5.9%	23,352	1,378
2021	5.7%	29,841	1,701

Source: CRS, compiled from OMB, *Reports to the Congress on the Joint Committee Reductions*, various fiscal years. Available for FY2018-FY2021 at https://www.whitehouse.gov/omb/legislative/sequestration-reports-orders and for FY2013-FY2017 at https://obamawhitehouse.archives.gov/omb/legislative_reports/sequestration.

- a. Sequestration rates listed here are for nonexempt, nondefense accounts as determined by OMB.
- b. Totals are computed by CRS for accounts and programs that are in the jurisdiction of Agriculture appropriations.

³³ CRS Report R43411, The Budget Control Act of 2011: Legislative Changes to the Law and Their Budgetary Effects.

³⁴ CRS Report R42972, Sequestration as a Budget Enforcement Process: Frequently Asked Questions.

Discretionary Spending

For discretionary spending, sequestration is authorized through FY2021 if discretionary defense and nondefense spending exceed caps that are specified in statute (2 U.S.C. §901(c)).

In FY2013, the timing of the appropriations acts and the first year of sequestration resulted in triggering sequestration on discretionary spending.

In FY2014-FY2020, BBAs in 2013, 2015, 2018, and 2019 (P.L. 113-67, P.L. 114-74, P.L. 115-123, and P.L. 116-37, respectively) have avoided sequestration on discretionary spending. These BBAs raised the discretionary budget caps that were placed in statute by the BCA and allowed Congress to enact larger appropriations than would have been allowed. The enacted appropriations in FY2014-FY2020 met the spending limitations of the revised budget caps, and therefore no sequestration on discretionary accounts was necessary.

For FY2021, the BBA of 2019 (P.L. 116-37) similarly provides a higher discretionary cap that may avoid sequestration (see "Budget Caps, Subcommittee Allocations").³⁵

Mandatory Spending

Sequestration Occurs and Continues

For mandatory spending, sequestration is presently authorized and scheduled to continue through FY2029, having been amended and extended by budget acts that were subsequent to the BCA (2 U.S.C. §901a(6)). That is, sequestration of mandatory spending has not been avoided by the BBAs and continues to apply annually to certain accounts.

The original FY2021 sunset on the sequestration of *mandatory* accounts has been extended five times as an offset to pay for raising the caps on *discretionary* spending to avoid sequestration in the near term (or as a general budgetary offset for other authorization acts):

- 1. Congress extended the duration of mandatory sequestration by two years (until FY2023) as an offset in BBA 2013.³⁶
- 2. Congress extended it by another year (until FY2024) to maintain retirement benefits for certain military personnel (P.L. 113-82).
- 3. Congress extended sequestration on nonexempt mandatory accounts another year (until FY2025) as an offset in BBA 2015.³⁷
- 4. Congress extended sequestration on nonexempt mandatory accounts for two years (until FY2027) as an offset in BBA 2018 (P.L. 115-123, §30101(c)).³⁸
- 5. Congress extended sequestration on nonexempt mandatory accounts by another two years (until FY2029) as an offset in BBA 2019 (P.L. 116-37, §402).³⁹

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³⁵ CRS Insight IN11148, The Bipartisan Budget Act of 2019: Changes to the BCA and Debt Limit.

³⁶ CBO, Bipartisan Budget Act of 2013, December 11, 2013, https://www.cbo.gov/publication/44964.

³⁷ CBO, *Bipartisan Budget Act of 2015*, October 28, 2015, https://www.cbo.gov/publication/50938. In addition to extending sequestration and related to mandatory spending in agriculture, crop insurance was used as an additional budgetary offset in BBA 2015. The effect was temporary, however, and the crop insurance reduction was restored. For more background, see the section on crop insurance and the Standard Reinsurance Agreement in CRS Report R44240, *Agriculture and Related Agencies: FY2016 Appropriations*.

³⁸ CBO, Bipartisan Budget Act of 2018, February 8, 2018, https://www.cbo.gov/publication/53556.

³⁹ CBO, Bipartisan Budget Act of 2019, July 23, 2019, https://www.cbo.gov/publication/55478.

Exemptions from Sequestration

Some USDA mandatory programs are statutorily exempt from sequestration. Those expressly exempt by statute are the nutrition programs (SNAP, the child nutrition programs, and the Commodity Supplemental Food Program)⁴⁰ and the Conservation Reserve Program.⁴¹ Some prior legal obligations in the Federal Crop Insurance Corporation⁴² and the farm commodity programs may be exempt⁴³ as determined by OMB.⁴⁴

Generally speaking, the experience since FY2013 is that OMB has ruled that most of crop insurance is exempt from sequestration, while the farm commodity programs, disaster assistance, and most conservation programs have been subject to it.⁴⁵

Implementation of Sequestration

Nonexempt mandatory spending in FY2021 is to be reduced by a 5.7% sequestration rate (**Table C-1**) and thus would be paid at 94.3% of what would otherwise have been provided. This is projected to result in a reduction of about \$1.7 billion from mandatory agriculture accounts in FY2021, including over \$1.3 billion from the CCC that has \$23 billion of budget authority subject to sequestration.

For example, for the farm commodity programs that support farm income such as the Agricultural Risk Coverage and Price Loss Coverage programs, ⁴⁶ payments to farmers are computed by a regular formula authorized in the farm bill, and the final actual payment to the farmer is reduced by the sequestration rate. For programs that operate on a fixed budget authority, such as the Environmental Quality Incentives Program and the Market Assistance Program, the sequestration rate is applied to the available budget authority for the fiscal year.

⁴¹ 2 U.S.C. §905(g)(1)(A).

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^{40 2} U.S.C. §905(h).

⁴² 2 U.S.C. §905(g)(2).

^{43 2} U.S.C. §906(j).

⁴⁴ Some administrative expenses may be subject to sequestration, and therefore programs that are otherwise exempt may have a relatively small sequestration-eligible amount compared to their total budget authority. This has been the case for the Federal Crop Insurance Corporation, SNAP, child nutrition programs, and WIC.

⁴⁵ CRS Report R42050, Budget "Sequestration" and Selected Program Exemptions and Special Rules.

⁴⁶ CRS In Focus IF11161, 2018 Farm Bill Primer: ARC and PLC Support Programs.

Appendix D. Action on Agriculture Appropriations, FY1996-FY2021

Table D-I. Congressional Action on Agriculture Appropriations Since FY1996

	-	House Actio	n		Senate Actio	on	Final A			
Fiscal Year	Subcmte.	Cmte.	Floor	Subcmte.	Cmte.	Floor	Enacted	I	Public Law	CRS Report
1996	6/14/1995	6/27/1995	7/21/1995	9/13/1995	9/14/1995	9/20/1995	10/21/1995	Е	P.L. 104-37	95-624
1997	5/30/1996	6/6/1996	6/12/1996	7/10/1996	7/11/1996	7/24/1996	8/6/1996	Е	P.L. 104-180	IB96015
1998	6/25/1997	7/14/1997	7/24/1997	7/15/1997	7/17/1997	7/24/1997	11/18/1997	Е	P.L. 105-86	97-201
1999	6/10/1998	6/16/1998	6/24/1998	6/9/1998	6/11/1998	7/16/1998	10/21/1998	0	P.L. 105-277	98-201
2000	5/13/1999	5/24/1999	6/8/1999	6/15/1999	6/17/1999	8/4/1999	10/22/1999	Е	P.L. 106-78	RL30201
2001	5/4/2000	5/16/2000	7/11/2000	5/4/2000	5/10/2000	7/20/2000	10/28/2000	Е	P.L. 106-387	RL30501
2002	6/6/2001	6/27/2001	7/11/2001	Polled out	7/18/2001	10/25/2001	11/28/2001	Е	P.L. 107-76	RL31001
2003	6/26/2002	7/26/2002	_	7/23/2002	7/25/2002	_	2/20/2003	0	P.L. 108-7	RL31301
2004	6/17/2003	7/9/2003	7/14/2003	7/17/2003	11/6/2003	11/6/2003	1/23/2004	0	P.L. 108-199	RL31801
2005	6/14/2004	7/7/2004	7/13/2004	9/8/2004	9/14/2004	_	12/8/2004	0	P.L. 108-447	RL32301
2006	5/16/2005	6/2/2005	6/8/2005	6/21/2005	6/27/2005	9/22/2005	11/10/2005	E	P.L. 109-97	RL32904
2007	5/3/2006	5/9/2006	5/23/2006	6/20/2006	6/22/2006	_	2/15/2007	Υ	P.L. 110-5	RL33412
2008	7/12/2007	7/19/2007	8/2/2007	7/17/2007	7/19/2007	_	12/26/2007	0	P.L. 110-161	RL34132
2009	6/19/2008	_	_	Polled out	7/17/2008	_	3/11/2009	0	P.L. 111-8	R40000
2010	6/11/2009	6/18/2009	7/9/2009	Polled out	7/7/2009	8/4/2009	10/21/2009	Е	P.L. 111-80	R40721
2011	6/30/2010	_	_	Polled out	7/15/2010	_	4/15/2011	Υ	P.L. 112-10	R41475
2012	5/24/2011	5/31/2011	6/16/2011	Polled out	9/7/2011	11/1/2011	11/18/2011	0	P.L. 112-55	R41964
2013	6/6/2012	6/19/2012	_	Polled out	4/26/2012	_	3/26/2013	0	P.L. 113-6	R43110
2014	6/5/2013	6/13/2013	_	6/18/2013	6/20/2013	_	1/17/2014	0	P.L. 113-76	R43110
2015	5/20/2014	5/29/2014	_	5/20/2014	5/22/2014	_	12/16/2014	0	P.L. 113-235	R43669
2016	6/18/2015	7/8/2015	_	7/14/2015	7/16/2015	_	12/18/2015	0	P.L. 114-113	R44240
2017	4/13/2016	4/19/2016	_	5/17/2016	5/19/2016	_	5/5/2017	0	P.L. 115-31	R44588h ttp://w
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2010	. /20/2017	7/12/2217	0/14/2017	7/10/2217	7/20/2017		2/22/22/2	_	D. 115 147	8
2018	6/28/2017	7/12/2017	9/14/2017	7/18/2017	7/20/2017		3/23/2018	0	P.L. 115-141	R45128
2019	5/9/2018	5/16/2018		5/22/2018	5/24/2018	8/1/2018	2/15/2019	0	P.L. 116-6	R45230
2020	5/23/2019	6/4/2019	6/25/2019	9/17/2019	9/19/2019	10/31/2019	12/20/2019	0	P.L. 116-94	R45974

		House Action		s	Senate Action			Final Appropriation		
Fiscal Year	Subcmte.	Cmte.	Floor	Subcmte.	Cmte.	Floor	Enacted	Public Law	CRS Report	
2021	_	_	_	_	_	_				

Source: CRS.

Notes: E = enacted as standalone appropriation (eight times over 25 years); O = omnibus appropriation (15 times); Y = year-long CR (two times). "Polled out" refers to a procedure that permits a Senate subcommittee to transmit a bill to its full committee without a formal markup session. See CRS Report RS22952, *Proxy Voting and Polling in Senate Committee*.

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