

FY2021 Appropriations for Agricultural Conservation

March 19, 2021

Congressional Research Service
<https://crsreports.congress.gov>

R46728



R46728

March 19, 2021

Megan Stubbs

Specialist in Agricultural
Conservation and Natural
Resources Policy

FY2021 Appropriations for Agricultural Conservation

The Agriculture appropriations bill funds the U.S. Department of Agriculture (USDA) except for the Forest Service. The FY2021 Consolidated Appropriations Act (P.L. 116-260, Division A) includes funding for conservation programs and activities at USDA.

Agricultural conservation programs include both mandatory and discretionary spending. Most conservation program funding is mandatory and is authorized in omnibus farm bills. Other conservation programs—mostly technical assistance—operate with discretionary funding through annual appropriations. The FY2021 appropriation includes funding levels similar to those provided in FY2020 for discretionary conservation programs and generally does not follow the Trump Administration's proposed reductions to discretionary and mandatory conservation programs.

The largest discretionary conservation program is the Conservation Operations (CO) account, which funds conservation planning and implementation assistance on private agricultural lands across the country. The CO account is administered by the Natural Resources Conservation Service (NRCS) and funds more than half of the agency's total staff positions. The FY2021 enacted appropriation increases funding for CO by \$3.1 million above FY2020 levels to \$832.7 million.

A decline in funding for CO over the past 10 years has resulted in reduced NRCS staffing levels. Much of the conservation technical assistance provided by NRCS is funded through the Conservation Technical Assistance program within CO. Funds are used to support salaries and expenses for NRCS staff, technology development, conservation system design, compliance reviews, grants to partners for additional technical assistance capacity, and resource assessment reports. Reductions in staff could affect NRCS's ability to provide technical assistance and administer farm bill conservation programs to farmers and ranchers.

The recently created Farm Production and Conservation (FPAC) Business Center is responsible for various administrative services for three USDA agencies, including NRCS. The FPAC Business Center receives \$231.3 million in the FY2021 appropriation—\$24.8 million more than in FY2020. In FY2019, Congress realigned funding from NRCS discretionary and mandatory program accounts and NRCS staff to the Business Center. It is unclear how the transfer of NRCS positions and funding to the FPAC Business Center has impacted the agency's overall operations relative to the decline in CO funding. The explanatory statement of the FY2021 appropriation directs USDA to report to Congress on the efficiencies gained through the Business Center's creation, along with other staffing plans.

Other discretionary spending is primarily for watershed programs. The largest—Watershed and Flood Prevention Operations (WFPO)—is funded at \$175 million in FY2021, which is the same WFPO funding level included in FY2020. The FY2021 appropriation also funds other discretionary water-related programs, such as the Watershed Rehabilitation Program (\$10 million), Water Bank program (\$4 million), and wetland mitigation banking (\$5 million).

Most mandatory conservation programs are authorized in omnibus farm bills and do not require an annual appropriation. However, previous Congresses reduced mandatory conservation program funding through Changes in Mandatory Program Spending (CHIMPS) in the annual agricultural appropriations law every year between FY2003 and FY2018. The Trump Administration requested CHIMPS to two mandatory conservation programs for FY2021; neither of these proposed reductions to mandatory conservation programs is included in the enacted FY2021 appropriation.

Agriculture appropriations bills may also include policy-related provisions that direct how the executive branch should carry out the appropriations. In the FY2021 appropriations act, these range from waiving specific programmatic requirements to requiring reports to Congress.

Contents

Conservation Appropriations.....	1
Discretionary Conservation Programs	2
Conservation Operations.....	2
Funding for Technical Assistance.....	4
NRCS Staffing Levels.....	5
Watershed Programs	6
Mandatory Conservation Programs	7
Farm Production and Conservation Business Center	8
Policy-Related Provisions.....	9

Figures

Figure 1. Conservation Operations Appropriations, by Function	2
Figure 2. Conservation Operations Appropriated Funding.....	4
Figure 3. Total Natural Resources Conservation Service (NRCS) Staffing.....	6

Tables

Table 1. FY2019-FY2021 Discretionary Agricultural Conservation Funding	3
Table 2. FPAC Business Center Funding, FY2020 and FY2021.....	9
Table 3. Selected Conservation Policy Provisions in the FY2020 and FY2021 Appropriations Acts.....	10
Table 4. Selected Conservation Policy Provisions in FY2020 and FY2021 Appropriations Explanatory Statements.....	12

Contacts

Author Information	14
--------------------------	----

The Agriculture appropriations bill—formally called 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. For FY2021, the House Appropriations Committee reported H.R. 7610 on July 13, 2020 (including H.Rept. 116-446). Funding for USDA was included in a four-bill minibus appropriations bill (H.R. 7608, Division B) that passed the House on July 24, 2020. The Senate Appropriations Committee released a draft bill and explanatory statement on November 10, 2020.¹ Neither the Senate Appropriations Committee nor the full Senate acted on this draft bill. In the absence of an enacted full-year appropriation, FY2021 began under a continuing resolution (P.L. 116-159), which lasted until December 11, 2020. Four additional continuing resolutions were enacted before December 27, 2020, when Congress passed and the President signed into law the FY2021 Consolidated Appropriations Act (P.L. 116-260). Agriculture and related agencies are included under Division A.

This report provides a brief overview of the conservation-related provisions in the FY2021 Agriculture appropriations act. For a general analysis of the FY2021 appropriations for agriculture, see CRS Report R46437, *Agriculture and Related Agencies: FY2021 Appropriations*.

Conservation Appropriations

USDA administers a number of agricultural conservation programs that assist private landowners with natural resource concerns. These include working lands programs, land retirement and easement programs, watershed programs, technical assistance, and other programs. The two lead agricultural conservation agencies within USDA are the Natural Resources Conservation Service (NRCS), which provides technical assistance and administers most conservation programs, and the Farm Service Agency (FSA), which administers the Conservation Reserve Program (CRP).²

Most conservation program funding is mandatory, obtained through the Commodity Credit Corporation (CCC) and authorized in omnibus farm bills (about \$6.2 billion of CCC budget authority for conservation in FY2021).³ The Agriculture Improvement Act of 2018 (2018 farm bill; P.L. 115-334) reauthorized most mandatory conservation programs through FY2023. Other conservation programs—mostly providing technical assistance—operate with discretionary funding provided in annual appropriations (about \$1 billion annually).

The FY2021 appropriation generally maintained FY2020 levels for discretionary conservation programs. The Trump Administration's FY2021 request proposed a decrease for discretionary conservation funding from the FY2020 enacted levels and reductions in funding for mandatory conservation programs. Most of these proposed reductions in funding were not included in the FY2021 appropriation.

¹ The Senate Appropriations Committee released subcommittee drafts at U.S. Senate Committee on Appropriations, "Committee Releases FY21 Bills in Effort to Advance Process, Produce Bipartisan Results," November 10, 2020, at <https://www.appropriations.senate.gov/news/committee-releases-fy21-bills-in-effort-to-advance-process-produce-bipartisan-results>.

² For more information on individual conservation programs, see CRS Report R40763, *Agricultural Conservation: A Guide to Programs*.

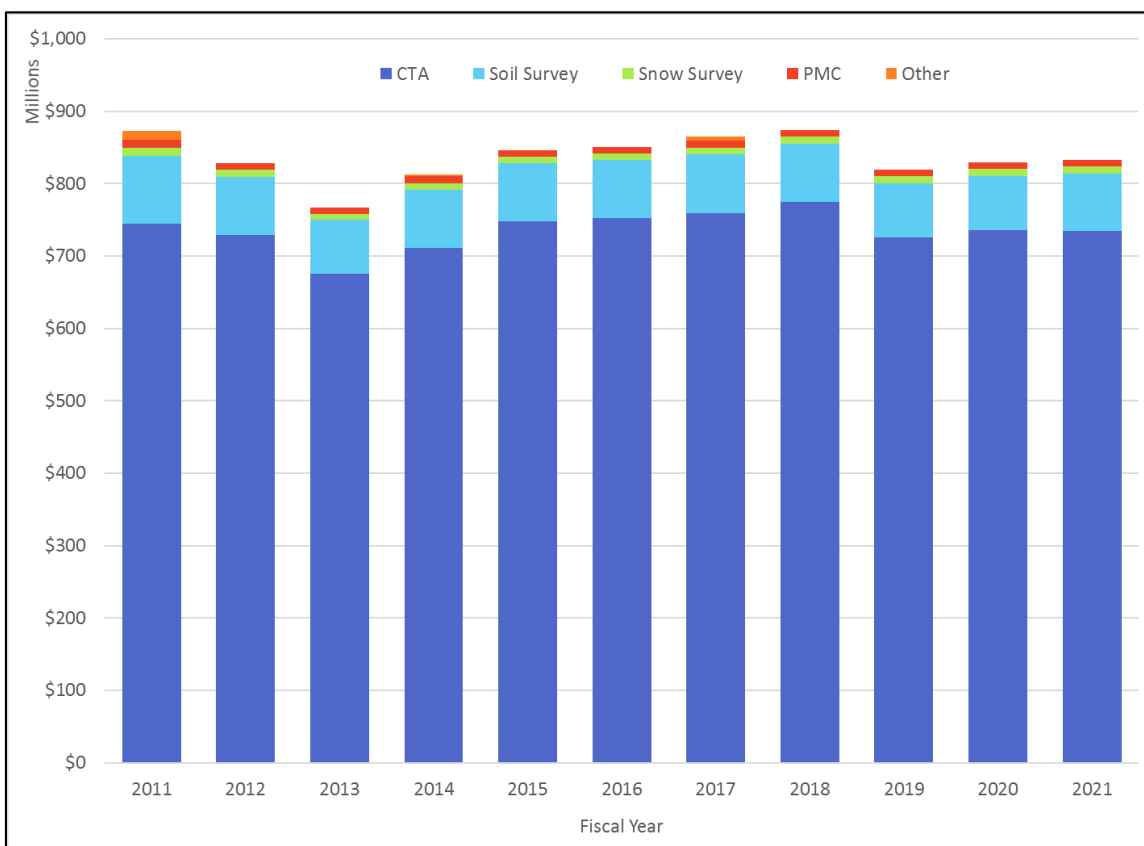
³ The CCC is a mandatory funding mechanism for agriculture programs administered by the U.S. Department of Agriculture (USDA). For more information on the CCC, see CRS Report R44606, *The Commodity Credit Corporation (CCC)*.

Discretionary Conservation Programs

Conservation Operations

NRCS administers all of USDA's discretionary conservation programs. The largest program and the account that funds most NRCS activities is Conservation Operations (CO). The CO account primarily funds Conservation Technical Assistance (CTA), which provides conservation planning and implementation assistance from field staff placed in almost all counties within the United States and its territories. Other components of CO include the Soil Survey, Snow Survey and Water Supply Forecasting, and Plant Materials Centers (**Figure 1**).

Figure 1. Conservation Operations Appropriations, by Function



Source: Congressional Research Service (CRS), based on appropriations acts.

Notes: CTA = Conservation Technical Assistance, PMC = Plant Materials Centers, and Other = Grazing Lands Conservation Initiatives, watershed projects, rescissions, and other congressionally directed funds. Depending on the legislative text, some programs included in Other during one year may be accounted for in CTA in another year.

Technical assistance for conservation currently is funded through both mandatory and discretionary sources, with CO being the primary account receiving discretionary funding from annual appropriations. The Trump Administration's FY2021 budget requested \$830.2 million for CO, similar to the \$829.6 million enacted for FY2020. The FY2021 budget proposed the consolidation of mandatory and discretionary accounts to pay for conservation technical

assistance.⁴ USDA has proposed consolidating funding through multiple Administrations, but Congress has never adopted this approach (see “Funding for Technical Assistance” section, below). The FY2021 appropriation increases CO funding in FY2021 by \$3 million from FY2020 and directs CO funding for a number of conservation programs (**Table 1**). Language in H.Rept. 116-466 for H.R. 7610 further directs funding to selected activities (**Table 4**).

Table 1. FY2019-FY2021 Discretionary Agricultural Conservation Funding
(budget authority in thousands of dollars)

Program	FY2019	FY2020	FY2021			
	P.L. 116-6	P.L. 116-94	Admin. Request	House-passed H.R. 7608	Senate committee draft	Enacted P.L. 116-260
Conservation Operations						
Conservation Technical Assistance	725,926	735,628	729,476	732,846	736,921	734,255
Watershed Projects ^{a,b}	5,600	5,600	0	0	3,469	3,000
Soil Survey	74,685	74,987	80,014	79,665	75,911	79,444
Snow Survey	9,400	9,400	11,108	11,715	9,515	9,488
Plant Material Center	9,481	9,481	9,588	9,559	9,559	9,540
Total Conservation Operations ^c	819,492	829,628	830,186	833,785	831,906	832,727
Watershed Operations	150,000	175,000	0	155,000	175,000	175,000
Watershed Projects ^a	0	0	0	0	0	10,000
Watershed Rehabilitation Program	10,000	10,000	0	12,000	0	10,000
Water Bank	4,000	4,000	0	0	4,000	4,000
Total NRCS Discretionary^c	983,492	1,018,628	830,186	1,000,785	1,010,906	1,021,727

Source: CRS, using appropriations text and report tables.

Notes: Amounts are nominal discretionary budget authority in thousands of dollars unless labeled otherwise. Italics indicate funding that is shown within other accounts. Excludes amounts in supplemental appropriations acts and proposed rescission language. The Senate did not formally introduce an FY2021 appropriations bill. The “Senate committee draft” column is included for illustrative purposes only.

- In FY2019 and FY2020, separate funding levels are provided for select watershed projects with a primary purpose of providing water to rural communities from within Conservation Technical Assistance (CTA). In the FY2021 enacted appropriation, this language was moved to the Watershed Operations account.
- Language was included in the FY2021 Senate draft and enacted appropriation, directing funding from CTA to watershed projects authorized under the Flood Control Act of 1944 (P.L. 78-534). While similar in nature, they are for distinctly different Watershed Projects. For additional discussion, see the “Watershed Programs” section.
- As stated in table note “a” and “b,” funding for Watershed Projects may not be included within funding for CTA or Watershed Operations. Funding included within other accounts is denoted in italics. Therefore, depending on the column, the Conservation Operations account or total Natural Resources Conservation Service (NRCS) Discretionary level may not total.

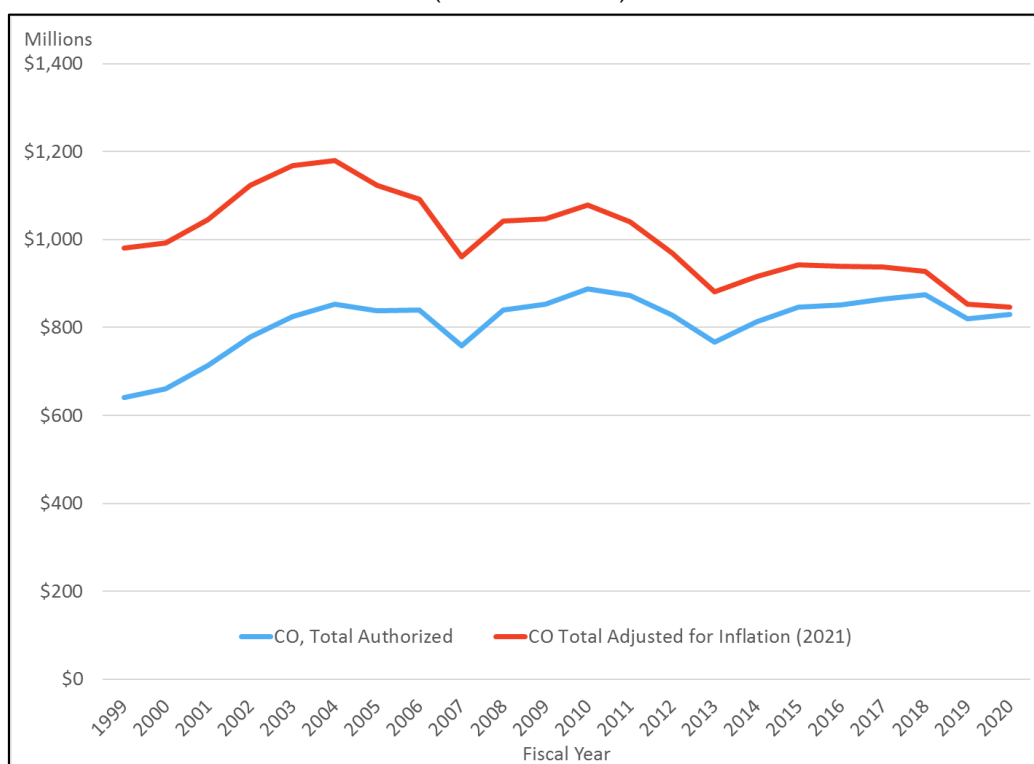
⁴ The amount of funding for technical assistance from mandatory funding sources generally is not reported; therefore, it is unknown whether the Administration’s FY2021 proposal to consolidate funding from mandatory and discretionary sources would represent an increase or decrease in overall funding for conservation technical assistance.

Funding for Technical Assistance

NRCS is the current federal provider of technical assistance for agricultural conservation.⁵ NRCS provides technical assistance at the request of the landowner to conserve and improve natural resources. The assistance includes technical expertise combined with knowledge of local conditions and is provided through a network of federal staff throughout the United States.

The CTA program within CO funds much of the conservation technical assistance provided by NRCS. Funds support salaries and expenses for NRCS staff, technology development, conservation system design, compliance reviews, grants to partners for additional technical assistance capacity, and resource assessment reports. Total funding for CO has fluctuated in recent years. In some cases, such fluctuation is the result of an Administration's request. In other cases, funding changes reflect national budget dynamics that are not unique to CO (e.g., reductions caused by sequestration in FY2013 and funding increases through budget agreements in FY2014-FY2021). In inflation-adjusted dollars, CO has declined over the past 20 years (see Figure 2).

Figure 2. Conservation Operations Appropriated Funding
(FY1999-FY2021)



Source: CRS using historical appropriations and Office of Management and Budget, *Table 10.1—Gross Domestic Product and Deflators Used in the Historical Tables: 1940–2025*, February 2020, at https://www.whitehouse.gov/wp-content/uploads/2020/02/hist10z1_fy21.xlsx.

Note: The blue line is funding in nominal dollars, whereas the inflation-adjusted red line is calculated using the gross domestic product price deflator in FY2021 dollars.

⁵ The statutory authority to provide conservation technical assistance is derived from the Soil Conservation and Domestic Allotment Act of 1935 (P.L. 74-46; 16 U.S.C. §590 et seq.).

The other side of agricultural conservation assistance is financial assistance. Financial assistance provides direct payments to landowners to implement certain conservation practices or to conserve and protect natural resources on private land. Most programs that provide financial assistance are authorized through omnibus farm bills and receive funding from mandatory sources—thus, they do not require an annual appropriation.

In addition to technical assistance provided through CTA and CO, technical assistance is also part of farm bill conservation programs, which are funded through a program’s mandatory authorization. Most technical assistance activities within mandatory programs support the delivery of some level of financial assistance as part of a contract or agreement. These activities could include providing designs, standards, and specifications needed to install approved conservation practices and activities.

Generally, technical assistance prior to a producer entering into a contract for financial assistance is considered to be part of CTA. After a producer signs a contract for financial assistance, technical assistance is funded from the individual mandatory program rather than CTA. Once the financial assistance contract is complete, most mandatory program funds are no longer available to support ongoing assistance in maintaining the conservation plans, practices, and activities implemented under the financial assistance program.

Since the mid-1990s, Congress and various Administrations have proposed changes to how technical assistance is funded. The Trump Administration’s FY2021 budget request proposed to transfer funding from mandatory conservation programs and discretionary appropriations to a consolidated account dedicated to technical assistance for farm bill conservation programs. Similar proposals were included in the FY2018-FY2021 (Trump) and FY2014-FY2017 (Obama) presidential budget requests but were not adopted by Congress.

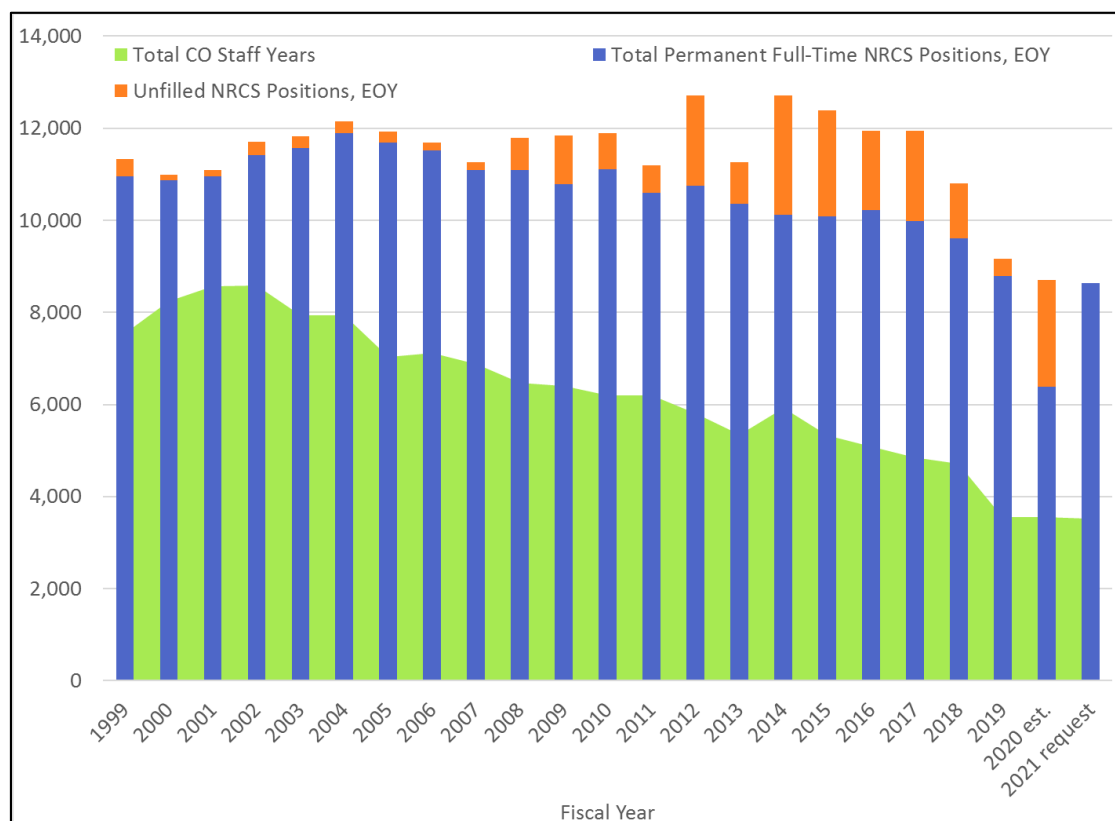
NRCS Staffing Levels

The CO account funds more than half of NRCS staff; other smaller discretionary programs and mandatory conservation programs account for the remainder. A decline in CO funding, therefore, correlates to a decline in the number of NRCS staff. In recent years, the total number of permanent positions at NRCS that are funded by CO has declined through FY2020. A growing number of unfilled positions at the agency has further magnified this reduction in staff (see **Figure 3**).

The Farm Production and Conservation (FPAC) Business Center has also impacted NRCS staffing and funding levels (for more information on the Business Center, see the “Farm Production and Conservation Business Center” section). In FY2019, Congress realigned funding and staff from the three FPAC agencies to the Business Center, including the transfer of approximately 882 staff years from NRCS to the Business Center (over 9% of effective NRCS staff years at that time). The transfer of funding and functions were a part of the Business Center’s goal of achieving efficiencies within the FPAC mission area.

The FY2021 enacted appropriation provides \$231.3 million in discretionary funding for the FPAC Business Center. This is \$24.8 million more than Congress provided in FY2020. This increase appears to include at least a portion, and possibly all, of the FY2021 Trump Administration’s requested transfer of \$5.9 million and 39 staff years from CO to the FPAC Business Center. Given the preexisting decline in CO-funded technical assistance staff years, it is difficult to measure the effect of the continued transfer of NRCS positions to the FPAC Business Center on the agency’s overall operations and its ability to provide technical assistance to farmers and ranchers. Also unclear is the extent to which the Business Center’s creation may have contributed to the decrease in NRCS staffing levels and the increase in total unfilled NRCS positions.

Figure 3. Total Natural Resources Conservation Service (NRCS) Staffing
(FY1999-FY2021)



Source: CRS from annual USDA explanatory notes.

Notes: A staff year is equivalent to one full-time person working for one year. EOY = end of year.

Watershed Programs

The FY2021 appropriation includes funding for watershed activities, including Watershed and Flood Prevention Operations (WFPO)—a program that assists state and local organizations with planning and installing measures to prevent erosion, sedimentation, and flood damage.⁶ The appropriation maintains WFPO funding at \$175 million, the same as appropriated in FY2020. The FY2021 Administration request proposed no funding.

The WFPO program consists of projects built under two authorities—the Watershed Protection and Flood Prevention Act of 1954 (P.L. 83-566) and the Flood Control Act of 1944 (P.L. 78-534). The vast majority of the projects (referred to as P.L. 566 projects) have been built pursuant to the authority of P.L. 83-566, which authorizes the chief of the NRCS to approve construction of smaller watershed projects.⁷ Congressional approval is needed for larger P.L. 566 projects. The Flood Control Act of 1944 authorized 11 specific projects, referred to as P.L. 534 projects, which are much larger and more expensive than P.L. 566 projects.

⁶ For additional information, see CRS Report R46471, *Federally Supported Projects and Programs for Wastewater, Drinking Water, and Water Supply Infrastructure*.

⁷ In general, no P.L. 566 project may exceed 250,000 acres, and no structure may exceed 12,500 acre-feet of floodwater detention capacity or 25,000 acre-feet of total capacity.

Since FY2014, Congress has directed a portion of CO funds to selected WFPO activities. The enacted FY2021 appropriation includes similar directive language but shifts a portion of the directed language to the WFPO account (see **Table 1**). The enacted appropriation directs \$3 million of CO to P.L. 534 projects and \$10 million to select P.L. 566 projects related to providing water to rural communities. The \$3 million from the CO account would be in addition to the \$175 million for the program as a whole, whereas the \$10 million would be from within the \$175 million total. The Senate committee draft proposed \$3.5 million from CO for P.L. 534 projects and did not include directive language within the WFPO account. The House-passed bill did not include the CO language but did include \$12 million for select P.L. 566 projects under WFPO. The Trump Administration's request included no funding for WFPO.

The FY2021 appropriation also includes \$10 million for the Watershed Rehabilitation Program—\$2 million less than the FY2020 level. The Watershed Rehabilitation Program repairs aging dams built by USDA under WFPO. The Trump Administration's request and Senate draft included no funding for FY2021, while the House-passed bill included \$12 million.

The 2018 farm bill provides \$50 million annually in permanent mandatory funding for WFPO and Watershed Rehabilitation activities. The mandatory funding is in addition to discretionary funding provided through annual appropriations.⁸

Mandatory Conservation Programs

Mandatory conservation programs are generally authorized in omnibus farm bills and receive funding from the CCC—thus, they do not require an annual appropriation.⁹ The 2018 farm bill reauthorized mandatory funding for many of the agricultural conservation programs through FY2023.¹⁰ Because most of these programs are classified as mandatory, nonexempt spending, they are reduced annually by sequestration.¹¹

President Trump's FY2021 budget requested a reduction of \$40 million annually to the Agricultural Conservation Easement Program and the elimination of the Conservation Stewardship Program. Both programs were reauthorized to receive mandatory funding in the 2018 farm bill through FY2023. The FY2021 appropriation does not reduce these or other mandatory farm bill conservation programs.

⁸ For additional discussion of changes made in the 2018 farm bill, see CRS Report R45698, *Agricultural Conservation in the 2018 Farm Bill*.

⁹ In the past, Congress has used annual agriculture appropriations acts to reduce mandatory conservation programs through changes in mandatory program spending (CHIMPS), which occurred every year from FY2003 to FY2017. The FY2018 Consolidated Appropriations Act (P.L. 115-141) marked the first appropriation since FY2002 that did not include CHIMPS to conservation programs, thus allowing all mandatory conservation programs to use their full authorized level of funding, minus sequestration. For additional background, see CRS In Focus IF10041, *Reductions to Mandatory Agricultural Conservation Programs in Appropriations Law*.

¹⁰ For authorized funding levels for mandatory conservation programs, see CRS Report R40763, *Agricultural Conservation: A Guide to Programs*.

¹¹ For additional discussion on sequestration, see Appendix C of CRS Report R46437, *Agriculture and Related Agencies: FY2021 Appropriations*.

Farm Production and Conservation Business Center

The FPAC mission area was created in 2017 as part of a larger departmental reorganization.¹² FPAC includes NRCS, FSA, the Risk Management Agency (RMA), and a new FPAC Business Center. The FPAC Business Center is responsible for the financial management, budgeting, human resources, information technology, acquisitions/procurement, strategic planning, and other customer-oriented operations of three agencies—NRCS, FSA, and RMA.¹³ Congress reduced funding for NRCS, FSA, and RMA in FY2019 to realign funding and staff to the FPAC Business Center.¹⁴

The FY2021 appropriation includes \$292 million for the FPAC Business Center. The FY2021 enacted level is \$9.1 million more than the enacted FY2020 appropriation of \$282.8 million and \$12.3 million less than the Trump Administration’s requested level of \$304.3 million (see **Table 2**). According to the Trump Administration’s FY2021 budget request, the proposed increase in funding is mostly the result of increased salary costs; it also reflects the shifting of funds and personnel from NRCS geospatial and public affairs activities (\$5.9 million, 39 staff years), FSA salaries and expenses associated with the Food for Peace program (P.L. 83-480, also known as P.L. 480), and CCC Export Loan programs (\$430,000, 4 staff years).¹⁵

The explanatory statement of the FY2021 appropriation cites concerns related to the Business Center’s delays in filling critical vacancies, potentially resulting in delayed deployment of conservation and commodity programs. The explanatory statement also states that Congress does not support the co-location of FPAC agency state offices into General Services Administration locations if it is not in the best interest of USDA employees, customers, and taxpayers. The statement directs USDA to produce a report to the Appropriations Committees within 90 days of enactment on proposed co-locations of FPAC agency state offices, associated cost-saving benefits, and anticipated improvements in customer service.

USDA did not deliver a previously required FY2020 report to Congress on the center’s efficiency gains, the metrics by which such gains are measured, and its hiring acceleration and reorganization plans. The report was due February 2020, but USDA did not provide it according to the FY2021 explanatory statement. The House report (H.Rept. 116-446) expressed support for the FPAC digital records initiative that seeks to reduce paper-based forms at the field office level. The House report also expressed concern over large unspent funding balances in the FPAC mission area at the end of FY2019.

¹² For additional information on the background of the Farm Production and Conservation (FPAC) Business Center, see CRS Report R45406, *FY2018 and FY2019 Appropriations for Agricultural Conservation*. USDA, “Secretary Perdue Announces Creation of Undersecretary for Trade,” press release, May 11, 2017, at <https://www.usda.gov/our-agency/reorganizing-usda>.

¹³ USDA, *2020 President’s Budget—Farm Production and Conservation Business Center*, 2019, at <http://www.obpa.usda.gov/23bc2020notes.pdf>.

¹⁴ CRS In Focus IF11452, *Staffing Trends in the USDA Farm Production and Conservation (FPAC) Mission Area*.

¹⁵ USDA, *2021 President’s Budget—Farm Production and Conservation Business Center*, p. 25-7.

Table 2. FPAC Business Center Funding, FY2020 and FY2021

(dollars in thousands)

	FY2020	FY2021			
	P.L. 116-94	Admin. Request	House-passed H.R. 7608	Senate draft	Enacted P.L. 116-260
Discretionary					
FPAC Business Center	\$206,530	\$243,602	\$232,194	\$232,511	\$231,302
Transfer from ACIF (farm loans) ^a	\$16,081	—	—	—	—
Mandatory					
Transfer from CCC (conservation)	\$60,228	\$60,228	\$60,228	\$60,228	\$60,228
Transfer from P.L. 480 program (international food aid) ^b	—	\$112	\$112	—	\$112
Transfer from CCC Export Loan programs ^b	—	\$318	\$318	\$318	\$318
Total FPAC Business Center	\$282,839	\$304,260	\$292,852	\$293,057	\$291,960

Source: CRS, using appropriations text and report tables.

Notes: FPAC = Farm Production and Conservation, ACIF = Agricultural Credit Insurance Fund, CCC = Commodity Credit Corporation, and P.L. 480 refers to P.L. 83-480 and the Food for Peace program. Amounts are nominal discretionary budget authority in thousands of dollars. Excludes amounts in supplemental appropriations acts and proposed rescission language.

- According to the FY2021 Administration's budget request, the elimination of the ACIF transfer in FY2021 reflected the FPAC Business Center's lack of involvement in the administration of farm loans.
- Prior to FY2021, transfers from P.L. 480 and CCC Export Loan Programs were provided in the Salaries and Expenses account of the Farm Service Agency. As of FY2021, these functions have been transferred to the FPAC Business Center.

The FY2021 appropriation directs a transfer of funds to the FPAC Business Center from other accounts, including mandatory conservation programs, international food aid, and export loan accounts.¹⁶ If the amount shifted would have been used for NRCS administrative or technical assistance had the Business Center not been created, then this transfer could result in NRCS effectively receiving less in total funding. In total, the direct appropriation and transfer of funds would provide the FPAC Business Center with \$292 million in FY2021 (see **Table 2**).

Policy-Related Provisions

In addition to setting budgetary amounts, the Agriculture appropriations bill may also include policy-related provisions that direct how the executive branch should carry out an appropriation. These provisions may have the force of law if they are included in the text of an appropriations act, but their effect is generally limited to the current fiscal year (see **Table 3**). Policy-related

¹⁶ While not specified in the FY2021 House-passed appropriation and Senate draft, the Administration's FY2021 request to transfer \$60.2 million to the FPAC Business Center from mandatory conservation programs would be divided as follows: \$8.3 million from the Agricultural Conservation Easement Program, \$21.2 million from the Conservation Stewardship Program, and \$30.7 million from the Environmental Quality Incentives Program. None of the funds is proposed to come from the Conservation Reserve Program.

provisions in appropriations acts generally do not amend the *U.S. Code*, nor do they have long-standing effects.

For example, the WFPO program has historically been called the “small watershed program” because no project may exceed 250,000 acres, and no structure may exceed 12,500 acre-feet of floodwater detention capacity or 25,000 acre-feet of total capacity. The FY2021 enacted appropriation includes a policy provision that waives the 250,000-acre project limit when the project’s primary purpose is something other than flood prevention.¹⁷ This provision does not amend the WFPO authorization and therefore is effective only for the funds provided during the current appropriation year.¹⁸

Table 3 compares some of the policy provisions in the Farm Production and Conservation Programs (Title II) and General Provisions (Title VII) titles of the FY2020 and FY2021 Agriculture appropriations bills related to conservation. Many of these provisions were also included in past years’ appropriations acts. The table is divided by agency and account according to their location within the FY2020 and FY2021 acts.

Table 3. Selected Conservation Policy Provisions in the FY2020 and FY2021 Appropriations Acts

FY2020	FY2021
Enacted, P.L. 116-94	Enacted, P.L. 116-260
Farm Production and Conservation (FPAC) Business Center	
FPAC Business Center. Directs the transfer of \$60.2 million from mandatory conservation program accounts to the Business Center account (Title II).	Same as FY2020 enacted (Title II).
Natural Resources Conservation Service (NRCS)	
Conservation Operation (CO). Directs \$5.6 million of CO to Watershed and Flood Prevention Operations (WFPO) projects providing water to rural communities (Title II).	Similar language but moved under <i>Watershed Operations</i> line—see below (Title II).
No comparable provision.	Directs \$3 million of CO to projects authorized under the Flood Control Act of 1944 (Title II).
Watershed Operations. Limits the application of the 250,000-acre limitation in WFPO to activities for which the primary purpose is flood prevention (Title II).	Same as FY2020 enacted (Title II).
Directs \$70 million of available funds to be allocated to projects that commence promptly, address select regional priorities, or are authorized under the Flood Control Act of 1944 (Title II).	Similar to FY2020 enacted, but it decreases level to \$65 million (Title II).

¹⁷ The appropriation for the Natural Resources Conservation Service (NRCS) in P.L. 116-260 states, “Provided, That for funds provided by this Act or any other prior Act, the limitation regarding the size of the watershed or subwatershed exceeding two hundred and fifty thousand acres in which such activities can be undertaken shall only apply for activities undertaken for the primary purpose of flood prevention (including structural and land treatment measures).” The underlying limitation referred to is 16 U.S.C. §1002.

¹⁸ The provision would apply to the \$175 million in FY2021 and any funds previously provided. Since Watershed and Flood Prevention Operations (WFPO) funding is available until expended, it is possible that the waiver could carry forward into future fiscal years but only for funds made available in, or prior to, FY2021.

FY2020	FY2021
Enacted, P.L. 116-94	Enacted, P.L. 116-260
See <i>Conservation Operation</i> line above that directs \$5.6 million of CO to WFPO projects providing water to rural communities (Title II).	Similar to FY2020 enacted but increases level to \$10 million and directs funding from WFPO, not CO (Title II).
Watershed Rehabilitation. Directs \$5 million to states with high-hazard dams that have incurred fatal flooding events (Title II).	No comparable provision.
Agricultural Management Assistance (AMA). Allows AMA funds to remain available until expended (\$707).	Same as FY2020 enacted (\$707).
Conservation Reserve Program (CRP). Provides \$1 million for a CRP bottomland hardwood tree pilot program (\$758).	No comparable provision.
Water Bank. Provides \$4 million for the Water Bank program (\$759).	Same as FY2020 enacted (\$749).
Office of Urban Agriculture and Innovative Production. Allocates \$5 million for the establishment of the office within NRCS (\$768).	Similar to FY2020 enacted but increases funding to \$7 million (\$754).
Wetland Mitigation Banking. Allocates \$5 million available until FY2022 for farm bill mitigation banks (\$779).	Similar to FY2020 enacted but adds priority to areas with a significant number of individual wetlands and conservation compliance requests (\$763).
No comparable provision.	Experienced Services Program. Allows the use of WFPO, Watershed Rehabilitation, and Emergency Watershed Protection program funds to provide technical assistance through the Agricultural Conservation Experienced Services (ACES) program, a part-time employment program for retirees (\$786).

Source: CRS, compiled from enacted and passed appropriations.

Notes: These policy changes are relevant only for the fiscal year cited.

Beyond the text of the appropriations act, the explanatory statement that accompanies the final appropriations—and the House and Senate report language that generally accompanies the committee-reported bills—may also provide policy instructions. These documents do not have the force of law but often explain congressional intent, which Congress expects the agencies to follow. The committee reports and explanatory statement may need to be read together to capture all of the congressional intent for a given fiscal year.

According to the FY2021 explanatory statement, the House report (H.Rept. 116-446) carries the same weight as the explanatory statement.¹⁹ In FY2021, the Senate did not formally introduce an

¹⁹ According to the FY2021 explanatory statement, “Unless otherwise noted, the language set forth in H.Rept. 116-446 carries the same weight as language included in this explanatory statement and should be complied with unless specifically addressed to the contrary in this explanatory statement. While some language is repeated for emphasis, it is not intended to negate the language referred to above unless expressly provided herein.” The explanatory statement for the FY2021 agriculture appropriations is in House, *Congressional Record*, vol. 166, book III (December 21, 2020), at <https://www.congress.gov/116/crec/2020/12/21/CREC-2020-12-21.pdf-bk3>.

Agriculture appropriations bill or report language.²⁰ Therefore, **Table 4** does not include the draft Senate report language.

Many of these provisions have been included in past years' appropriations acts. Some provisions in report language and bill text address conservation programs that are not authorized or funded within the annual appropriations (i.e., mandatory spending for farm-bill-authorized programs). **Table 4** is divided by the administering agency and by account, according to the location of each provision within the two reports.

Table 4. Selected Conservation Policy Provisions in FY2020 and FY2021 Appropriations Explanatory Statements

House Report H.Rept. 116-446 for H.R. 7610 ^a	Enacted, Explanatory Statement for Div. A of P.L. 116-260 ^b
Under Secretary for Farm Production and Conservation Business Center	
CLEAR30 Expansion. Directs Natural Resources Conservation Service (NRCS) to report the feasibility of expanding the Conservation Reserve Program (CRP) pilot known as CLEAR30, through the Lake Erie Basin Project.	No comparable provision.
Watershed Projects. Directs a report on the status of all USDA watershed projects that remain incomplete due to lack of funds and encourages prioritization of projects that are over 50% complete.	Similar to House report but located under NRCS. Also encourages USDA to address delayed Watershed and Flood Prevention Operations (WFPO) projects, specifically projects related to rural drinking water supplies.
Farm Service Agency	
Conservation Reserve Enhancement Program (CREP). Encourages the use of dryland farming on new or modified CREP projects with current irrigated agriculture.	Similar to House report but encourages USDA to revise the draft programmatic environmental assessment for CRP to allow dryland agriculture uses on CREP acres.
No comparable provision.	State Acres for Wildlife Enhancement (SAFE). Encourages USDA to enroll CRP acres in SAFE practices.
Natural Resources Conservation Service	
Farmers.gov. Directs \$2.5 million of Conservation Technical Assistance (CTA) to the farmers.gov Customer Experience Portal.	Same as House report.
Composting. Encourages NRCS to create a composting practice within the Conservation Stewardship Program (CSP) and Environmental Quality Incentives Program (EQIP).	No comparable provision.
Conservation Data Report. Directs USDA to conduct a study on conservation practice data collection across all USDA agencies.	No comparable provision.

²⁰ The Senate Appropriations Committee released subcommittee drafts at U.S. Senate Committee on Appropriations, "Committee Releases FY21 Bills in Effort to Advance Process, Produce Bipartisan Results," November 10, 2020, at <https://www.appropriations.senate.gov/news/committee-releases-fy21-bills-in-effort-to-advance-process-produce-bipartisan-results>.

House Report H.Rept. 116-446 for H.R. 7610 ^a	Enacted, Explanatory Statement for Div. A of P.L. 116-260 ^b
Soil Health Initiative. Directs \$1 million of Conservation Operation (CO) to the Soil Health Initiative linking soil health and cover crop management.	Similar to House report, but specifically directs \$1 million from the Soil Surveys program amount.
Regional Conservation Partnership Program (RCPP). Encourages NRCS to provide additional CTA funds to RCPP critical conservation areas to address planning backlogs.	Similar to House report but specifically directs NRCS to maintain select critical conservation areas under RCPP and leverage resources to achieve the goals of the 2015 Gulf Hypoxia Action Plan.
Environmental Quality Incentives Program (EQIP). Directs NRCS to increase EQIP outreach in distressed watersheds.	No comparable provision.
Forestry Study. Directs NRCS to study the water quality effect of managed forestry practices.	No comparable provision.
Harmful Algal Blooms (HABs). Supports NRCS's soil erosion prevention efforts related to HABs. Requires NRCS to coordinate HAB efforts with other federal partners, and complete a report to Congress.	No comparable provision.
Mississippi River. Urges USDA to participate in the development of a Mississippi River restoration and resiliency strategy.	No comparable provision.
Office of Urban Agriculture and Innovative Production. Of the \$7 million provided for the office, \$1 million is directed to a community compost and food waste reduction pilot program.	No comparable provision.
Resource Conservation and Development Councils (RC&Ds). Encourages NRCS to continue working with RC&Ds.	No comparable provision.
Sage Grouse Initiative. Supports the initiative.	No comparable provision.
Soil and Food Nutrients. Directs NRCS to undertake regional studies of soil components and their impact on the nutrient content of fruits and vegetables.	No comparable provision.
Federal Lands Soil Health Study. Directs USDA to conduct an analysis of soil health on federal lands, including the impact of grazing, wildfire, recreation, and invasive species on soil.	Similar to House report but in addition to an analysis, the statement specifically directs \$3.8 million of CO to maintain the soil survey, including on federal and tribal lands.
Soil Quality in Select Watersheds. Directs NRCS to conduct an evaluation of watershed and cropland projects under the Conservation Effects Assessment Project (CEAP).	Similar to House report but directs NRCS to analyze the feasibility of evaluating watershed and cropland projects under CEAP.
No comparable provision.	Soil Health Planning. Encourages USDA to dedicate more CTA funding to measuring and testing carbon levels, healthy soil planning, and soil carbon sequestration planning.
No comparable provision.	Wetlands Mitigation. Encourages USDA to use a 1-to-1 acre ratio for wetlands mitigation requirements.

No comparable provision.	Drought. Directs NRCS to give priority to areas with major drought response plans, agreements, or programs designed to result in conservation of surface water or groundwater.
No comparable provision.	Environmental Quality Incentives Program (EQIP). Urges NRCS to develop EQIP guidance with input from acequias and land grant-mercedes.
No comparable provision.	Program Duplication. Directs NRCS to report to Congress on program duplication identified in inspector general reports.
No comparable provision.	Watershed Operations. Provides direction on technical assistance for WFPO projects.

Source: CRS.

Notes: These policy provisions clarify congressional intent for the specific fiscal year cited. The explanatory statement that accompanies the final FY2021 appropriation indicates that unless otherwise noted, the House report language carries the same weight as language in the explanatory statement. Therefore, a notation of “no comparable provision” in the enacted column does not vacate a described provision. Rather, the House report and explanatory statement should be read together to capture all of the congressional intent for the fiscal year. For additional information on the programs identified in this table, see CRS Report R40763, *Agricultural Conservation: A Guide to Programs*.

- a. The House Appropriations Committee reported H.R. 7610 with accompanying report H.Rept. 116-446. The bill was incorporated into a minibus H.R. 7608, which passed the House and was later incorporated into what became P.L. 116-260 with its own explanatory statement.
- b. The explanatory statement for FY2021 agriculture appropriations is in House, *Congressional Record*, vol. 166, book III (December 21, 2020), at <https://www.congress.gov/116/crec/2020/12/21/CREC-2020-12-21.pdf-bk3>.

Author Information

Megan Stubbs
Specialist in Agricultural Conservation and Natural
Resources Policy

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS’s institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.