

Agriculture and Related Agencies: FY2021 Appropriations

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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.

A full-year FY2021 Consolidated Appropriations Act (P.L. 116-260) was enacted on December 27, 2020, with Agriculture appropriations in Division A. The fiscal year had begun on October 1, 2020, under a series of five continuing resolutions that generally continued FY2020 funding for the first three months of the fiscal year.

During the regular procedural cycle for development of the annual appropriation, the House passed a four-bill minibus appropriation on July 24, 2020, with Agriculture appropriations as Division B, which included the text of a committee-reported bill for agriculture. The Senate Appropriations Committee did not formally introduce a bill and released a draft measure and explanatory statement on November 10, 2020.

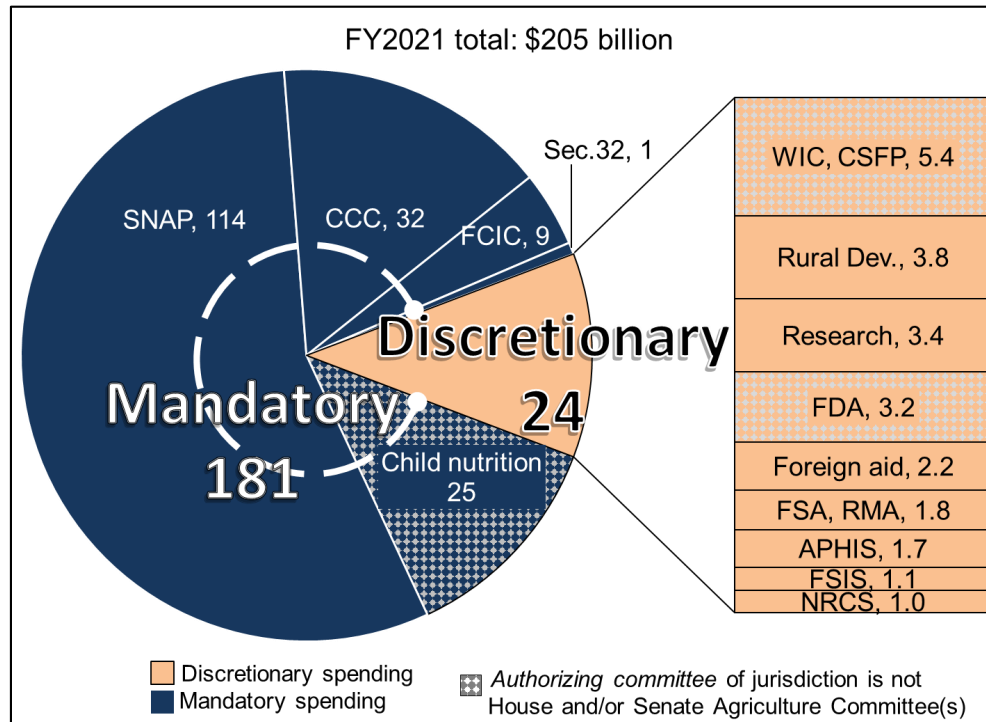
Separate from the regular FY2020 annual appropriation, Congress passed six supplemental appropriations acts in response to the Coronavirus Disease 2019 (COVID-19) pandemic, which included funding for various accounts in the jurisdiction of Agriculture appropriations. All of this supplemental funding was designated as emergency spending and not subject to the budget caps that limit appropriations.

The enacted regular FY2021 appropriation provides \$23.4 billion in discretionary appropriations, an increase of \$219 million (+0.9%) over the FY2020 appropriation (on a comparable Senate jurisdiction basis that does not include the Commodity Futures Trading Commission [CFTC]). The discretionary total using the House jurisdiction would be \$23.7 billion, counting the CFTC (as shown in the figure). These amounts are about \$280 million less than the House-passed bill and \$65 million more than the Senate draft. Mandatory spending that is carried in the appropriations act increased \$52 billion (+40%) over FY2020, largely as a result of coronavirus supplemental assistance acts that were enacted separately.

The primary changes that comprise the \$219 million increase from the FY2020 levels include an increase of \$231 million for the rural broadband ReConnect program, \$119 million more for agricultural research grants and salaries, \$91 million more for domestic nutrition assistance, \$74 million more for various agriculture agencies, \$43 million more for the Food and Drug Administration, \$31 million more for foreign food assistance, \$52 million more for various other programs, and a \$635 million emergency supplemental for Agricultural Quarantine Inspection (AQI). These increases largely were offset by a reduction of \$157 million from agricultural research buildings and facilities, a \$635 million emergency declaration for the AQI appropriation, and \$270 million more of various rescissions and scorekeeping adjustments than in FY2020.

Generally speaking, the House-passed bill, the Senate draft, and the enacted appropriation do not include most of the reductions proposed by the Trump Administration, which had requested \$19.9 billion for discretionary-funded accounts within the jurisdiction of Agriculture appropriations subcommittees. The Trump Administration's request would have been a reduction of \$3.6 billion from FY2020 (-15%), including 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).

Scope of Agriculture and Related Agencies Appropriations
Budget authority in billions of dollars



Source: Congressional Research Service.

Notes: Incorporates amounts from General Provisions with the agencies. House jurisdiction basis including CFTC. Does not show agencies under \$0.5 billion. 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.

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Status of FY2021 Agriculture Appropriations

A full-year FY2021 Consolidated Appropriations Act (P.L. 116-260) was enacted on December 27, 2020, with Agriculture appropriations in Division A. The fiscal year had begun on October 1, 2020, under a series of five continuing resolutions that generally continued FY2020 funding for the first three months of the fiscal year.

During the regular procedural cycle for the annual appropriation, the House passed a four-bill minibus appropriation (H.R. 7608) on July 24, 2020, with Agriculture appropriations as Division B, which included the text of a committee-reported bill for agriculture (H.R. 7610). The Senate Appropriations Committee did not formally introduce a bill and released a draft measure and explanatory statement on November 10, 2020 (**Table 1**). See **Figure 1** for a timeline comparison.

Table 1. Status of FY2021 Agriculture Appropriations

Administration Request	House Action			Senate Action			Continuing Resolutions	Final Appropriation
	Subcmte.	Cmte.	Floor	Subcmte.	Cmte.	Floor		
2/10/2020 OMB Budget Appendix USDA FDA CFTC FCA	7/6/2020 Draft ^a Voice vote	7/9/2020 H.R. 7610 H.Rept. 116-446 Voice vote	7/24/2020 H.R. 7608 Division B Vote of 224-189	—	11/10/2020 Draft ^b	—	10/1/2020 P.L. 116-159 until 12/11/2020 P.L. 116-215 until 12/18/2020 P.L. 116-225 until 12/20/2020 P.L. 116-226 until 12/21/2020 P.L. 116-246 until 12/28/2020	12/27/2020 P.L. 116-260 Division A H.Cmte.Print 43-749, Book I

Source: Congressional Research Service (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.

- The House subcommittee draft is at <https://appropriations.house.gov/legislation/agriculture-subcommittee-legislative-activity>.
- The Senate Appropriations Committee draft is at <https://www.appropriations.senate.gov/news/committee-releases-fy21-bills-in-effort-to-advance-process-produce-bipartisan-results>.

The enacted FY2021 appropriation provides \$23.4 billion in discretionary appropriations, an increase of \$219 million (+0.9%) over the regular annual FY2020 appropriation (on a comparable basis that does not include the Commodity Futures Trading Commission [CFTC]).¹ This is about \$280 million less than the House-passed bill and \$65 million more than the Senate draft (**Table 2**). Mandatory spending that is carried in the appropriations act increased \$52 billion (+40%) over FY2020, largely as a result of coronavirus supplemental assistance acts that were enacted separately.

¹ Jurisdiction for Commodity Futures Trading Commission (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.

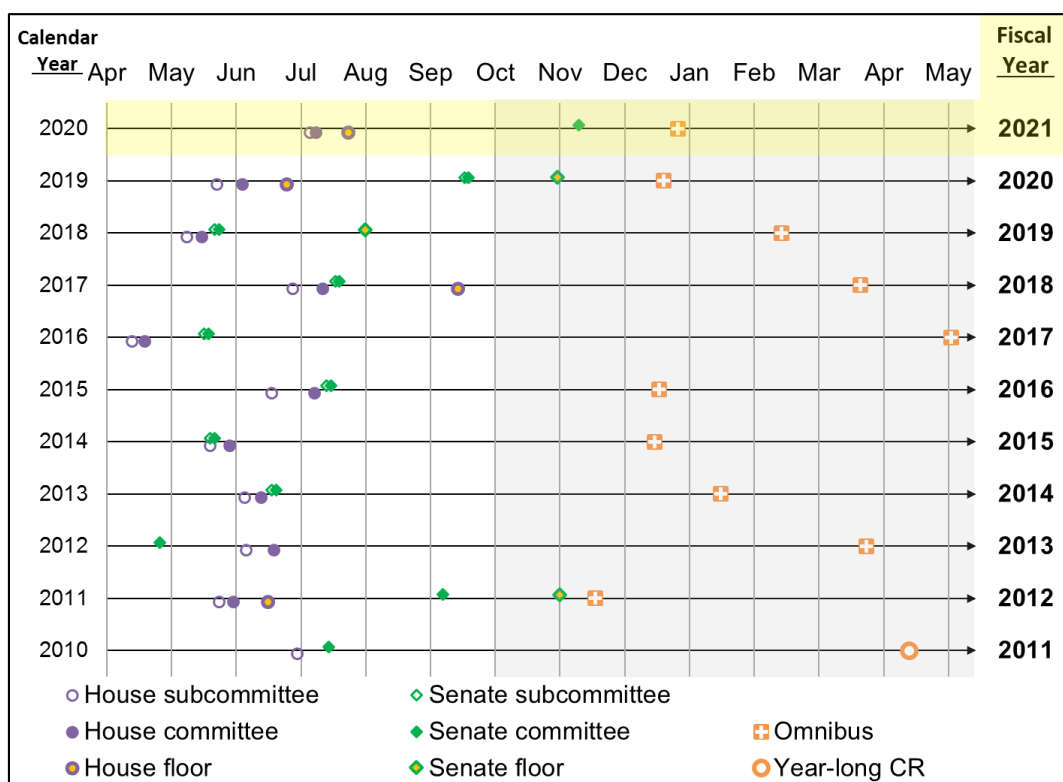
Table 2. Agriculture and Related Agencies Appropriations, FY2020-FY2021

Budget authority in millions of dollars (discretionary unless stated otherwise)

Title of Agriculture Appropriations Act	FY2020	FY2021				Change from FY2020 to FY2021 enacted	
	P.L. 116-94	Admin. request	House-passed	Senate draft	P.L. 116-260	\$	%
Discretionary							
Senate basis, w/o CFTC	[23,169.1]	19,680.2	[23,668.4]	23,323.4	23,388.4	+219.3	+0.9%
House basis, w/ CFTC	23,484.1	19,906.7	23,972.4	[23,627.4]	[23,692.4]	+208.3	+0.9%
Mandatory	129,108.8	128,939.3	129,481.4	128,998.1	181,020.7	+51,911.9	+40.2%
Total: Senate basis	152,278.0	148,619.4	153,149.9	152,321.5	204,409.1	+52,131.2	+34.2%
Total: House basis	152,593.0	148,845.9	153,453.9	152,625.5	204,713.1	+52,120.2	+34.2%

Source: CRS, using appropriations text and reports and unpublished CBO tables. House-passed refers to H.R. 7608, Division B. Senate draft refers to the Senate Appropriations Committee draft from November 10, 2020.

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. Excludes coronavirus supplemental appropriations acts, except as incorporated into mandatory appropriations.

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

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

Notes: For FY2021, the Senate Committee released a draft subcommittee bill on November 10, 2020. Blue shading shows the beginning of each fiscal year. Yellow shading is the current appropriations cycle.

Other CRS Resources for Agricultural Appropriations

- CRS In Focus IFI 1491, *Supplemental Appropriations for Agriculture and Related Agencies Due to COVID-19*
- CRS Report R46681, *USDA Nutrition Assistance Programs: Response to the COVID-19 Pandemic*
- CRS Report R46488, *USDA Domestic Food Assistance Programs: FY2020 Appropriations*
- CRS Report R44606, *The Commodity Credit Corporation (CCC)*
- CRS Report R45422, *U.S. International Food Assistance: An Overview*
- CRS Report R46728, *FY2021 Appropriations for Agricultural Conservation*
- CRS In Focus IFI 1452, *Staffing Trends in the USDA Farm Production and Conservation (FPAC) Mission Area*
- CRS In Focus IFI 1262, *USDA's ReConnect Broadband Pilot Program*
- CRS Report R44576, *The Food and Drug Administration (FDA) Budget: Fact Sheet*

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) 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.
- **Mandatory spending**⁵ is carried in the appropriation and usually advanced unchanged, since it is controlled by budget rules during the authorization process.⁶ Spending for so-called entitlement programs is determined in laws such as the 2018 farm bill⁷ and 2010 child nutrition reauthorization.⁸

In the FY2021 appropriation (P.L. 116-260), the discretionary amount is 12% (\$24 billion) of the \$205 billion total (on a House jurisdiction basis that includes CFTC). Mandatory spending carried

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

³ See CRS In Focus IFI1032, *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*.

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 IFI0266, *Child Nutrition Reauthorization (CNR): An Overview*.

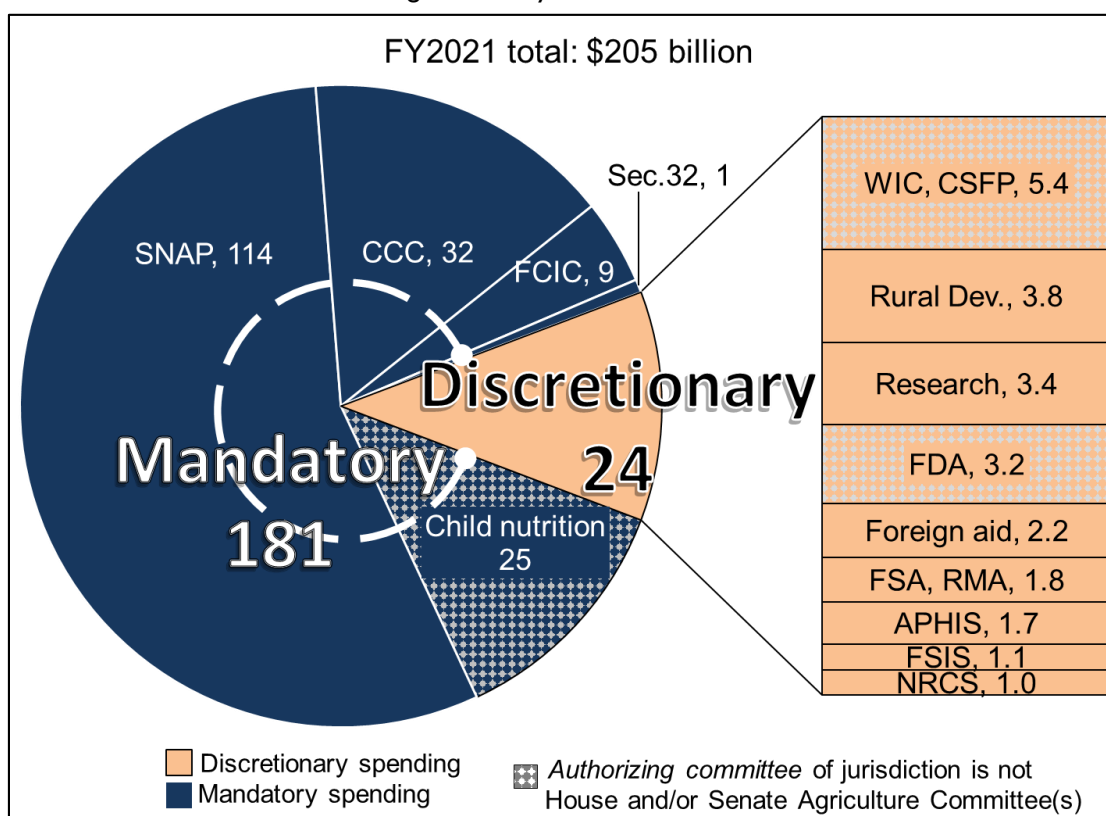
in the act comprised \$181 billion, about 88% of the total, which is higher than usual because of the large supplemental spending from coronavirus assistance acts.

Within the discretionary total, the largest spending items are WIC, rural development, agricultural research, FDA, foreign food aid and trade, farm assistance loans and salaries, animal and plant health programs, food safety inspection, 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.⁹ Amounts for the nutrition program are based on projected spending needs. In contrast, the CCC appropriations reimburse spending from a line of credit.¹⁰

Figure 2. Scope of Agriculture and Related Agencies Appropriations

Budget authority in billions of dollars



Source: CRS.

Notes: Incorporates amounts from General Provisions with the agencies. House jurisdiction basis including CFTC. Does not show agencies under \$0.5 billion. 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.

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

¹⁰ See CRS Report R44606, *The Commodity Credit Corporation (CCC)*.

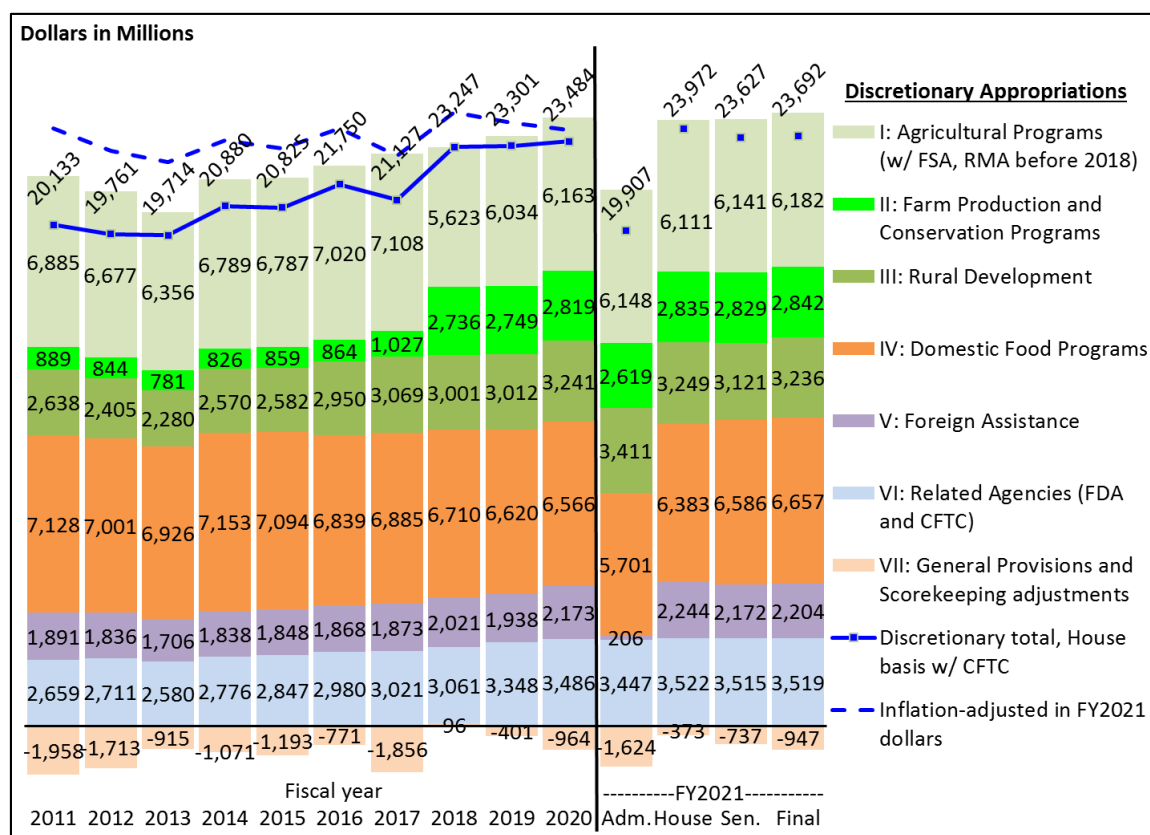
Recent Trends in Agriculture Appropriations

In the past 10 years, discretionary Agriculture appropriations were the lowest in FY2013 and have gradually increased 20% over eight years. These historical measures may be tempered by inflation adjustments, as shown in the dotted line in **Figure 3**. In inflation-adjusted dollars, the Agriculture appropriations total is 1.3% less in FY2021 than it was a decade ago, 4.6% higher than the low in FY2013, and 3.9% less than the recent inflation-adjusted high in FY2018.

Changes within titles generally have been proportionate to changes in the overall bill, though some areas, such as FDA (related agencies), have relative increases.

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

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



Source: CRS.

Note: For FY2021, Adm. is the Trump Administration's request; House is House-passed H.R. 7608, Division B; and Sen. is the Senate Appropriations Committee draft. 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.

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 (1) 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*.

Budget Caps and Subcommittee Allocations

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.¹¹

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.¹²

For FY2021, the House and Senate Budget Committees did not report a budget resolution to develop the regular appropriations bills.

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.¹³ If federal spending exceeds the statutory budget caps, then automatic spending cuts are triggered. Sequestration is the across-the-board backstop to achieve budget reductions by permanently canceling budget authority when spending exceeds budget caps (2 U.S.C. §901(c)).¹⁴

¹¹ CRS Report R42388, *The Congressional Appropriations Process: An Introduction*.

¹² References to 302(a) and 302(b) are to sections of the Congressional Budget Act of 1974.

¹³ CRS Report R44874, *The Budget Control Act: Frequently Asked Questions*.

¹⁴ CRS Report R42972, *Sequestration as a Budget Enforcement Process: Frequently Asked Questions*.

FY2021 is the last year with budget caps under the BCA. After 2011, Bipartisan Budget Acts (BBAs) in 2013, 2015, 2018, and 2019 have raised the caps to allow more spending and avoid sequestration on discretionary accounts (**Figure 4**).¹⁵

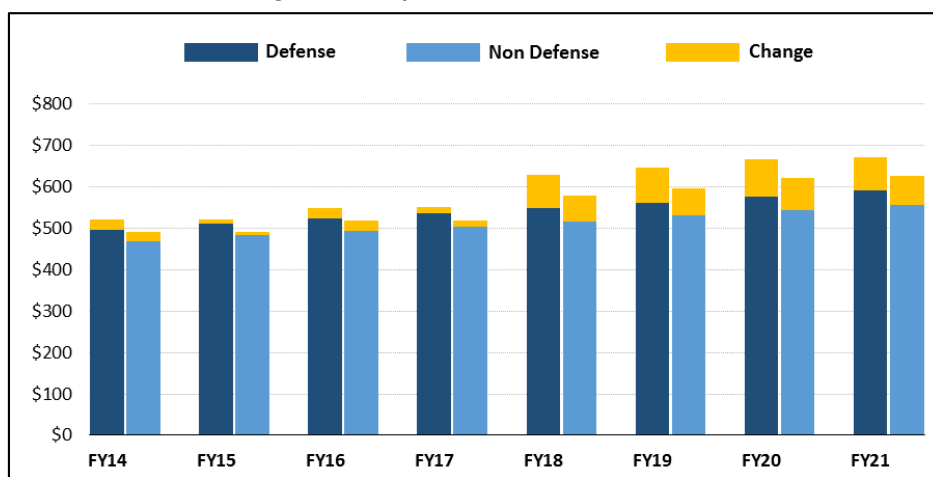
Despite the BBA agreements that have raised discretionary spending caps to avoid sequestration (with the exception of FY2013), sequestration still impacts mandatory spending accounts. Sequestration on mandatory accounts began in FY2013 and continues to the present. Congress has amended the BCA five times to extend sequestration on mandatory spending accounts, usually as an offset to raise the discretionary spending caps. The original sunset of sequestration on mandatory accounts 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 discretionary spending, 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.¹⁶

The FY2021 budget cap of \$627 billion for nondefense spending is about 1% greater than the cap that was used to write the FY2020 appropriations.

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*.

Discretionary Spending Allocations

On July 9, 2020, the House Appropriations Committee reported its 302(b) subcommittee allocations (H.Rept. 116-143). The discretionary allocation for Agriculture was \$23.98 billion, an increase of 2% above the FY2020 level.

On November 10, 2020, the Senate Appropriations Committee reported its 302(b) subcommittee allocations on the committee website with the draft bills. The discretionary allocation for Agriculture was \$23.33 billion, an increase of nearly 1% above FY2020.

¹⁵ CRS Insight IN11090, *Increasing the BCA Spending Limits: Characteristics of Previously Enacted Legislation*.

¹⁶ CRS Insight IN11148, *The Bipartisan Budget Act of 2019: Changes to the BCA and Debt Limit*.

Action on FY2021 Appropriations

Administration's Budget Request

The Trump Administration released its FY2021 budget proposal to Congress on February 10, 2020.¹⁷ USDA concurrently released its more detailed budget summary and justification,¹⁸ as did the FDA,¹⁹ the CFTC,²⁰ and the Farm Credit Administration.²¹ The Administration also highlighted separately some of its proposed reductions and eliminations.²²

For accounts in the jurisdiction of the House Agriculture Appropriations Subcommittee, the Administration's budget requested \$19.9 billion, a \$3.6 billion reduction from FY2020 (-15%; **Table 3, Figure 3**).²³

The primary changes in the Trump Administration's request compared with what Congress enacted in FY2020 included proposed 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).²⁴
- **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 proposed rescinding more from unspent WIC balances than was done by the enacted FY2020 General Provisions (-\$200 million), which contributed 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 have increased competitive research (+\$175 million) and created separate funding for the Office of Chief Scientist (+\$6 million).²⁵
- **Rural development (-\$130 million)**, from reductions to rural business development programs (-\$95 million, -90%); rural housing programs (-\$92

¹⁷ OMB, *FY2021 Budget of the U.S. Government*, Appendix.

¹⁸ USDA, *FY2021 USDA Budget Summary*; and USDA, *FY2021 Budget Explanatory Notes for Committee on Appropriations*.

¹⁹ FDA, *FY2021 Justification of Estimates for Appropriations Committees*.

²⁰ CFTC, *FY2021 President's Budget Request*.

²¹ Farm Credit Administration, *FY2021 Proposed Budget and Performance Plan*.

²² OMB, *FY2021 Budget of the U.S. Government*, Major Savings and Reforms.

²³ 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.

²⁴ A similar reduction is discussed in CRS Report R46255, *International Food Assistance: FY2020 Appropriations*.

²⁵ 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 ReConnect program (-\$50 million net,²⁶ -17%). The Administration would have increased rural development administration (+\$64 million net) and created a 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** in General Provisions (-\$140 million).

These reductions were offset by proposed 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 have created an Office of Safety, Security and Protection (+\$25 million) and an Office of Information Affairs (+\$2.5 million). It would have reduced the Office of Public Partnership and Engagement (-\$4 million, -68%).
- **Food Safety Inspection Service (+\$38 million, +4%).**
- **Food and Drug Administration (+49 million, +2%).**

House Action

In February and March 2020, before the COVID-19 pandemic paused development of the regular appropriations bills, the House Agriculture Appropriations Subcommittee held hearings on the request for USDA overall, the FDA and FCA budget requests, and the USDA and HHS Offices of Inspector General.²⁷

On July 6, 2020, the House Agriculture Appropriations Subcommittee marked up a FY2021 Agriculture appropriations bill by voice vote. On July 9, the full committee reported the bill by voice vote after adopting two amendments (H.R. 7610, H.Rept. 116-446).

On July 24, 2020, the House passed a four-bill FY2021 minibuss appropriation (H.R. 7608) that contained the text of the House-reported bill as Division B, as amended. Forty-five amendments were submitted to the Rules Committee for the agriculture portion.²⁸ The House Rules Committee reported a modified open rule²⁹ (H.Rept. 116-459) that made in order for floor consideration 24 of

²⁶ The FY2021 budget request would move funding for the Rural e-Connectivity Pilot Program (also known as ReConnect) 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 ReConnect that was in the CARES Act coronavirus appropriation.

²⁷ Videos of the hearings are available at the House Agriculture Appropriations Subcommittee website.

²⁸ The 45 amendments submitted for Division B, including links to the text, are posted at <https://rules.house.gov/bill/116/hr-7608>.

²⁹ Rules about floor consideration are discussed in CRS Report R43424, *Considering Legislation on the House Floor: Common Practices in Brief*. A modified open rule makes in order a predetermined number of specific amendments.

these 45 amendments.³⁰ During floor consideration, all 24 amendments in Division B were adopted in two en bloc amendments (H.Amdt. 850 with 22 amendments in Division B, by voice vote, and H.Amdt. 851 with two amendments in Division B, by a vote of 223-194).³¹ Of these adopted amendments, 8 revised funding amounts with offsets, 1 increased an amount for mandatory spending without offset, 3 added policy statements, and 12 made no substantive changes but were for the purposes of discussion.

The House-passed Agriculture appropriations bill would have provided \$23.97 billion in discretionary appropriations, an increase of \$488 million (+2%) over the regular annual FY2020 appropriation. Generally speaking, the House-reported bill did not include most of the reductions proposed by the Administration and was \$4.07 billion greater than the Administration's request.

Table 3 provides details of the House-passed bill at the agency level. The primary changes in the bill that comprise the \$488 million increase, compared to the annual enacted FY2020 appropriation, included increases to the following:

- **Rural e-Connectivity Pilot Program** (also known as **ReConnect; +615 million, +205%**), to expand rural broadband.³² This is in the General Provisions title.
- **Foreign assistance (+\$72 million, +3%)**, to increase Food for Peace Title II grants and McGovern-Dole Food for Education.
- **USDA food safety and regulatory programs (+\$63 million, +3%)**, mostly by increasing the Food Safety Inspection Service by \$34 million and the Animal and Plant Health Inspection Service by \$27 million.
- **Food and Drug Administration (+\$47 million, +1%)**.
- **Farm Production and Conservation (FPAC) mission area (+\$17 million, +1%)**, mostly from increasing the FPAC Business Center by \$28 million and Conservation Operations by \$4 million and reducing two watershed programs.
- **Rural Development (+\$8 million, +0.3%)**, a net increase mostly from increasing program administration (+\$64 million) and reducing rural utilities (-\$25 million), rural housing (-\$24 million), and rural businesses (-\$7 million).

Changes from FY2020 in the House-passed bill also included reductions to the following:

- **Domestic nutrition assistance programs (-\$183 million, -3%)**, mostly from the WIC program, although the Commodity Assistance Program would have risen.
- **Agricultural research (-\$81 million, -3%)**, a net reduction comprised mostly from reducing ARS buildings and facilities by \$182 million while increasing the program support for four agricultural research agencies by \$101 million.
- **Departmental administration (-\$35 million, -7%)**.
- **Other appropriations (-\$19 million)**, for various miscellaneous amounts in the General Provisions title (not including the ReConnect program above).
- **Commodity Futures Trading Commission (-\$11 million, -3%)**.

³⁰ A crosswalk of the amendment numbers from those submitted (footnote 28) to those made in order for floor consideration (H.Rept. 116-459) is at https://rules.house.gov/sites/democrats.rules.house.gov/files/Rule_HR7608.pdf.

³¹ An amendment tracker for the minibus is at <https://appropriations.house.gov/hr-7608-archived-amendment-tracker-state-foreign-operations-agriculture-interior-environment-and>.

³² See CRS In Focus IF11262, *USDA's ReConnect Broadband Pilot Program*.

Senate Action

The Senate Agriculture Appropriations Subcommittee held a hearing on the USDA budget request in March 2020.³³ Neither the Agriculture subcommittee nor the Appropriations Committee marked up a numbered FY2021 Agriculture appropriations bill. However, on November 10, 2020, the Senate Appropriations Committee majority released drafts of all 12 annual appropriations bills along with draft accompanying explanatory statements.³⁴ The release of the draft bills was intended to further negotiations on annual appropriations with the House.³⁵ Hereinafter, references to the Senate Agriculture appropriations bill refer to the Senate Appropriations Committee majority draft bill and its accompanying draft explanatory statement.

The Senate draft for Agriculture appropriations would have provided \$23.3 billion in discretionary appropriations, an increase of \$154 million (+0.7%) over the regular annual FY2020 appropriation and \$345 million less than the House-passed bill (-1.5%) on a comparable basis excluding the CFTC. Like the House-passed bill, the Senate draft bill generally did not include most of the reductions proposed by the Administration.

Table 3 provides details of the Senate draft at the agency level. The primary changes in the Senate draft compared to the House bill that comprised the \$345 million reduction included relatively less than the House bill for the following:

- **Rural e-Connectivity Pilot Program (ReConnect; -\$590 million).**
- **Rural Development (-\$127 million),** mostly from less for the Rural Utilities Service (-\$83 million), salaries and expenses (-\$54 million), and the Rural Business Cooperative Service (-\$13 million), offset by more than the House bill for the Rural Housing Service (+\$23 million).
- **Foreign assistance (-\$73 million),** including less than the House bill for Food for Peace Title II grants (-\$50 million) and McGovern-Dole (-\$15 million).
- **Agricultural agencies (-\$37 million),** including less than the House for the Food Safety Inspection Service (-\$18 million), the Animal and Plant Health Inspection Service (-\$13 million), and Farm Production and Conservation (-\$6 million).
- **Food and Drug Administration (-\$7 million).**

The Senate draft would have included more than the House-passed bill for the following:

- **Domestic nutrition assistance programs; +\$402 million),** including more for the base amount for WIC (+\$250 million) and less of a rescission from prior-year WIC balances (+\$250 million), offset by relatively less than the House bill for the Commodity Assistance Program (-\$27 million).
- **Other appropriations (+\$38 million),** including more than the House bill for various miscellaneous amounts in the General Provisions title.
- **Administrative accounts (+\$63 million),** mostly more for accounts that were reduced in the House-passed bill as offsets for floor amendments.

³³ Videos of the hearings are available at the Senate Agriculture Appropriations Subcommittee website.

³⁴ The 12 draft bills and explanatory statements are on the committee's website linked to the majority press release at <https://www.appropriations.senate.gov/news/committee-releases-fy21-bills-in-effort-to-advance-process-produce-bipartisan-results>.

³⁵ See footnote 34. See also the statement from the Senate Appropriations Committee Vice Chair, Senator Patrick Leahy, at <https://www.appropriations.senate.gov/news/minority/senate-approps-vice-chair-leahy-statement-on-the-release-of-the-fy-2021-senate-appropriations-bills->.

Continuing Resolution

In the absence of any enacted FY2021 appropriations on October 1, 2020, Congress passed a continuing resolution (CR) to continue operations and prevent a government shutdown. The first CR provided funding until December 11, 2020 (P.L. 116-159, Division A). Four subsequent, shorter continuing resolutions (P.L. 116-215, P.L. 116-225, P.L. 116-226, and P.L. 116-246) continued the terms of the first CR until December 28, 2020. A final consolidated appropriations act (P.L. 116-260) was signed on December 27, which supplanted the last CR.

In general, a CR continues the funding rates and conditions that were in the previous year's appropriation.³⁶ The Office of Management and Budget (OMB) may prorate funding on an annualized basis for the duration of the CR through a process known as apportionment.³⁷

- **§101 of P.L. 116-159** continued the terms of the FY2020 Agriculture Appropriations Act with a proviso for rural development in the anomalies below.
- **§111 of P.L. 116-159** provided sufficient funding to maintain mandatory program levels, including for nutrition programs (as done in to previous years' CRs).³⁸

Special provisions (anomalies) in a CR may adjust prior-year amounts or make specific administrative changes. Nine anomalies in the first CR (P.L. 116-159) applied specifically to the Agriculture appropriation:³⁹

- **Rural Water and Waste Disposal Program (§116).** This provision provided the same loan levels as in FY2020 but did not provide appropriated loan subsidies. For FY2021, the program is projected to have a negative subsidy rate, meaning that the cost of providing loans is less than estimated repayments and fees.⁴⁰
- **Summer Food for Children Demonstrations (§117).** This provision allowed USDA to spend discretionary funds at a rate so that the program was operational by May 2021. Similar provisions have been part of previous CRs and included the Summer Electronic Benefit Transfer demonstration.⁴¹
- **Commodity Supplemental Food Program (§118).** This provision allowed the USDA to spend discretionary funds at a rate necessary to maintain the program's current caseload to distribute food to low-income seniors.
- **Farm Loan Programs (§119).** This provision allowed USDA to spend discretionary funds at a rate necessary to cover any backlog of farm ownership loan applications that were approved in FY2020 but were not able to be funded.

³⁶ CRS Report R42647, *Continuing Resolutions: Overview of Components and Practices*.

³⁷ For example, if a CR lasts for three months, then three-twelfths of the previous fiscal year amount may be apportioned. See OMB, "Apportionment of the Continuing Resolution(s) for Fiscal Year 2021," October 1, 2020. See also CRS Report RL34700, *Interim Continuing Resolutions (CRs): Potential Impacts on Agency Operations*.

³⁸ The OMB bulletin about implementing CRs (footnote 36) identified the scope of mandatory programs that were included in Section 111 by referencing the conference report for the Balanced Budget Act of 1997 (H.Rept. 105-217). These included nearly all of the mandatory agriculture programs: SNAP, child nutrition, CCC, crop insurance, Section 32, and the dairy indemnity program.

³⁹ See CRS Report R46582, *Overview of Continuing Appropriations for FY2021 (P.L. 116-159)*.

⁴⁰ OMB, *President's Budget FY 2021*, "Federal Credit Supplement Spreadsheets: Direct Loans: Subsidy Rates, Obligations, and Average Loan Size," <https://www.whitehouse.gov/omb/supplemental-materials>.

⁴¹ For more information, see CRS In Focus IF11633, *Summer Meals for Children: An Overview of Federal Aid*.

- **Livestock Mandatory Reporting Extension (§120).** This provision extended the Livestock Mandatory Reporting Act for the duration of the CR. The act had been reauthorized four times since it was enacted in 1999.⁴²
- **U.S. Grain Standards Act Extension (§121).** This provision reauthorized expiring parts of the otherwise permanently authorized U.S. Grain Standards Act. It extended authority to collect fees and reauthorized appropriations.⁴³
- **Extension of Hemp Pilot Program in 2014 Farm Bill (§122).** This provision extended the hemp pilot program from the 2014 farm bill until September 30, 2021. This extension allowed hemp production to continue under the pilot program instead of a new hemp program established in the 2018 farm bill.⁴⁴
- **Over-the-Counter Drug Monograph User Fee Act (§123).** This provision required that, during the CR, over-the-counter (OTC) monograph user fees were credited to the FDA salaries and expenses account.⁴⁵
- **Commodity Credit Corporation (§173).** This provision provided the appropriation used by the CCC to reimburse the Treasury for its line of credit *before* completion of a required audited report the end of the fiscal year. Without the anomaly, CCC may have exhausted its borrowing authority in October 2020.⁴⁶

Consolidated Appropriations Act

A full-year FY2021 Consolidated Appropriations Act (P.L. 116-260) was enacted on December 27, 2020, with Agriculture appropriations in Division A. The joint explanatory statement was initially published in the *Congressional Record*,⁴⁷ and it was later republished as a House committee print.⁴⁸

The enacted FY2021 Agriculture appropriation provides \$23.4 billion in discretionary appropriations, an increase of \$219 million (+0.9%) over the regular annual FY2020 appropriation (on a comparable basis that does not include the CFTC). This is about \$280 million less than the House-passed bill and \$65 million more than the Senate draft.

Mandatory spending for accounts that are regularly carried in the appropriations act increased to \$181 billion in FY2021, an increase of \$52 billion (+40%) over FY2020. The increase was largely as a result of coronavirus supplemental assistance acts that had been enacted separately.⁴⁹ These mandatory amounts do not affect the discretionary appropriations that are set in the Consolidated Appropriations Act.

⁴² The Livestock Mandatory Reporting Act was extended to September 30, 2021, in P.L. 116-260, Division O, §401.

⁴³ The U.S. Grain Standards Act was reauthorized through September 30, 2025, in P.L. 116-216 on December 11, 2020.

⁴⁴ For comparisons of the 2014 and 2018 farm bill programs, see USDA, “Comparison of 2014 Farm Bill and 2018 Farm Bill Requirements,” https://www.ams.usda.gov/sites/default/files/media/HempFarmBillComparison_022020.pdf.

⁴⁵ For additional information about regulation of OTC monograph drugs, see the section “Subtitle F—Over-the-Counter Drugs” in CRS Report R46334, *Selected Health Provisions in Title III of the CARES Act (P.L. 116-136)*.

⁴⁶ For additional information on the CCC, see CRS Report R44606, *The Commodity Credit Corporation (CCC)*.

⁴⁷ U.S. Congress, *Congressional Record*, vol. 166, no. 218 (December 21, 2020), Book III.

⁴⁸ U.S. Congress, House Committee on Appropriations, *Consolidated Appropriations Act, 2021*, committee print on H.R. 133/P.L. 116-260, 117th Cong., 1st sess., March 2021, 43-749 (Washington, DC: GPO, 2021).

⁴⁹ For context, see CRS Report R46681, *USDA Nutrition Assistance Programs: Response to the COVID-19 Pandemic*, and CRS In Focus IF11764, *U.S. Agricultural Aid in Response to COVID-19*.

Table 3 provides details of the enacted appropriation at the agency level. The primary changes that comprise the \$219 million increase from FY2020 levels include an increase in budget authority for the following:

- **Rural e-Connectivity Pilot Program (ReConnect; +\$231 million, +77%),** to expand rural broadband.⁵⁰ This is in the General Provisions title.
- **Agricultural research (+\$124 million),** mostly ARS salaries and expenses (+\$77 million, +5%) and grant support for NIFA (+\$42 million, +3%).⁵¹
- **Domestic nutrition assistance programs (+\$91 million, +1.4%),** mostly for commodity assistance programs.
- **Agricultural agencies (+\$74 million),** including more for FPAC (+\$27 million, +13%), FSIS (+\$21 million, +2%), and APHIS (+\$21 million, +2%).
- **Food and Drug Administration (+\$43 million, +1.4%).**
- **Foreign assistance (+\$31 million, +1.4%),** including more for Food for Peace grants (+\$15 million, +0.9%) and McGovern-Dole (+\$10 million, +4.5%).
- **Other appropriations (+\$52 million, +37%)** for various amounts in the General Provisions title (not including the ReConnect program above; see **Table B-3**).
- **Agricultural Quarantine Inspection (AQI, +\$635 million),** a supplemental amount to replace lost user fees at ports of entry during the pandemic.

Changes in the enacted appropriation also included reductions from FY2020 levels for the following:

- **Agricultural research building and facilities (-\$157 million, -81%).**
- **Ebola preparation (-\$535 million),** a supplemental amount in FY2020.
- **Rescissions (-\$247 million),** mostly from a greater rescission of unspent authority from WIC than in FY2020 (see **Table B-2**).
- **Scorekeeping Adjustments (-\$123 million),** mostly from increasing the emergency declaration over FY2020 levels by the amount that AQI in FY2021 exceeded the Ebola supplemental in FY2020 (see **Table B-4**).

⁵⁰ See CRS In Focus IF11262, *USDA's ReConnect Broadband Pilot Program*.

⁵¹ See CRS Report R46341, *Federal Research and Development (R&D) Funding: FY2021*.

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

Budget authority in millions of dollars

Agency or major program	FY2019	FY2020	FY2021				Change from FY2020 to FY2021 enacted	
	P.L. 116-6	P.L. 116-94	Admin. request ^a	House-passed	Senate draft	P.L. 116-260	\$	%
Title I. Agricultural Programs								
Departmental Admin. (Table A-I)	390.4	472.8	614.7	437.8	500.7	480.2	+7.4	+1.6%
Research, Education and Economics								
Agricultural Research Service	1,684.5	1,607.1	1,418.0	1,464.9	1,510.1	1,527.5	-79.6	-5.0%
National Institute of Food and Agriculture	1,471.3	1,527.4	1,590.8	1,578.3	1,538.9	1,570.1	+42.7	+2.8%
National Agricultural Statistics Service	174.5	180.3	177.5	183.4	184.4	183.9	+3.6	+2.0%
Economic Research Service	86.8	84.8	62.1	86.7	85.7	85.5	+0.7	+0.8%
Under Secretary	0.8	0.8	6.8	6.1	0.8	0.8	+0.009	+1.1%
Marketing and Regulatory Programs								
Animal and Plant Health Inspection Svc.	1,014.3	1,045.9	1,035.6	1,073.0	1,060.3	1,067.4	+21.5	+2.1%
Agricultural Marketing Service	160.3	188.2	148.4	190.1	188.3	189.6	+1.4	+0.8%
Section 32 (M)	1,374.0	1,404.0	1,359.9	1,359.9	1,359.9	1,359.9	-44.1	-3.1%
Under Secretary	0.9	0.8	0.9	0.8	0.8	0.8	+0.009	+1.1%
Food Safety								
Food Safety and Inspection Service	1,049.3	1,054.3	1,092.4	1,088.6	1,070.1	1,075.7	+21.4	+2.0%
Under Secretary	0.8	0.8	0.8	0.8	0.8	0.8	+0.009	+1.1%
Subtotal, Title I								
Discretionary	6,033.9	6,163.1	6,148.0	6,110.5	6,141.0	6,182.2	+19.1	+0.3%
Mandatory (M)	1,374.0	1,404.0	1,359.9	1,359.9	1,359.9	1,359.9	-44.1	-3.1%
Subtotal	7,407.9	7,567.1	7,507.8	7,470.4	7,500.9	7,542.1	-25.0	-0.3%
Title II. Farm Production & Conservation								
Farm and Commodity Programs								
Business Center	216.4	203.9	243.6	232.2	232.5	231.3	+27.4	+13.5%
Farm Service Agency ^b	1,494.2	1,541.7	1,484.8	1,542.7	1,528.9	1,532.6	-9.1	-0.6%
FSA Farm Loans: Loan Authority ^c	7,987.7	8,431.0	8,906.7	8,932.2	9,853.2	9,858.2	+1,427.2	+16.9%
Risk Management Agency	58.4	58.4	59.4	59.4	60.4	60.1	+1.8	+3.0%
Federal Crop Insurance Corporation (M)	15,410.6	9,959.0	8,716.0	8,716.0	8,716.0	8,748.0	-1,211.0	-12.2%
Commodity Credit Corporation (M)	15,410.0	26,309.0	25,553.1	25,553.1	25,553.1	31,830.7	+5,521.7	+21.0%
Conservation Programs								
Conservation Operations	819.5	829.6	830.2	833.8	831.9	832.7	+3.1	+0.4%
Watershed and Flood Prevention	150.0	175.0	0.0	155.0	175.0	175.0	+0.0	+0.0%
Watershed Rehabilitation Program	10.0	10.0	0.0	12.0	0.0	10.0	+0.0	+0.0%
Under Secretary	0.9	0.9	1.1	0.9	0.9	0.9	+0.015	+1.7%

Agency or major program	FY2019	FY2020	FY2021				Change from FY2020 to FY2021 enacted	
	P.L. 116-6	P.L. 116-94	Admin. request ^a	House-passed	Senate draft	P.L. 116-260	\$	%
Subtotal, Title II								
Discretionary	2,748.8	2,819.0	2,618.7	2,835.5	2,829.1	2,842.1	+23.2	+0.8%
Mandatory (M)	30,821.1	36,268.5	34,269.6	34,269.6	34,269.6	40,579.2	+4,310.7	+11.9%
Subtotal	33,569.9	39,087.5	36,888.3	37,105.1	37,098.7	43,421.4	+4,333.9	+11.1%
Title III. Rural Development								
Salaries and Expenses (incl. transfers) ^d	686.8	697.8	761.5	761.9	707.3	714.0	+16.2	+2.3%
Rural Housing Service	1,606.0	1,686.7	1,595.0	1,662.9	1,686.0	1,708.0	+21.3	+1.3%
RHS Loan Authority ^c	28,293.8	28,646.0	27,240.0	28,646.0	28,346.0	28,646.0	+0.0	+0.0%
Rural Business-Cooperative Service	98.6	105.0	110.4	98.2	84.6	92.3	-12.7	-12.1%
RBCS Loan Authority ^c	1,026.4	1,088.9	1,500.0	1,088.9	1,438.9	1,088.9	+0.0	+0.0%
Rural Utilities Service	620.2 ^e	750.3 ^e	942.6	725.1 ^e	642.5	720.8	-29.4	-3.9%
RUS Loan Authority ^c	8,419.9	8,401.2	7,518.3	8,401.2	8,401.9	8,401.9	+0.7	+0.0%
Under Secretary ^f	— ^f	0.8	1.0	0.8	0.8	0.8	+0.012	+1.5%
Subtotal, Title III	3,011.7^e	3,240.6^e	3,410.5	3,249.0^e	3,121.2	3,236.0	-4.6	-0.1%
Subtotal, RD Loan Authority ^c	37,740.0	38,136.1	36,258.3	38,136.1	38,186.8	38,136.8	+0.7	+0.0%
Title IV. Domestic Food Programs								
Child Nutrition Programs (M)	23,140.8	23,615.1	25,040.9	25,131.4	25,111.4	25,118.4	+1,503.3	+6.4%
WIC Program	6,075.0	6,000.0	5,451.5	5,750.0	6,000.0	6,000.0	+0.0	+0.0%
SNAP, Food & Nutrition Act Program (M)	73,476.9	67,886.3	68,281.4	68,805.9	68,322.6	114,035.6	+46,149.3	+68.0%
Commodity Assistance Programs	322.1	344.2	80.7	390.7	362.2	426.7	+82.5	+24.0%
Nutrition Programs Administration	164.7	155.9	155.3	156.4	157.5	156.8	+0.9	+0.6%
Under Secretary	0.8	0.8	0.8	0.8	0.8	0.8	+0.009	+1.1%
Subtotal, Title IV								
Discretionary	6,620.3	6,566.0	5,700.7	6,383.3	6,586.0	6,656.8	+90.7	+1.4%
Mandatory (M)	96,560.0	91,436.3	93,309.8	93,851.9	93,368.6	139,081.6	+47,645.3	+52.1%
Subtotal	103,180.3	98,002.3	99,010.5	100,235.3	99,954.7	145,738.3	+47,736.0	+48.7%
Title V. Foreign Assistance								
Foreign Agricultural Service	213.9	215.5	193.7	222.2	214.6	221.8	+6.3	+2.9%
Food for Peace Title II, and admin.	1,500.1 ^e	1,725.1	0.1	1,775.1	1,725.1	1,740.1	+15.0	+0.9%
McGovern-Dole Food for Education	210.3	220.0	0.0	235.0	220.0	230.0	+10.0	+4.5%
CCC Export Loan Salaries	8.8	6.4	6.4	6.4	6.4	6.4	+0.0	+0.0%
Office of Codex Alimentarius	4.0	4.8	4.8	4.8	4.8	4.8	+0.030	+0.6%
Under Secretary	0.9	0.9	0.9	0.9	0.9	0.9	+0.012	+1.4%
Subtotal, Title V	1,938.0	2,172.7	205.9	2,244.4	2,171.8	2,204.0	+31.3	+1.4%

Agency or major program	FY2019	FY2020	FY2021				Change from FY2020 to FY2021 enacted	
	P.L. 116-6	P.L. 116-94	Admin. request ^a	House-passed	Senate draft	P.L. 116-260	\$	%
Title VI. Related Agencies								
Food and Drug Administration	3,080.5	3,171.5	3,220.4	3,218.3	3,211.5	3,214.7	+43.3	+1.4%
Commodity Futures Trading Commission ^g	[268.0]	315.0	226.5	304.0	[304.0]	[304.0]	-11.0	-3.5%
Subtotal, Title VI	[3,348.5]	3,486.5	3,446.9	3,522.3	[3,515.5]	[3,518.7]	+32.3	+0.9%
Title VII. General Provisions								
Changes in Mandatory Programs^h								
a. Conservation programs	[-60.2] ⁱ	-60.2	-60.2	-60.2	-60.2	-60.2	+0.0	+0.0%
b. Nutrition programs	+5.0	+9.0	+0.0	+12.0	+9.0	+12.0	+3.0	+33.3%
c. Farm Prod. & Conservation Bus. Ctr.	[+60.2] ⁱ	+60.2	+60.2	+60.2	+60.2	+60.2	+0.0	+0.0%
d. Agriculture Quarantine Inspection	—	—	—	—	—	+635.0	+635.0	—
e. Other CHIMPS, mandatory rescissions	+10.0	—	—	—	—	—	—	—
Subtotal, CHIMPS (Table B-1)	+15.0	+9.0	+0.0	+12.0	+9.0	+647.0	+638.0	+7089%
Rescissions (discretionary)^j (Table B-2)	-505.0	-1,015.1	-1,200.0	-1,000.0	-809.0	-1,262.0	-246.9	+24.3%
Other appropriations (Table B-3)								
a. Emergency/disaster programs	—	535.0 ^k	—	—	—	—	-535.0	-100.0%
b. Water and Waste Water	75.0	—	—	—	—	—	—	—
c. Broadband pilot ^l	125.0	300.0	0.0 ^l	915.0	325.0	531.0	+231.0	+77.0%
d. Food for Peace	216.0	—	—	—	—	—	—	—
e. Other appropriations	77.5	140.3	—	121.4	158.9	192.6	+52.3	+37.2%
Subtotal, Other appropriations	493.5	975.3	0.0	1,036.4	483.9	723.6	-251.7	-25.8%
Subtotal, Title VII	3.5	-30.8	-1,200.0	48.4	-316.1	108.6	+139.3	-452.8%
Scorekeeping Adjustments^m (Table B-4)								
Emergency declaration in this bill	—	-535.0 ^k	—	—	—	-635.0	-100.0	+18.7%
Other scorekeeping adjustments	-404.0	-398.0	-424.0	-421.0	-421.0	-421.0	-23.0	+5.8%
Subtotal, Scorekeeping a^m	-404.0	-933.0	-424.0	-421.0	-421.0	-1,056.0	-123.0	+13.2%
Totals								
Discretionary: Senate basis w/o CFTC ^g	23,032.7	[23,169.1]	19,680.2	[23,668.4]	23,323.4	23,388.4	+219.3	+0.9%
Discretionary: House basis w/ CFTC ^g	[23,300.7]	23,484.1	19,906.7	23,972.4	[23,627.4]	[23,692.4]	+208.3	+0.9%
Mandatory (M)	128,755.1	129,108.8	128,939.3	129,481.4	128,998.1	181,020.7	+51,911.9	+40.2%
Total: Senate basis w/o CFTC	151,787.8	152,278.0	148,619.4	153,149.9	152,321.5	204,409.1	+52,131.2	+34.2%
Total: House basis w/ CFTC	152,055.8	152,593.0	148,845.9	153,453.9	152,625.5	204,713.1	+52,120.2	+34.2%

Source: CRS, using appropriations text and reports and unpublished CBO tables. House-passed refers to H.R. 7608, Division B. Senate draft refers to the Senate Appropriations Committee draft from November 10, 2020.

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. Excludes coronavirus supplemental appropriations acts, except as incorporated into mandatory appropriations.

- a. The request is based on current law and does not reflect the Administration's various legislative proposals.
- b. 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.
- c. 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.
- d. 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.
- e. Excludes a portion of the other appropriations that are provided separately in General Provisions (see **Table B-3**).
- f. 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.
- g. 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.
- h. Changes in Mandatory Program Spending (CHIMPS) include temporary increases and reductions (from limitations and rescissions) to mandatory programs that are temporary via appropriations acts.
- i. 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*.
- j. 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.
- k. 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**).
- l. 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.
- m. "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.⁵² 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 law, it often explains congressional intent that agencies may be expected to follow.

Congress has directed that committee reports and the joint explanatory statement need to be read together to capture congressional intent. For example, the explanatory statement for the FY2021 appropriation instructs that the House report should be read together with the conference agreement (the Senate draft was not officially introduced, thus it does not carry the same weight).

The explanatory statement accompanying this division is approved and indicates congressional intent. Unless otherwise noted, the language set forth in House Report 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.

In cases in which the House or this explanatory statement has directed the submission of a report, such report is to be submitted to both the House and Senate Committees on Appropriations no later than 60 days after enactment, unless otherwise directed.⁵³

COVID-19 Supplemental Appropriations

In March, April, and December 2020, and in March 2021, Congress passed and the President signed four supplemental appropriations acts in response to the novel coronavirus pandemic—designated Coronavirus Disease 2019, or COVID-19. These acts include support for programs in the jurisdiction of the Agriculture appropriations subcommittees.⁵⁴ All of this spending was designated as emergency spending and not counted against budget caps. The acts are as follows:

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. Coronavirus Aid, Relief, and Economic Security Act (CARES Act; P.L. 116-136, March 27, 2020);
4. Paycheck Protection Program and Health Care Enhancement Act (P.L. 116-139, April 27, 2020);
5. FY2021 Consolidated Appropriations Act (P.L. 116-260, Division N, Additional Coronavirus Response and Relief, December 27, 2020); and
6. American Rescue Plan Act of 2021 (ARPA; P.L. 117-2, March 11, 2021).

⁵² See CRS Report RL30240, *Congressional Oversight Manual*.

⁵³ U.S. Congress, House Committee on Appropriations, *Consolidated Appropriations Act, 2021*, committee print on H.R. 133/P.L. 116-260, 117th Cong., 1st sess., March 2021, 43-749 (Washington, DC: GPO, 2021), pdf p. 69.

⁵⁴ CRS In Focus IF11491, *Supplemental Appropriations for Agriculture and Related Agencies Due to COVID-19*.

Appendix A. USDA Departmental Administration

Table A-1. USDA Departmental Administration Appropriations

Budget authority in millions of dollars

USDA Departmental Administration	FY2019	FY2020	FY2021				Change from FY2020 to FY2021 enacted	
	P.L. 116-6	P.L. 116-94	Admin. request	House-passed	Senate draft	P.L. 116-260	\$	%
Office of the Secretary								
Office of the Secretary	5.1	5.1	5.1	5.1	5.1	5.1	+0.0	+1.0%
Asst. to Sec. for Rural Dev.	0.8	—	—	—	—	—	—	—
Office of Homeland Security	1.5	1.5	1.3	1.3	1.3	1.3	-0.2	-11.6%
Public Partnership and Engagement	4.7	6.2	2.0	6.5	6.2	7.0	+0.8	+12.7%
Assistant Secretary for Admin.	0.9	0.9	0.9	0.9	0.9	0.9	+0.006	+0.7%
Departmental Administration	22.3	21.4	27.2	19.5	21.5	21.4	+0.1	+0.3%
Asst. Sec. Congressional Relations	3.9	3.9	3.9	3.9	3.9	3.9	+0.04	+1.0%
Office of Communications	7.5	7.3	7.4	7.4	7.4	7.3	+0.1	+1.1%
Subtotal	46.6	46.1	47.8	44.6	46.3	47.0	+0.9	+1.9%
Executive Operations								
Office of Chief Economist	21.3	24.0	20.9	21.3	23.8	24.2	+0.2	+0.7%
Office of Hearings and Appeals	15.2	15.2	15.5	15.4	15.4	15.4	+0.2	+1.1%
Office of Budget, Program Analysis	9.5	9.5	20.7	9.7	9.7	9.6	+0.1	+1.1%
Subtotal	46.0	48.8	57.1	46.4	48.9	49.2	+0.5	+0.9%
Other Administration								
Chief Information Officer	55.6	66.6	142.8	59.4	66.9	66.8	+0.2	+0.4%
Chief Financial Officer	6.0	6.0	11.1	6.1	6.1	6.1	+0.1	+1.3%
Assistant Secretary for Civil Rights	0.9	0.9	0.9	0.9	0.9	0.9	+0.007	+0.8%
Office of Civil Rights	24.2	24.2	20.6	22.9	20.5	22.8	-1.4	-5.9%
Office of Safety, Security, Protection	—	—	25.0	23.2	25.0	23.2	+23.2	—
Buildings and facilities	60.0	128.2	152.8	88.2	131.7	108.1	-20.1	-15.7%
Hazardous materials management	3.5	4.5	3.5	7.5	4.5	6.5	+2.0	+44.7%
Office of Inspector General	98.2	98.2	100.4	100.8	99.8	99.9	+1.7	+1.7%
General Counsel	45.1	45.1	45.9	33.6	45.9	45.4	+0.2	+0.5%
Office of Information Affairs	—	—	2.5	—	—	—	—	—
Office of Ethics	4.1	4.1	4.2	4.2	4.2	4.2	+0.05	+1.2%
Subtotal	297.7	377.9	509.8	346.8	405.6	384.0	+6.1	+1.6%
Total	390.4	472.8	614.7	437.8	500.7	480.2	+7.4	+1.6%

Source: CRS, using appropriations text and reports and unpublished CBO tables. House-passed refers to H.R. 7608, Division B. Senate draft refers to the Senate Appropriations Committee draft from November 10, 2020.

Appendix B. Appropriations in General Provisions

Table B-1. General Provisions: Changes in Mandatory Program Spending (CHIMPS)

Budget authority in millions of dollars

CHIMPS and mandatory rescissions	FY2019	FY2020	FY2021				Change from FY2020 to FY2021 enacted	
	P.L. 116-6	P.L. 116-94	Admin. request	House-passed	Senate draft	P.L. 116-260	\$	%
Farm bill programs								
Farm Security Rural Investment Act conservation programs	[-60.2] ^a	-60.2	-60.2	-60.2	-60.2	-60.2	+0.0	+0.0%
Farm to School	+5.0	+9.0	—	+12.0	+9.0	+12.0	+3.0	+33.3%
Subtotal, farm bill programs	+5.0	-51.2	-60.2	-48.2	-51.2	-48.2	+3.0	-5.9%
Other CHIMPS								
Farm Production & Conservation (FPAC) Business Center	[+60.2] ^a	+60.2	+60.2	+60.2	+60.2	+60.2	+0.0	+0.0%
Agriculture Quarantine Inspection	—	—	—	—	—	+635.0	+635.0	—
Food for Progress	+10.0	—	—	—	—	—	—	—
Total CHIMPS	+15.0	+9.0	+0.0	+12.0	+9.0	+647.0	+638.0	+7089%

Source: CRS, using appropriations text and reports and unpublished CBO tables. House-passed refers to H.R. 7608, Division B. Senate draft refers to the Senate Appropriations Committee draft from November 10, 2020.

- 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

Rescissions from discretionary accounts	FY2019	FY2020	FY2021				Change from FY2020 to FY2021 enacted	
	P.L. 116-6	P.L. 116-94	Admin. request	House-passed	Senate draft	P.L. 116-260	\$	%
Special Supplemental Nutrition Program for Women, Infants, and Children	-500.0	-1,000.0	-1,200.0	-1,000.0	-800.0	-1,250.0	-250.0	+25.0%
Broadband program	—	—	—	—	-9.0	-12.0	-12.0	—
Electric loan refinancing	—	-15.1	—	—	—	—	+15.1	+15.1
USDA unobligated balances	-5.0	—	—	—	—	—	—	—
Total	-505.0	-1,015.1	-1,200.0	-1,000.0	-809.0	-1,262.0	-246.9	+24.3%

Source: CRS, using appropriations text and reports and unpublished CBO tables. House-passed refers to H.R. 7608, Division B. Senate draft refers to the Senate Appropriations Committee draft from November 10, 2020.

Table B-3. General Provisions: Other Appropriations

Budget authority in millions of dollars

Program	FY2019	FY2020	FY2021				Change from FY2020 to FY2021 enacted	
	P.L. 116-6	P.L. 116-94	Admin. request	House-passed	Senate draft	P.L. 116-260	\$	%
FDA seafood safety	—	—	—	—	1.0	1.0	+1.0	—
FDA buildings and facilities	—	20.0	—	—	—	—	-20.0	-100.0%
Goodfellow facility	—	—	—	—	58.4	45.9	+45.9	—
Agriculture Risk Coverage pilot	5.0	—	—	—	—	—	—	—
Dairy Innovation	—	20.0	—	6.0	20.0	22.0	+2.0	+10.0%
Mitigation banking	—	5.0	—	—	5.0	5.0	+0.0	+0.0%
Conservation Reserve Program pilot	1.0	1.0	—	—	—	—	-1.0	-100.0%
Citrus greening	8.5	8.5	—	8.5	8.5	8.5	+0.0	+0.0%
Cogongrass pilot	—	—	—	—	—	3.0	+3.0	—
Protecting Animals with Shelter Grants	—	2.0	—	3.0	2.0	2.5	+0.5	+25.0%
Biocontrol Facility Feasibility Study	—	—	—	—	1.0	—	—	—
Fruit fly quarantine payments	9.0	—	—	—	—	—	—	—
Geographically disadvantaged farmers	2.0	2.0	—	2.0	2.0	2.0	+0.0	+0.0%
Farming Opportunities Training & Outreach	—	5.0	—	5.0	5.0	5.0	+0.0	+0.0%
Water Bank	4.0	4.0	—	—	4.0	4.0	+0.0	+0.0%
Rural Energy Savings Program	10.0	12.0	—	12.0	10.0	11.0	-1.0	-8.3%
Agriculture Business Innovation Center	—	—	—	2.0	—	2.0	+2.0	—
Renewable Energy	—	—	—	10.0	—	10.0	+10.0	—
Maturing mortgage pilot	1.0	1.0	—	—	2.0	2.0	+1.0	+100.0%
Rural microentrepreneur assistance program	3.0	—	—	—	—	—	—	—
Water and Waste Water	75.0	—	—	—	—	—	—	—
Waste water pilot	—	5.0	—	—	5.0	5.0	+0.0	+0.0%
Broadband pilot ^a	125.0	300.0	— ^a	915.0	325.0	531.0	+231.0	+77.0%
Distance Learning Telemedicine	16.0	—	—	—	—	—	—	—
Rural Hospital Technical Assistance	—	1.0	—	2.0	—	2.0	+1.0	+100.0%
Tribal Demonstration Projects	—	3.0	—	3.0	3.0	3.0	+0.0	+0.0%
Healthy Food Financing Initiative	2.0	5.0	—	5.0	5.0	5.0	+0.0	+0.0%
Healthy Fluid Milk	—	1.0	—	1.0	1.0	1.0	+0.0	+0.0%
RISE grants	—	5.0	—	—	5.0	5.0	+0.0	+0.0%
NIFA military veterans grants	5.0	5.0	—	5.0	5.0	5.0	+0.0	+0.0%
Genome to Phenome	—	1.0	—	1.0	1.0	1.0	+0.0	+0.0%
Blue Ribbon panel	—	—	—	—	—	0.3	+0.3	—
Farm of the Future	—	—	—	—	—	4.0	+4.0	—

Program	FY2019	FY2020	FY2021				Change from FY2020 to FY2021 enacted	
	P.L. 116-6	P.L. 116-94	Admin. request	House-passed	Senate draft	P.L. 116-260	\$	%
Open data standards	—	—	—	—	—	0.5	+0.5	—
NIFA 1890 land grants, Center of Excellence	5.0	6.0	—	14.0	—	10.0	+4.0	+66.7%
Tribal Student Scholarships	—	5.0	—	5.0	5.0	5.0	+0.0	+0.0%
International Ag Education Fellowship	—	1.0	—	1.0	1.0	1.0	+0.0	+0.0%
NOAA working group	—	—	—	—	1.0	1.0	+1.0	—
Pollinator Research Coordinator	—	0.4	—	0.4	—	0.4	+0.0	+0.0%
Urban Agriculture Office	—	5.0	—	10.0	2.0	7.0	+2.0	+40.0%
Food Loss Liaison	—	0.4	—	0.5	—	0.5	+0.1	+25.0%
Food for Peace	216.0	—	—	—	—	—	—	—
Food for Progress	6.0	—	—	—	—	—	—	—
Child Nutrition training pilot	—	—	—	—	1.0	1.0	+1.0	—
Nutrition Assistance Program Study	—	6.0	—	—	—	—	-6.0	-100.0%
Micro-grants for Food Security	—	5.0	—	10.0	5.0	5.0	+0.0	+0.0%
School breakfast expansion	—	5.0	—	15.0	—	6.0	+1.0	+20.0%
Subtotal	493.5	440.3	0.0	1,036.4	483.9	723.6	+283.3	+64.3%
Disaster/Emergency programs								
Ebola prevention and treatment	—	+535.0	—	—	—	—	-535.0	-100.0%
Rescind unobligated emergency funding	—	-1,500.0	—	—	—	—	+1,500.0	-100.0%
WHIP-Wildfire, Hurricanes Indemnity Prog.	—	+1,500.0	—	—	—	—	-1,500.0	-100.0%
Subtotal (see Table B-4)	—	+535.0	—	—	—	—	-535.0	-100.0%
Total	493.5	975.3	0.0	1,036.4	483.9	723.6	-251.7	-25.8%

Source: CRS, using appropriations text and reports and unpublished CBO tables. House-passed refers to H.R. 7608, Division B. Senate draft refers to the Senate Appropriations Committee draft from November 10, 2020.

Note: Excludes supplemental appropriations outside the annual appropriations act.

- a. 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.

Table B-4. General Provisions: Scorekeeping Adjustments

Budget authority in millions of dollars

Scorekeeping adjustment ^a	FY2019	FY2020	FY2021				Change from FY2020 to FY2021 enacted	
	P.L. 116-6	P.L. 116-94	Admin. request	House-passed	Senate draft	P.L. 116-260	\$	%
Loan program negative subsidies^b								
Rural housing negative subsidy	-135.0	-125.0	-130.0	-130.0	-130.0	-130.0	-5.0	+4.0%
Rural community facilities negative subsidy	-72.0	-72.0	-88.0	-88.0	-88.0	-88.0	-16.0	+22.2%
Rural elec. & tele. loan negative subsidy	-173.0	-176.0	-175.0	-175.0	-175.0	-175.0	+1.0	-0.6%
Rural water & waste loan negative subsidy	-2.0	-3.0	-2.0	-2.0	-2.0	-2.0	+1.0	-33.3%
Ag credit loan negative subsidy	-23.0	-23.0	-27.0	-27.0	-27.0	-27.0	-4.0	+17.4%
Subtotal, negative subsidies	-405.0	-399.0	-422.0	-422.0	-422.0	-422.0	-23.0	+5.8%
Denali Commission	—	—	-2.0	—	—	—	—	—
Child nutrition equipment grants	1.0	1.0	—	1.0	1.0	1.0	+0.0	+0.0%
Emergency designations (see Table B-3)	—	-535.0	—	—	—	-635.0	-100.0	+18.7%
Total	-404.0	-933.0	-424.0	-421.0	-421.0	-1,056.0	-123.0	+13.2%

Source: CRS, using unpublished CBO tables of scorekeeping adjustments. House-passed refers to H.R. 7608, Division B. Senate draft refers to the Senate Appropriations Committee draft from November 10, 2020.

- a. "Scorekeeping adjustments" are not necessarily appropriated items and may not be shown in Appropriations Committee tables. They are part of the official CBO score (accounting) of the bill.
- b. 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).

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.⁵⁵ 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.⁵⁶ 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 announced and the total amounts of budget authority that have been cancelled from accounts in Agriculture appropriations.

Table C-1. Summary of Sequestration on Agriculture Accounts
(million dollars)

Fiscal Year	Sequestration Rate^a	Budget Authority Subject to Sequestration^b	Sequestered Budget Authority^b
Discretionary Spending			
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.

⁵⁵ CRS Report R43411, *The Budget Control Act of 2011: Legislative Changes to the Law and Their Budgetary Effects*.

⁵⁶ 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 and Subcommittee Allocations”).⁵⁷

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 2013.⁵⁸
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 2015.⁵⁹
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)).⁶⁰
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).⁶¹

⁵⁷ CRS Insight IN11148, *The Bipartisan Budget Act of 2019: Changes to the BCA and Debt Limit*.

⁵⁸ CBO, *Bipartisan Budget Act of 2013*, December 11, 2013, <https://www.cbo.gov/publication/44964>.

⁵⁹ 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*.

⁶⁰ CBO, *Bipartisan Budget Act of 2018*, February 8, 2018, <https://www.cbo.gov/publication/53556>.

⁶¹ 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)⁶² and the Conservation Reserve Program.⁶³ Some prior legal obligations in the Federal Crop Insurance Corporation⁶⁴ and the farm commodity programs may be exempt⁶⁵ as determined by OMB.⁶⁶

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.⁶⁷

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,⁶⁸ 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.

⁶² 2 U.S.C. §905(h).

⁶³ 2 U.S.C. §905(g)(1)(A).

⁶⁴ 2 U.S.C. §905(g)(2).

⁶⁵ 2 U.S.C. §906(j).

⁶⁶ 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.

⁶⁷ CRS Report R42050, *Budget “Sequestration” and Selected Program Exemptions and Special Rules*.

⁶⁸ CRS In Focus IF11161, *2018 Farm Bill Primer: ARC and PLC Support Programs*.

Appendix D. Action on Agriculture Appropriations, FY1996-FY2021

Table D-1. Congressional Action on Agriculture Appropriations Since FY1996

Fiscal Year	House Action			Senate Action			Final Appropriation			CRS Report
	Subcmte.	Cmte.	Floor	Subcmte.	Cmte.	Floor	Enacted	Public Law		
1996	6/14/1995	6/27/1995	7/21/1995	9/13/1995	9/14/1995	9/20/1995	10/21/1995	E 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	E 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	E 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	O 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	E 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	E 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	E P.L. 107-76	RL31001	
2003	6/26/2002	7/26/2002	—	7/23/2002	7/25/2002	—	2/20/2003	O 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	O P.L. 108-199	RL31801	
2005	6/14/2004	7/7/2004	7/13/2004	9/8/2004	9/14/2004	—	12/8/2004	O 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	Y P.L. 110-5	RL33412	
2008	7/12/2007	7/19/2007	8/2/2007	7/17/2007	7/19/2007	—	12/26/2007	O P.L. 110-161	RL34132	
2009	6/19/2008	—	—	Polled out	7/17/2008	—	3/11/2009	O 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	E P.L. 111-80	R40721	
2011	6/30/2010	—	—	Polled out	7/15/2010	—	4/15/2011	Y 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	O P.L. 112-55	R41964	
2013	6/6/2012	6/19/2012	—	Polled out	4/26/2012	—	3/26/2013	O P.L. 113-6	R43110	
2014	6/5/2013	6/13/2013	—	6/18/2013	6/20/2013	—	1/17/2014	O P.L. 113-76	R43110	
2015	5/20/2014	5/29/2014	—	5/20/2014	5/22/2014	—	12/16/2014	O P.L. 113-235	R43669	
2016	6/18/2015	7/8/2015	—	7/14/2015	7/16/2015	—	12/18/2015	O P.L. 114-113	R44240	
2017	4/13/2016	4/19/2016	—	5/17/2016	5/19/2016	—	5/5/2017	O P.L. 115-31	R44588	
2018	6/28/2017	7/12/2017	9/14/2017	7/18/2017	7/20/2017	—	3/23/2018	O P.L. 115-141	R45128	
2019	5/9/2018	5/16/2018	—	5/22/2018	5/24/2018	8/1/2018	2/15/2019	O 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	O P.L. 116-94	R45974	
2021	7/6/2020	7/9/2020	7/24/2020	—	11/10/2020 ^a	—	12/27/2020	O P.L. 116-260	R46437	

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*.

a. Senate committee action for FY2021 refers to a draft released by the Senate Appropriations Committee.

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