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Agriculture and Related Agencies: FY2016 Appropriations

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Summary

The Agriculture appropriations bill funds the U.S. Department of Agriculture (USDA), except for the 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 since mandatory amounts generally are set by authorizing laws such as the farm bill.

The largest discretionary spending items are the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC); agricultural research; FDA; rural development; foreign food aid and trade; farm assistance programs; food safety and inspection; conservation; and animal and plant health programs. The main mandatory spending items are the Supplemental Nutrition Assistance Program (SNAP), child nutrition, crop insurance, and the farm commodity and conservation programs funded through the Commodity Credit Corporation.

The FY2016 Agriculture Appropriation was enacted as part of an omnibus bill on December 18, 2015 (P.L. 114-113). Separate Agriculture bills were reported in both chambers, but neither went to the floor (H.R. 3049, S. 1800). The fiscal year began under continuing resolutions.

The enacted omnibus appropriation uses a budget allocation that was provided in the Bipartisan Budget Act of 2015 (P.L. 114-74), which is higher than what was available to develop the House- and Senate-reported bills. The final Agriculture appropriation provides $21.750 billion for discretionary amounts, which is an increase of $925 million over FY2015 (+4.4%), after adjusting for differences in CFTC jurisdiction.

Compared to FY2015, the $925-million increase is largely allocated among a $318-million increase for the Rural Housing Service; $250 million extra for Food for Peace grants for international food aid; a $178-million increase for the Agricultural Research Service, mostly for buildings and facilities; a $132-million increase for the Food and Drug Administration, mostly for food safety; and $157 million more than last year for emergency conservation, watershed, and forestry programs, some of it offset by a disaster declaration.

In addition to specifying budget authority, the appropriation prescribes various policies or conditions that affect how some agencies may use their appropriation. Among notable policy-related provisions in the appropriation are to permanently repeal some country-of-origin labeling (COOL) laws, continue to prohibit horse slaughter facility inspection, prevent the import of processed poultry from China for certain nutrition programs, continue to implement with flexibility the whole grain and sodium requirements in the child nutrition programs, set some terms for the formation of dietary guidelines, and restore the use of commodity certificates for the marketing loan program, including not being subject to payment limits.

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Scope of the Agriculture Appropriations Bill

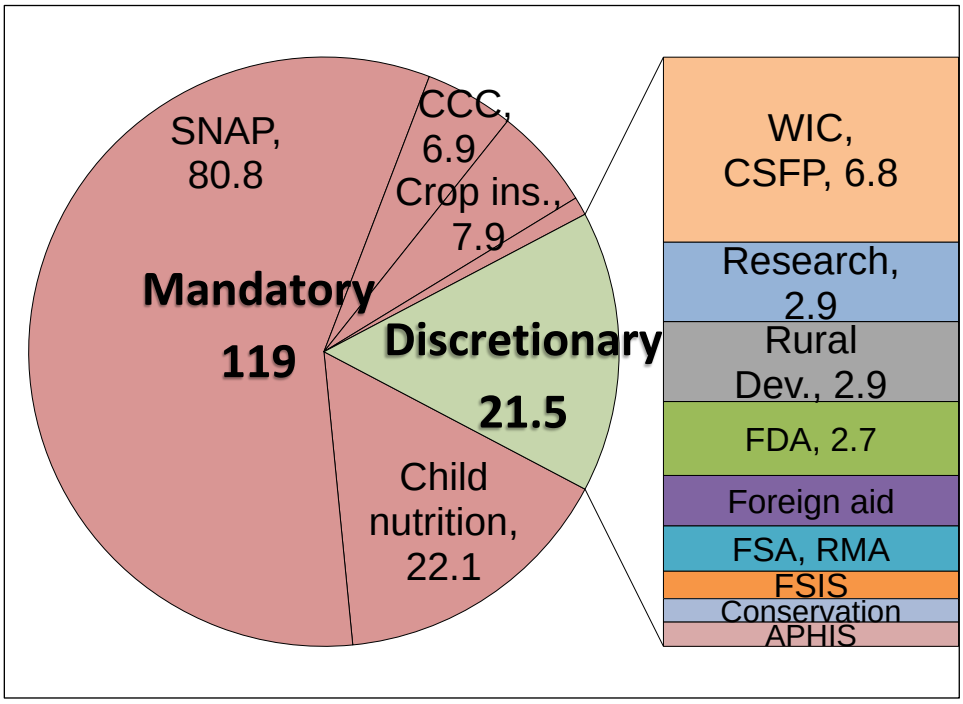
The Agriculture appropriations bill—formally known as the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act—provides funding for:

- All of the U.S. Department of Agriculture (USDA) except the Forest Service, which is funded in the Interior appropriations bill,
- The Food and Drug Administration (FDA) in the Department of Health and Human Services, and
- In the House, the Commodity Futures Trading Commission (CFTC). In the Senate, the Financial Services bill contains CFTC appropriations. In even-numbered fiscal years, CFTC appears in the enacted Agriculture appropriation.

Jurisdiction is with the House and Senate Committees on Appropriations, and their respective 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 during the bill's development. The scope of the bill can be shown by the major allocations in the FY2016 appropriation (**Figure 1**).

Figure 1. Scope of Agriculture and Related Agencies Appropriations

(FY2016 budget authority in billions of dollars)



Source: CRS, compiled from P.L. 113-235. Does not show some agencies under $0.5 billion, including CFTC, AMS, GIPSA, and department administration that together are essentially offset by other reductions.

Note: SNAP = Supplemental Nutrition Assistance Program; CCC = Commodity Credit Corp.; Sec. 32 = Section 32; WIC = Special Supplemental Nutrition Program for Women, Infants, and Children; CSFP = Commodity Supplemental Food Program; FDA = Food and Drug Admin.; FSA = Farm Service Agency; RMA = Risk Management Agency; FSIS = Food Safety and Inspection Service; APHIS = Animal and Plant Health Inspection Service; CFTC = Commodity Futures Trading Commission; AMS = Agricultural Marketing Service; GIPSA = Grain Inspection, Packers and Stockyards Admin.

The federal budget process treats discretionary and mandatory spending differently.

- **Discretionary spending** is controlled by annual appropriations acts and receives most of the attention during the appropriations process. The annual budget resolution[1] process sets spending limits for discretionary appropriations. Agency operations (salaries and expenses) and many grant programs are discretionary.
- **Mandatory spending**—though carried in the appropriation and usually advanced unchanged—is controlled by budget enforcement rules (e.g., PAYGO) during the authorization process.[2] Spending for eligibility and benefit formulas in so-called entitlement programs are set in laws such as the farm bill and child nutrition act.[3]

In FY2016, discretionary appropriations totaled 15% ($21.75 billion) of the Agriculture appropriations bill (P.L. 114-113). Mandatory spending carried in the bill comprised $119 billion, about 85% of the $141 billion total.

Within the discretionary total, the largest discretionary spending items are for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), agricultural research, rural development, FDA, foreign food aid and trade, farm assistance program salaries and loans, food safety inspection, conservation, and animal and plant health programs (**Figure 1**).

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 paid through USDA's Commodity Credit Corporation (CCC).[4] SNAP is referred to as an "appropriated entitlement," and requires an annual appropriation.[5] The nutrition program amounts are based on projected spending needs. In contrast, the Commodity Credit Corporation operates on a line of credit; the annual appropriation provides funding to reimburse the Treasury for using the line of credit.

Action on FY2016 Appropriations[6]

The FY2016 Agriculture Appropriation was enacted as part of an omnibus bill on December 18, 2015 (P.L. 114-113). Separate Agriculture bills were reported in both chambers, but neither went to the floor (H.R. 3049, S. 1800). The fiscal year began under three continuing resolutions.

Table 1 summarizes actions on the FY2016 Agriculture appropriation—and each annual appropriation since FY1995—for the subcommittees, full committees, House and Senate chambers, and presidential enactment. **Figure 2** is a visual timeline of the dates in **Table 1**.

The last time an Agriculture appropriations bill was enacted as a stand-alone measure was for FY2010 (in calendar 2009). An Agriculture appropriations bill has not cleared a floor vote in either chamber for four years, since the FY2012 bill, when it was the vehicle for a three-bill "minibus" measure.[7] Committee action for FY2016 was somewhat later than in recent years.

[1] See CRS Report R42388, *The Congressional Appropriations Process: An Introduction*, for context on procedures.

[2] CRS Report 98-560, *Baselines and Scorekeeping in the Federal Budget Process*.

[3] CRS Report R42484, *Budget Issues That Shaped the 2014 Farm Bill*.

[4] Mandatory spending creates funding stability and consistency compared to appropriations. In agriculture, it originally was reserved for the farm commodity programs that had uncertain outlays because of weather and market conditions.

[5] CRS Report RS20129, *Entitlements and Appropriated Entitlements in the Federal Budget Process*.

[6] A 12-page version is in CRS Report R43938, *FY2016 Agriculture and Related Agencies Appropriations: In Brief*.

[7] CRS Report RL32473, *Omnibus Appropriations Acts: Overview of Recent Practices*.

Table 1. Congressional Action on Agriculture Appropriations

	House Action			Senate Action			Final Appropriation			
Fiscal Year	**Subcmte.**	**Cmte.**	**Floor**	**Subcmte.**	**Cmte.**	**Floor**	**Enacted[a]**		**Public Law**	**CRS Report**
1995	5/26/1994	6/9/1994	6/17/1994	6/22/1994	6/23/1994	7/20/1994	9/30/1994	E	P.L. 103-330	IB94011
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[b]	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** Voice vote	**7/8/2015 H.R. 3049 H.Rept. 114-205** Voice vote	**—**	**7/14/2015 Voice vote**	**7/16/2015 S. 1800 S.Rept. 114-82** Vote 28-2	**—**	**12/18/2015 H.R. 2029, Division A Explan. Stmt.[c]**	**O**	**P.L. 114-113**	**R43938**

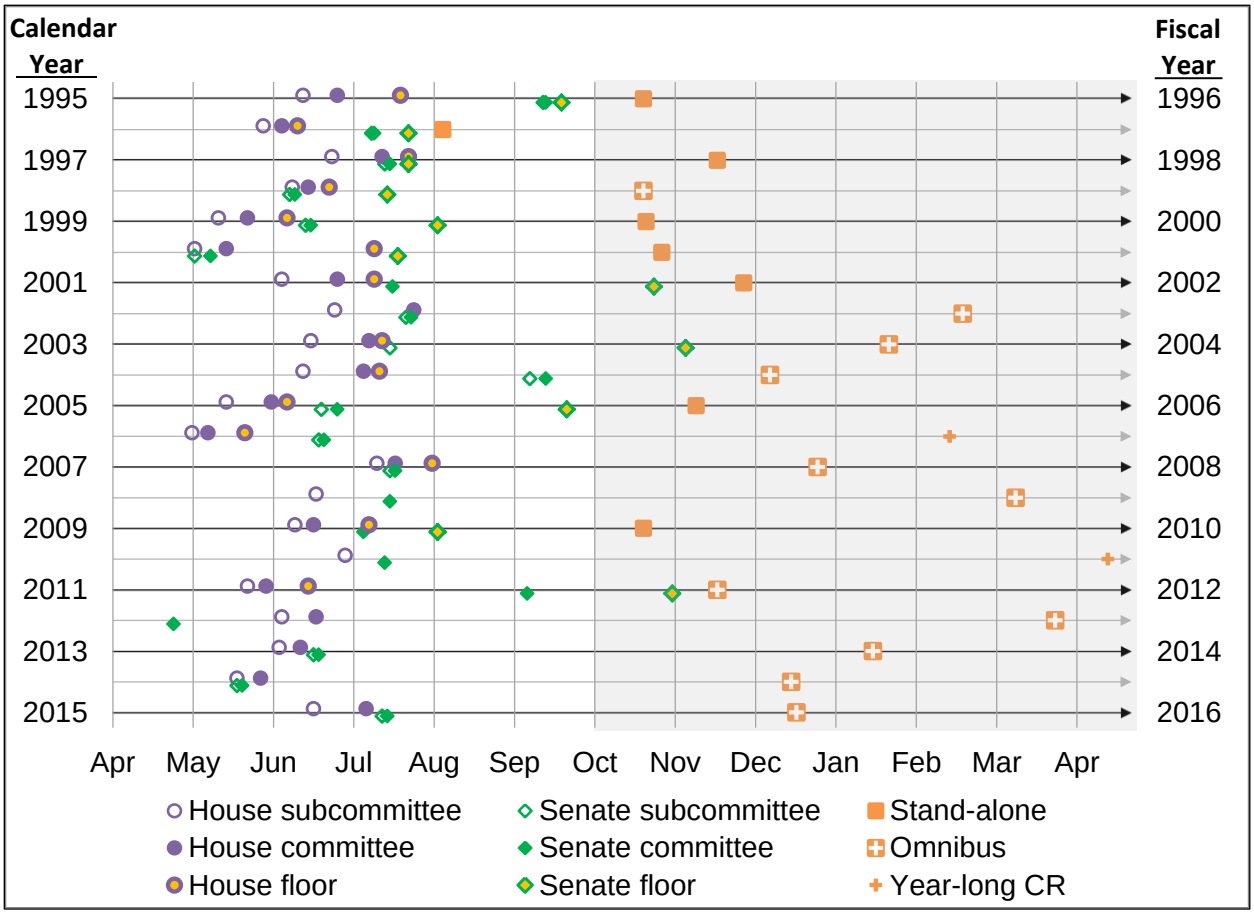
Source: CRS.

a. E=Enacted as stand-alone appropriation (nine times over 22 years); O=Omnibus appropriation (11 times); Y=Year-long continuing resolution (two times).

b. 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*.

c. *Congressional Record*, "Explanatory Statement," December 17, 2015, p. H9693.

Figure 2. Timeline of Action on Agriculture Appropriations, FY1996-FY2016



Source: CRS.

Administration's FY2016 Budget Request

The White House released its FY2016 budget request on February 2, 2015.[8] The same day, USDA released its 100-page budget summary[9] and multi-volume budget explanatory notes[10] with more programmatic details. The FDA released a one-page budget highlights[11] and its detailed budget justification.[12] The CFTC also released a detailed budget justification.[13] From these documents, the congressional appropriations committees evaluated the request, began considering their bills, and decided how much of the request would be followed.

[8] Office of Management and Budget (OMB), *FY2016 Budget of the U.S. Government*, at http://www.whitehouse.gov/omb/budget. Details are in the *Appendix*, at http://www.whitehouse.gov/omb/budget/Appendix. The request for FDA is in the *Appendix* for the Department of Health and Human Services, and CFTC is with Other Independent Agencies.

[9] USDA, *FY2016 USDA Budget Summary*, at http://www.obpa.usda.gov/budsum/fy16budsum.pdf.

[10] USDA, *FY2016 USDA Budget Explanatory Notes*, at http://www.obpa.usda.gov/fy16explan_notes.html.

[11] FDA, *FY2016 Budget Highlights*, at http://www.fda.gov/downloads/AboutFDA/ReportsManualsForms/Reports/BudgetReports/UCM432650.pdf.

[12] FDA, *FY2016 FDA Justification of Estimates for Appropriations Committees*, at http://www.fda.gov/downloads/AboutFDA/ReportsManualsForms/Reports/BudgetReports/UCM432322.pdf.

[13] CFTC, *FY2016 CFTC President's Budget*, at http://www.cftc.gov/about/cftcreports/ssLINK/cftcbudget2016.

House Action

The Agriculture Subcommittee of the House Appropriations Committee held several hearings on FY2016 appropriations with various USDA agencies, FDA, and CFTC during the spring of 2015.

The House Budget Committee developed a FY2016 budget (H.Con.Res. 27), and the full House and Senate agreed on a joint budget resolution (S.Con.Res. 11) on May 5, 2015. The House Appropriations Committee divided the budget's "302(a)" allocation for discretionary spending (that at that time was pending in conference committee negotiations) on April 29, 2015, into "302(b)" allocations for each of its 12 subcommittees (H.Rept. 114-97).[14]

The House Agriculture appropriations subcommittee approved a draft bill on June 18, 2015, by voice vote.[15] The full House Appropriations Committee reported the bill on July 8, 2015, by voice vote (H.R. 3049, H.Rept. 114-205). It adopted a manager's amendment and two other amendments.[16] The bill was not considered on the floor.

Senate Action

The Agriculture Subcommittee of the Senate Appropriations Committee held hearings on the FY2016 appropriations request with various USDA agencies and FDA during the spring of 2015.

The Senate Budget Committee developed a FY2016 budget (S.Con.Res. 11) that was agreed to on May 5, 2015, by both the House and Senate after conference negotiations. The Senate Appropriations Committee divided the "302(a)" allocation into "302(b)" allocations for each of its 12 subcommittees on May 21, 2015 (S.Rept. 114-55).

The Senate Agriculture appropriations subcommittee approved a draft bill on July 14, 2015. The full committee reported it on July 16, 2015, by a vote of 28-2 (S. 1800, S.Rept. 114-82). The bill was not considered on the floor. The text of S. 1800 was inserted into a minibus appropriation (S. 2129) that encompassed three subcommittee bills. That bill also was not considered on the floor.

Continuing Resolution

The fiscal year began under three continuing resolutions that lasted until December 11, 2015 (P.L. 114-53), December 16, 2015 (P.L. 114-96), and December 22, 2015 (P.L. 114-100).[17]

Omnibus Appropriation

The FY2016 Agriculture Appropriation was enacted as Division A of an omnibus appropriations bill on December 18, 2015 (P.L. 114-113). The Explanatory Statement was printed in the *Congressional Record* for December 17, 2015, on p. H9693. The House began consideration of the bill on December 17, 2015, and passed it on December 18 by a vote of 316-113. The Senate passed the bill on December 18 by a vote of 65-33. The President signed the bill that same day.

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[14] See CRS Report R42388, *The Congressional Appropriations Process: An Introduction*; CRS Report R42972, *Sequestration as a Budget Enforcement Process: Frequently Asked Questions*, for context on procedures.

[15] House Agriculture Appropriations Subcommittee, *Draft FY2016 Bill*, at http://appropriations.house.gov/UploadedFiles/BILLS-114HR-SC-AP-FY2016-Agriculture-SubcommitteeDraft.pdf.

[16] House Appropriations Committee, *Amendments Adopted to the FY2016 Agriculture Appropriations*, at http://appropriations.house.gov/uploadedfiles/hmkp-114-ap00-20150708-sd004.pdf.

[17] See CRS Insight IN10148, *The FY2016 Continuing Resolution (H.R. 719)*.

Summary of FY2016 Appropriation Amounts

The enacted omnibus appropriation uses a budget allocation that was provided in the Bipartisan Budget Act of 2015 (P.L. 114-74, November 2, 2015), which was greater than what was available to develop the House- and Senate-reported bills. The final Agriculture appropriation provides $21.750 billion for discretionary amounts (**Table 2**).

Original FY2016 Budget and 302(b) Allocations to Subcommittees

The initial FY2016 budget resolution (S.Con.Res. 11, May 5, 2015) set the "302(a)" allocation for discretionary spending for all 12 appropriations bills at $1,016.6 billion ($523.1 billion for defense spending, and $493.5 billion for nondefense spending). This level was consistent with the discretionary spending limit that is set in the Budget Control Act of 2011 (P.L. 112-25), and therefore would not have triggered sequestration.[18] This was the budget under which the appropriations subcommittees developed their bills through the summer of 2015.

The initial "302(b)" allocation from the full House Appropriations Committee to its Agriculture Appropriations subcommittee was $20.650 billion (H.Rept. 114-97), which was $175 million less than (-0.8%) the comparable amount for FY2015 ($20.825 billion).[19] The Senate Appropriations Committee's initial allocation for its agriculture bill was $20.510 billion (S.Rept. 114-55). Since the Senate allocation did not need to cover the Commodity Futures Trading Commission (CFTC), it effectively was $110 million more than a comparative allocation in the House if CFTC were held constant (+0.5%). It also was $65 million less than the FY2015 amount (-0.3%).

Final FY2016 Budget and 302(b) Allocation

The Bipartisan Budget Act of 2015 (P.L. 114-74, November 2, 2015) increased the FY2016 discretionary allocation for all 12 appropriations bills by $50 billion, to $1,066.6 billion.[20] The increase was offset and divided evenly between defense and nondefense spending.[21]

The extra spending allowed by the new allocation was divided among the appropriations subcommittees to develop the omnibus appropriation. The Agriculture subcommittees were allocated $21.75 billion, which was $1.1 billion more than the original House-reported allocation and $990 million more than the original Senate-reported allocation. The final amount for Agriculture is an increase of $925 million over FY2015 (+4.4%).

The enacted FY2016 appropriation put CFTC in the Agriculture appropriations bill (a House-jurisdiction basis), as is customary for even-numbered fiscal years.

Continuing Resolution

In the absence of an FY2016 appropriation before the beginning of the fiscal year on October 1, 2015, continuing resolutions were used to prorate FY2015 funding authority. Exceptions were

[18] However, budget sequestration on non-exempt mandatory accounts continues to apply to FY2016, as it has in recent years since FY2013 (see "Sequestration Continues on Mandatory Accounts" and **Appendix B** in this report).

[19] The FY2015 Agriculture appropriation ($20.575 billion) was based on Senate jurisdiction for CFTC and needs to be increased by the CFTC appropriation ($250 million) to be comparable for House jurisdiction ($20.825 billion).

[20] See CRS Insight IN10389, *Bipartisan Budget Act of 2015: Adjustments to the Budget Control Act of 2011*.

[21] Some budgetary offsets also affected agriculture, including an extension of sequestration on mandatory accounts (see **Appendix B**) and changes to crop insurance (see "Standard Reinsurance Agreement as Temporary Budget Offset").

that one-time emergency disaster and Ebola funding was excluded, and a 0.2108% across-the-board reduction applied. For mandatory programs, the CR allowed sufficient funding to maintain program levels, including for nutrition programs. Two anomalies affected the agriculture appropriation: an increase of about $9 million for the Commodity Supplemental Food Program, and a higher than normal rate of apportionment for the Rural Housing Rental Assistance Program and waiver authority on certain property renewal restrictions.[22]

Key Budget Terms

Budget authority is the main output of an appropriations act or a law authorizing mandatory spending. It provides the legal basis for agencies to obligate funds. It expires at the end of the period and usually is available for one year unless specified otherwise (such as two-year or indefinite authority). Most amounts in this report are budget authority.

Obligations reflect agency activities such as employing personnel or entering contracts. The Antideficiency Act prohibits agencies from obligating more budget authority than is provided in law.

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

Program level represents the sum of the activities supported or undertaken by an agency. A program level may be higher than a budget authority if the program (1) receives **user fees** that can be used to pay for activities; (2) makes or guarantees **loans** that are leveraged on the expectation of repayment (more than $1 of loan authority for $1 of budget authority); or (3) receives **transfers** from other agencies.

Rescissions are adjustments that cancel or reduce budget authority after it has been enacted; they score budgetary savings.

CHIMPS (Changes in Mandatory Program Spending) are adjustments to mandatory budget authority. CHIMPS in appropriations usually reduce or limit spending by mandatory programs and score budgetary savings.

For more background, see CRS Report 98-405, *The Spending Pipeline: Stages of Federal Spending*.

Comparison of Amounts for FY2016

The enacted FY2016 Agriculture appropriations act provides $21.75 billion of discretionary spending, which is an increase of $925 million over FY2015 (+4.4%), after adjusting for CFTC jurisdiction. The higher allocation in the Bipartisan Budget Act allowed the final bill to be $1.1 billion more than the original House-reported bill and $990 million more than the original Senate-reported bill (**Table 2**).

Among agency-level spending differences from FY2015 that exceed $10 million (**Table 3**) are:

- The **Rural Housing Service** receives $301 million more than FY2015 for rental assistance grants (+28%) and $25 million more for housing revitalization and community facilities grants.
- **Food for Peace** grants for international food aid receive an extra $250 million.
- The **Agricultural Research Service** receives $178 million more than FY2015 (+15%), mostly for buildings and facilities.
- The **Food and Drug Administration (FDA)** receives a $132 million boost, including $104 million more to implement the Food Safety Modernization Act.
- **Emergency conservation, watershed, and forestry programs** receive $157 million more than in FY2015, some of it offset by a disaster declaration.

[22] See CRS Report R44214, *Overview of the FY2016 Continuing Resolution (H.R. 719)*.

- The **Rural Utilities Service** receives $57 million more (+12%) for rural water and waste disposal grants.
- The **National Institute of Food and Agriculture** receives $37 million more, mostly for Agriculture and Food Research Initiative (+7.7%).
- The **Animal and Plant Health Inspection Service** receives $23 million more than in FY2015 (+3%).
- *Among reductions,* the Special Supplemental Nutrition Program for Women, Infants, and Children (**WIC**) receives $273 million less than in FY2015.
- The **Environmental Quality Incentives Program**, a change to a mandatory spending program, is reduced by $73 million more than its reduction last year.

Table 2. Agriculture and Related Agencies Appropriations, by Title, FY2015-FY2016

(budget authority in millions of dollars)

	FY2015	FY2016					
Title of Agriculture Appropriations Act	**P.L. 113-235**	**Admin. Request**	**H. Cmte. H.R. 3049**	**S. Cmte. S. 1800**	**P.L. 114-113**	**Change from FY2015 to FY2016 Enacted**	
I: Agricultural Programs	30,446.6	27,401.7	26,830.1	26,838.2	23,174.9	-7,271.7	-23.9%
Mandatory (M)	*23,659.7*	*20,120.7*	*20,120.7*	*20,120.7*	*16,154.6*	-7,505.1	-31.7%
Discretionary	*6,786.9*	*7,281.0*	*6,709.4*	*6,717.5*	*7,020.3*	+233.4	+3.4%
II: Conservation Programs	859.3	1,032.1	839.8	856.1	863.8	+4.4	+0.5%
III: Rural Development	2,582.4	2,758.4	2,645.6	2,675.9	2,950.0	+367.6	+14.2%
IV: Domestic Food Programs	110,190.9	112,348.0	110,075.1	110,140.4	109,797.0	-393.9	-0.4%
Mandatory (M)	*103,096.7*	*105,146.4*	*103,128.6*	*103,145.4*	*102,958.1*	-138.6	-0.1%
Discretionary	*7,094.1*	*7,201.6*	*6,946.5*	*6,995.0*	*6,838.9*	-255.3	-3.6%
V: Foreign Assistance	1,848.3	1,812.5	1,802.3	1,864.1	1,868.5	+20.1	+1.1%
VI: Food and Drug Administration	2,597.3	2,743.5	2,627.3	2,637.8	2,729.6	+132.3	+5.1%
Commodity Futures Trading Commission	[250.0]	322.0	245.0	[250.0][a]	250.0	+0.0	+0.0%
VII: General Provisions: CHIMPS & rescissions	-802.0	-1,036.0	-832.0	-908.0	-865.0	-63.0	+7.9%
General Provisions: Other appropriations	122.6	0.0	2.0	6.6	556.1	+433.5	+353.6%
Scorekeeping adjustments	-398.0	-331.0	-336.0	-335.0	-332.0	+66.0	-16.6%
Subtract disaster declaration in this bill	-116.0	—	—	—	-130.0	-14.0	—
Discretionary: Senate basis w/o CFTC	**20,575.0**	**21,462.2**	[20,405.0]	**20,510.0**	[21,500.0]	+925.0	+4.5%
Discretionary: House basis w/ CFTC	[20,825.0]	**21,784.2**	**20,650.0**	[20,760.0]	**21,750.0**	+925.0	+4.4%
Mandatory (M)	**126,756.5**	**125,267.1**	**123,249.3**	**123,266.1**	**119,112.7**	-7,643.7	-6.0%
Total: House basis w/ CFTC	**147,581.5**	**147,051.3**	**143,899.3**	**144,026.1**	**140,862.7**	-6,718.7	-4.6%

Source: CRS, using referenced bill text, appropriations committee report tables, and unpublished Congressional Budget Office (CBO) tables.

Notes: Amounts are nominal budget authority in millions of dollars. Amounts are discretionary authority unless labeled otherwise. Amounts do not include supplemental appropriations that were enacted outside the annual appropriation. [Bracketed amounts] are not in the official totals due to differing House-Senate jurisdiction for the Commodity Futures Trading Commission (CFTC).

a. From S. 1910, the committee-reported Financial Services and General Government Appropriations bill.

Table 3. Agriculture and Related Agencies Appropriations, by Agency, FY2013-FY2016

Budget authority in millions of dollars	FY2013	FY2014	FY2015	FY2016					
Agency or Major Program	**P.L. 113-6 post-sequ.[a]**	**P.L. 113-76**	**P.L. 113-235**	**Admin. Request**	**H. Cmte. H.R. 3049**	**S. Cmte. S. 1800**	**P.L. 114-113**	**Change from FY2015 to FY2016 Enacted**	
Title I: Agricultural Programs									
Departmental Administration	531.3	526.1	364.5	456.1	353.6	362.1	373.2	+8.7	+2.4%
Research, Education and Economics									
Agricultural Research Service	1,016.9	1,122.5	1,177.6	1,397.4	1,167.5	1,136.8	1,355.9	+178.3	+15.1%
National Institute of Food & Agriculture	1,142.0	1,277.1	1,289.5	1,503.1	1,284.5	1,293.7	1,326.5	+37.0	+2.9%
National Agricultural Statistics Service	166.6	161.2	172.4	180.3	161.2	168.1	168.4	-4.0	-2.3%
Economic Research Service	71.4	78.1	85.4	86.0	78.1	85.4	85.4	+0.0	+0.0%
Under Secretary, Research, Education, Econ.	0.8	0.9	0.9	0.9	0.9	0.9	0.9	-0.0	-0.6%
Marketing and Regulatory Programs									
Animal & Plant Health Inspection Service	761.4	824.9	874.5	859.0	874.1	879.6	897.6	+23.1	+2.6%
Agricultural Marketing Service	75.7	81.3	82.4	84.4	82.0	82.4	82.5	+0.0	+0.0%
Section 32 (M)	1,049.6	1,107.0	1,284.0	1,425.0	1,425.0	1,425.0	1,425.0	+141.0	+11.0%
Grain Inspection, Packers & Stockyards	37.3	40.3	43.0	44.1	43.0	43.0	43.1	+0.0	+0.0%
Under Secretary, Marketing and Regulatory	0.8	0.9	0.9	0.9	0.9	0.9	0.9	-0.0	-0.6%
Food Safety									
Food Safety & Inspection Service	977.3	1,010.7	1,016.5	1,011.6	1,011.6	1,013.6	1,014.9	-1.6	-0.2%
Under Secretary, Food Safety	0.8	0.8	0.8	0.8	0.8	0.8	0.8	+0.0	+0.0%
Farm and Commodity Programs									
Farm Service Agency[b]	1,503.9	1,592.2	1,603.3	1,579.1	1,576.9	1,574.8	1,595.1	-8.2	-0.5%
FSA Farm Loans: Loan Authority[c]	*4,575.7*	*5,527.3*	*6,402.1*	*6,402.1*	*6,402.1*	*6,402.1*	*6,402.1*	*-0.0*	*-0.0%*

Budget authority in millions of dollars	FY2013	FY2014	FY2015	FY2016					
Agency or Major Program	**P.L. 113-6 post-sequ.[a]**	**P.L. 113-76**	**P.L. 113-235**	**Admin. Request**	**H. Cmte. H.R. 3049**	**S. Cmte. S. 1800**	**P.L. 114-113**	**Change from FY2015 to FY2016 Enacted**	
Risk Management Agency Salaries & Exp.	69.1	71.5	74.8	76.9	74.0	74.8	74.8	+0.0	+0.0%
Federal Crop Insurance Corporation (M)[d]	9,514.5	9,502.9	8,930.5	8,175.2	8,175.2	8,175.2	7,858.0	-1,072.5	-12.0%
Commodity Credit Corporation (M)[d]	11,018.5	12,538.9	13,444.7	10,519.9	10,519.9	10,519.9	6,871.1	-6,573.6	-48.9%
Under Secretary, Farm and Foreign Agr.	0.8	0.9	0.9	0.9	0.9	0.9	0.9	+0.0	+0.0%
Subtotal									
Mandatory (M)	**21,582.7**	**23,149.1**	**23,659.7**	**20,120.7**	**20,120.7**	**20,120.7**	**16,154.6**	-7,505.1	-31.7%
Discretionary	**6,356.2**	**6,789.0**	**6,786.9**	**7,281.0**	**6,709.4**	**6,717.5**	**7,020.3**	+233.4	+3.4%
Subtotal	**27,938.8**	**29,938.1**	**30,446.6**	**27,401.7**	**26,830.1**	**26,838.2**	**23,174.9**	-7,271.7	-23.9%
Title II: Conservation Programs									
Conservation Operations	766.8	812.9	846.4	831.2	832.9	855.2	850.9	+4.4	+0.5%
Watershed & Flood Prevention	—	—	—	200.0	—	—	—	+0.0	+0.0%
Watershed Rehabilitation Program	13.6	12.0	12.0	0.0	6.0	0.0	12.0	+0.0	+0.0%
Under Secretary, Natural Resources	0.8	0.9	0.9	0.9	0.9	0.9	0.9	+0.0	+0.0%
Subtotal	**781.2**	**825.8**	**859.3**	**1,032.1**	**839.8**	**856.1**	**863.8**	+4.4	+0.5%
Title III: Rural Development									
Salaries and Expenses (including transfers)[e]	613.0	657.4	678.2	685.6	679.2	682.7	682.9	+4.6	+0.7%
Rural Housing Service	1,031.1	1,279.6	1,298.4	1,394.7	1,368.7	1,367.2	1,616.4	+318.1	+24.5%
RHS Loan Authority[c]	*27,335.1*	*27,408.1*	*27,421.5*	*27,407.4*	*27,496.8*	*27,483.0*	*27,496.8*	*+75.3*	*+0.3%*
Rural Business-Cooperative Service[f]	114.2	130.2	103.2	138.7	87.0	91.5	90.5	-12.8	-12.4%
RBCS Loan Authority[c]	*953.7*	*1,022.8*	*984.5*	*993.6*	*984.5*	*994.2*	*979.3*	*-5.2*	*-0.5%*
Rural Utilities Service	520.8	501.6	501.7	538.4	509.7	533.7	559.3	+57.6	+11.5%
RUS Loan Authority[c]	*8,849.4*	*7,514.5*	*7,464.1*	*7,934.2*	*7,464.1*	*8,710.6*	*8,210.6*	*+746.5*	*+10.0%*

Budget authority in millions of dollars	FY2013	FY2014	FY2015	FY2016					
Agency or Major Program	**P.L. 113-6 post-sequ.[a]**	**P.L. 113-76**	**P.L. 113-235**	**Admin. Request**	**H. Cmte. H.R. 3049**	**S. Cmte. S. 1800**	**P.L. 114-113**	**Change from FY2015 to FY2016 Enacted**	
Under Secretary, Rural Development	0.8	0.9	0.9	0.9	0.9	0.9	0.9	-0.0	-0.6%
Subtotal	**2,279.9**	**2,569.7**	**2,582.4**	**2,758.4**	**2,645.6**	**2,675.9**	**2,950.0**	+367.6	+14.2%
Subtotal, RD Loan Authority[c]	***37,138.2***	***35,945.4***	***35,870.1***	***36,335.2***	***35,945.4***	***37,187.8***	***36,686.7***	*+816.7*	*+2.3%*
Title IV: Domestic Food Programs									
Child Nutrition Programs (M)	19,913.2	19,288.0	21,300.2	21,587.3	21,507.43	21,524.4	22,149.7	+849.6	+4.0%
WIC Program	6,522.2	6,715.8	6,623.0	6,623.0	6,484.0	6,513.0	6,350.0	-273.0	-4.1%
SNAP, Food & Nutrition Act Programs (M)	77,285.4	82,169.9	81,837.6	83,693.1	81,653.2	81,662.1	80,849.4	-988.2	-1.2%
Commodity Assistance Programs	243.7	269.7	278.5	288.3	288.3	288.3	296.2	+17.7	+6.4%
Nutrition Programs Administration	132.7	141.3	150.8	155.6	141.3	151.8	150.8	+0.0	+0.0%
Office of Under Secretary	0.8	0.8	0.8	0.8	0.8	0.8	0.8	-0.0	-0.6%
Subtotal									
Mandatory (M)	**97,171.9**	**101,432.9**	**103,096.7**	**105,146.4**	**103,128.6**	**103,145.4**	**102,958.1**	-138.6	-0.1%
Discretionary	**6,926.1**	**7,152.7**	**7,094.1**	**7,201.6**	**6,946.5**	**6,995.0**	**6,838.9**	-255.3	-3.6%
Subtotal	**104,098.0**	**108,585.6**	**110,190.9**	**112,348.0**	**110,075.1**	**110,140.4**	**109,797.0**	-393.9	-0.4%
Title V: Foreign Assistance									
Foreign Agricultural Service	163.1	177.9	181.4	191.6	184.4	187.2	191.6	+10.1	+5.6%
Food for Peace Title II, and admin. Exp.	1,362.0	1,468.7	1,468.5	1,402.5	1,419.5	1,468.5	1,468.5[g]	+0.0	+0.0%
Local and regional food procurement	—	—	—	20.0	—	—	—	+0.0	+0.0%
McGovern-Dole Food for Education	174.5	185.1	191.6	191.6	191.6	201.6	201.6	+10.0	+5.2%
CCC Export Loan Salaries	6.3	6.7	6.7	6.7	6.7	6.7	6.7	+0.0	+0.0%
Subtotal	**1,705.9**	**1,838.5**	**1,848.3**	**1,812.5**	**1,802.3**	**1,864.1**	**1,868.5[g]**	+20.1	+1.1%
Title VI: Related Agencies									

Budget authority in millions of dollars	FY2013	FY2014	FY2015	FY2016					
Agency or Major Program	**P.L. 113-6 post-sequ.[a]**	**P.L. 113-76**	**P.L. 113-235**	**Admin. Request**	**H. Cmte. H.R. 3049**	**S. Cmte. S. 1800**	**P.L. 114-113**	**Change from FY2015 to FY2016 Enacted**	
Food and Drug Administration	2,386.0	2,560.7	2,597.3	2,743.5	2,627.3	2,637.8	2,729.6	+132.3	+5.1%
Commodity Futures Trading Commission[h]	[194.0]	215.0	[250.0]	322.0	245.0	[250.0]	250.0	+0.0	+0.0%
Subtotal	**2,386.0**	**2,775.7**	**2,597.3**	**3,065.5**	**2,872.3**	**2,637.8**	**2,979.6**		
Title VII: General Provisions									
Reductions in Mandatory Programs									
a. Environmental Quality Incentives Program	-279.0	-272.0	-136.0	-373.0	-189.0	-264.0	-209.0	-73.0	+53.7%
b. Watershed Rehabilitation Program	-165.0	-153.0	-69.0	-69.0	-64.0	-68.0	-68.0	+1.0	-1.4%
c. Conservation Stewardship Program	—	—	-7.0	-3.0	-2.0	—	—	+7.0	-100.0%
d. Fresh Fruit and Vegetable Program	-117.0	-119.0	-122.0	-125.0	-125.0	-125.0	-125.0	-3.0	+2.5%
e. Biorefinery Assistance Program	—	-40.7	-16.0	—	-26.0	—	-19.0	-3.0	-18.8%
f. Biomass Crop Assistance Program	—	—	-2.0	—	-12.0	-20.0	-20.0	-18.0	+900.0%
g. Rural Energy for America Program	—	—	—	—	-16.0	—	—	+0.0	+0.0%
h. Cushion of Credit (Rural Development)	-180.0	-172.0	-179.0	-154.0	-154.0	-182.0	-179.0	+0.0	+0.0%
i. Section 32	-110.0	-189.0	-121.0	-292.0	-216.0	-216.0	-216.0	-95.0	+78.5%
j. Other CHIMPS and rescissions	-42.0	-8.0	-133.0	—	+6.0	—	+5.0	+138.0	-103.8%
Subtotal, CHIMPS	**-893.0**	**-953.7**	**-785.0**	**-1,016.0**	**-798.0**	**-875.0**	**-831.0**	-46.0	+5.9%
Rescissions (discretionary)	-25.3	-33.3	-17.0	-20.0	-34.0	-33.0	-34.0	-17.0	+100.0%
Other appropriations									
a. Disaster/Emergency programs	83.9	—	116.0	—	2.0	—	273.0	+157.0	+135.3%
b. Other appropriations	48.6	106.6	6.6	—	—	6.6	283.1[g]	+276.5	—
Subtotal, Other appropriations	**132.5**	**106.6**	**122.6**	**0.0**	**2.0**	**6.6**	**556.1**	+433.5	+353.6%

Budget authority in millions of dollars	FY2013	FY2014	FY2015	FY2016					
Agency or Major Program	**P.L. 113-6 post-sequ.[a]**	**P.L. 113-76**	**P.L. 113-235**	**Admin. Request**	**H. Cmte. H.R. 3049**	**S. Cmte. S. 1800**	**P.L. 114-113**	**Change from FY2015 to FY2016 Enacted**	
Total, General Provisions	**-785.9**	**-880.4**	**-679.4**	**-1,036.0**	**-830.0**	**-901.4**	**-308.9**	+370.5	-54.5%
Scorekeeping Adjustments[i]									
Disaster declaration in this bill	—	—	-116.0	—	—	—	-130.0	-14.0	—
Other scorekeeping adjustments	-129.0	-191.0	-398.0	-331.0	-336.0	-344.0	-332.0	+66.0	-16.6%
Subtotal	**-129.0**	**-191.0**	**-514.0**	**-331.0**	**-336.0**	**-335.0**	**-462.0**	+52.0	-10.1%
Totals									
Discretionary: Senate basis w/o CFTC	**19,520.4**	[20,665.0]	**20,575.0**	**21,462.2**	[20,405.0]	**20,510.0**	[21,500.0]	+925.0	+4.5%
Discretionary: House basis w/ CFTC	[19,714.4]	**20,880.0**	[20,825.0]	**21,784.2**	**20,650.0**	[20,760.0]	**21,750.0**	+925.0	+4.4%
Mandatory (M)	**118,754.6**	**124,582.0**	**126,756.5**	**125,267.1**	**123,249.3**	**123,266.1**	**119,112.7**	-7,643.7	-6.0%
Total: House basis w/ CFTC	**138,469.0**	**145,462.0**	**147,581.5**	**147,051.3**	**143,899.3**	**144,026.1**	**140,862.7**	-6,718.7	-4.6%

Source: CRS, using referenced bill text, appropriations committee report tables, and unpublished CBO tables.

Notes: Amounts are budget authority in millions of dollars and are in nominal dollars. Amounts do not include supplemental appropriations outside the annual appropriation. Amounts are discretionary authority unless labeled otherwise; (M) indicates that the account is mandatory authority (or primarily mandatory authority). [Bracketed amounts] are not in the official totals due to differing House-Senate jurisdiction for CFTC but are shown for comparison.

a. Amounts for FY2013 are at the post-sequestration level from the USDA FY2013 Operating Plan, at http://www.dm.usda.gov/foia/docs/USDA_Operating_Plan.pdf.

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; it is not added in the budget authority subtotals or totals.

d. Includes Rural Development salaries and expenses, and transfers from the three rural development agencies for salaries and expenses. Amounts for the agencies thus reflect program funds for loans and grants.

e. Amounts for the Rural Business-Cooperative Service are before the rescission from the Cushion of Credit account, unlike in Appropriations committee tables. The rescission is included with the changes in mandatory program spending (CHIMPS), as classified by CBO, which allows the RBCS subtotal to remain positive.

f. Commodity Credit Corporation and Federal Crop Insurance Corporation each receive an indefinite appropriation ("such sums as necessary"). Estimates for appropriations may not reflect actual outlays.

g. In addition to the FY2016 appropriation for Food for Peace Title II grants in Title V ($1.466 billion), an extra $250 million was appropriated under General Provisions. The combined total for Food for Peace Title II grants is therefore $1.716 billion, and the effective Title V total is $2.118 billion for FY2016.

h. Jurisdiction for CFTC is in the House agriculture appropriations subcommittee and the Senate financial services appropriations subcommittee. After FY2008, CFTC is carried in enacted Agriculture appropriations in even-numbered fiscal years, always in House Agriculture markup and never in Senate Agriculture markup. [Bracketed amounts] are not in the official totals due to differing House-Senate jurisdiction for CFTC but are shown for comparison (e.g., to S. 1910 in FY2016).

i. "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 and adjustments for disaster designations in the bill.

Policy Changes

In addition to specifying the amounts of budget authority, the appropriation prescribes various policies or conditions that affect how some agencies may use their appropriation. Among the notable policy-related provisions that are discussed in more detail in the relevant sections later:

- Some **country-of-origin labeling** (COOL) laws are permanently repealed.
- **Horse slaughter** facility inspection continues to be prohibited for the fiscal year.
- Imports of processed **poultry from China** are forbidden for certain nutrition programs.
- **Whole grain** and **sodium** requirements in the child nutrition programs are to be implemented with continued flexibility.
- The appropriation directs some terms for the formation of **dietary guidelines**.
- The use of **commodity certificates** for the marketing loan program is restored, including not being subject to payment limits.
- However, unlike the House markup, the enacted appropriation does *not* change the **conservation compliance** requirements, nor does it limit the applicability of certain **tobacco regulations** for e-cigarettes.

In addition, the explanatory statement indicates that report language accompanying the House- or Senate-reported bills still holds, unless otherwise contradicted or changed by the explanatory statement, and that such report language is considered evidence of congressional intent.[23]

Recent Trends in Agriculture Appropriations

The stacked bars in **Figure 3** represent the discretionary spending authorized for each title in the 10 years since FY2007. The total of the positive stacked bars is higher than the official "302(b)" discretionary spending limit (the line) because of the budgetary offset from negative amounts in the General Provisions title and other scorekeeping adjustments. General Provisions are negative mostly because of limits placed on certain mandatory programs that are scored as savings (see near the end of **Table 3** for examples, and the section "Changes in Mandatory Program Spending (CHIMPS)" for background).

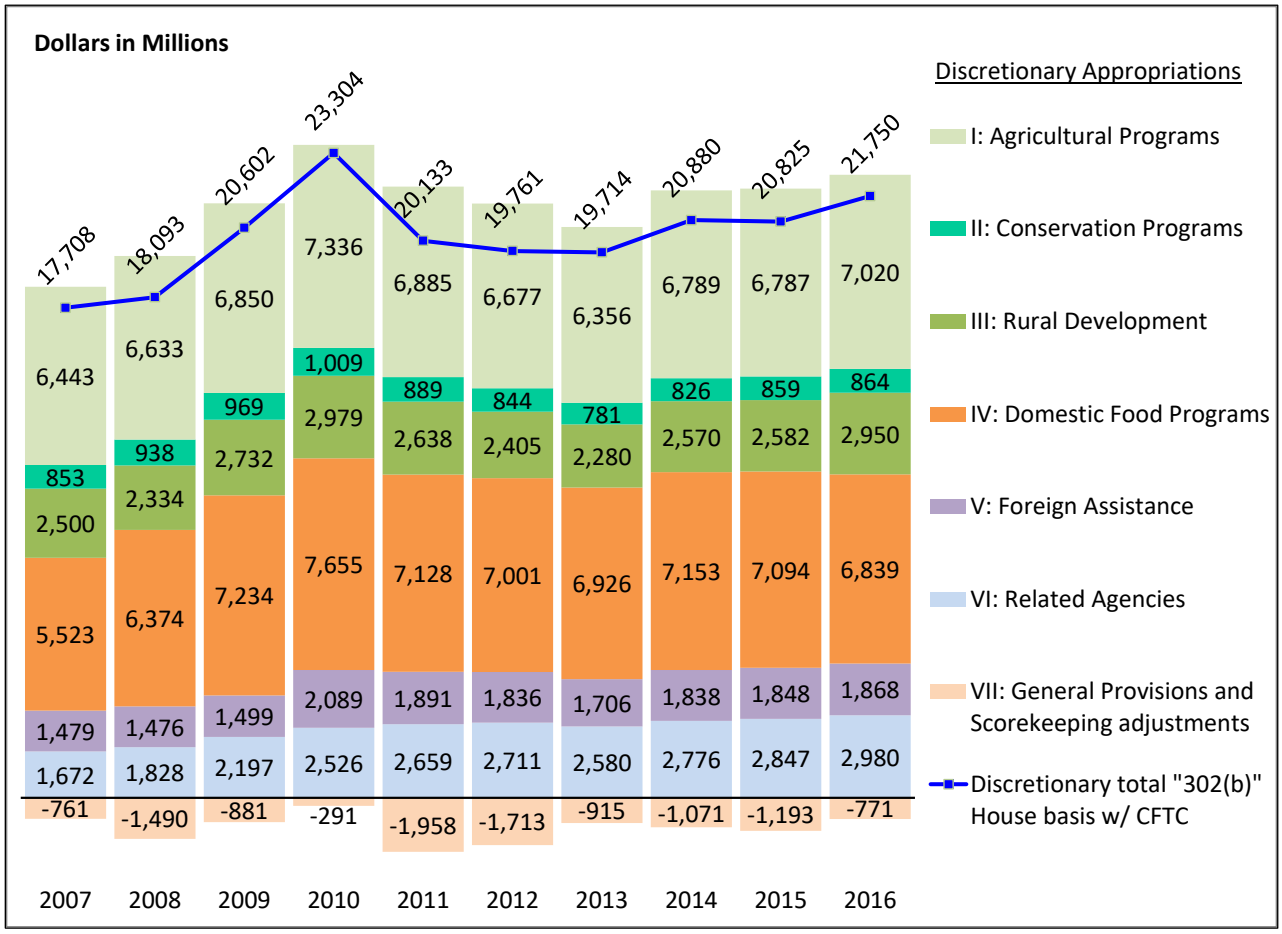
Increases in the use of CHIMPS and other tools to offset discretionary appropriations have ameliorated recent reductions in budget authority in some of the years since FY2010. For example, the official "302(b)" discretionary total for the bill has been given credit for declining 6.7% from FY2010 to FY2016 ($23.3 billion to $21.75 billion, **Figure 3**), while the total of Titles I-VI has declined only 4.6% over that same period ($23.6 billion to $22.5 billion). The effect is less pronounced in FY2016 than it was in FY2011-FY2015 when the offsets were larger. The offset in FY2016 is relatively smaller, in part, because of additional spending in the General Provisions title for foreign food aid and emergency programs.

[23] "The explanatory statement is silent on provisions that were in both the House Report and Senate Report that remain unchanged by this agreement, except as noted in this explanatory statement… The House and Senate report language that is not changed by the explanatory statement is approved and indicates congressional intentions. The explanatory statement, while repeating some report language for emphasis, does not intend to negate the language referred to above unless expressly provided herein. In cases in which the House or the Senate have directed the submission of a report, such report is to be submitted to both the House and Senate Committees on Appropriations." Explanatory Statement for the Consolidated Appropriations Act, 2016, Congressional Record, vol. 161 (December 17, 2015), p. H9694.

On an inflation-adjusted basis, FY2016 Agriculture appropriations are 16% below their peak in FY2010 (**Figure 4**). When expressed in constant dollars, the official FY2016 appropriation has risen 7.2% above the recent low of the FY2013 post-sequestration level, and the subtotal of Titles I-VI has risen 6.1% since FY2013. Since FY2014, on an inflation-adjusted basis, the total Agricultural appropriation has been roughly constant, and on par with FY2012 and in between the amounts in FY008 and FY2009.

Over time, changes by title of the bill generally have been proportionate to changes in the total discretionary Agriculture appropriation, though some areas have sustained real increases while others have declined (apart from the peak in 2010). Agencies with sustained real increases since FY2007 include the Food and Drug Administration and CFTC (Related Agencies), and to a lesser extent foreign assistance. Agencies with real decreases since 2007 include discretionary conservation programs and general agricultural programs. Rural development generally had decreased over the period through FY2015, though the FY2016 appropriation may have reversed that trend. Domestic nutrition programs in FY2016 are higher on a real basis than in FY2007, but are lower than in all of the other intervening years.

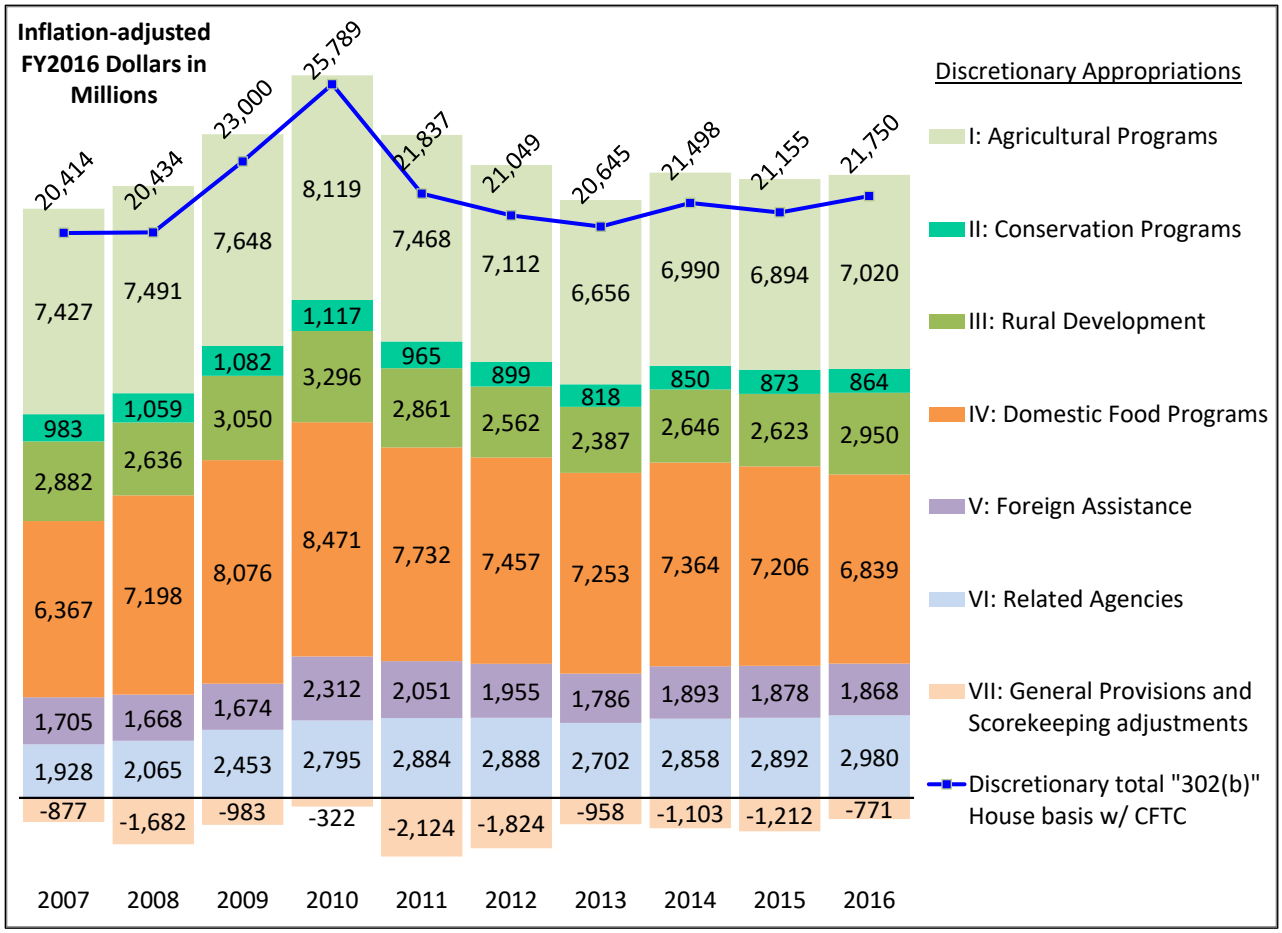
Figure 3. Discretionary Agriculture Appropriations, by Title, Since FY2007



Source: CRS.

Notes: Fiscal year budget authority. Regular appropriations only. Includes CFTC regardless of jurisdiction.

Figure 4. Inflation-Adjusted Discretionary Agriculture Appropriations Since FY2007



Source: CRS.

Notes: Fiscal year budget authority, adjusted for inflation by CRS using the gross domestic product price deflator. Includes only regular appropriations. Includes CFTC regardless of jurisdiction.

Sequestration Continues on Mandatory Accounts

Sequestration is a process of automatic, largely across-the-board reductions that permanently cancel mandatory and/or discretionary budget authority when spending would exceed statutory budget goals. Sequestration is required in the Budget Control Act of 2011 (BCA; P.L. 112-25).[24]

Although the Bipartisan Budget Act of 2013 (P.L. 113-67) raised spending limits in the BCA to avoid sequestration of discretionary accounts in FY2014 and FY2015—and the Bipartisan Budget Act of 2015 (P.L. 114-74) did it again for FY2016 and FY2017—they do not prevent or reduce sequestration on mandatory accounts.

Sequestration on non-exempt mandatory accounts continues in FY2016 and is scheduled to continue through FY2025. **Appendix B** provides more detail about sequestration at the individual account level.

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

USDA Agencies and Programs

About 95% of the total appropriation for the U.S. Department of Agriculture (USDA) is funded through the Agriculture appropriations bill. USDA was created in 1862 and carries out widely varied responsibilities through about 17 agencies and about a dozen administrative offices staffed by nearly 100,000 employees.[25] Funding for about two-thirds of those employees is provided in Agriculture appropriations. The remaining one-third of the employees are in the Forest Service and are funded by the Interior and Related Agencies Appropriations bill.[26]

This report is organized in the order that the agencies are listed in the Agriculture appropriations bill.

Organization of USDA Is Different Than the Appropriations Bill

Agriculture appropriations are not perfectly correlated with USDA spending. Agriculture appropriations include the FDA and CFTC (that are outside USDA), and do not fund the Forest Service (that is part of USDA). The Forest Service is funded in the Interior and Related Agencies appropriations bill.

Similarly, USDA spending is not synonymous with farm program spending. It includes programs that may not be considered agricultural, such as nutrition assistance and rural development.

USDA divides its activities into **mission areas** that are different from how the appropriation is organized in titles.

- Food and nutrition programs—with more than three-fourths of USDA's budget—comprise USDA's largest mission area. This is Title IV of the appropriation.
- The second-largest mission area, about one-eighth of USDA's budget, is farm and foreign agricultural services. This mission area is split between appropriations to Title I (domestic) and Title V (foreign trade and aid).
- Five other mission areas share one-eighth of USDA's budget, including natural resources, rural development, research, marketing and regulatory programs, and food safety. In appropriations bills, rural development is Title III, and conservation is Title II (the part of the natural resources mission area without the Forest Service). The other three mission areas others are combined into Title I of the appropriation.

The type of funding (mandatory or discretionary) also is an important difference between how the appropriations bill and USDA's mission areas are organized.

- USDA mission area totals include both mandatory and discretionary spending.
- In the appropriation, conservation (Title II), rural development (Title III), and agricultural research (part of Title I) include only discretionary amounts. Mandatory amounts for these programs are contained within the Commodity Credit Corporation amount in Title I.

Departmental Administration[27]

The Agriculture appropriations bill contains several accounts for the general administration of the USDA, ranging from the immediate Office of the Secretary to the Office of Inspector General.

For FY2016, the enacted appropriation (P.L. 114-113) increases the administrative account subtotal by about $8.7 million (+2.4%) compared with FY2015, though most accounts are held constant (**Table 4**). Most of the increase is for buildings and facilities ($8.3 million, +15%), though it is well below the $69 million increase requested by the Administration for long-planned structural improvements to the USDA headquarters complex (Whitten Building and South Building).

[25] USDA, *FY2016 Budget Summary*, February 2015, p. 126, at http://www.obpa.usda.gov/budsum/fy16budsum.pdf.

[26] See CRS Report R44061, *Interior, Environment, and Related Agencies: FY2016 Appropriations*.

[27] This section was written by Jim Monke.

Table 4. USDA Departmental Administration Appropriations

(budget authority in millions of dollars)

Agency or Major Program	FY2013	FY2014	FY2015	FY2016				Change from FY2015 to FY2016 enacted	
	P.L. 113-6 post-sequ.	P.L. 113-76	P.L. 113-235	Admin. Request	H. Cmte. H.R. 3049	S. Cmte. S. 1800	P.L. 114-113		
Office of the Secretary									
Office of the Secretary	4.69	5.05	5.05	5.14	5.05	5.05	5.05	+0.0	+0.0%
Office of Tribal Relations	0.46	0.50	0.50	0.51	0.50	0.50	0.50	+0.0	+0.0%
Military Veterans Agricultural Liaison	—	—	—	0.25	—	0.25	—	+0.0	+0.0%
Office of Homeland Security	1.39	1.50	1.50	1.52	1.50	1.50	1.50	+0.0	+0.0%
Advocacy and Outreach	1.32	1.21	1.21	1.23	1.21	1.21	1.21	+0.0	+0.0%
Assistant Secretary for Admin.	0.75	0.80	0.80	0.82	0.80	0.80	0.80	+0.0	+0.0%
Departmental Administration	22.50	22.79	25.12	25.69	22.79	25.12	25.12	+0.0	+0.0%
Asst. Sec. Congressional Relations	3.59	3.87	3.87	3.93	3.06	3.87	3.87	+0.0	+0.0%
Office of Communications	8.36	8.07	7.75	8.23	4.47	7.75	7.50	-0.3	-3.2%
Subtotal	**43.06**	**43.78**	**45.81**	**47.31**	**39.38**	**46.06**	**45.56**	**-0.3**	**-0.5%**
Executive Operations									
Office of Chief Economist	15.01	16.78	17.38	17.47	16.78	16.78	17.78	+0.4	+2.3%
National Appeals Division	13.19	12.84	13.32	13.57	12.84	13.32	13.32	+0.0	+0.0%
Office of Budget, Program Analysis	8.35	9.06	9.39	9.50	9.08	9.39	9.39	+0.0	+0.0%
Subtotal	**36.56**	**38.68**	**40.09**	**40.53**	**38.70**	**39.49**	**40.49**	**+0.4**	**+1.0%**
Other Administration									
Chief Information Officer	40.65	44.03	45.05	53.07	44.03	45.05	44.54	-0.5	-1.1%
Chief Financial Officer	5.77	6.21	6.03	9.15	6.03	6.03	6.03	+0.0	+0.0%
Assistant Secretary for Civil Rights	0.83	0.89	0.90	0.91	0.89	0.90	0.90	+0.0	+0.0%
Office of Civil Rights	21.02	21.40	24.07	24.44	23.87	24.07	24.07	+0.0	+0.0%

Agency or Major Program	FY2013	FY2014	FY2015	FY2016				Change from FY2015 to FY2016 enacted	
	P.L. 113-6 post-sequ.	P.L. 113-76	P.L. 113-235	Admin. Request	H. Cmte. H.R. 3049	S. Cmte. S. 1800	P.L. 114-113		
Buildings and facilities[a]	252.40	233.00	55.87	125.47	54.73	53.62	64.19	+8.3	+14.9%
Hazardous materials management	3.70	3.59	3.60	3.63	3.60	3.62	3.62	+0.0	+0.5%
Office of Inspector General	82.30	89.90	95.03	98.90	95.64	95.29	95.74	+0.7	+0.7%
General Counsel	41.87	41.20	44.38	48.08	43.31	44.38	44.38	+0.0	+0.0%
Office of Ethics	3.14	3.44	3.65	4.57	3.44	3.65	3.65	+0.0	+0.0%
Subtotal	**451.68**	**443.67**	**278.57**	**368.22**	**275.55**	**276.61**	**287.12**	**+8.5**	**+3.1%**
Total, Departmental Administration	**531.30**	**526.13**	**364.46**	**456.06**	**353.63**	**362.15**	**373.16**	**+8.7**	**+2.4%**

Source: CRS, compiled from tables in the joint explanatory statements or committee reports for the referenced appropriations acts or bills. Amounts for FY2013 are the post-sequestration level from the USDA FY2013 Operating Plan.

a. Beginning in FY2015, the amount for buildings and facilities no longer includes rental payments to the GSA (General Services Administration) or DHS (Department of Homeland Security), which amounted to $178 million in FY2014. Although the federal government owns many of the facilities in which agencies are housed, USDA rents some buildings and facilities from private vendors, which are contracted through GSA. Rather than paying rental obligations from a central account, rental expenses now are paid by the individual agencies and have been absorbed into their budgets. Therefore, amounts for buildings and facilities in this account now refer to operations, maintenance, and improvements of primarily the USDA-owned headquarters complex (the Whitten Building and the South Building).

Agricultural Research, Education, and Extension[28]

Agricultural research was one of the founding principles when USDA was created in 1862. Contemporary research spans traditional, organic, and sustainable agricultural production; bioenergy; nutrition; food safety; pests and diseases of plants and animals; and economics.

Four agencies carry out USDA's research, education, and economics (REE) mission:[29]

- The **Agricultural Research Service (ARS)**, USDA's intramural science agency, conducts long-term, high-risk, basic and applied research on food and agriculture issues of national and regional importance.
- The **National Institute of Food and Agriculture (NIFA)** distributes competitive grants and formula-based funding to land grant colleges of agriculture to provide partial support for state-level research, education, and extension.
- The **National Agricultural Statistics Service (NASS)** collects and publishes national, state, and county statistics. NASS also is responsible for the five-year cycle of the Census of Agriculture.
- The **Economic Research Service (ERS)** provides economic analysis of issues regarding public and private interests in agriculture, natural resources, and food.

For FY2016, the USDA research mission area receives $2.936 billion, an increase of $211 million over FY2015 (**Table 5**). Most of the increase is for ARS buildings and facilities ($167 million) and the flagship NIFA competitive grant program (+$25 million), while most other accounts are held constant or nearly constant compared to FY2015. The enacted appropriation, like the House and Senate bills, does not follow most of the proposed changes in priorities in the Administration's request.

Agricultural Research Service

The Agricultural Research Service is USDA's in-house basic and applied research agency. It operates approximately 90 laboratories nationwide with about 7,400 employees. ARS also operates the National Agricultural Library, one of the Department's primary information repositories for food, agriculture, and natural resource sciences. ARS laboratories focus on efficient food and fiber production, development of new products and uses for agricultural commodities, development of effective controls for pest management, and support of USDA regulatory and technical assistance programs.

For FY2016, the enacted appropriation provides $1.144 billion for ARS salaries and expenses, an increase of $11 million over FY2015 (+1%; **Table 5**). The President had requested a 5% increase for salaries and expenses.

ARS had proposed increases across several programmatic areas for prioritized research projects, coupled with reductions in funding for several existing programs. Both the House and Senate committees expressly rejected many, if not most, of those specific reductions and reprogramming.

The explanatory statement for the omnibus and the individual committee reports address deficient animal welfare conditions that were uncovered at ARS research facilities, particularly at the ARS Meat Animal Research Center in Nebraska.[30] In the appropriations act and via report language,

[28] This section was written by Jim Monke.

[29] See CRS Report R40819, *Agricultural Research: Background and Issues*.

[30] See CRS Report R44091, *Meat Animal Research Center: The Animal Welfare Act and Farm Animal Research*.

Congress instructs ARS to comply with Animal Welfare Act standards, allow animal welfare inspections by a USDA sister agency (Animal and Plant Health Inspection Service, APHIS), review and update its own animal care policies, and certify progress with the committees. Also, via explanatory statements for the Office of the Secretary, all House and Senate requirements on this issue are to be followed. This therefore includes House report language that further withholds 5% of the ARS appropriation until USDA certifies that it has updated its policies and has functioning Institutional Animal Care and Use Committees.

For the ARS buildings and facilities account, the enacted appropriation provides $212 million, an increase of $167 million over FY2015 for an account that had received no appropriation for several years. Like in FY2015, the funding is to be used for priorities that are identified in the "USDA ARS Capital Investment Strategy."[31] ARS's top facilities priorities are the construction of a biocontainment laboratory at its poultry research facility in Athens, GA ($145 million); a foreign disease-weed science facility in Frederick, MD ($70 million); and an animal science, human nutrition, and bee research center in Beltsville, MD ($33 million).

National Institute of Food and Agriculture

The National Institute of Food and Agriculture provides federal funding for research, education, and extension projects conducted in partnership with the State Agricultural Experiment Stations, the State Cooperative Extension System, land grant universities, colleges, and other research and education institutions, as well as individual researchers. These partnerships include the 1862 land-grant institutions, 1890 historically black colleges and universities, 1994 tribal land-grant colleges, and Hispanic-serving institutions.[32] Federal funds enhance capacity at universities and institutions by statutory formula funding, competitive awards, and grants.

For FY2016, the enacted appropriation provides $1.327 billion for NIFA, an increase of $37 million over FY2015 (+2.9%; **Table 5**). The President had requested $1.503 billion for NIFA.

USDA had proposed to merge NIFA's three primary accounts (Research and Education, Extension, and Integrated Activities) into a single NIFA-wide account. Congress effectively rejected that proposal by continuing to fund each of the accounts separately as in past years.

The Agriculture and Food Research Initiative (AFRI)—USDA's flagship competitive grants program with 25% of NIFA's total budget—receives $350 million, an increase of $25 million.

Formula-funded programs are held constant, with the exception of Evans-Allen funding for historically black colleges and universities, which receive a $1.7 million increase (+3%). The appropriation rejects an Administration proposal that would have added a competitive portion to the normally formula-funded "capacity awards" programs such as the Hatch Act. The House report noted a lack of state matching funding for some historically black colleges and universities and directed USDA to develop a plan to work with the states to meet the matching requirements.[33]

The Administration had proposed $80 million to establish two new "Innovation Institutes" as public-private partnerships. Like last year, the enacted appropriation ignores this proposal.

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[31] USDA-ARS, *The USDA Agricultural Research Service Capital Investment Strategy*, April 2012, at http://www.ars.usda.gov/sp2UserFiles/Subsite/ARSLegisAffrs/USDA_ARS_Capital_Investment_Strategy_FINAL_eeo.pdf.

[32] The numbers 1862, 1890, and 1994 in this context refer to the years that laws were enacted creating these classifications of colleges and universities, not to the number of institutions.

[33] Association of Public and Land-Grant Universities, *Land-Grant But Unequal: State One-to-One Match Funding for 1890 Land-Grant Universities*, September 2013, at http://www.aplu.org/library/land-grant-but-unequal-state-one-to-one-match-funding-for-1890-land-grant-universities/file.

The President's request would have consolidated federal science, technology, engineering, and mathematics (STEM) education funding so that USDA would no longer provide Higher Education Challenge Grants, Graduate and Post-graduate Fellowship Grants, Higher Education Multicultural Scholars Program, Women and Minorities in STEM Program, Agriculture in the Classroom, and Secondary/Postsecondary Challenge Grants. The appropriation rejects that proposal and continues to fund the programs in USDA at FY2015 levels.

National Agricultural Statistics Service

The National Agricultural Statistics Service (NASS) conducts the Census of Agriculture and provides official statistics on agricultural production and indicators of the economic and environmental status of the farm sector.

For FY2016, the enacted appropriation provides NASS $168 million, a decrease of $4 million (-2%) from FY2015. The President's request was $180 million, which would have been an increase of 5% over FY2015.

Economic Research Service

The Economic Research Service supports economic and social science information analysis on agriculture, rural development, food, commodity markets, and the environment. It collects and disseminates data concerning USDA programs and policies to various stakeholders.

For FY2016, the enacted appropriation provides ERS $85 million, which is the same as FY2015. USDA had requested $86 million.

Table 5. USDA Research, Extension, and Economics (REE) Appropriations

Budget authority in millions of dollars	FY2013	FY2014	FY2015	FY2016					
Agency or Major Program	**P.L. 113-6 post-sequ.**	P.L. 113-76	P.L. 113-235	**Admin. Request**	**H. Cmte. H.R. 3049**	**S. Cmte. S. 1800**	**P.L. 114-113**	**Change from FY2015 to FY2016 enacted**	
Agricultural Research Service	1,016.9	1,122.5	1,132.6	1,191.5	1,122.5	1,136.8	1,143.8	+11.2	+1.0%
Buildings and Facilities	—	—	45.0	205.9	45.0	0.0	212.1	+167.1	+371.3%
Subtotal, ARS	**1,016.9**	**1,122.5**	**1,177.6**	**1,397.4**	**1,167.5**	**1,136.8**	**1,355.9**	**+178.3**	**+15.1%**
National Institute of Food & Agriculture									
Research and Education									
AFRI (competitive grants)	275.6	316.4	325.0	450.0	335.0	325.0	*350.0*	+25.0	+7.7%
Hatch Act (1862 institutions)	218.6	243.7	243.7	243.7	243.7	243.7	*243.7*	+0.0	+0.0%
Evans-Allen (1890s institutions)	47.1	52.5	52.5	58.0	52.5	52.5	*54.2*	+1.7	+3.2%
McIntire-Stennis (forestry)	30.5	34.0	34.0	34.0	34.0	34.0	*34.0*	+0.0	+0.0%
Other	111.5	126.0	131.7	212.9	116.4	135.9	*137.8*	+6.1	+4.6%
Subtotal	**683.2**	**772.6**	**786.9**	**998.6**	**781.5**	**791.1**	**819.7**	**+32.8**	**+4.2%**
Extension									
Smith-Lever (b) & (c)	271.3	300.0	300.0	300.0	300.0	300.0	*300.0*	+0.0	+0.0%
Smith-Lever (d)	91.7	85.5	85.5	85.7	85.5	102.7	*85.5*	+0.0	+0.0%
Other	76.1	83.7	86.2	89.8	86.5	86.2	*90.4*	+4.2	+4.9%
Subtotal	**439.1**	**469.2**	**471.7**	**475.6**	**472.1**	**488.9**	**475.9**	**+4.2**	**+0.9%**
Integrated Activities	19.8	35.3	30.9	28.9	30.9	13.7	30.9	+0.0	+0.0%
Subtotal, NIFA	**1,142.0**	**1,277.1**	**1,289.5**	**1,503.1**	**1,284.5**	**1,293.7**	**1,326.5**	**+37.0**	**+2.9%**
National Agricultural Statistics Service	166.6	161.2	172.4	180.3	161.2	168.1	**168.4**	**-4.0**	**-2.3%**
Economic Research Service	71.4	78.1	85.4	86.0	78.1	85.4	**85.4**	**+0.0**	**+0.0%**
Total, REE appropriation	**2,397.0**	**2,638.8**	**2,724.9**	**3,166.9**	**2,691.2**	**2,684.0**	**2,936.2**	**+211.3**	**+7.8%**

Source: CRS, compiled from tables in the joint explanatory statements or committee reports for the referenced appropriations acts or bills.

Marketing and Regulatory Programs

Three agencies carry out USDA's marketing and regulatory programs mission area: the Animal and Plant Health Inspection Service (APHIS), the Agricultural Marketing Service (AMS), and the Grain Inspection, Packers and Stockyards Administration (GIPSA).

Animal and Plant Health Inspection Service[34]

APHIS is responsible for protecting U.S. agriculture from domestic and foreign pests and diseases, responding to domestic animal and plant health problems, and facilitating agricultural trade through science-based standards. Prominent concerns include avian influenza, bovine spongiform encephalopathy ("mad cow disease"), foot-and-mouth disease, invasive plant pests (e.g., emerald ash borer, glassy-winged sharpshooter, Asian long-horned beetle). APHIS also administers the Animal Welfare Act to protect animals in research and public exhibitions, and administers the Wildlife Services Program to protect against wildlife damage.

For FY2016, the enacted appropriation provides $897.6 million for APHIS programs, comprised of $894.4 million for salaries and expenses and $3.2 million for building and facilities (**Table 6**). This is $23.1 million more than FY2015 (+2.6%), and $38.6 million more than requested.

Table 6. Animal and Plant Health Inspection Appropriations

(budget authority in millions of dollars)

	FY2015	FY2016			
	P.L. 113-235	Admin. Request	H. Cmte. H.R. 3049	S. Cmte. S. 1800	P.L. 114-113
Animal Health	287.6	295.8	293.3	288.2	295.2
Plant Health	305.4	285.3	298.9	306.4	308.4
Wildlife Services	108.9	99.5	108.9	111.5	120.0
Regulatory Services	35.1	35.2	35.1	35.1	35.1
Emergency Preparedness, Contingency	17.4	17.5	17.4	17.4	17.4
Safe Trade, International Tech. Assist.	36.2	41.8	36.2	37.2	37.2
Animal Welfare	28.7	28.8	29.1	28.7	29.1
Administrative Funds	52.0	52.0	52.0	52.0	52.0
Subtotal, salaries and expenses	**871.3**	**855.8**	**870.9**	**876.5**	**894.4**
Buildings and facilities	3.2	3.2	3.2	3.2	3.2
Total, APHIS	**874.5**	**859.0**	**874.1**	**879.6**	**897.6**

Source: CRS, compiled from tables in the joint explanatory statements or committee reports.

The act provides a net increase of $22 million for high-priority initiatives to control outbreaks of insects, plant diseases, animal diseases, and for control of pest animals and birds. For larger outbreaks, the Office of Management and Budget (OMB) and congressional appropriators have

[34] This section was written by Tadlock Cowan, with assistance for avian influenza from Joel L. Greene.

sparred for years over whether APHIS should—as appropriators have preferred—reach as needed into USDA's Commodity Credit Corporation (CCC) account for mandatory funds to deal with emergency plant and animal health problems,[35] or use primarily funds from the annual appropriation, as OMB has argued. In FY2015, USDA transferred an unusually large amount, about $1 billion, from CCC for highly pathogenic avian influenza (HPAI) response activities.

The enacted appropriation provides an additional $3 million for APHIS avian health to help federal and state agencies, stakeholders, and growers implement surveillance and biosecurity to halt the spread of HPAI. The act directs USDA to report to Congress on the amount of emergency funds that were transferred from the Commodity Credit Corporation (CCC) to poultry owners and growers in FY2015. USDA is also required to inform Congress of HPAI developments and to give Congress a 15-day notification if further CCC funds are transferred for HPAI emergencies.[36]

In response to APHIS rule-making to allow imports of beef from Brazil and Argentina, Section 752 of the appropriation directs APHIS to establish a prioritization process for audits and reviews for countries that have been granted animal health status. APHIS is to provide the Appropriations and Agriculture committees a description of its prioritization process by April 2016. APHIS is required to conduct audits based on factors as defined in regulations for determinations of animal health status,[37] and to promptly make audit reports publicly available. The section also requires that the audits be conducted in a manner consistent with U.S. international trade agreements.

Within the animal welfare portion, the enacted bill includes a $400,000 increase to support a memorandum of understanding between APHIS and the Agricultural Research Service (ARS) to provide oversight of animal research at ARS facilities. In early 2015, a *New York Times* article about activities at the Meat Animal Research Center, an Agricultural Research Service (ARS) facility, led to a USDA investigation of all ARS facilities that used animals in their research.

Agricultural Marketing Service and "Section 32"

The Agricultural Marketing Service (AMS) administers numerous programs that facilitate the marketing of U.S. agricultural products in domestic and international markets. AMS each year receives appropriations in two different ways. A discretionary appropriation of about $80 million funds a variety of marketing activities. A larger mandatory spending amount of about $1.2 billion (funds for strengthening markets, income, and supply; or "Section 32") finances various types of ad hoc decisions that support agricultural commodities (such as meat, poultry, fruits, and vegetables) that are not supported through the direct subsidy programs for the primary field crops (corn, soybeans, wheat, rice, and peanuts) and dairy. User fees also support some AMS activities.

Marketing Activities[38]

For FY2016, the Consolidated Appropriations Act, 2016 (P.L. 114-113) provides $81.22 million for AMS salaries, expenses, and $1.23 million for payments to states and possessions for marketing activities. This $82.5 million total is fractionally more than in FY2015, but is $1.9 million less than the Administration requested.

[35] As authorized in the Animal Health Protection Act (7 U.S.C. §§8310 and 8316, §§10411 and 10417) and the Plant Protection Act (7 U.S.C. §§7751 and 7772, §§431 and 442).

[36] Explanatory Statement for the Consolidated Appropriations Act, 2016, Congressional Record, vol. 161 (December 17, 2015), p. H9694.

[37] For example, audits are required to cover veterinary control and oversight, disease history, and vaccine practices, surveillance practices, and emergency preparedness and response. See 9 C.F.R. 92.2.

[38] This section was written by Joel L. Greene.

The AMS discretionary appropriation funds four main marketing activities: market news service, shell egg surveillance and standardization, market protection and promotion, and transportation and marketing. The market news program collects, analyzes, and disseminates market information on a wide number of commodities. The shell egg program ensures egg quality and reviews and maintains egg standards. As part of market protection and promotion programs, AMS administers the pesticide data program, the National Organic Program (NOP), the seed program, the country-of-origin labeling (COOL) program, and 22 commodity research and promotion (checkoff) programs. AMS monitors the agriculture transportation system and conducts market analysis that supports the transport of agricultural products domestically and internationally.

The AMS appropriation includes $1.23 million for payments to states and possessions through the Federal-State Marketing Improvement Program. This program provides matching grants to state marketing agencies to explore new market opportunities for U.S. food and agricultural products, and to encourage research and innovation to improve marketing efficiency and performance.

AMS collects user fees and reimbursements to cover product quality and process verification programs, commodity grading, and Perishable Agricultural Commodities Act licensing. AMS expects to collect about $233 million in FY2016. The appropriation places a $61 million limit on the amount of user fees that AMS may collect for grading and classifying cotton and tobacco.[39] AMS also administers several 2014 farm bill programs that have mandatory funding and are designed to support specialty crops, farmers markets, local foods, and organic certification.[40]

The appropriation carries a significant policy development; it repeals country-of-origin labeling (COOL) requirements for beef and pork and ground beef and pork (§759).[41] U.S. COOL requirements have been in force since 2004 for fish and seafood, and for other commodities, such as beef, pork, chicken, fruits, vegetables, and some nuts since 2009. Canada and Mexico challenged COOL for beef and pork at the World Trade Organization (WTO). The WTO found that the U.S. violated trade obligations by discriminating against imports of cattle and hogs from Canada and Mexico. It authorized Canada and Mexico to impose almost $1 billion in retaliatory tariffs. The repeal of COOL for beef and pork by Congress ended the threat of trade retaliation.

Section 32 (Funds for Strengthening Markets, Income, and Supply)[42]

AMS's mandatory appropriation reflects a transfer from the so-called Section 32, which is a program created in 1935 to assist agricultural producers of non-price-supported commodities. The Section 32 account is funded by a permanent appropriation of 30% of the previous calendar year's customs receipts ($10.3 billion in FY2016). This amount is reduced by various mandatory transfers to child nutrition and other programs ($9.0 billion in FY2016).[43]

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[39] Authorized by the Omnibus Budget Reconciliation Act of 1981 (P.L. 97-35).

[40] Separate from the appropriations process, the 2014 farm bill (P.L. 113-79) authorized mandatory funding for four AMS-administered programs as follows: $72.5 million (annually, FY2014-2017) and $85 million (annually, FY2018 and thereafter) for specialty crop block grants, $15 million (annually, FY2014-2018) for farmers' market promotion, $15 million (annually, FY2014-2018) for local food promotion, and a set-aside (estimated at $12.5 million in FY2015) for the AMS share of costs to support organic certification. For FY2015, AMS expects to administer an estimated $106.6 million of these mandatory farm bill initiatives, and $115 million in FY2016. Of the FY2014 and FY2015 spending for these programs, $4.1 million and $8.4 million were sequestered, respectively. In FY2016, spending for these programs will be subject to a 6.8% sequestration.

[41] For more information, see CRS Report RS22955, *Country-of-Origin Labeling for Foods and the WTO Trade Dispute on Meat Labeling*.

[42] This section was written by Jim Monke.

[43] For more details, see CRS Report RL34081, *Farm and Food Support Under USDA's Section 32 Program*.

Section 32 monies available for obligation by AMS have been used at the Secretary's discretion to purchase agricultural commodities like meat, poultry, fruits, vegetables, and fish, which are not typically covered by mandatory farm programs. These commodities are diverted to school lunch and other domestic food and nutrition programs. Section 32 has also been used to fund surplus removal and farm economic and disaster relief activities.

The 2008 farm bill (§14222) capped the annual amount of Section 32 funds available for obligation by AMS in FY2016 at $1.303 billion. Also, to increase the amount of fruits and vegetables purchased under Section 32, Congress limited USDA's discretion in two ways: (1) §4304 of the 2008 farm bill established a fresh fruit and vegetable school snack program funded by carving out Section 32 funds (set at $40 million in 2008, rising to $150 million in 2011, and adjusted for inflation for each year thereafter), and (2) §4404 of the 2008 farm bill required additional purchases of fruits, vegetables, and nuts (set at $190 million in FY2008, rising to $206 million in FY2012, and remaining at that level each year thereafter). Section 4214 of the 2014 farm bill expanded the school snack program to include frozen, canned, and dried fruits and vegetables on a pilot basis for the 2014-15 school year.

The enacted FY2016 appropriation provides $1.425 billion of Section 32 funds for AMS, which compares with $1.284 billion enacted in FY2015. The FY2016 amount is reduced by $216 million (rescission) and $77 million (sequestration), and is considered mandatory spending.

The House- and Senate-reported bills both continue a provision (§715) that has appeared since FY2012 that effectively prohibits the use of Section 32 for emergency disaster payments:

> [N]one of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries or expenses of any employee of the Department of Agriculture or officer of the Commodity Credit Corporation to carry out clause 3 of Section 32 of the Agricultural Adjustment Act of 1935 (P.L. 74-320, 7 U.S.C. 612c, as amended), or for any surplus removal activities or price support activities under section 5 of the Commodity Credit Corporation Charter Act.[44]

Grain Inspection, Packers and Stockyards Administration[45]

The Grain Inspection, Packers and Stockyards Administration (GIPSA) oversees the marketing of U.S. grain, oilseeds, livestock, poultry, meat, and other commodities. The Federal Grain Inspection Service establishes standards for the inspection, weighing, and grading of grain, rice, and other commodities. The Packers and Stockyards Program monitors livestock and poultry markets to ensure fair competition and guard against deceptive and fraudulent trade practices.

For FY2016, the enacted appropriation provides GIPSA $43.1 million for salaries and expenses, slightly higher than in FY2015. The Administration requested a FY2016 appropriation of $44.1 million. The act authorizes GIPSA to collect up to $55 million in user fees for inspection and weighing services. If grain export activity requires additional services, the user fee limit may be exceeded by up to 10% upon notification to the House and Senate appropriations committees.

[44] Clause 3 of Section 32 provides that funds shall be used to reestablish farmers' purchasing power by making payments in connections with the normal production of any agricultural commodity for domestic consumption (7.U.S.C 612c). Section 5 of the Commodity Credit Corporation Charter Act authorizes the CCC to support the prices of agricultural commodities through loans, purchases, payments, and other operations (15 U.S.C. 714c).

[45] This section was written by Joel L. Greene.

For the first time in four years, there is no rider prohibiting USDA from finalizing or implementing parts of GIPSA's proposed rule on livestock and poultry marketing practices (75 *Federal Register* 35338, June 22, 2010) that was required in the 2008 farm bill.[46]

Food Safety and Inspection Service (FSIS)[47]

The Food Safety and Inspection Service (FSIS) regulates most meat, poultry, and processed egg products.[48] The Meat and Poultry Inspection Program of FSIS conducts continuous inspections at federal meat and poultry plants and ensures that state inspection programs have standards that are at least equivalent to federal standards. The Egg Products Inspection Program ensures that liquid, frozen, and dried egg products are also safe, wholesome, and correctly labeled. In addition, FSIS inspects U.S. imports of meat, poultry, and egg products, and ensures that they are produced under standards equivalent to U.S. inspection standards.

The Consolidated Appropriations Act, 2016 (P.L. 114-113) provides FSIS $1.015 billion in FY2016. This is $1.6 million lower than enacted in FY2015, but $3.3 million more than the Administration requested. Appropriations are augmented by existing (currently authorized) user fees that FSIS estimates to be nearly $180 million per year.[49] FSIS appropriations are divided between various sub-accounts, including federal ($898.8 million), state ($61.0 million), and international ($16.7 million) inspection; Codex Alimentarius ($3.8 million); and the Public Health Data Communications Infrastructure System ($34.6 million). The Administration again proposed a user fee of $4 million to cover additional inspection costs associated with performance issues at inspected facilities, but as in previous appropriations, it was not enacted.

FSIS also administers the Humane Methods of Slaughter Act (HMSA). The FY2016 appropriations act requires that FSIS have no fewer than 148 full-time equivalents dedicated to the inspection and enforcement of the HMSA. The act also encourages FSIS to provide Congress a comprehensive plan addressing the recruitment of frontline food safety personnel.

The appropriation directs FSIS to continue to implement the catfish inspection program as required under the 2014 farm bill (P.L. 113-79, §12106).[50] It provides $2.5 million to implement the catfish rule.[51] FSIS issued the final rule on catfish inspection on December 2, 2015, to go into effect on March 1, 2016, with a phase-in period continuing until September 1, 2017.[52]

The appropriation prohibits FSIS from using funds to inspect horse slaughter facilities (§767), as well as the use of voluntary inspection fees for horse slaughter inspection.[53]

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[46] See CRS Report R41673, *USDA's "GIPSA Rule" on Livestock and Poultry Marketing Practices*.

[47] This section was written by Joel L. Greene.

[48] FSIS authorities include the Federal Meat Inspection Act (21 U.S.C. §601 et seq.), the Poultry Products Inspection Act (PPIA, 21 U.S.C. §451 et seq.), the Egg Products Inspection Act (21 U.S.C. §1031 et seq.), and the Humane Methods of Slaughter Act (HMSA, 7 U.S.C. §1901 et seq.).

[49] From recent FSIS congressional budget justifications (http://www.obpa.usda.gov/explan_notes.html). Reflects total non-federal funds, including fees for meat, poultry and egg products inspection; fees for cost of national laboratory accreditation programs; and trust funds.

[50] Catfish inspection originally was transferred from FDA to FSIS in the 2008 farm bill (P.L. 110-246, §11016).

[51] Explanatory Statement for the Consolidated Appropriations Act, 2016, *Congressional Record,* vol. 161 (December 17, 2015), p. H9697.

[52] 80 *Federal Register* 75590 (December 2, 2015).

[53] The FY2006 and FY2007 appropriations prohibited FSIS from paying for horse slaughter inspections. The FY2008-FY2011 and FY2014-FY2015 appropriations also banned voluntary, fee-based horse slaughter inspections. Inspection

Farm Service Agency[54]

USDA's Farm Service Agency (FSA) is probably best known for administering the farm commodity subsidy programs and the disaster assistance programs. It makes these payments to farmers through a network of county offices. In addition, FSA also administers USDA's direct and guaranteed farm loan programs and certain mandatory conservation programs (in cooperation with the Natural Resources Conservation Service), and supports certain international food assistance and export credit programs administered by the Foreign Agricultural Service and the U.S. Agency for International Development.

FSA Salaries and Expenses

For FY2016, the enacted appropriation provides $1.507 billion to FSA for salaries and expenses (including $1.200 billion for regular FSA salaries and expenses, plus the transfer within FSA of $307 million for farm loan program salaries and expenses), the same as for FY2015 (**Table 7**).[55]

Regarding information technology, the enacted appropriation adopts both the House and Senate bills and report language that continues strong requirements that began in FY2015 about FSA's implementation of information technology (IT) plans. Specifically, it addresses the MIDAS plan (Modernize and Innovate the Delivery of Agricultural Systems) that was flagged for concern by the Federal IT Dashboard in December 2012.[56] FSA has struggled with the scope and schedule of work on MIDAS and has yet to achieve the expected results. The Government Accountability Office (GAO)[57] and the USDA OIG continue to observe management and schedule problems in recent reports.[58]

The statutory language continues a FY2015 requirement that FSA—before it can spend more than 50% of the $130 million for IT—submit to Congress and GAO a detailed information technology plan that meets several specific criteria, quarterly brief and consult with the appropriations subcommittees, and submit an assessment report by the end of FY2016.

Regarding office closures and staff reductions, the FY2016 appropriations act prohibits FSA from closing any county offices. It also prohibits FSA from permanently relocating any county employees if it results in two or fewer employees, unless the Appropriations Committees approve. The FY2015 appropriation similarly prohibited county office closure and contained the relocation provision, but that was the first time that FSA office closure had been mentioned in appropriations since FY2006-FY2008. The 2008 farm bill enacted a permanent provision (7 U.S.C. 6932a; P.L. 110-246, §14212) that accomplished the same thing—setting conditions and requiring congressional notification and local hearings before FSA can close or consolidate a county office. The FY2015 and FY2016 appropriations one-year moratoriums surpass the permanent provision.

The enacted appropriation, via report language for the House- and Senate-reported bills, rejects the Administration's proposal for more funding for beginning farmer and rancher programs,

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bans were not in force during FY2012 and FY2013, but no facilities opened before the ban was reinstated in FY2014.

[54] This section was written by Jim Monke.

[55] Excludes transfers to FSA from the Foreign Agricultural Service for administrative support (about $3 million).

[56] IT Dashboard, "Farm Program Modernization (MIDAS) #097," at https://itdashboard.gov/investment?buscid=225.

[57] GAO, "Farm Service Agency Needs to Demonstrate the Capacity to Manage IT Initiatives," GAO-15-506, June 18, 2015, at http://gao.gov/products/GAO-15-506.

[58] USDA-OIG, "Review of Farm Service Agency's Initiative to Modernize and Innovate the Delivery of Agricultural Systems (MIDAS)," 03501-0001-12, May 2015, at http://www.usda.gov/oig/webdocs/03501-0001-12.pdf.

citing insufficient coordination among USDA agencies, as was found in a report by the USDA Office of Inspector General (OIG).[59]

FSA Farm Loan Programs

The USDA Farm Service Agency makes and guarantees loans to farmers, and is a lender of last resort for family farmers unable to obtain credit from a commercial lender. USDA provides direct farm loans (loans made directly from USDA to farmers), and it also guarantees the timely repayment of principal and interest on qualified loans to farmers from commercial lenders. FSA loans are used to finance farm real estate, operating expenses, and recovery from natural disasters. Some loans are made at a low interest rate.[60]

An appropriation is made to FSA each year to cover the federal cost of making direct and guaranteed loans, referred to as a loan subsidy. Loan subsidy is directly related to any interest rate subsidy provided by the government, as well as a projection of anticipated loan losses from farmer non-repayment of the loans. The amount of loans that can be made—the loan authority—is several times larger than the subsidy level.

For FY2016, the enacted appropriation and the House- and Senate-reported bills are identical to each other and to the Administration's request in both loan subsidy and loan authority, with the exception of the Administration requesting a slightly higher amount for salaries and expenses and Congress not funding the Administration's request for Individual Development Accounts.[61]

The FSA farm loan program receives $70 million of loan subsidy to support $6.402 billion of direct and guaranteed loans in FY2016 (**Table 8**). Though the loan subsidy is about 12% smaller than in FY2015, the loan authority is the same as FY2015. The reduction in loan subsidy is explained by the direct farm operating program.

Following the global financial crisis that began in 2008, FSA farm loan authority generally has risen, reflecting the borrowing needs of many farmers. Broad financial system pressures dramatically increased the demand for FSA farm loans and guarantees when commercial bank lending standards became stricter and loans sometimes were less available. In FY2009 and FY2010, supplemental appropriations increased regular FSA loan authority by nearly $1 billion each year in order to meet demand, up from pre-crisis levels of about $3.5 billion in 2008 to post-supplemental levels of $6.0 billion in FY2010. From FY2011 to FY2013, loan authority decreased both due to federal budget pressures and somewhat lessened demand as the financial system stabilized. Nonetheless, in some years, continued high farm loan demand for certain programs has caused the loan authority to be exhausted.[62] The FY2014 loan authority restored the total closer to the supplemental levels of FY2009 and FY2010, and the FY2015-FY2016 appropriations increase total loan authority to a new high level, particularly in the direct farm ownership loan program.

[59] USDA-OIG, "USDA Beginning Farmers and Ranchers Programs," May 2015, at http://www.usda.gov/oig/webdocs/50601-0003-31.pdf.

[60] For more background, see CRS Report RS21977, *Agricultural Credit: Institutions and Issues*.

[61] The Individual Development Account program was authorized in the 2008 farm bill but has never received funding. It is not a loan program, but rather a savings program (7 U.S.C. 1983b). USDA would make grants to private entities to deliver the program, which would match farmer deposits at a rate up to 2:1. Withdrawals would be allowed for various capital expenses.

[62] Updates on unused FSA loan availability are available at http://www.fsa.usda.gov/programs-and-services/farm-loan-programs/funding/index.

Table 7. Farm Service Agency Appropriations

(budget authority in millions of dollars)

	FY2013	FY2014	FY2015	FY2016					
	P.L. 113-6 post-sequ.	P.L. 113-76	P.L. 113-235	Admin. Request	H. Cmte. H.R. 3049	S. Cmte. S. 1800	P.L. 114-113	Change from FY2015 to FY2016 enacted	
Salaries and expenses									
Farm Service Agency (S&E base)	1,115.3	1,177.9	1,200.2	1,185.3	1,183.0	1,180.4	1,200.2	+0.0	+0.0%
FSA farm loan program S&E transfer	281.6	307.0	307.0	310.0	307.0	307.0	307.0	+0.0	+0.0%
Subtotal, appropriated to FSA	**1,396.8**	**1,484.9**	**1,507.2**	**1,495.2**	**1,490.0**	**1,487.4**	**1,507.2**	**+0.0**	**+0.0%**
Programs									
Farm loan program (loan subsidy)	90.5	90.0	78.7	72.1	69.6	69.6	69.6	-9.2	-11.6%
Farm loan program admin. expenses	7.3	7.7	7.9	7.9	7.9	7.9	7.9	+0.0	+0.0%
State mediation grants	4.1	3.8	3.4	3.4	3.4	3.4	3.4	+0.0	+0.0%
Grassroots source water protection	5.2	5.5	5.5	0.0	5.5	6.0	6.5	+1.0	+17.6%
Dairy indemnity program (M)	0.1	0.3	0.5	0.5	0.5	0.5	0.5	+0.0	+0.0%
Total: Appropriation to FSA	**1,503.9**	**1,592.2**	**1,603.3**	**1,579.1**	**1,576.9**	**1,574.8**	**1,595.1**	**-8.2**	**-0.5%**

Source: CRS, compiled from tables in the joint explanatory statements or committee reports for the referenced appropriations acts or bills. Amounts for FY2013 are the post-sequestration level from the USDA FY2013 Operating Plan.

Notes: Does not include about $3 million of salaries and expenses that are appropriated to the Foreign Agricultural Service and transferred to FSA to administer P.L. 480 and export loans. Discretionary budget authority unless labeled "(M)" to indicate mandatory authority.

Table 8. Farm Service Agency: Farm Loan Program

(budget authority and loan authority, as specified, in millions of dollars)

	FY2013	FY2014	FY2015	FY2016					
	P.L. 113-6 post-sequ.	P.L. 113-76	P.L. 113-235	Admin. Request	H. Cmte. H.R. 3049	S. Cmte. S. 1800	P.L. 114-113	Change from FY2015 to FY2016 enacted	
1. Budget Authority (loan subsidy)									
Farm ownership loans									
Direct	18.6	4.4	—	—	—	—	—	+0.0	+0.0%
Farm operating loans									
Direct	54.0	65.5	63.1	54.0	54.0	54.0	54.0	-9.1	-14.5%
Guaranteed (unsubsidized)	16.5	18.3	14.8	14.4	14.4	14.4	14.4	-0.4	-2.8%
Other direct loans									
Emergency loans	1.2	1.7	0.9	1.3	1.3	1.3	1.3	+0.4	+47.4%
Indian highly fractionated land loans	0.2	0.1	—	—	—	—	—	+0.0	+0.0%
Individual Development Accounts	—	—	—	2.5	—	—	—	+0.0	+0.0%
Subtotal, loan subsidy	**90.5**	**90.0**	**78.7**	**72.1**	**69.6**	**69.6**	**69.6**	**-9.2**	**-11.6%**
FLP salaries and expenses	281.6	307.0	307.0	310.0	307.0	307.0	307.0	+0.0	+0.0%
FLP administrative expenses	7.3	7.7	7.9	7.9	7.9	7.9	7.9	+0.0	+0.0%
Total, FLP budget authority	**379.3**	**404.7**	**393.6**	**390.0**	**384.5**	**384.5**	**384.5**	**-9.2**	**-2.3%**

	FY2013	FY2014	FY2015	FY2016					
	P.L. 113-6 post-sequ.	P.L. 113-76	P.L. 113-235	Admin. Request	H. Cmte. H.R. 3049	S. Cmte. S. 1800	P.L. 114-113	Change from FY2015 to FY2016 enacted	
2. Loan Authority (loan level)									
Farm ownership loans									
Direct	438.5	575.0	1,500.0	1,500.0	1,500.0	1,500.0	1,500.0	+0.0	+0.0%
Guaranteed	1,500.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0	2,000.0	+0.0	+0.0%
Farm operating loans									
Direct	969.5	1,195.6	1,252.0	1,252.0	1,252.0	1,252.0	1,252.0	+0.0	+0.0%
Guaranteed (unsubsidized)	1,384.8	1,500.0	1,393.4	1,393.4	1,393.4	1,393.4	1,393.4	+0.0	+0.0%
Conservation loans									
Guaranteed	150.0	150.0	150.0	150.0	150.0	150.0	150.0	+0.0	+0.0%
Other direct loans									
Emergency loans	21.6	34.7	34.7	34.7	34.7	34.7	34.7	+0.0	+0.0%
Indian tribe land acquisition loans	2.0	2.0	2.0	2.0	2.0	2.0	2.0	+0.0	+0.0%
Indian highly fractionated land loans	9.2	10.0	10.0	10.0	10.0	10.0	10.0	+0.0	+0.0%
Boll weevil eradication loans	100.0	60.0	60.0	60.0	60.0	60.0	60.0	+0.0	+0.0%
Total, loan authority	**4,575.7**	**5,527.3**	**6,402.1**	**6,402.1**	**6,402.1**	**6,402.1**	**6,402.1**	**-0.0**	**-0.0%**

Source: CRS, compiled from tables in the joint explanatory statements or committee reports for the referenced appropriations acts or bills. Amounts for FY2013 are the post-sequestration level from the USDA FY2013 Operating Plan.

Note: *Budget authority* reflects the cost of making loans, such as interest rate subsidies and default. Some programs are self-funding because of fees charged. *Loan authority* reflects the amount of loans that FSA may make or guarantee.

Commodity Credit Corporation[63]

The Commodity Credit Corporation (CCC) is the funding mechanism for many of the agriculture-related mandatory spending programs in the 2014 farm bill (P.L. 113-79, the Agricultural Act of 2014).[64] These include farm subsidy and disaster payments, as well as a host of other programs that receive mandatory funding, such as conservation, trade, food aid, research, rural development, and bioenergy. (Programs with different mandatory funding sources other than the CCC include crop insurance, SNAP, child nutrition, and Section 32.) Supplemental spending also has been paid from the CCC, particularly for ad hoc farm disaster payments, direct market loss payments because of low farm commodity prices, and disease eradication efforts. Separate discretionary appropriations to various agencies pay for salaries to administer the programs.

The CCC is a wholly owned government corporation that has the legal authority to borrow up to $30 billion at any one time from the U.S. Treasury to finance program spending (15 U.S.C. 714, *et seq*.). The CCC may earn a small amount of money from activities such as buying and selling commodities and receiving interest payments on loans. But because the CCC never earns more than it spends, its borrowing authority is replenished through a congressional appropriation.

Mandatory outlays for the commodity programs rise and fall based on economic or weather conditions (e.g., crop prices below program trigger levels generate farm payments). Funding needs are difficult to estimate, which is a primary reason that the programs are mandatory rather than discretionary, and that the program operates under a Treasury line of credit.

The congressional appropriation may not always restore the line of credit to the previous year's level, or may repay more than was spent. For these reasons, the appropriation to the CCC may not reflect current year outlays. Moreover, the CCC appropriation is several billion dollars greater than the amount of farm commodity subsidies because other programs are paid from CCC.[65]

To replenish CCC's borrowing authority, the enacted FY2016 appropriation continues to provide an indefinite appropriation ("such sums as necessary"). The amount scored for FY2016 is $6.871 billion, down 49% from FY2015. The reduction does not indicate any action by Congress to reduce program support.

Among policy changes, the FY2016 appropriation restores the use of "commodity certificates" for the marketing loan program, including not being subject to payment limits (§740). The change is made to the farm bill statutes and applies to the 2015 crop marketing year and the remainder of the 2014 farm bill. The provision is projected to cost $5 million in FY2016. These certificates are payments-in-kind that can be redeemed for cash in lieu of marketing loan gains or forfeiture (7 U.S.C. 7286).[66] Besides providing flexibility in repaying marketing loans, commodity certificates have been used by some farmers to avoid payment limitations. Commodity certificates have not been available since the 2009 crop year, and some say would not have been advantageous during the 2008 farm bill when marketing loan gains and loan deficiency payments did not have any

[63] This section was written by Jim Monke.

[64] For more background on the farm bill, see CRS In Focus IF10187, *The 2014 Farm Bill (Agricultural Act of 2014, P.L. 113-79)*, and CRS Report R43076, *The 2014 Farm Bill (P.L. 113-79): Summary and Side-by-Side*.

[65] For an example of the accounting of CCC's line of credit, appropriations and expenditures, see USDA, *Commodity Estimates Book*, "Output 07-CCC Financing Status," at http://www.fsa.usda.gov/about-fsa/budget-and-performance-management/budget/ccc-budget-essentials/index.

[66] For more background on how commodity certificates work, see CRS Report RL34594, *Farm Commodity Programs in the 2008 Farm Bill*; USDA fact sheet, "Commodity Certificates," May 2007, at http://www.fsa.usda.gov/Internet/FSA_File/comdtycertif07n.pdf; and USDA Economic Research Service, "Farm Policy Glossary," at http://www.ers.usda.gov/topics/farm-economy/farm-commodity-policy/farm-policy-glossary.aspx.

payment limitations. However, under the 2014 farm bill, payment limits apply to marketing loan gains and loan deficiency payments. Restoring the use of certificates provides a mechanism for farmers to benefit from the marketing loan program without being subject to payment limitations. This provision was in the House-reported bill, but was not in the Senate-reported version.

Separately, regarding authority in the CCC Charter Act to provide ad hoc disaster assistance, the enacted appropriation continues a provision (§715) that has appeared since FY2012 that effectively prohibits the use of the CCC for emergency disaster payments to farmers:

> [N]one of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries or expenses of any employee of the Department of Agriculture or officer of the Commodity Credit Corporation to carry out clause 3 of Section 32 of the Agricultural Adjustment Act of 1935 (P.L. 74-320, 7 U.S.C. 612c, as amended), or for any surplus removal activities or price support activities under section 5 of the Commodity Credit Corporation Charter Act.[67]

Finally, the omnibus continues a provision that has been in each appropriation since FY2011 that limits the ability of USDA to provide marketing assistance loans for mohair (§722).

Crop Insurance[68]

The federal crop insurance program is administered by USDA's Risk Management Agency (RMA). It offers basically free catastrophic insurance to producers who grow an insurable crop. Producers who opt for this coverage have the opportunity to purchase additional insurance coverage at a subsidized rate (ranging between 38% and 80%). Policies are sold and serviced through approved private insurance companies that have their program losses reinsured by USDA and are reimbursed by the government for their administrative and operating expenses.[69]

Two separate appropriations support the federal crop insurance program. The first provides discretionary funding for the salaries and expenses of the RMA. The second provides mandatory funding for the Federal Crop Insurance Fund (FCIC), which finances other program expenses, including premium subsidies, indemnities, and reimbursements to the insurance companies.

For the discretionary salaries and expenses of the RMA, the enacted FY2016 appropriation is unchanged from the FY2015 appropriation at $74.8 million. It does not accommodate the Administration's request for an increase of $2.1 million for 12 new staff to improve payment compliance efforts. Under Senate report language RMA is to research the feasibility of poultry industry-related insurance and the availability of policies that reflect organic price differentials.

For the mandatory appropriation to the Federal Crop Insurance Fund, the omnibus appropriation provides an indefinite amount ("such sums as necessary"), estimated at $7.858 billion. This is nearly $1.1 billion less than FY2015 (-12%), but does not reflect any change by Congress to reduce program benefits. The actual amount required is subject to change and is based on actual crop losses and farmer participation rates in the program. The current year-over-year decline is driven by expectations of lower commodity prices that result in lower premium subsidies.

The enacted appropriation does not contains a House-reported provision (§748) that would have prevented USDA from enforcing a conservation compliance requirement in the 2014 farm bill.

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[67] For an explanation of the statutory references, see footnote 44.

[68] This section was written by Jim Monke.

[69] For more information, see CRS Report R40532, *Federal Crop Insurance: Background*.

Standard Reinsurance Agreement as Temporary Budget Offset

One of the budgetary offsets that allowed the Bipartisan Budget Act of 2015 (P.L. 114-74, November 2, 2015) to raise the government-wide discretionary spending limit by $50 billion[70] in FY2016 was a reduction to the crop insurance program. The provision (§201 of P.L. 114-74) set a cap on the rate of return for private crop insurance companies that would be negotiated in the next Standard Reinsurance Agreement (SRA). The SRA is the legal risk-sharing mechanism between the Federal Crop Insurance Corporation and the private insurance companies that deliver federal crop insurance. The CBO score of the provision was a $3.038 billion savings to the federal government over 10 years.[71]

The provision had not been proposed or approved by the authorizing committees of jurisdiction for the crop insurance program. Despite the provision remaining in the budget agreement for expeditious reasons, assurances were expressed among congressional leadership as the bill was still being debated that the crop insurance reduction would be reversed in future legislation.[72]

The Fixing America's Surface Transportation Act (P.L. 114-94, December 4, 2015) restored those reductions to the crop insurance program as if they never had been made (§32301). The CBO score of the reversal was a $3.038 billion cost to the federal government over 10 years.[73]

Disaster Assistance[74]

USDA offers several programs to help producers recover from natural disasters. Most of these programs are permanently authorized and do not require a federal disaster designation. Most receive mandatory funding ("such sums as necessary") and are not subject to annual appropriations.[75] However, three agricultural land rehabilitation programs receive discretionary funding on an ad hoc basis. In recent years, funding has been incorporated into annual appropriations bills, even though it remains supplemental in nature and amounts vary over time.

The FY2016 enacted appropriation provides funding for these three land rehabilitation programs: Emergency Conservation Program (ECP), Emergency Forest Restoration Program (EFRP), and Emergency Watershed Protection (EWP) program (§728; **Table 9**).[76] Under these programs, a national or state emergency does not have to be declared in order to receive assistance. However, recent years' funding has included a requirement that funds be used "for necessary expenses resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act, 42 U.S.C. 5121, *et seq.*)."[77] This language allows the funding to be designated as "disaster relief" and for the purpose of budget scoring is not counted

[70] See the heading, "Final FY2016 Budget and 302(b) Allocation."

[71] Congressional Budget Office, "Estimate of the Effect of the Bipartisan Budget Act of 2015," p. 1, at https://www.cbo.gov/publication/50938.

[72] See the colloquy between Senator McConnell (Majority Leader) and Senator Roberts (Agriculture committee chairman) in the *Congressional Record*, October 29, 2015, p. S7608. McConnell: "It is our joint understanding that the House leaders will work to reverse these crop insurance changes." Roberts: "I have been working very closely with [the] House Agriculture Committee Chairman who has reached a similar position with the House leadership. We have all agreed here to restore these funds to the program and reverse this policy."

[73] Congressional Budget Office, "Cost Estimate for the Conference Agreement on the FAST Act," p. 4, at https://www.cbo.gov/publication/51051.

[74] This section was written by Megan Stubbs.

[75] For additional information on these programs, see CRS Report RS21212, *Agricultural Disaster Assistance*.

[76] For additional information, see CRS Report R42854, *Emergency Assistance for Agricultural Land Rehabilitation*.

[77] See §728 of P.L. 114-113.

against the discretionary spending cap. The addition of the Stafford Act requirement, however, limits the number and type of eligible disasters. The FY2016 appropriation provides both disaster relief funding (requiring a Stafford Act-related event) and discretionary funding (that does not require a Stafford Act-related event).

Table 9. FY2016 Funding for Emergency Agricultural Land Rehabilitation Programs

$ in millions

Program	Stafford Act[a]	Non-Stafford Act	Total
Emergency Conservation Program	91	17	**108**
Emergency Forest Restoration Program	2	4	**6**
Emergency Watershed Protection Program	37	120	**157**
Total	**130**	**141**	**271**

Source: Section 728 of P.L. 114-113.

Notes: For additional analysis of these programs and the Stafford Act limitation, see CRS Report R42854, *Emergency Assistance for Agricultural Land Rehabilitation*.

a. Funds must be used for necessary expenses resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act, 42 U.S.C. 5121, *et seq.*)

The enacted appropriation also repurposes $2.4 million in unobligated balances under the EWP program (§745). The unobligated funds originally were provided in prior year supplemental appropriations that directed funds to specific states, counties, and disasters, including wildfire recovery in southern California (FY2004), Hurricane Katrina and other 2005 hurricanes (FY2006), and flooding in the Midwest (FY2007). The FY2016 appropriation allows the funding to be spent for disasters occurring in FY2016 or FY2017, and to remain available until expended.

Conservation[78]

USDA administers a number of agricultural conservation programs that assist private landowners with natural resource concerns. These include working land 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 programs—and the Farm Service Agency (FSA)—which administers the Conservation Reserve Program (CRP).[79]

Most conservation program funding is mandatory, funded through the Commodity Credit Corporation (CCC) and authorized in omnibus farm bills (about $5.3 billion of CCC funds for conservation in FY2016). Other conservation programs—mostly technical assistance—are discretionary and funded through annual appropriations.

The enacted FY2016 appropriation includes reductions to mandatory conservation programs and provides a slight increase from FY2015 levels for discretionary programs.

Discretionary Conservation Programs

All discretionary conservation programs are administered by NRCS. The largest program and the account that funds most NRCS activities is Conservation Operations (CO). The enacted

[78] This section was written by Megan Stubbs.

[79] For additional information, see CRS Report R40763, *Agricultural Conservation: A Guide to Programs*.

appropriation provides $851 million for CO; more than the FY2015 amount ($846 million), the Administration's request ($831 million), and the House-reported bill ($833 million); but less than the Senate-reported bill ($855 million). The FY2016 appropriation directs CO funding for a number of conservation programs (**Table 10**).

Table 10. Conservation Operations Funding

(budget authority in millions of dollars)

	FY2015	FY2016			
Program	**P.L. 113-235**	**Admin. Request**	**House H.R. 3049**	**Senate S. 1800**	**P.L. 114-113**
Conservation Operations	**846**	**831**	**833**	**855**	**851**
Conservation Technical Assistance	748	733	735	0	752
Soil Survey	80	80	80	0	80
Snow Survey	9.3	8.9	8.9	0	9.3
Plant Material Center	9.4	9.2	9.1	0	9.4
Watershed Projects (Watershed Operations)	5.6	0	0	10.6	10.6
Conservation Delivery Streamlining Initiative	1.5	14.7	1.5	0	5

Source: CRS, from H.R. 3049, S. 1800, H.Rept. 114-205, S.Rept. 114-82, and P.L. 114-113.

Notes: Lack of a specific funding level may only mean an absence of being mentioned in FY2016 report language.

The House and Senate committee reports that accompany their respective appropriations bills include a number of congressionally directed actions, including program administration, invasive species, wetland mitigation, herbicide resistance, conservation practices, species protection, and partner agreements. While these actions do not include specific funding, they ultimately can direct funding to congressionally identified projects similar to earmarks.[80]

Funding also is provided in the enacted appropriation (and in the 2014 farm bill) for the Watershed Rehabilitation program to repair aging dams previously built by USDA.[81] The Administration had proposed no funding for this program, contending that the maintenance, repair, and operation of dams are local responsibilities. However, the enacted FY2016 appropriation provides $12 million for FY2016, more than both the House- ($6 million) and Senate-reported ($0) bills. The enacted FY2015 appropriation included $12 million for the program, and the 2014 farm bill (P.L. 113-79) added an additional $250 million in mandatory funding for FY2014 to remain available until expended.[82]

[80] Language in the joint explanatory statement accompanying the enacted appropriation suggests that House and Senate committee report language not changed by the explanatory statement still expresses congressional intentions (see Congressional Record, vol. 161, part 184, book 11 [December 17, 2015], p. H9694).

[81] See CRS Report RL30478, *Federally Supported Water Supply and Wastewater Treatment Programs*.

[82] In FY2015, some mandatory funding was spent, while $69 million was restricted by the appropriation. This unobligated balance (before sequestration) remained available going into FY2016, and all of it is restricted in FY2016.

Mandatory Conservation Programs

Mandatory conservation programs generally are authorized in omnibus farm bills and receive funding from the CCC, thus not requiring an annual appropriation.[83] But Congress has reduced mandatory conservation programs through changes in mandatory program spending (CHIMPS) in the annual agricultural appropriations law every year since FY2003. Because money is fungible, the savings from these reductions are not necessarily applied toward other conservation activities.

The FY2016 enacted CHIMPS are more than in the Administration's proposal and the House- and Senate-reported bills. The proposal and bills would have continued CHIMPS to farm bill conservation programs totaling $255 million.[84] The FY2016 enacted conservation CHIMPS subtotal is effectively $273 million.[85] Sequestration further reduces available funding for these and other mandatory conservation programs in FY2016, resulting in an estimated total reduction of $562 million, or roughly 10% of all mandatory conservation funding.[86]

The number of conservation programs reduced through appropriations varies from year to year; however, some programs are continually reduced, while others rarely are reduced. Programs such as the Environmental Quality Incentives Program (EQIP) have been reduced annually since FY2003, while others, such as the Conservation Reserve Program (CRP), have not been reduced in over a decade. In FY2016, the mix of programs reduced is similar to previous years—EQIP and the Watershed Rehabilitation Program.[87] Proposed reductions to the Conservation Stewardship Program were not included; however, additional reductions were made to EQIP above what was proposed in the Administration's request and House- and Senate-reported bills.

The enacted appropriation did not include any of the proposed rescissions of mandatory budget authority. Unlike CHIMPS, which apply only to the current fiscal year and do not typically change or permanently cancel the statutory funding authority, a rescission is a permanent cancellation. The 2014 farm bill amended mandatory funding for several conservation programs, allowing unobligated funds from previous years to be carried forward until expended or expired. This new farm bill approach allows not only unobligated funding to be carried forward to the next fiscal year, but also prior year's CHIMPS as well. Therefore, not only are new-year mandatory funds subject to sequestration and CHIMPS, but so are carry-over (unobligated) funds and prior-year CHIMPS for which budget authority becomes available again in a new fiscal year. The Administration's request included over $320 million in conservation-related rescissions (funding that would be permanently cancelled and not carried forward), compared to $68 million rescinded in the Senate-reported bill and none in the House-reported bill. The enacted FY2016

[83] For authorized funding and background, see CRS Report R40763, *Agricultural Conservation: A Guide to Programs*.

[84] The Administration's proposal and the House- and Senate-reported bills effectively proposed a total of $255 million in CHIMPS from conservation programs. This amount is different than those presented in **Table 15** because CBO was not consistent in scoring the Senate-reported bill and the Administration's proposal, giving credit for a level of CHIMPS that was not available to the House-reported bill because of sequestration. If sequestration were included consistently, all three proposals would reduce conservation programs by the same amount. Differences among the proposals remain, though, for the mix of programs and level of rescissions.

[85] Similar to footnote 84, CHIMPS are not scored consistently due to sequestration and therefore the total here is not consistent with that used for scoring in **Table 15**.

[86] OMB estimates a 6.8% level of sequestration for non-exempt, non-defense mandatory accounts. See **Appendix B**.

[87] For more on CHIMPS generally and historically, see the heading, "Changes in Mandatory Program Spending (CHIMPS)." For more about conservation program reductions, see CRS In Focus IF10041, *Reductions to Mandatory Agricultural Conservation Programs in Appropriations Law*.

appropriation did not include any rescissions, thereby allowing FY2016 CHIMPS to be carried forward into FY2017 if Congress chooses to do so next year.

Rural Development[88]

Three agencies are responsible for USDA's rural development mission area: the Rural Housing Service (RHS), the Rural Business-Cooperative Service (RBS), and the Rural Utilities Service (RUS). An Office of Community Development provides community development support through field offices. This mission area also administers Rural Economic Area Partnerships and the National Rural Development Partnership.[89]

The enacted FY2016 appropriation (P.L. 114-113) provides a total of $2.77 billion in discretionary budget authority for rural development programs.[90] This is about $368 million more than enacted for FY2015 (+15%) and $167 million more than requested by the Administration (**Table 11**). The enacted FY2016 appropriation will support $36.7 billion in loan authority, $816.6 million more than enacted last year.

Salaries and expenses within Rural Development are funded from a direct appropriation plus transfers from each of the agencies. The FY2016 appropriation provides a combined salaries and expenses total of $683 million, $4.6 million more than in FY2015 (+0.7%).

Rural Housing Service (RHS)

For FY2016, P.L. 114-113 provides $2.03 billion in budget authority for RHS programs (before transfers). This is $320.8 million (+18.7%) more than FY2015. With this budget authority, the appropriation provides approximately $27.5 billion in loan authority, $75 million more than the FY2015 total loan authority (+0.3%).

The single-family housing loan program (Section 502 of the Housing Act of 1949) is the largest economic activity, representing 90.5% of RHS's total loan authority. The enacted bill provides $900 million for direct loans and $24.9 billion for federal loan guarantees, the same as FY2015.

For other housing loan programs, the enacted appropriation provides $3.4 million in budget authority to support $26.3 million in loans for the Section 504 Very Low-Income Housing Repair loan program, the same as FY2015 and as requested by the Administration. For the Multi-Family Housing loan guarantee program (Section 538), the appropriation provides $150 million of loan authority (the same as for FY2015). For the Section 515 Rental Housing Program, P.L. 114-113 provides loan authority of $28.4 million and $8.4 million in subsidies (the loan authority is the same as FY2015, but $13.8 million (-33%) less than the Administration had requested).

The largest budget authority line item in RHS is the Rental Assistance Program grants (Section 521), accounting for about 68% of the total (**Table 11**). The FY2016 appropriation provides $1.39 billion in budget authority, an increase of $301.2 million from FY2015 (+27.6%) and $217.8 million more than requested.

[88] This section was written by Tadlock Cowan.

[89] For more background on rural development programs and issues, see CRS Report RL31837, *An Overview of USDA Rural Development Programs*.

[90] If the rescission to the Cushion of Credit account (-$179 million) is not incorporated in the rural development section but included with changes in mandatory spending, as shown in this report, then the net budget authority would be approximately $2.95 billion (**Table 11**).

The Multi-Family Revitalization program receives $37 million in FY2016, $13 million more than for FY2015 (+54%) and $3 million more than the request.

The Rural Housing Service also administers the Rural Community Facilities program, which provides direct loans, loan guarantees, and grants for "essential community facilities" in rural areas with less than 20,000 people. The enacted appropriation provides $42.3 million, of which $3.5 million would support a direct and guaranteed loan authorization level of $2.2 billion and the balance ($38.7 million) for grants. The total budget authority for the Community Facilities program is $12 million more (39.6%) than for FY2015, and nearly $20 million less than requested. The Administration had requested a shift away from loans, but the appropriation continues the historical ratio between loans and grants. Besides $25 million of facilities grants, the program also supports economic development programs.

The appropriation supports Rural Community Development Initiative grants ($4 million), Economic Impact Initiative grants ($5.8 million), and Tribal College grants ($4 million). These amounts are the same as for FY2015.

Rural Business-Cooperative Service (RBS)

The FY2016 appropriation provides $95 million to the RBS before the "cushion of credit"[91] rescission and transfers.[92] This is about $12.7 million less than FY2015 (-12%). This budget authority level will support $979 million in loan authority for the various RBS loan programs.

For the Rural Business Program account, the appropriation provides $62.7 million in budget authority, $11.3 million less than FY2015. This account includes the Business and Industry (B&I) Loan Guarantee program ($35.7 million of loan subsidy to support $919.8 million of guaranteed loans), the Rural Business Development Grant program ($24 million), and the Delta Regional Authority ($3 million).[93] Grant support for the latter two is the same as for FY2015.

For Rural Cooperative Development Grants, P.L. 114-113 provides $22 million, the same as for FY2015. These include cooperative development grants ($5.8 million), Appropriate Technology Transfer for Rural Areas ($2.5 million), grants to assist minority producers ($3 million), and Value-Added Product Development grants ($10.7 million). These are the same levels of funding as in FY2015.

For the Rural Energy for America Program (REAP), the appropriation provides $500,000 in loan subsidies to support $7.6 million in loans. This is $5.2 million less in loan authority than FY2015, and $850,000 less in loan subsidies. The FY2016 appropriation provides no grant funding, the same as FY2015; the Administration had requested $5 million.

The Administration requested funding for two new business programs: the Rural Business Investment Program ($6 million) and the Healthy Food Financing Initiative (HFFI, $13 million). The Rural Business Investment Program was authorized in the 2002 farm bill (P.L. 107-171, §6029), and the HFFI was authorized in the 2014 farm bill (P.L. 113-79, §4206). The Administration also requested $4.6 million for the Rural Microenterprise Assistance Program. The appropriation provides no funding for any of these programs, the same as FY2015.

[91] For certain RBS loans, borrowers may pay forward into a Treasury account that earns interest. Appropriators authorize a loan level, and the needed budget authority comes from the interest earned rather than new appropriations. A rescission of the cushion of credit account reduces the amount that remains available for the program to spend.

[92] If the cushion of credit rescission is incorporated as in the Appropriations committee tables (-$179 million), the net RBS budget authority provided would be negative.

[93] Business Development grants combine Rural Business Enterprise grants and Rural Business Opportunity grants.

Rural Utilities Service (RUS)

The FY2016 appropriation provides $594 million in budget authority for the Rural Utilities Service before transferring salaries and expenses, $58 million more than FY2015 (+11%). This budget authority supports $8.2 billion in loans (**Table 11**).

The Rural Water and Waste Disposal Program account is 88% of the RUS appropriation. The enacted bill provides $522.4 million in budget authority, $57.5 million more than FY2015 (+12.4%) and $39 million more than the Administration requested. The FY2016 amount is divided among the following accounts:

- Water/Waste Water grants: $364.4 million ($347.1 million in FY2015);
- Grants for Colonias,[94] and Alaska and Hawaii Natives: $64 million ($66.5 million in FY2015);
- Technical Assistance: $20 million ($19 million in FY2015);
- Circuit Rider program: $16.4 million ($15.9 million in FY2015);
- High Energy Cost grants: $10 million (same as FY2015);
- Solid Waste Management grants: $4 million (same as FY2015);
- Water and Waste Water revolving fund: $1 million (same as FY2015);
- Individual Well Water grants: $993,000 (same as FY2015).

The FY2016 appropriation provides $5.5 billion in rural electric loan authority for Federal Financing Bank loans, and $690 million for Treasury rate telecommunication loans. These are the same amounts as enacted for FY2015. The appropriation also increased the guaranteed underwriting authorization for electric loans from $500 million to $750 million.

For the combined distance learning, telemedicine, and broadband account, the FY2016 appropriation provides $36.8 million in budget authority, the same as for FY2015.

- For distance learning/telemedicine, the appropriation provides $22.0 million in grants.
- For rural broadband, the appropriation provides $10.4 million in grants, the same as FY2015. For loans, it provides an unchanged $4.5 million in budget authority to subsidize $20.6 million in direct loans (-15% from FY2015).

[94] Colonias generally are described as unincorporated communities or housing developments on the U.S. side of the U.S.-Mexico border that lack some or all basic infrastructure, including plumbing and public water and sewer.

Table 11. USDA Rural Development Appropriations

(budget authority in millions of dollars)

Rural Development	FY2013 P.L. 113-6 post-sequ.[a]	FY2014 P.L. 113-76	FY2015 P.L. 113-235	FY2016 Admin. Request	FY2016 H. Cmte. H.R. 3049	FY2016 S. Cmte. S. 1800	FY2016 P.L. 114-113	Change from FY2015 to FY2016 Enacted	
Salaries and expenses (direct)	192.1	203.4	224.2	226.7	222.7	228.7	225.8	+1.6	+0.7%
Transfers from RHS, RBCS, RUS	420.9	454.0	454.0	458.9	456.5	454.0	457.0	+3.0	+0.7%
Subtotal, salaries and exp.	**613.0**	**657.4**	**678.2**	**685.6**	**679.2**	**682.7**	**682.9**	**+4.6**	**+0.7%**
Programs									
1. Rural Housing Service	1,031.1	1,279.6	1,298.4	1,394.7	1,368.7	1,367.2	1,616.4	+318.1	+24.5%
2. Rural Business-Cooperative Service[a]	114.2	130.2	103.2	138.7	87.0	91.5	90.5	-12.8	-12.4%
3. Rural Utilities Service	520.8	501.6	501.7	538.4	509.7	533.7	559.3	+57.6	+11.5%
Office of the Under Secretary	0.8	0.9	0.9	0.9	0.9	0.9	0.9	-0.0	-0.6%
Total, Rural Development	**2,279.9**	**2,569.7**	**2,582.4**	**2,758.4**	**2,645.6**	**2,675.9**	**2,950.0**	**+367.6**	**+14.2%**
Alternate total (including rescissions)[a]									
Less rescission of Cushion of Credit	*-180.0*	*-172.0*	*-179.0*	*-154.0*	*-154.0*	*-182.0*	*-179.0*	*+0.0*	*+0.0%*
Net, Rural Development (in cmte. rept.)	***2,099.9***	***2,397.7***	***2,403.4***	***2,604.4***	***2,491.6***	***2,493.9***	***2,771.0***	**+367.6**	**+15.3%**
1. Rural Housing Service									
Administrative expenses (transfer)	383.3	415.1	415.1	419.5	417.9	415.1	417.9	+2.8	+0.7%
Single family direct loans (Section 502)	50.2	24.5	66.4	60.8	60.8	60.8	60.8	-5.7	-8.5%
Loan authority	*840.1*	*900.0*	*900.0*	*900.0*	*900.0*	*900.0*	*900.0*	*+0.0*	*+0.0%*
Single family guaranteed loans: *Loan authority*[b]	*24,000.0*	*24,000.0*	*24,000.0*	*24,000.0*	*24,000.0*	*24,000.0*	*24,000.0*	*+0.0*	*+0.0%*
Other RHIF programs[c]	29.3	22.8	29.4	31.1	27.0	26.9	27.0	-2.5	-8.4%
Loan authority	*241.7*	*248.6*	*248.3*	*307.4*	*248.5*	*298.3*	248.5	+0.3	+0.1%
Subtotal, RHIF	**462.7**	**462.4**	**510.9**	**511.4**	**505.6**	**502.7**	**505.6**	**-5.4**	**-1.1%**
Loan authority	***25,081.8***	***25,148.6***	***25,148.3***	***25,207.4***	***25,148.5***	***25,198.3***	***25,148.5***	***+0.3***	***+0.0%***

Rural Development	FY2013 P.L. 113-6 post-sequ.[a]	FY2014 P.L. 113-76	FY2015 P.L. 113-235	FY2016 Admin. Request	FY2016 H. Cmte. H.R. 3049	FY2016 S. Cmte. S. 1800	FY2016 P.L. 114-113	Change from FY2015 to FY2016 Enacted	
Other housing programs									
Rental assistance (Section 521)	834.3	1,110.0	1,088.5	1,171.9	1,167.0	1,167.0	1,389.7	+301.2	+27.7%
Other rental assistance[d]	2.8	—	—	—	—	—	0.0	+0.0	+0.0%
Multifamily housing revitalization	26.4	32.6	24.0	34.0	24.0	24.0	37.0	+13.0	+54.2%
Mutual & self-help housing grants	27.7	25.0	27.5	10.0	27.5	27.5	27.5	+0.0	+0.0%
Rural housing assistance grants	30.6	32.2	32.2	25.0	32.2	32.2	32.2	+0.0	+0.0%
Rural Community Facilities Program									
Community Facilities: Grants	12.1	13.0	13.0	50.0	13.0	13.0	25.0	+12.0	+92.3%
Community Facilities: *Direct loan authority*	*2,200.0*	*2,200.0*	*2,200.0*	*2,200.0*	*2,200.0*	*2,200.0*	*2,200.0*	*+0.0*	*+0.0%*
Community Facilities: Guarantees	3.6	3.8	3.5	—	3.5	2.0	3.5	+0.0	+0.0%
Loan authority	*53.3*	*59.5*	*73.2*	—	*148.3*	*84.7*	*148.3*	*+75.1*	*+102.5%*
Rural community dev. initiative	5.7	6.0	4.0	4.0	4.0	4.0	4.0	+0.0	+0.0%
Economic impact initiative grants	5.5	5.8	5.8	—	5.8	5.8	5.8	+0.0	+0.0%
Tribal college grants	3.1	4.0	4.0	8.0	4.0	4.0	4.0	+0.0	+0.0%
Subtotal, Rural Community Facilities	**30.0**	**32.5**	**30.3**	**62.0**	**30.3**	**28.8**	**42.3**	**+12.0**	**+39.6%**
Loan authority	***2,253.3***	***2,259.5***	***2,273.2***	***2,200.0***	***2,348.3***	***2,284.7***	***2,348.3***	***+75.1***	***+3.3%***
Total, Rural Housing Service	1,414.3	1,694.7	1,713.5	1,814.3	1,786.6	1,782.3	**2,034.3**	**+320.8**	**+18.7%**
Less transfer salaries & expenses	-383.3	-415.1	-415.1	-419.5	-417.9	-415.1	-417.9	-2.8	+0.7%
Rural Housing Service (programs)	**1,031.1**	**1,279.6**	**1,298.4**	**1,394.7**	**1,368.7**	**1,367.2**	**1,616.4**	**+318.1**	**+24.5%**
Loan authority	***27,335.1***	***27,408.1***	***27,421.5***	***27,407.4***	***27,496.8***	***27,483.0***	***27,496.8***	***+75.3***	***+0.3%***
2. Rural Business Cooperative Service									
Rural Business Program Account									
Guar. Bus. & Ind. (B&I) Loans	52.3	67.0	47.0	31.4	35.7	35.7	35.7	-11.3	-24.1%

Rural Development	FY2013 P.L. 113-6 post-sequ.[a]	FY2014 P.L. 113-76	FY2015 P.L. 113-235	FY2016 Admin. Request	FY2016 H. Cmte. H.R. 3049	FY2016 S. Cmte. S. 1800	FY2016 P.L. 114-113	Change from FY2015 to FY2016 Enacted	
Loan authority	*890.2*	*958.1*	*919.8*	*758.2*	*919.8*	*919.8*	*919.8*	*+0.0*	*+0.0%*
Rural bus. enterprise grants	22.6	24.3	24.0	30.0	24.0	24.0	24.0	+0.0	+0.0%
Rural bus. opportunity grants	2.1	2.3	—	—	—	—	—	+0.0	+0.0%
Delta regional authority grants	2.8	3.0	3.0	—	—	3.0	3.0	+0.0	+0.0%
Rural child poverty	—	—	—	20.0	—	—	—	+0.0	+0.0%
Rural Development Loan Fund Program									
Admin. expenses (transfer)	4.1	4.4	4.4	4.5	4.4	4.4	4.5	+0.0	+0.7%
Loan subsidy	5.6	4.1	5.8	2.8	5.2	5.2	5.2	-0.6	-10.3%
Loan authority	*17.4*	*18.9*	*18.9*	*10.0*	*18.9*	*18.9*	*18.9*	+0.0	+0.0%
Rural Econ. Dev.: *Loan authority*	*33.1*	*33.1*	*33.1*	*85.0*	*33.1*	*48.0*	*33.1*	+0.0	+0.0%
Rural coop. development grants	25.7	26.1	22.1	21.1	21.3	22.1	22.1	+0.0	+0.0%
Rural Microenterprise Inv.: Grants	—	—	—	2.0	—	—	—	+0.0	+0.0%
Rural Microenterprise: Loan subsidy	—	—	—	2.7	—	—	—	+0.0	+0.0%
Loan authority	—	—	—	*23.4*	—	—	—	+0.0	+0.0%
Rural Business Invest. Program: Grants	—	—	—	2.0	—	—	—	+0.0	+0.0%
Loan subsidy	—	—	—	4.0	—	—	—	+0.0	+0.0%
Loan authority	—	—	—	*41.2*	—	—	—	+0.0	+0.0%
Rural Energy for America: Grants	—	—	—	5.0	—	—	—	+0.0	+0.0%
Loan subsidy	3.1	3.5	1.4	5.0	0.8	0.5	0.5	-0.9	-63.0%
Loan authority	*13.1*	*12.8*	*12.8*	*75.8*	*12.8*	*7.6*	*7.6*	*-5.2*	*-40.6%*
Healthy Foods Healthy Neighborhoods Initiative	—	—	—	12.8	—	1.0	—	+0.0	+0.0%
Total, Rural Business-Coop. Service	118.3	134.6	107.7	143.2	91.5	95.9	**94.9**	**-12.7**	**-11.8%**
Less transfer salaries & exp.	-4.1	-4.4	-4.4	-4.5	-4.4	-4.4	-4.5	-0.0	+0.7%

Rural Development	FY2013 P.L. 113-6 post-sequ.[a]	FY2014 P.L. 113-76	FY2015 P.L. 113-235	FY2016 Admin. Request	FY2016 H. Cmte. H.R. 3049	FY2016 S. Cmte. S. 1800	FY2016 P.L. 114-113	Change from FY2015 to FY2016 Enacted	
Rural Bus.-Coop. Service (programs)[a]	**114.2**	**130.2**	**103.2**	**138.7**	**87.0**	**91.5**	**90.5**	**-12.8**	**-12.4%**
Loan authority	***953.7***	***1,022.8***	***984.5***	***993.6***	***984.5***	***994.2***	***979.3***	***-5.2***	***-0.5%***
Alternate total (including rescission)[a]									
Total, Rural Business-Cooperative Service	*118.3*	*134.6*	*107.7*	*143.2*	*91.5*	*95.9*	*94.9*	*-12.7*	*-11.8%*
Less rescission of Cushion of Credit	*-180.0*	*-172.0*	*-179.0*	*-154.0*	*-154.0*	*-182.0*	*-179.0*	*+0.0*	*+0.0%*
Net, Rural Bus.-Coop. Svc. (cmte. rept.)	***-61.7***	***-37.4***	***-71.3***	***-10.8***	***-62.5***	***-86.1***	***-84.1***	***-12.7***	***+17.9%***
3. Rural Utilities Service									
Rural Water & Waste Disposal Program									
Loan subsidy and grants	484.5	462.4	464.9	483.3	473.9	496.7	522.4	+57.5	+12.4%
Direct loan authority	*923.7*	*1,200.0*	*1,200.0*	*1,200.0*	*1,200.0*	*1,200.0*	*1,200.0*	*+0.0*	*+0.0%*
P.L. 83-566 loans	*40.0*	*40.0*	—	—	—	—	—	*+0.0*	*+0.0%*
Guaranteed loan authority	*56.6*	*50.0*	*50.0*	—	*50.0*	*50.0*	*50.0*	*+0.0*	*+0.0%*
Rural Electric and Telecom. Loans									
Admin. expenses (transfer)	33.5	34.5	34.5	34.9	34.2	34.5	34.7	+0.2	+0.7%
Telecommunication loan subsidy	—	—	—	0.1	0.2	0.1	0.1	+0.1	—
Telecommunication loan authority	*690.0*	*690.0*	*690.0*	*690.0*	*690.0*	*690.0*	*690.0*	*+0.0*	*+0.0%*
Electricity loan authority	*7,100.0*	*5,500.0*	*5,500.0*	*6,000.0*	*5,500.0*	*6,750.0*	*6,250.0*	+750.0	+13.6%
Distance Learning, Telemed., Broadband									
Distance learning & telemedicine	23.1	24.3	22.0	25.0	20.0	22.0	22.0	+0.0	+0.0%
Broadband: Grants	9.6	10.4	10.4	20.4	10.4	10.4	10.4	+0.0	+0.0%
Broadband: Direct loan subsidy	3.7	4.5	4.5	9.7	5.3	4.5	4.5	+0.0	+0.0%
Direct loan authority	*39.1*	*34.5*	*24.1*	*44.2*	*24.1*	*20.6*	*20.6*	*-3.5*	*-14.5%*
Subtotal, Rural Utilities Service	**554.3**	**536.0**	**536.2**	**573.3**	**544.0**	**568.2**	**594.0**	**+57.8**	**+10.8%**

Rural Development	FY2013 P.L. 113-6 post-sequ.[a]	FY2014 P.L. 113-76	FY2015 P.L. 113-235	FY2016 Admin. Request	FY2016 H. Cmte. H.R. 3049	FY2016 S. Cmte. S. 1800	FY2016 P.L. 114-113	Change from FY2015 to FY2016 Enacted	
Less transfer salaries & exp.	-33.5	-34.5	-34.5	-34.9	-34.2	-34.5	-34.7	-0.2	+0.7%
Total, Rural Utilities Service	**520.8**	**501.6**	**501.7**	**538.4**	**509.7**	**533.7**	**559.3**	**+57.6**	**+11.5%**
Loan authority	***8,849.4***	***7,514.5***	***7,464.1***	***7,934.2***	***7,464.1***	***8,710.6***	***8,210.6***	***+746.5***	***+10.0%***

Source: CRS, compiled from tables in the joint explanatory statements or committee reports for the referenced appropriations acts or bills. Amounts for FY2013 are the post-sequestration level from the USDA FY2013 Operating Plan.

Notes: *Loan authority* is the amount of loans that can be made and is not added to budget authority in the totals.

a. Amounts for the Rural Business Cooperative Service in this report are before the rescission from the Cushion of Credit account. This allows the agency total to remain positive. Appropriations Committee report tables show the rescission in the agency section, causing the agency total to be less than zero. This CRS report includes the Cushion of Credit rescission in the General Provisions section with changes in mandatory spending, as it is scored by CBO (**Table 15**).

b. This program became self-funding after enactment of loan guarantee fees being charged to banks that are sufficient to cover the loan subsidy.

c. Includes Section 504 housing repair, Section 515 rental housing, Section 524 site loans, Section 518 multi-family housing guarantees, single and multi-family housing credit sales, Section 523 self-help housing land development, and farm labor housing.

d. Section 502(c)(5)(D) eligible households, Section 515 new construction, and farm labor housing new construction.

Domestic Food Assistance[95]

Domestic food assistance represents over two-thirds of USDA's budget. Funding is largely for open-ended appropriated mandatory programs; that is, it varies with program participation and in some cases inflation under the terms of the underlying authorization law. The largest mandatory programs include the Supplemental Nutrition Assistance Program (SNAP, formerly the Food Stamps Program) and the child nutrition programs (including the National School Lunch Program and School Breakfast Program).

The three largest discretionary budget items are the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC); the Commodity Supplemental Food Program (CSFP); and federal nutrition program administration.[96]

The enacted FY2016 appropriation (P.L. 114-113) provides nearly $110 billion for domestic food assistance (**Table 12**), approximately $394 million (or less than 1%) below FY2015. This FY2016 total is approximately $300 million below that proposed in House- and Senate-reported bills, due largely to the Administration's updated estimates for the SNAP and WIC accounts.

The FY2016 law's general provisions and explanatory statement language provide further information for the domestic food assistance programs and in some cases instructions to USDA. The explanatory statement indicates that House or Senate committee's directives for an agency report still hold, and that all other report language is considered evidence of committee intent, unless otherwise changed by the explanatory statement.

Office of the Under Secretary for Food, Nutrition, and Consumer Services

For the Under Secretary's office, the FY2016 appropriation provides $811,000, a reduction of $5,000 from FY2015.

The explanatory statement includes several directives for the Department.[97] Citing two reports from the OIG (one on SNAP's quality control process, another on school meals error rate measurement),[98] it directs USDA to provide a report on how the Food and Nutrition Service (FNS) will address these reports. The statement also directs FNS to inform the committees of proposed policy actions before actions are implemented and, separately, expects "FNS to ensure that all parties that enter into a contract fulfill all required obligations."

[95] This section was written by Randy Alison Aussenberg.

[96] For background about the programs, see CRS Report R42353, *Domestic Food Assistance: Summary of Programs.*

[97] In addition to the enacted appropriation and explanatory statement, the House and Senate separately noted or required the following: (1) The House committee noted concerns with FNS's research and evaluation agenda. Particularly, the committee would like to see better coordination with USDA's Research, Education, and Economics (REE) mission area. The House-reported bill (§735) required the Secretary to submit to the appropriations committees a FY2016 research and evaluation plan prepared in coordination with REE before using the bill's funding to commence any new research and evaluation projects. The Senate-reported bill did not include this research policy in its legislation or its committee report. (2) The House report also "urged" FNS to recognize in publications and regulations "the nutritional benefits provided by all forms of fruits, vegetables, and beans, whether canned, dried, fresh or frozen."

[98] See USDA Office of the Inspector General, *FNS Quality Control Process for SNAP Error Rate*, Report No. 27601-0002-41, September 2015, http://www.usda.gov/oig/webdocs/27601-0002-41.pdf; USDA Office of the Inspector General, *FNS - National School Lunch and School Breakfast Programs*, April 2015, http://www.usda.gov/oig/webdocs/27601-0001-41.pdf.

SNAP and Other Programs Under the Food and Nutrition Act

Appropriations under the Food and Nutrition Act (formerly the Food Stamp Act) support (1) SNAP (and related grants), (2) a Nutrition Assistance Block Grant for Puerto Rico and nutrition assistance block grants to American Samoa and the Commonwealth of the Northern Mariana Islands (all in lieu of the SNAP), (3) the cost of food commodities as well as administrative and distribution expenses under the Food Distribution Program on Indian Reservations (FDPIR), (4) the cost of commodities for the Emergency Food Assistance Program (TEFAP) (but not administrative/distribution expenses, which are covered under the Commodity Assistance Program budget account), and (5) Community Food Projects.

The enacted appropriation provides approximately $80.8 billion for programs under the Food and Nutrition Act in FY2016. This is nearly $1 billion less than FY2015 (-1%) and approximately $200 million less than House- and Senate-reported bills. These differences are due largely to the Administration's forecast of lower participation in the SNAP program and inflation-related updates.[99] The enacted appropriation provides $3 billion for the SNAP contingency reserve fund, equal to past appropriations but less than the $5 billion requested by the Administration. The explanatory statement notes that the appropriation provides, "a funding level for SNAP benefits as reflected in OMB's mid-session review of the budget."[100]

The explanatory statement notes that the Nutrition Education and Program Information line item of the SNAP account "does not provide funding for new or existing Centers of Excellence, which have not been authorized by Congress."[101]

The enacted SNAP appropriation continues to reflect the funding increases authorized by the 2014 farm bill, such as those for TEFAP commodities and Community Food Projects.[102]

Child Nutrition Programs[103]

Appropriations under the child nutrition account fund a number of programs and activities authorized by the Richard B. Russell National School Lunch Act and the Child Nutrition Act. These include the National School Lunch Program, School Breakfast Program, Child and Adult Care Food Program (CACFP), Summer Food Service Program, Special Milk Program, assistance for child-nutrition-related state administrative expenses (SAE), procurement of commodities for child nutrition programs (in addition to transfers from separate budget accounts within USDA), state-federal reviews of the integrity of school meal operations ("Coordinated Reviews"), "Team Nutrition" and food safety education initiatives to improve meal quality and safety in child

[99] See also USDA-FNS Congressional Budget Justification, page "32-87," at http://www.obpa.usda.gov/32fns2016notes.pdf. As an appropriated, open-ended mandatory program, SNAP funding is not the same as SNAP spending. SNAP regularly receives annual appropriations that are greater than the amount that the program spends. Better measures for SNAP program spending are from USDA-FNS's costs data, available at http://www.fns.usda.gov/pd/SNAPmain.htm.

[100] Page 25. The House committee report had included additional SNAP-related language: language supporting the 2014 farm bill's policies regarding employment verification and program recruitment restrictions, a directive for FNS to assist states that have a compressed benefit issuance schedule and to report to the House and Senate Appropriations committees on these states' progress.

[101] Page 25. A budget proposal for an Employment and Training Centers of Excellence had been included in the FNS budget justification; see pages "32-90, 94-95." FNS launched such a "Center of Excellence" in October 2015 (press release at http://www.usda.gov/wps/portal/usda/usdahome?contentid=2015/10/0302.xml&contentidonly=true).

[102] See CRS Report R43332, *SNAP and Related Nutrition Provisions of the 2014 Farm Bill (P.L. 113-79).*

[103] Further background on these programs and related funding is provided in CRS Report R43783, *School Meals Programs and Other USDA Child Nutrition Programs: A Primer*.

nutrition programs, and support activities such as technical assistance to providers and studies/evaluations. (Child nutrition efforts are also supported by mandatory permanent appropriations and other funding sources discussed in "Other Nutrition Funding Support.")

The FY2016 enacted appropriation provides approximately $22.1 billion for child nutrition programs. This proposed level is approximately $850 million greater (+4%) than the amount provided in FY2015, and includes transfers from the Section 32 account. This is also approximately $600 million greater than the House- and Senate-reported bills. Increases are largely due to updated estimates for participation and costs of the child nutrition programs.

The enacted appropriation funds certain child nutrition discretionary grants, at levels higher than the House- or Senate- reported bills, but lower than the Administration's request. Also, Section 741 in the general provisions of the appropriations law included additional funding that is available until expended. These grants are:

- **School Meals Equipment Grants.**[104] The enacted bill provides $30 million (including $5 million in Section 741(a)) for this purpose. This is a 20% increase from 2015, when $25 million was provided. The House-reported bill would have provided $20 million; the Senate-reported bill would have provided $25 million. The Administration requested $35 million for FY2016.
- **Summer EBT (Electronic Benefit Transfer) Demonstration Projects.** These projects provide electronic food benefits over summer months to households with children in order to make up for school meals that children miss when school is out of session and as an alternative to the Summer Food Service Program meals. These projects originally were authorized and funded in the FY2010 appropriations law (P.L. 111-80). They received $23 million for FY2016 (including $7 million in §741(b)), a 44% increase from 2015 when $16 million was provided. The House-reported bill would have provided $12 million, while the Senate-reported bill would have provided $16 million. The Administration had requested approximately $67 million to continue these projects in FY2016, continuing to cite the positive results of these demonstrations.[105]

Child Nutrition Policies in General Provisions

The enacted appropriation includes the school meals nutrition standards "policy riders" that were in the general provisions of the FY2015 appropriations law:[106]

- **Exemptions from whole grain rules** (§733(a)). This language requires USDA to allow states to exempt school food authorities (typically school districts) from the 100% whole grain requirements, if they "demonstrate hardship, including financial hardship, in procuring specific whole grain products which are acceptable to the students and compliant with the whole grain-rich requirements." The provision, however, requires such exempted authorities to

[104] For more information about these grants, see USDA-FNS's resources for the FY2015 grants: http://www.fns.usda.gov/fy2015-nslp-equipment-assistance-grants-sfas.

[105] See USDA-FNS FY2016 Congressional Budget Justification, p. "32-24" for more details on this request. For the FY2010 funding and evaluations, see also USDA-FNS website, "Summer Electronic Benefit Transfer for Children (SEBTC)" http://www.fns.usda.gov/ops/summer-electronic-benefit-transfer-children-sebtc.

[106] For background on school meals nutrition standards, see "Current Issues" in CRS Report R43783, *School Meals Programs and Other USDA Child Nutrition Programs: A Primer*. For a discussion of the FY2015 appropriation, see p. 54 of CRS Report R43669, *Agriculture and Related Agencies: FY2015 Appropriations*.

maintain a 50% whole grain minimum, the requirement in place prior to school year 2014-2015. The FY2015 appropriation required availability of these exemptions through school year 2015-2016; the enacted FY2016 appropriation continues exemptions through school year 2016-2017.[107] This language had been included in the House- and Senate-reported bills.

- **Scientific basis for sodium limits** (Section 733(b)). This policy rider would prevent USDA from implementing regulations that require the reduction of sodium in "federally reimbursed meals, foods, and snacks sold in schools" below the "Target 1" limits until "the latest scientific research establishes the reduction is beneficial for children." (Note: According to the school meals regulations published in January 2012, a lower "Target 2" is to take effect during school year 2017-2018, and a still lower "Target 3" in school year 2022-2023.)[108] This language had been included in House- and Senate-reported bills.

In addition, the enacted bill includes a policy rider (§730) to prevent any processed poultry imported from China from being included in the National School Lunch Program, School Breakfast Program, Child and Adult Care Food Program (CACFP), and Summer Food Service Program. It was included in the House-reported bill, but not the Senate's. This provision also was in the FY2015 enacted appropriation.

The full impact and scope of these child nutrition policy riders are subject to USDA's (and perhaps states') interpretation and implementation.

The House and Senate reports each had additional child-nutrition-program related language.[109]

Significance of September 30, 2015 for Activities (Re)authorized by the Healthy, Hunger-Free Kids Act of 2010 (P.L. 111-296)

As of the date of this CRS report, the most recent reauthorization of WIC and the child nutrition programs was enacted in December 2010. The 2010 reauthorization of the Child Nutrition and WIC programs contains a number of authorizations of appropriations and authorizations with September 30, 2015, end dates; however, most program operations can continue so long as funding is provided.[110]

As a result, the funding provided by this enacted omnibus bill (as well as the FY2016 continuing resolutions that preceded it), have allowed WIC, the child nutrition programs, and most related authorities to continue to function largely unaffected by the expiration of the authorizations of appropriations contained in that act.

[107] For implementation of the FY2015 provision, see USDA-FNS, "Requests for Exemption from the School Meals' Whole Grain-Rich Requirement for School Years 2014-2015 and 2015-2016," http://www.fns.usda.gov/requests-exemption-school-meals%E2%80%99-whole-grain-rich-requirement-school-years-2014-2015-and-2015-2016.

[108] See 7 C.F.R. 210.10(f)(3), 220.8(f)(3).

[109] The House committee report included language emphasizing that expansion of the Summer EBT program should be addressed to authorizing committees and expresses the committee's concern with improper payments in the programs. The Senate report stated that the committee expects that the food safety education activities will be carried out by the National Food Service Management Institute.

[110] Many of the programs' authorizing provisions are permanent (i.e., they do not have an expiration date associated with them). This is the case for the main functions of NSLP, SBP, CACFP, and Special Milk. Other programs, including SFSP, WIC, WIC FMNP, and the State Administrative Expenses (funding for states' operation of certain programs), face an expiration date of September 30, 2015, for the authorization of their appropriations. However, even without an authorization extension beyond that date, Congress can still choose to provide funding via the appropriations process, allowing these programs to continue to operate. Several policies—not authorizations of appropriations—that expired September 30, 2015, are affected. These are not major programs, including a California program to provide SFSP food year-round, certain food safety audits, and pre-appropriated funds for a National Hunger Clearinghouse. For additional background, CRS has a memorandum that congressional clients may request.

WIC Program[111]

Although WIC is a discretionary program, since the late 1990s, the appropriations committees' practice has been to provide enough funds for WIC to serve all eligible participants.[112]

The enacted appropriation law provides $6.35 billion for the WIC program. In addition, the bill provides $220 million through a general provision that rescinds FY2015 recovery and carryover funding (discussed below).

The $6.35 billion for WIC is a decrease of $273 million (-4%) from FY2015 appropriations. The explanatory statement says, "[b]ased upon revised USDA estimates, the agreement fully funds all eligible WIC participants in fiscal year 2016." The enacted level includes set-asides for WIC breastfeeding peer counselors and related activities ("not less than $60 million") and infrastructure (approximately $14 million). These set asides are equal to FY2015 levels and are identical to those provided in the House- and Senate-reported bills.

The FY2016 law provides an additional $220 million to fund management information systems, including WIC EBT and related activities.[113] According to Section 751 and the explanatory statement, these funds were offset by rescinding FY2015 carryover and recovery funds. Unlike the rest of the WIC account, which is available for two years, this rescinded funding was originally made available until expended. The House- and Senate-reported bills proposed $55 million funding for this purpose, but the funding would only have been available for two years.

The House and Senate reports each included additional WIC-related language.[114]

Commodity Assistance Program

The Commodity Assistance Program budget account supports several discretionary programs and activities: (1) the Commodity Supplemental Food Program (CSFP), (2) funding for TEFAP administrative and distribution costs, (3) the WIC Farmers Market Nutrition Program (FMNP), and (4) special Pacific Island assistance for nuclear-test-affected zones in the Pacific (the Marshall Islands) and in the case of natural disasters.

The FY2016 law provides approximately $296 million for this account, an increase of nearly $18 million (+6%) from the FY2015 appropriation. This account total is $8 million greater than the amounts proposed in House- and Senate-reported bills.

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[111] Further background on these programs and related funding is provided in CRS Report R44115, *A Primer on WIC: The Special Supplemental Nutrition Program for Women, Infants, and Children*.

[112] USDA Economic Research Service, "Anecdotal Evidence Suggest That WIC Became Fully Funded Sometime in the Late 1990s," in *The WIC Program: Background, Trends, and Economic Issues, 2015 Edition*, EIB-134, January 2015, p. 19.

[113] The Healthy, Hunger-Free Kids Act of 2010 (P.L. 111-296) requires states to transition WIC vouchers to EBT by the end of FY2020. See CRS Report R44115, *A Primer on WIC: The Special Supplemental Nutrition Program for Women, Infants, and Children*, for more information on this transition.

[114] The House committee report included language explaining that the funding level incorporates decreasing WIC participation and available carryover funding; the committee's support for a WIC transition to EBT; appreciation for USDA's inclusion of all fruits and vegetables following the FY2015 appropriation (for a summary of the controversy over white potatoes, see Appendix B of CRS Report R44115, *A Primer on WIC: The Special Supplemental Nutrition Program for Women, Infants, and Children*); instructions for USDA to report on efforts to ensure that income eligibility standards are followed and encouraging the use of income verification systems; direction for USDA to report on their responses to the OIG's September 2014 audit on state food costs; and instruction for FNS to report on efforts to reduce the sale of WIC benefits and infant formula. The Senate report included the committee's interest that the next update on WIC-eligible foods (the WIC "food package") include more fish, including wild salmon.

FY2016 funding provided includes increases above the FY2015 level for CSFP (+$11 million), TEFAP administrative and distribution costs (+$5 million), and WIC FMNP (+$2 million).

Nutrition Programs Administration

This budget account funds federal administration of all the USDA domestic food assistance program areas noted previously; special projects for improving the integrity and quality of these programs; and the Center for Nutrition Policy and Promotion (CNPP), which provides nutrition education and information to consumers (including various dietary guides).

The FY2016 enacted appropriation provides approximately $151 for this account, equal to the FY2015 funding level. This total is $10 million above the House-reported bill and $1 million below the Senate-reported bill.

General Provisions on the Formulation of the Dietary Guidelines

The Dietary Guidelines for Americans (DGA) are federally developed food-based recommendations for Americans ages two years and older, designed to promote health and prevent disease. The DGA form the basis of federal nutrition policy, education, outreach, and food assistance programs. They provide the scientific basis for government recommendations and are used in the development of educational materials, messages, tools, and programs to communicate healthy eating and physical activity information to the public.

CNPP is funded through the Nutrition Program Administration account and is the USDA office that leads the policy development of the DGA. CNPP and the Office of Disease Prevention and Health Promotion (ODPHP), within HHS, jointly issue the DGA policy document every five years (since 1980), with the lead role alternating between the two departments. HHS had the administrative lead for development of the 2015-2020 DGA, which were issued on January 7, 2016.[115] In response to congressional concern about the "quality of scientific evidence and extraneous factors" that were included in the 2015 Dietary Guideline Advisory Committee's (DGAC's) Scientific Report, Congress included several DGA-related policy riders in the FY2016 appropriation law.

Section 734 prohibits the use of funds to issue or implement the 2015 DGA unless the information and scope of the recommendations are limited to matters of diet and nutrition only, and the information is based on significant scientific agreement.

Section 735(a) requires the Secretary of USDA, within 30 days of the enactment of the law, to engage the National Academy of Medicine (NAM) to conduct a comprehensive study of the process used to establish the DGAC and the subsequent development of the DGA. Section 735(b) further requires that the NAM panel selected to conduct this study includes a "balanced representation of individuals with broad experiences and viewpoints regarding nutrition and dietary information," and that this comprehensive study include an analysis of:

- how the DGA can better prevent chronic disease, ensure nutritional adequacy for all Americans, and accommodate a range of individual factors, including age, gender, and metabolic health;
- how the DGAC selection process "can be improved to provide more transparency, eliminate bias, and include committee members with a range of viewpoints";

[115] For background, see CRS In Focus IF10118, *The Dietary Guidelines for Americans*.

- how the Nutrition Evidence Library (NEL) is compiled and used, including whether NEL and other systematic reviews, as well as data analyses are conducted following "rigorous and objective scientific standards"; and
- how systematic reviews are conducted on "longstanding" DGA recommendations, including "whether scientific studies are included from scientists with a range of viewpoints."

Section 735(b) also requires the NAM study to include recommendations on how to improve the DGA development process and to ensure the DGA "reflect balanced and sound science." The explanatory statement directs NAM to provide quarterly reports informing Congress about the status of this study. The FY2016 law appropriated $1 million for NAM to conduct this study.

Other Nutrition Funding Support

Domestic food assistance programs also receive funds from sources other than appropriations:

- USDA provides commodity foods to the child nutrition programs using funds other than those in the Child Nutrition account. These purchases are financed through permanent appropriations under "Section 32."[116] For example, about $480 million out of a total of $1.1 billion in commodity support in FY2008 came from outside the Child Nutrition account. Historically, about half the value of commodities distributed to child nutrition programs has come from Section 32.
- The Fresh Fruit and Vegetable Program for selected elementary schools nationwide is financed with permanent, mandatory funding. The underlying law (§4304 of the 2008 farm bill) provides funds at the beginning of every school year (July). However, Section 715 of the FY2016 appropriations law delays until October 2016 the availability of a portion of the funds ($125 million) that were scheduled for July 2016, similar to past years' appropriations. This delay allocates the total annual spending for the Fresh Fruit and Vegetable program by fiscal year rather than school year, with no reduction in overall support (though budgetary savings are scored in **Table 15**). House- and Senate-reported bills included the same language.
- The Food Service Management Institute (technical assistance to child nutrition providers) is funded through a permanent annual appropriation of $4 million.
- The Senior Farmers' Market Nutrition program receives $21 million of mandatory funding per year (FY2002-FY2018) outside the regular appropriations process (Section 4402 of the 2002 farm bill (P.L. 107-171), as amended by Section 4203 the 2014 farm bill [P.L. 113-79]).

[116] For further background, see CRS Report RL34081, *Farm and Food Support Under USDA's Section 32 Program*.

Table 12. Domestic Food Assistance Appropriations

(budget authority in millions of dollars)

Program	FY2013 P.L. 113-6 post-sequ.	FY2014 P.L. 113-76	FY2015 P.L. 113-235	FY2016 Admin. Request[a]	FY2016 H. Cmte. H.R. 3049	FY2016 S. Cmte. S. 1800	FY2016 P.L. 114-113	Change from FY2015 to FY2016 Enacted	
Child Nutrition Programs[b]									
Account Total[c] (incl. transfers)	**19,913.2**	**19,288.0**	**21,300.2**	**21,587.3**	**21,507.4**	**21,524.4**	**22,149.7**	**+849.5**	**+4%**
National School Lunch Program	*11,278.6*	*10,576.3*	*11,996.1*	*11,777.8*	*11,777.8*	*11,777.8*	*12,154.7*	+158.6	+1%
School Breakfast Program	*3,659.3*	*3,728.6*	*3,960.0*	*4,230.5*	*4,230.5*	*4,230.5*	*4,338.6*	+378.6	+10%
Child and Adult Care Food Program (CACFP)	*2,949.5*	*3,080.0*	*3,195.9*	*3,240.6*	*3,240.6*	*3,240.6*	*3,340.1*	+144.2	+5%
Special Milk Program	*11.9*	*10.6*	*11.2*	*11.3*	*11.3*	*11.3*	*9.4*	-1.8	-16%
Summer Food Service Program	*434.7*	*461.6*	*495.5*	*535.6*	*535.6*	*535.6*	*555.7*	+60.2	+12%
State Administrative Expenses	*289.7*	*247.2*	*263.7*	*269.7*	*269.7*	*269.7*	*270.9*	+7.2	+3%
Commodity Procurement for Child Nutrition	*1,646.7*	*1,078.7*	*1,255.5*	*1,322.1*	*1,322.1*	*1,322.1*	*1,350.7*	+95.2	+8%
School Meals Equip., Breakfast Grants	*9.8*	*25.0*	*25.0*	*35.0*	*20.0*	*25.0*	*30.0[d]*	+5.0	+20%
Summer EBT Demonstration	—	—	*16.0*	*66.9*	*12.0*	*16.0*	*23.0[d]*	+7.0	+44%
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	**6,522.2**	**6,715.8**	**6,623.0**	**6,623.0**	**6,484.0**	**6,513.0**	**6,350.0[e]**	**-273.0**	**-4%**
Supplemental Nutrition Assistance Program (SNAP)[b]									
Account Total[c]	**77,285.4**	**82,169.9**	**81,837.6**	**83,692.1[f]**	**81,653.2**	**81,662.1**	**80,849.4**	**-988.2**	**-1%**
SNAP benefits	*67,313.1[g]*	*71,885.0[g]*	*71,035.8*	*70,895.7*	*70,895.7*	*n/a*	*70,124.3*	-911.5	-1%
Contingency Reserve Fund	*3,000.0*	*3,000.0*	*3,000.0*	*5,000.0*	*3,000.0*	*3,000.0*	*3,000.0*	0.0	0%
State Administrative Costs	*3,866.5*	*3,999.0*	*4,123.0*	*4,238.4*	*4,238.4*	*n/a*	*4,222.0*	+99.0	+2%
Employment and Training (E&T)	*415.9*	*426.4*	*447.2[h]*	*456.7*	*456.7*	*n/a*	*455.7*	+8.5	+2%
TEFAP Commodities	*265.8*	*268.8*	*327.0*	*319.8*	*319.8*	*n/a*	*318.0*	-9.0	-3%

Program	FY2013 P.L. 113-6 post-sequ.	FY2014 P.L. 113-76	FY2015 P.L. 113-235	FY2016 Admin. Request[a]	FY2016 H. Cmte. H.R. 3049	FY2016 S. Cmte. S. 1800	FY2016 P.L. 114-113	Change from FY2015 to FY2016 Enacted	
Food Distribution Program Indian Reservations	*100.2*	*104.0*	*145.2*	*145.2*	*145.2*	*n/a*	*145.2*	0.0	0%
Commonwealth of Northern Mariana Islands	*12.1*	*12.1*	*12.2*	*12.2*	*12.2*	*n/a*	*12.2*	0.0	0%
Puerto Rico and American Samoa	*1,880.4*	*1,901.5*	*2,030.3*	*1,979.3*	*1,979.3*	*n/a*	*1,967.0*	-63.3	-3%
Commodity Assistance Program									
Account Total[c]	**243.7**	**269.7**	**278.5**	**288.3**	**288.3**	**288.3**	**296.2**	**+17.7**	**+6%**
Commodity Supplemental Food Program	*181.8*	*202.7*	*211.5*	*221.3*	*221.3*	*221.3*	*222.2*	+10.7	+5%
WIC Farmers Market Nutrition Program	*15.3*	*16.5*	*16.5*	*16.5*	*16.5*	*16.5*	*18.5*	+2.0	+12%
TEFAP Administrative Costs	*45.6*	*49.4*	*49.4*	*49.4*	*49.4*	*49.4*	*54.4*	+5.0	+10%
Nutrition Program Administration	**132.6**	**141.3**	**150.8**	**155.6**	**141.3**	**151.8**	**150.8**	**0.0**	**0%**
Office of the Under Secretary	**0.8**	**0.8**	**0.8**	**0.8**	**0.8**	**0.8**	**0.8**	**0.0**	**-1%**
Total, Domestic Food Assistance	**104,098.0**	**108,585.8**	**110,190.9**	**133,255.1**	**110,075.2**	**110,140.4**	**109,797.0**	**-393.9**	**-0%**

Source: CRS, compiled from tables in the joint explanatory statements or committee reports for the referenced appropriations acts or bills. Amounts for FY2013 are the post-sequestration level from the USDA FY2013 Operating Plan.

a. The FY2016 Administration Request reflected in this column is from the USDA-FNS budget request submitted to Congress in February 2015.

b. For the USDA-FNS programs that are open-ended mandatory programs (e.g., SNAP and the Child Nutrition Programs), the programs do not necessarily have the authority to spend all of the funds that have been appropriated. For such programs' historical spending, see also USDA-FNS expenditure data available on the agency website at http://www.fns.usda.gov/data-and-statistics.

c. "Account Total" does not equal the sum of the programs listed below. Programs listed below are a selection of the funding that makes up the account total.

d. Include the additional funds provided in the general provisions (§741) of the enacted law: $5 million for equipment/breakfast grants; $7 million for summer EBT.

e. In addition, Section 751 provides $220 million for management information systems and WIC EBT by rescinding FY2015 carryover and recovery funding.

f. The Administration's request for FY2016 also included an advance appropriation for the first quarter of FY2017 of approximately $20.9 billion. Neither the House nor Senate proposals included an advance appropriation.

g. Appropriations do not include the pre-appropriated funds provided by American Recovery and Reinvestment Act of 2009 (ARRA) to increase SNAP benefits from April 2009 through October 31, 2013. See CRS Report R43257, Background on the Scheduled Reduction to Supplemental Nutrition Assistance Program (SNAP) Benefits.

h. In addition to this E&T funding, P.L. 113-235 (and the other proposals) also appropriates $190 million for E&T pilots; the 2014 farm bill provided the authorization for this mandatory funding. For further information, see CRS Report R43332, SNAP and Related Nutrition Provisions of the 2014 Farm Bill (P.L. 113-79).

Agricultural Trade and Food Aid[117]

The Foreign Agricultural Service (FAS) administers overseas market promotion and export credit guarantee programs designed to improve the competitive position of U.S. agriculture in the world marketplace and to facilitate export sales. It shares responsibility with the U.S. Agency for International Development (USAID) to administer international food aid programs.[118]

Each year's agricultural appropriation provides nearly $2 billion of discretionary funding to FAS, which is more than three-quarters of the financial resources available to them. Other budget authority for agricultural export and food aid programs is with mandatory spending, and is not subject to annual appropriations. About $500 million of funding for these mandatory programs is provided directly by the Commodity Credit Corporation under other statutes.[119]

Foreign Agricultural Service

The FAS appropriation addresses trade policy issues on behalf of U.S. agricultural exporters to support trade promotion activities and to engage in institutional capacity building and food security activities in developing countries with promising market potential. The appropriation for FY2016 provides $191.6 million for salaries and expenses of the Foreign Agricultural Service (FAS), an increase of $10.2 million, or 5.6%, above the appropriation for FY2015 and an amount equal to the Administration's request.

The Administration's FY2016 budget request included an additional $6.7 million to cover salaries and expenses for the export credit guarantee programs, which is unchanged from the FY2015 appropriation. Credit guarantees are the largest FAS export assistance program, operating mainly to facilitate the direct export of U.S. agricultural commodities and products. There are no budgetary outlays associated with credit guarantees unless a default occurs. The 2014 farm bill authorized $5.5 billion of credit guarantees each year to guarantee the repayment of commercial loans extended by private banks in the event that a borrower defaults ($5.4 billion of credit guarantees under GSM-102 for U.S. agricultural product exports, and $100 million under the Facility Guarantee Program to build or expand agricultural facilities in emerging markets that enhance sales of U.S. products).

The 2014 farm bill directed the Office of the Chief Economist (OCE) to report on reorganizing USDA's international trade functions in tandem with the creation of the position of Under Secretary of Agriculture for Trade and Foreign Affairs. The enacted appropriation for FY2016 provides $1 million for the completion of this task. The joint explanatory statement accompanying the appropriation directs that within 60 days of completing the required report on a proposed reorganization plan, OCE is to contract with an independent organization to assist with the implementation and establishment of the new Undersecretary position. It further underscores that OCE is to consult with the House and Senate Agriculture committees throughout this process.

[117] The trade portion of this section was written by Mark McMinimy and the food aid portion by Randy Schnepf.

[118] For background, see CRS Report R41072, *U.S. International Food Aid Programs: Background and Issues*.

[119] Mandatory funding for other agricultural export promotion and market development programs was reauthorized by the 2014 farm bill (P.L. 113-79) at slightly above $250 million each year: $200 million for the Market Access Program, $34.5 million for the Foreign Market Development Program, $9 million for the Technical Assistance for Specialty Crops Program, and $10 million for the Emerging Markets Program. Separately, mandatory funding for other foreign food aid programs under the 2014 farm bill is about $250 million each year for the Food for Progress Program.

Because the explanatory statement for the omnibus supports congressional intent within the individual committee reports,[120] Senate report language recommending that $1.5 million within FAS be allocated for the Borlaug Fellows Program (training for scientists and policymakers from developing countries) and $5.3 million be provided for the Cochran Fellowship Program (short-term technical training in the United States for international participants) likely is applicable. These amounts are identical to what the Senate report recommended for FY2015. The Senate report states that it expects FAS to fund the Foreign Market Development Cooperator Program and continue full mandatory funding for the Market Access Program (MAP) (see footnote 119), including administering MAP as authorized without changing the eligibility requirements of cooperatives, small businesses, trade associations, and other entities.

Food for Peace Program (P.L. 480)

The Food for Peace Program includes four program areas, each with its own Title: Title I—economic assistance and food security, Title II—emergency and private assistance programs, Title III—food for development, and Title V—the farmer-to-farmer program.[121] No funding for new Title I (long-term concessional credits) or Title III (food for development) activities has been requested since 2002, while the last Title I concessional commodity shipment occurred in 2006. Title V (farmer-to-farmer or F2F program) funding is mandatory in nature and linked to the overall pool of funding under the Food for Peace act—not less than the greater of $15 million or 0.6% of the amounts made available to carry out the Food for Peace Act during any fiscal year (FY2014-FY2018) shall be used for the F2F program.

In contrast, the Food for Peace Title II program relies on annual discretionary appropriations. Title II programs are both the largest and most active component of international agricultural food aid expenditures. They provide primarily in-kind donations of U.S. commodities to meet foreign humanitarian and development needs. Despite being funded in agricultural appropriations, Title II programs are administered by the U.S. Agency for International Development (USAID).

Food for Peace Title II funding has been embroiled in a long-running debate between the current (and previous) Administration and Congress over how Title II funds may be used. The Administration wants to increase the share of Title II funds available as either cash transfers, food vouchers, or for local and regional procurement of commodities in the proximity of the food crises in order to provide a more immediate (and lower-cost) response to emergencies. In contrast, Congress has opted to use Title II funds to purchase U.S. commodities and ship them on U.S.-flag vessels to foreign countries with food deficiencies. Title II funding allocations also are affected by a provision in the 2014 farm bill (P.L. 113-79; §3012) that states that the minimum funding requirement for nonemergency food aid shall not be less than $350 million.

The FY2016 appropriation provides $1.466 billion for Title II program grants, down slightly from $1.469 billion in FY2015. In addition, a one-time supplement of $250 million brings the total Title II grant allocation to $1.716 billion; this is in response to ongoing food assistance requirements as a result of international conflicts (particularly in Syria, Yemen, Iraq, and South Sudan, where there have been large increases in internally displaced persons) and areas suffering

[120] "The House and Senate report language that is not changed by the explanatory statement is approved and indicates congressional intent." *Explanatory Statement*, Division A (Agriculture), Congressional Directives, *Congressional Record*, December 17, 2015, p. H9694.

[121] Title IV of the Food for Peace Act involves general authorities and requirements.

from natural disasters. Of the $1.716 billion, $20 million is specifically to reimburse the Bill Emerson Humanitarian Trust (BEHT) for disbursements made in 2015.

By law, Title II funding includes a carve-out of at least $350 million for nonemergency programs (7 U.S.C. 1736f(e)). Appropriators specifically request that USAID provide a report, no later than 60 days after enactment (or by February 16, 2016), on the use of authorities under 7 U.S.C. 1736f(e), including section 202(e), during FY2015 and planned uses during FY2016.[122]

The Administration had proposed $1.4 billion in Title II funding for both FY2015 and FY2016, of which 25% ($350 million) would be exempt from any U.S. purchase requirement and instead would be available as cash-based food assistance for emergencies. The Administration also had requested that $270 million of Title II funds be combined with an additional $80 million requested in the Development Assistance account under USAID's Community Development Fund and used to support development food assistance programs that address chronic food insecurity in areas of recurrent crises, thus achieving the mandatory $350 million for nonemergency programs.

Local and Regional Procurement (LRP) Projects

LRP projects are administered by USDA (in consultation with USAID). LRP was authorized as a permanent project under the 2014 farm bill (P.L. 113-79);[123] however, its funding became discretionary, rather than mandatory funds in the 2008 farm bill.[124]

No discretionary funding was enacted for LRP during FY2014 and FY2015. For FY2016, the Administration requested $20 million for LRP projects. However, the FY2016 appropriation provides $5 million for LRP within the McGovern-Dole program (see below).

McGovern-Dole International Food for Education and Child Nutrition

The McGovern-Dole International Food for Education and Child Nutrition Program provides donations of U.S. agricultural products and financial and technical assistance for school feeding and maternal and child nutrition projects in developing countries. It is administered by FAS.

For FY2016, the Administration requested $191.6 million, the same as the FY2015 enacted level. The FY2016 appropriation provides $10 million more, $201.6 million, for the McGovern-Dole program, including an additional $5 million for the LRP program, as mentioned earlier.

Appropriations Instructions About Industrial Hemp[125]

Industrial hemp is an agricultural commodity that is cultivated for a range of hemp-based goods, including foods and beverages, cosmetics and personal care products, nutritional supplements, fabrics and textiles, yarns and spun fibers, paper, construction/insulation materials, and other manufactured goods. It is, however, a variety of *Cannabis sativa*, the same plant species as marijuana, and is therefore subject to U.S. drug laws. The 2014 farm bill provided that certain

[122] USAID has additional flexibility in the use of cash-based food assistance in the 2014 farm bill (P.L. 113-79; §3002).

[123] 7 U.S.C. 1726c.

[124] Under the previous 2008 farm bill (P.L. 110-246; §3206), LRP was implemented as a pilot program but with mandatory funding of $60 million of CCC funds (mandatory funds, not Title II appropriations), spread over four years.

[125] This section was written by Renée Johnson.

research institutions and state departments of agriculture may grow industrial hemp as part of an agricultural pilot program, if allowed under state laws.[126]

For FY2016, the production of industrial hemp was addressed in both in the Senate-reported Agriculture appropriations bill and the House-reported and Senate-reported Commerce-Justice-Science (CJS) appropriations bills.

The enacted FY2016 Agriculture appropriation states that "none of the funds made available" by the Agriculture or any other appropriation may be used "to prohibit the transportation, processing, sale, or use of industrial hemp that is grown or cultivated in accordance with" the 2014 farm bill provision (P.L. 114-113, Division A, §763).

The CJS appropriation states that none of the funds made available "may be used in contravention" of the 2014 farm bill's hemp provision by the Department of Justice (DOJ) or the Drug Enforcement Administration (P.L. 114-113, Division B, §543). The enacted CJS appropriations does not include a provision that was contained in the House-passed CJS appropriations bill, which would have further blocked DOJ from preventing a state from implementing its own state laws that "authorize the use, distribution, possession, or cultivation of industrial hemp" as defined in the farm bill (H.R. 2578, §557).

The FY2015 CJS appropriation contained similar language to block federal law enforcement from interfering with state agencies, hemp growers, and agricultural research.[127]

Related Agencies

In addition to the USDA agencies mentioned above, the Agriculture appropriations subcommittees have jurisdiction over appropriations for three related agencies:

- The Food and Drug Administration (FDA) of the Department of Health and Human Services (HHS),
- The Commodity Futures Trading Commission (CFTC)—in the House Agriculture Appropriations subcommittee only, and
- The Farm Credit Administration (FCA), which does not receive an appropriation but rather oversight via a limit on its spending from fees paid to the agency.

Agriculture's Relationship to the Related Agencies

The combined share of FDA and CFTC funding (Title VI) in the overall Agriculture and Related Agencies appropriations bill is about 13% of discretionary Agriculture appropriation.

These agencies are included in the Agriculture appropriations bill because of their historical connection to agricultural markets. However, the number and scope of non-agricultural issues dealt with by these agencies has grown in recent decades. Because of this shift, some argue that these agencies no longer belong in the Agriculture appropriations bill. Others say that agriculture and food issues are still an important component of each agency.

Food safety responsibilities that are shared between USDA and FDA have been in the media during recent years and have been the subject of legislation and hearings. At CFTC, volatility in agricultural commodity markets has been a subject of recent scrutiny at CFTC and in Congress.

Jurisdiction over CFTC appropriations is assigned differently in the House and Senate. Before FY2008, the Agriculture subcommittees in both the House and Senate had jurisdiction over CFTC

[126] P.L. 113-79, §7606, "Legitimacy of Industrial Hemp Research." It also created a statutory definition of "industrial hemp" as "the plant Cannabis sativa L. and any part of such plant, whether growing or not, with a delta-9 tetrahydro-cannabinol concentration of not more than 0.3 percent on a dry weight basis."

[127] P.L. 113-235, Division B, §539 (Commerce, Justice, Science, and Related Agencies Appropriations Act, 2015).

funding. In FY2008, Senate jurisdiction moved to the Financial Services Appropriations Subcommittee. Placement in the enacted version now alternates each year. In even-numbered fiscal years, CFTC has resided in the Agriculture appropriations act. In odd-numbered fiscal years, CFTC has resided in the enacted Financial Services appropriations act.

Food and Drug Administration (FDA)[128]

The Food and Drug Administration (FDA) regulates the safety of foods, cosmetics, and radiation-emitting products; the safety and effectiveness of drugs, biologics (e.g., vaccines), and medical devices; and public health aspects of tobacco products.[129] Although FDA has been a part of the Department of Health and Human Services (HHS) since 1940, the Committees on Appropriations do not consider FDA within the rest of HHS under the Subcommittee on Labor, Health and Human Services, and Education, and Related Agencies. Jurisdiction over FDA's budget remains with the Subcommittees on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies, reflecting FDA's beginnings as part of the Department of Agriculture.

FDA's program level, the amount that FDA can spend, is composed of direct appropriations (also referred to as budget authority, BA) and user fees.[130] The enacted FY2016 appropriation provides an FDA *total program level* of $4.738 billion, an increase of $238 million (+5.3%) from the FY2015 appropriation's program level of $4.500 billion. The President's FY2016 budget had requested a total program level of $4.731 billion, while the House-reported bill would have provided $4.606, and the Senate-reported bill would have provided $4.616 billion.

For *direct appropriations,* the enacted FY2016 appropriation includes $2.729 billion, an increase of $132 million (+5%) from the FY2015 level of $2.597 billion. The President's budget had requested $2.744 billion in FY2016, while the House-reported bill would have provided $2.627 billion, and the Senate-reported bill would have provided $2.638 billion.

User fees totaling $2.009 billion are allowed in the enacted FY2016 FDA appropriation. The President had requested $1.988 billion in fees to be collected through authorized programs to support specified agency activities regarding prescription drugs, medical devices, animal drugs, animal generic drugs, tobacco products, generic human drugs, biosimilars, mammography quality, color certification, export certification, food reinspection, food recall, the voluntary qualified importer program, outsourcing facilities, priority review vouchers, and third-party auditors.[131] In addition to the $1.988 billion in user fees from currently authorized programs, the President had requested $199 million in as yet unauthorized fees to support international courier, food establishment registration, food imports, cosmetics, and food contact notification activities.

[128] This section was written by Agata Dabrowska and Susan Thaul.

[129] Several CRS reports have information on FDA authority and activities: CRS Report R41983, *How FDA Approves Drugs and Regulates Their Safety and Effectiveness*, and CRS Report R42130, *FDA Regulation of Medical Devices*.

[130] Beginning with the Prescription Drug User Fee Act (PDUFA, P.L. 102-571) in 1992, Congress has authorized FDA to collect fees from industry sponsors of certain FDA-regulated products and to use the revenue to support statutorily defined activities, such as the review of product marketing applications.

[131] Those who speak of FDA policy often use acronyms for the various user fee authorizing acts: Prescription Drug User Fee Act or Amendments (PDUFA), Medical Device User Fee Act or Amendments (MDUFA), Animal Drug User Fee Program (ADUFA), Animal Generic Drug User Fee Program (AGDUFA), Generic Drug User Fee Amendments (GDUFA), Biosimilar User Fee Act (BSUFA), and the Mammography Quality Standards Act (MQSA). Acronyms for others have not caught on: color certification, export certification, tobacco (from the Family Smoking Prevention and Tobacco Control Act), and food reinspection and food recall (both authorized by the FDA Food Safety Modernization Act (FMSA)). Several CRS reports describe FDA user fee programs. See, for example, CRS Report R42366, *Prescription Drug User Fee Act (PDUFA): 2012 Reauthorization as PDUFA V*, and CRS Report R42508, *The FDA Medical Device User Fee Program*.

With those proposed fees, the President's total user fee request was $2.187 billion, bringing the total program level request to $4.93 billion. The enacted appropriation did not include any of the proposed fees; however, it did include $1 million for fees authorized by this Congress related to the regulation of drug compounding. Neither appropriations committee's recommendations included any proposed fees. For authorized fees, the House-reported bill would provide $1.979 billion in fees, and the Senate-reported bill would provide $1.978 billion in fees.

The enacted FY2016 appropriation requires that $1.5 million of the budget authority provided for other activities (e.g., Office of the Commissioner) be transferred to the HHS Office of Inspector General for FDA oversight; this provision had also appeared in the Senate-reported bill.

Table 13 displays, by program area, the budget authority (direct appropriations), user fees, and total program levels for FDA in previous years: FY2013 (as calculated by the June 2014 operating plan), FY2014 (as calculated by the June 2014 operating plan), and FY2015 (as enacted). Regarding appropriations for FY2016, **Table 13** displays the President's FY2016 request, the House Committee on Appropriations-reported H.R. 3049, the Senate Committee on Appropriations-reported S. 1800, and as enacted in P.L. 114-113.

Consistent with the Administration and congressional committee formats, each program area in **Table 13** includes funding designated for the responsible FDA center (e.g., the Center for Drug Evaluation and Research or the Center for Food Safety and Applied Nutrition) and the portion of effort budgeted for the agency-wide Office of Regulatory Affairs to commit to that area. It also apportions user fee revenue across the program areas as indicated in the Administration's request (e.g., 90% of the animal drug user fee revenue is designated for the animal drugs and feeds program, with the rest going to the categories of headquarters and Office of the Commissioner, General Services Administration [GSA] rent, and other rent and rent-related activities).

Table 13. Food and Drug Administration (FDA) Appropriations

(dollars in millions)

Program area	FY2013	FY2014	FY2015	FY2016			
	P.L. 113-6 post-seq.	P.L. 113-76	P.L. 113-235	Admin.. request[a]	H. Cmte. H.R. 3049	S. Cmte. S. 1800	P.L. 114-113
Foods	**814**	**900**	**914**	**999**	**949**	**959**	**997**
BA	797	883	903	987	938	948	987
Fees	17	17	10	12	10	10	10
Human drugs	**1,187**	**1,289**	**1,338**	**1,371**	**1366**	**1,367**	**1,394**
BA	439	466	482	485	480	481	492
Fees	748	823	856	886	886	886	902
Biologics	**308**	**338**	**344**	**350**	**345**	**345**	**356**
BA	195	211	211	215	210	210	215
Fees	113	127	133	135	135	135	141
Animal drugs and feeds	**155**	**173**	**175**	**193**	**178**	**172**	**189**
BA	126	142	148	166	151	145	159
Fees	29	32	27	27	27	27	30

Program area	FY2013	FY2014	FY2015	FY2016			
	P.L. 113-6 post-seq.	P.L. 113-76	P.L. 113-235	Admin.. request[a]	H. Cmte. H.R. 3049	S. Cmte. S. 1800	P.L. 114-113
Devices and radiological health	**384**	**428**	**440**	**452**	**444**	**445**	**450**
BA	296	321	321	328	319	320	323
Fees	88	107	119	125	125	125	127
Tobacco products	**459**	**501**	**532**	**564**	**564**	**564**	**564**
Fees	459	501	532	564	564	564	564
Toxicological research	**55**	**62**	**63**	**59**	**59**	**63**	**63**
BA	55	62	63	59	59	63	63
Other (e.g., Commissioner Office)	**251**	**275**	**279**	**288**	**282**	**281**[b]	**291**[c]
BA	160	172	175	181	176	175	183
Fees	91	103	104	106	106	106	108
GSA rent	**199**	**220**	**228**	**238**	**230**	**230**	**239**
BA	150	162	169	177	169	169	177
Fees	49	58	60	61	61	61	62
Other rent, rent-related activities[d]	**157**	**178**	**163**	**186**	**165**	**167**	**171**
BA	118	133	116	137	116	118	121
Fees	40	46	48	49	49	49	50
Export, color certification (Fees)	**12**	**12**	**14**	**14**	**14**	**14**	**14**
Priority review voucher (Fees)	**5**	**0**	**0**	**8**	**0**	**0**	**0**
Food and drug safety[e] (BA)	**46**	**0**	**0**	**0**	**0**	**0**	**0**
Buildings & Facilities (BA)	**5**	**9**	**9**	**9**	**9**	**9**	**9**
Total Budget Authority	**2,386**	**2,561**	**2,597**[f]	**2,744**	**2,627**	**2,638**	**2,729**
Total User Fees	**1,645**	**1,826**	**1,902**[g]	**1,988**	**1,979**[h]	**1,978**[i]	**2,009**[j]
Total Program Level	**4,031**	**4,387**	**4,500**	**4,731**	**4,606**	**4,616**	**4,738**

Sources: FY2013 and FY2014 amounts are from the FDA FY2014 Operating Plan. FY2013 figures reflect sequestration. The enacted FY2015 appropriations data are from P.L. 113-235 and the explanatory statement. FY2016 request amounts are taken from the FY2016 congressional justification, issued in February 2015. Appropriations Committees reported amounts come from H.R. 3049, H.Rept. 114-205, S. 1800, and S.Rept. 114-82. The enacted FY2016 appropriations data are from P.L. 114-113 and the explanatory statement.

Notes: Consistent with the Administration and congressional committee formats, each program area includes funding designated for the responsible FDA center (e.g., the Center for Drug Evaluation and Research or the Center for Food Safety and Applied Nutrition) and the portion budgeted for agency-wide Office of Regulatory

Affairs in that area. User fee revenue is apportioned as indicated in the Administration's request (e.g., 90% of the animal drug user fee revenue is designated for the animal drugs and feeds program, with the rest going to other [including Office of the Commissioner], GSA rent, and other rent and rent-related activities categories).

a. The President's FY2016 request includes $1.988 billion in user fees from currently *authorized* programs (prescription drug, medical device, animal drug, animal generic drug, tobacco product, generic drug, biosimilars, mammography quality, color certification, export certification, food reinspection, food recall, pharmacy compounding, and third-party food import auditors). The request included an additional $199 million in *proposed fees* (medical product reinspection, international courier, food establishment registration, food imports, cosmetics, and food contact notification) that would require authorizing legislation to implement. The request allocated these across several FDA program areas (foods $168 million; human drugs $0.5 million; animal drugs and feeds $4 million; devices and radiological health $4 million; headquarters and Office of the Commissioner $12 million; GSA rent $4 million; other rent and rent-related activities $2 million; and $4 million in export certification). For user fees in the Administration's FY2016 request, this column shows only those that have been authorized. Including the $199 million in proposed user fees, the President's total user fee request would have been $2.187 billion, yielding a total program level request of $4.93 billion.
b. The Senate-reported bill would require that $1.5 million of the budget authority provided for "other activities" (e.g., Office of the Commissioner) be transferred to the HHS Office of Inspector General for FDA oversight.
c. P.L. 114-113 requires that $1.5 million of the budget authority provided for "other activities" (e.g., Office of the Commissioner) be transferred to the HHS Office of Inspector General for FDA oversight.
d. Other rent and rent-related activities include White Oak consolidation.
e. The FY2013 Sequestration Operating Plan notes food safety and drug safety items that had not been included in the program-level appropriations.
f. Table VIII of P.L. 113-235 provided an additional, one-time $25 million in direct appropriations to FDA for Ebola response and preparedness activities, which is not shown in this table. Adding this $25 million to the FDA appropriations made in Title VI brings BA to $2.622 billion and the total program level to $4.525 billion for FY2015.
g. The FY2015 enacted bill included $1 million for fees related to pharmacy compounding that the President's request had not included the FY2015 request submission.
h. The House bill and report include no mention of authorized third-party auditor fees despite their inclusion in the President's request. Although the President's request for compounding pharmacy fees was $1,015,000, which is reflected in the rows for human drugs, other (including the Office of the Commissioner), GSA rent, and other rent, the House report refers to $1 million.
i. The Senate bill and report include no mention of authorized pharmacy compounding fees despite their inclusion in the President's request.
j. The FY2016 enacted bill included $1 million for fees related to pharmacy compounding (CBO estimate) that the President's request had not included the FY2016 request submission.

The explanatory statement accompanying the enacted appropriation notes that it increased budget authority for various activities and/or directs FDA to complete certain activities.

Medical product safety initiatives: The explanatory statement notes the following increases in budget authority: $8.732 million for the Combatting Antibiotic Resistant Bacteria (CARB) initiative, $2.392 million for the precision medicine initiative, $716,000 for sunscreen activities, and $2.5 million for the Orphan Drug Development Grants Program.[132]

Foreign high-risk inspections: The explanatory statement notes a $5 million increase provided for foreign high-risk inspections. In report language, the Senate Committee had expressed that as the importation of drugs, foods, and medical devices from China continues to increase, there is concern with FDA's ability to keep pace with the volume of exports.

[132] Paragraph 4 of the explanatory statement notes an increase of $10.608 million for medical product safety initiatives. However, the sum of the increase in budget authority for CARB ($8.732 million) and precision medicine ($2.392 million) totals to $11.124 million even without the sunscreen initiative ($716,000) or orphan drug grants ($2.5 million). CRS was unable to determine how the $10.608 million was derived.

Master Plan: The explanatory statement notes that the appropriation includes $5 million for FDA to complete a feasibility study to update and issue a revised Master Plan for the White Oak campus to accommodate its expanded workforce; FDA was directed to report on this effort by January 1, 2016.

Food and Drug Safety and Innovation Act (FDASIA) implementation: The explanatory statement notes that the appropriation provides $5 million for FDASIA implementation. It further states that there continue to be shortages of critical drugs. The agreement directs the FDA Commissioner to continue to prioritize public reporting of manufacturing shortages and to work with industry to prevent conditions that may lead to drug shortages. The agreement also directs the Commissioner to report on the work of FDA's intra-agency Drug Shortage Task Force (including collaborations with other government agencies and stakeholders, and activities to prevent drug shortages affecting pediatric patients), as well as steps FDA can take to prevent shortages of drugs to test for and treat tuberculosis (TB).

Center for Tobacco Products: The explanatory statement notes that the agreement provides $1 million for the Center for Tobacco Products to contract with the Institute of Medicine (IOM) to conduct an evaluation of the evidence on the health effects from using e-cigarettes and recommendations for future federally funded research.

Partially hydrogenated oils: The explanatory statement notes that the enacted appropriation includes language related to the use of partially hydrogenated oils (PHOs) in food. On June 17, 2015, FDA issued a final determination that PHOs are no longer generally recognized as safe (GRAS) for any use in human foods, establishing a compliance date of three years (June 18, 2018).[133] Food manufacturers may seek food additive approval for one or more specific uses of PHOs by submitting data demonstrating reasonable certainty of safe use.[134] Section 754 of the appropriation provides that, during FDA's three-year compliance period, a food cannot be deemed unsafe or adulterated solely because it contains a PHO. The explanatory statement adds that FDA is encouraged to provide a timely review of the Food Additive Petition for minor use of PHOs in certain foods.

Seafood consumption advice: The explanatory statement includes language about seafood consumption advice for pregnant women. In June 2014, FDA and EPA issued a draft of the agencies' advice on fish consumption for pregnant women, women likely to become pregnant, and young children. In accompanying Senate report language, the committee directed FDA to re-evaluate the draft limit on albacore tuna, publish final advice to pregnant women on seafood consumption, and "provide a progress report to the Committee 30 days after the enactment of this act and every 30 days thereafter until the final seafood advice is published." The explanatory statement for the enacted appropriation directs FDA to provide final guidance on nutrition advice regarding safe and healthy consumption of seafood, without the requirements of progress reports.

Other activities: The explanatory statement directs FDA to provide the committees with an estimated timeline by which the agency will finalize all pending draft biosimilar guidance documents and regulations. In addition, the explanatory statement notes concern with safety issues raised at a September 2015 meeting of the Obstetrics and Gynecology Devices Panel of the Medical Devices Advisory Committee, and directs FDA to issue recommendations on how to address these concerns. The agreement notes concern about the agency's use of "draft guidance to make substantive policy decisions." The explanatory statement also requests from FDA a report

[133] 80 *Federal Register* 34650.

[134] Ibid.

"documenting the agency's review and solicitation of scientific data impacting bioequivalence standards and patients suffering from ophthalmologic conditions."

FDA's Food Safety Activities[135]

FDA's Foods program covers the agency's food safety activities, as well as certain other food-related programs. The program plays a major food safety role, assuring that the nation's food supply, quality of foods, food ingredients, and dietary supplements (and also cosmetic products) are safe, sanitary, nutritious, wholesome, and properly labeled. In recent years, congressional appropriators have increased funding for FDA Food Programs, more than doubling funding over the past decade. Largely, this increase has been in response to comprehensive food safety legislation enacted in the 111th Congress, as part of the FDA Food Safety Modernization Act (FSMA, P.L. 111-353). FSMA was the largest expansion of FDA's food safety authorities since the 1930s.[136] FDA's Foods program also has had to adapt to the increasing variety and complexity of the U.S. food supply, including rising import demand for products produced outside the United States, as well as other market factors, including emerging microbial pathogens, natural toxins, and technological innovations in production and processing.

FDA's Foods program budget accounts for roughly one-third of FDA's total appropriation. FDA's total budget for food safety programs and activities, however, extends beyond the agency's Foods program, encompassing other food and veterinary medicine programs at FDA. As reported by FDA, the agency's budget for food safety activities totaled $1.2 billion in FY2015.[137] This amount includes most of FDA's Food program funding, along with aspects of other FDA program areas covering food additives, antimicrobial resistance, nutrition labeling and dietary supplements, cosmetics, and all related user fees, as well as administrative expenses associated with FDA headquarters and rent-related expenses.

For FDA's food safety activities, including FSMA implementation, the enacted FY2016 Agriculture appropriation provides for a $104.5 million increase in budget authority.[138] This is nearly the increase requested by the Administration ($109.5 million),[139] and is more than double the increase that the House and Senate committee bills proposed (H.R. 3049 would have increased FSMA funding by $41.5 million, and S. 1800 by $45.0 million). Both the House and Senate committees had noted that these increases and previous increases provided since FY2011 "should assist the FDA in preparation for the implementation of FSMA prior to the effective dates of the seven foundational proposed rules."[140] The enacted appropriation also provides $5 million for competitive grants to state agencies for local educational agencies and schools to purchase equipment to serve healthier meals and improve food safety,[141] and funding for FSMA implementation and interagency coordination between FDA and USDA-NIFA.

Overall, for FDA's Foods program, the enacted FY2016 appropriation provides $987.3 million, identical to that requested by the Administration. These congressional appropriations are augmented by existing (currently authorized) user fees. These fees, as authorized under FSMA,

[135] This section was written by Renée Johnson.

[136] P.L. 111-353 amended the Federal Food, Drug, and Cosmetic Act (FFDCA).

[137] CRS communication with FDA budget staff, December 4, 2015.

[138] See also CRS Report R44309, *FY2016 Appropriations: Selected Federal Food Safety Agencies*.

[139] FDA, "President's FY 2016 Budget Request: Key Investments for Implementing the FDA Food Safety Modernization Act (FSMA)," February 2015, http://www.fda.gov/Food/GuidanceRegulation/FSMA/ucm432576.htm.

[140] H.Rept. 114-205, S.Rept. 114-82.

[141] Division A, §741.

include food and feed recall fees, food reinspection fees, and voluntary qualified importer program fees. In recent years these fees have generated less than $18 million per year.

The appropriation, along with statements in the House and Senate committee reports, include a number of provisions requiring FDA to take additional food safety and food-related actions. These include provisions about FDA's regulatory process that reflect concerns by Members of Congress about FDA's development of FSMA regulations, and the extensive delays in rulemaking to implement FSMA.[142] They also include a number of provisions about fish and seafood labeling and safety. Separately, the enacted law directs FDA to "develop labeling guidelines" and "implement a program" to inform consumers whether salmon for sale is genetically engineered. Other provisions require FDA to further addresses illnesses associated with imported pet food, perhaps related to consumption of jerky pet treats imported from China.

The enacted FY2016 Agriculture appropriation contains other policy riders for FDA's Foods program, not necessarily for food safety activities but including other FDA food programs. The appropriation places restrictions on FDA regarding implementation of the 2015 "Dietary Guidelines for Americans" and its final regulations regarding restaurant menu labeling. It also allows states to exempt schools from certain whole grain requirements, and places certain restrictions regarding other FDA activities regarding partially hydrogenated oils (PHOs); nutrition labeling regarding added sugars; and the agency's policies regarding sodium in federally reimbursed meals, foods, and snacks sold in schools.

Commodity Futures Trading Commission[143]

The Commodity Futures Trading Commission (CFTC) is the independent regulatory agency charged with oversight of derivatives markets. The CFTC's functions include oversight of trading on the futures exchanges, oversight of the swaps markets,[144] registration and supervision of futures industry personnel, self-regulatory organizations and major participants in the swaps markets, prevention of fraud and price manipulation, and investor protection.[145] The Dodd-Frank Act (P.L. 111-203) brought the bulk of the previously unregulated over-the-counter swaps markets under CFTC jurisdiction as well as the previously regulated futures and options markets. Since the swaps market is much larger than the futures market, a lingering question is whether CFTC has sufficient resources to meet the agency's newly added responsibilities.[146]

The enacted FY2016 appropriation is $250 million, the same as the FY2015 amount. Of the $250 million, $50 million is for the purchase of information technology.

The Senate Financial Services markup (S. 1910) would have provided this same amount, which was $5 million more than the House Agriculture markup (H.R. 3049). The President's budget request was $322 million, an increase of 29% above the FY2015 level, noting that past appropriations have "not enabled the Commission to keep pace with the increased technological

[142] See CRS Report R43724, *Implementation of the FDA Food Safety Modernization Act (FSMA, P.L. 111-353).*

[143] This section was written by Rena S. Miller.

[144] With the exception of a narrow slice of the swaps markets, called security-based swaps, which are based on a single security, loan, or narrow group or index of securities. These are overseen by the Securities and Exchange Commission.

[145] See CRS Report R43117, *The Commodity Futures Trading Commission: Background and Current Issues*.

[146] Testimony of Chairman Timothy G. Massad before the Senate Agriculture Committee (May 14, 2015): "The CFTC does not have the resources to fulfill our new responsibilities as well as all the responsibilities it had prior to the passage of Dodd Frank in a way that most Americans would expect. Our staff, for example, is no larger than it was when Dodd-Frank was enacted in 2010." http://www.cftc.gov/PressRoom/SpeechesTestimony/opamassad-22.

complexity and globalization of the markets overseen by the Commission" since its jurisdiction was expanded to include swaps in 2010.[147]

Following enactment, the CFTC Chairman issued a statement criticizing the lack of any increase for the agency despite its expanded oversight over the swaps market. "The failure to provide the CFTC even a modest increase in the fiscal year 2016 budget agreement sends a clear message that meaningful oversight of the derivatives markets, and the very types of products that exacerbated the global financial crisis, is not a priority," stated CFTC Chairman Timothy Massad.[148] He added that the flat appropriations amount failed to take into account the need for added resources to enforce oversight of the expanded, technologically complex swaps markets.[149]

Farm Credit Administration[150]

The Farm Credit Administration (FCA) is the federal regulator for the Farm Credit System (FCS), which is a borrower-owned cooperative lender operated as a government-sponsored enterprise.[151]

Neither the FCS nor the FCA receives a federal appropriation. The FCA is funded by assessments on the FCS entities that it regulates; FCS is funded by agency bonds sold on Wall Street and loans repaid by its borrowers. As part of its congressional oversight, however, the Agriculture appropriations bill sets a limitation (a maximum operating level) on FCA administrative expenses. This serves as a check on the size of the FCA and the amount that FCA can collect.

For FY2016, the appropriation allows FCA a maximum operating level of $65.6 million, which is $5.1 million greater than allowed in FY2015 (+8.4%), but $3.8 million less than requested.[152] FCA's request continues to note additional costs for a staffing replacement plan because of expected retirements and the desire to add new staff while experienced staff can train their replacements.

The $65.6 million allowed in FY2016 happens to be the same as what FCA had planned to be its operating level at the beginning of FY2015, before the lower FY2015 amount was enacted. Nonetheless, the FY2016 amount represents a return to higher levels, especially since the FY2014-FY2015 amounts had been lower than FY2013.

Table 14. Farm Credit Administration Limitation on Expenses

(dollars in millions)

	FY2013	FY2014	FY2015	FY2016					
	P.L. 113-6	P.L. 113-76	P.L. 113-235	Admin. Request	House H.R. 3049	Senate S. 1800	P.L. 114-113	Change from FY2015 to FY2016 Enacted	
FCA limitation on expenses	63.3	62.6	60.5	69.4	65.6	65.6	65.6	+5.1	+8.4%

[147] CFTC FY2016 Budget, at http://www.cftc.gov/ucm/groups/public/@newsroom/documents/file/cftcbudget2016.pdf.

[148] Statement of Chairman Timothy Massad on the Fiscal Year 2016 Budget Agreement, December 21, 2015, at http://www.cftc.gov/PressRoom/SpeechesTestimony/massadstatement122115.

[149] Ibid.

[150] This section was written by Jim Monke.

[151] For background, see CRS Report RS21278, *Farm Credit System*.

[152] Farm Credit Administration, *Fiscal Year 2016 Proposed Budget and Performance Plan*, at http://www.fca.gov/Download/BudgetFY2016.pdf.

Source: CRS, compiled from tables in the joint explanatory statements or committee reports for the referenced appropriations acts or bills.

General Provisions, Scorekeeping Adjustments[153]

Agriculture appropriations acts in recent years have had over $1 billion in net offsets that effectively reduce the cost of appropriations in the rest of the bill. The enacted FY2016 appropriation continues that practice. These reductions occur in Title VII (General Provisions) through rescissions and CHIMPS (Changes in Mandatory Program Spending), and in separate CBO scorekeeping adjustments. Other appropriations are also made.

For FY2016, reductions are made by placing limitations on mandatory programs (-$831 million, **Table 15**), recessions from other appropriated accounts (-$34 million, **Table 16**), and other scorekeeping adjustments that are usually not detailed in the bills (-$462 million, **Table 18**). Besides reductions, some additional spending is authorized in the General Provisions ($556 million, including $250 million for foreign food aid and $273 million for emergency conservation programs, **Table 17**).

Limitations and rescissions are used to score budgetary savings that help meet the discretionary budget allocation. By offsetting spending elsewhere in the bill, they help provide relatively more to (or help avoid deeper cuts to) regular discretionary accounts than might otherwise occur.[154]

The General Provisions title also contains many important policy-related provisions that affect how the executive branch carries out the appropriation and authorizing laws, many of which have no budgetary effect. Some of these policy-related provisions are discussed earlier in this report under the relevant agency heading.

Changes in Mandatory Program Spending (CHIMPS)

Mandatory programs usually are not part of the appropriations process since formulas and eligibility rules are set in multi-year authorizing laws (such as the 2014 farm bill). Funding usually is assumed to be available based on the statute and without appropriations action. However, for more than a decade, appropriators have placed limits on mandatory spending authorized in statutes such as the farm bill (**Table 15**). These limits are known as CHIMPS, "changes in mandatory program spending." CHIMPS usually are reductions to mandatory spending authority, but they also may be increases in spending authority. Although many CHIMPS have an effect for one year, rescissions may be made to mandatory spending programs to permanently cancel budget authority (also considered a CHIMP here and by CBO).[155]

When appropriators limit mandatory spending, they do not change the authorizing law.[156] However, their action has a similar effect through CHIMPS, but usually only for the one year to which the appropriation applies. Appropriators put limits on mandatory program by using language such as: "None of the funds appropriated or otherwise made available by this or any other Act shall be used to pay the salaries and expenses of personnel to carry out section [...] of Public Law [...] in excess of $[...]." Limits usually appear in Title VII, General Provisions, of the Agriculture appropriations bill.

[153] This section was written by Jim Monke.

[154] For example, in FY2011, half of the $3.4 billion reduction in total discretionary appropriations between FY2010 and FY2011 was achieved by a $1.7 billion increase in the use of farm bill limitations and rescissions.

[155] Examples of rescissions of mandatory programs are discussed in the section, "Mandatory Conservation Programs."

[156] CRS Report R41634, *Limitations in Appropriations Measures: An Overview of Procedural Issues*.

Historically, most allocations to spend budgetary resources originated from the appropriations committees. The division over who should fund certain agriculture programs—appropriators or authorizers—has roots dating to the 1930s. Variable outlays for the farm commodity programs were difficult to budget and resembled entitlements. Mandatory funding—the Commodity Credit Corporation (CCC)—was created to remove the unpredictable funding issue from the appropriations process, and those decisions generally rested with the authorizing committee.

The dynamic further changed after the 1996 farm bill, when mandatory funds were used for programs that usually had been discretionary.[157] Appropriators had not funded some programs as much as authorizers had desired, and authorizing committees wrote farm bills to more broadly use the mandatory funding at their discretion. Tension arose over who should fund certain activities. Some question whether the CCC should be used for outlays that are not uncertain.

The programs affected by CHIMPS typically include conservation, rural development, bioenergy, and some smaller nutrition assistance programs.[158] CHIMPS have not affected the farm commodity programs or the primary nutrition assistance programs (such as SNAP).

The enacted FY2016 appropriation contains $831 million in savings attributable to CHIMPS, of which $436 million are from programs authorized in the 2014 farm bill. These totals are roughly similar to FY2015, though the subtotal from the farm bill is slightly smaller and the overall total is slightly greater. They are both smaller than the annual levels that were enacted between FY2011-FY2014 (**Table 15**).[159]

A complicating factor in understanding the CHIMP amounts in the proposed bills for FY2016 is budget sequestration, and a methodological difference in how CBO scored the sequestration across various proposals. Budget sequestration of mandatory accounts has occurred every year since FY2013, reducing the amount available to most mandatory programs. For example, the CHIMP to accomplish the complete prohibition on spending for the Watershed Rehabilitation Program resulted in a smaller $153 million CHIMP in FY2014, after sequestration, than the $165 million CHIMP in FY2013, even though no spending was allowed either year (**Table 15**). In FY2016, the scoring of the Administration's request and the Senate bill are *before* sequestration, while scoring of the CHIMP in the House bill is *after* sequestration. By not incorporating sequestration into the CHIMP estimates, CBO gave the Administration and the Senate more credit for some CHIMPS than the House bill.

[157] Adapted from Galen Fountain, then Majority Clerk of the Senate Agriculture Appropriations Subcommittee, "Funding Rural Development Programs: Past, Present, and Future," p. 4, at the 2009 USDA Agricultural Outlook Forum, February 22, 2009, at http://ageconsearch.umn.edu/bitstream/50603/2/Fountain-Galen-pdf.pdf.

[158] This report uses the CBO compilation of CHIMPS, which in addition to limits on farm bill programs also includes the rescission from the Cushion of Credit account for the Rural Business and Cooperative Service (RBS). Including the Cushion of Credit rescission in CHIMPS allows the total appropriation for RBS to remain positive and concurs with CBO scoring. However, appropriations committee tables include the Cushion of Credit rescission in the RBS section, causing the net agency appropriations total to be less than zero (the alternative scoring method noted in **Table 11**).

[159] For more background on reductions in mandatory agricultural programs, especially in appropriations, CRS In Focus IF10041, *Reductions to Mandatory Agricultural Conservation Programs in Appropriations Law*.

Table 15. Adjustments to Mandatory Spending Programs

(dollars in millions)

	FY2013	FY2014	FY2015	FY2016			
	P.L. 113-6 post-sequ.	P.L. 113-76	P.L. 113-235	Admin. Request	H.Cmte. H.R. 3049	S.Cmte. S. 1800	P.L. 114-113
Changes to farm bill programs (CHIMPS and rescissions)[a]							
Conservation programs							
Environmental Quality Incentives Prog.	-279.0	-272.0	-136.0	-373.0	-189.0	-264.0	-209.0
Watershed Rehabilitation Program	-165.0	-153.0	-69.0	-69.0	-64.0	-68.0	-68.0
Conservation Stewardship Program	—	—	-7.0	-3.0	-2.0	—	—
Wildlife Habitat Incentive Program	-9.0	—	—	—	—	—	—
Agricultural Management Assistance	-5.0	—	—	—	—	—	—
Subtotal, conservation	**-458.0**	**-425.0**	**-212.0**	**-445.0**	**-255.0**	**-332.0**	**-277.0**
Other farm bill programs							
Fresh Fruit and Vegetable Program[b]	-117.0	-119.0	-122.0	-125.0	-125.0	-125.0	-125.0
Biorefinery Assistance Program	—	-40.7	-16.0	—	-26.0	—	-19.0
Biomass Crop Assistance Program	—	—	-2.0	—	-12.0	-20.0	-20.0
Rural Energy for America Program	—	—	—	—	-16.0	—	—
Repowering Assistance	-28.0	—	-8.0	—	—	—	—
Bioenergy Prog. for Advanced Biofuels	—	-8.0	—	—	—	—	—
Emergency Livestock Assistance Prog.	—	—	-125.0	—	—	—	—
Conservation Compliance	—	—	—	—	+1.0	—	—
Marketing Certificates	—	—	—	—	+5.0	—	+5.0
Subtotal, other from farm bill	**-145.0**	**-167.7**	**-273.0**	**-125.0**	**-173.0**	**-145.0**	**-159.0**
Subtotal, of farm bill programs	**-603.0**	**-592.7**	**-485.0**	**-570.0**	**-428.0**	**-477.0**	**-436.0**
Other reductions of mandatory programs[a]							
Cushion of Credit (Rural Develop.)	-180.0	-172.0	-179.0	-154.0	-154.0	-182.0	-179.0
Section 32	-110.0	-189.0	-121.0	-292.0	-216.0	-216.0	-216.0
Total	**-893.0**	**-953.7**	**-785.0**	**-1,016.0**	**-798.0**	**-875.0**	**-831.0**

Source: CRS, based on the categorization of CHIMPS in unpublished CBO tables, and from the joint explanatory statements or committee reports for the referenced appropriations acts or bills.

a. Reductions to mandatory programs in this report include CHIMPS (Changes in Mandatory Program Spending) and permanent rescissions of budget authority for mandatory program accounts. CBO estimates are used and are not always consistent in the treatment of sequestration. Amounts in the columns for the Admin. Request and Senate do not include the effects of sequestration, whereas amounts in the House column are after including the effects of sequestration.

b. Delays funding from July until October of the same calendar year, effectively allocating the authorization by fiscal year rather than school year—with no reduction in overall support—and scoring budgetary savings.

Rescissions of Discretionary Accounts

Rescissions are a method of permanently cancelling the availability of funds that were provided by a previous appropriations law. When scoring a bill to determine its budget effect, a rescission results in budgetary savings.

As a budgetary offset, rescissions can allow more spending in an appropriations bill. But unlike a CHIMP, a rescission can prevent an unobligated budget authority from being reallocated or repurposed by future appropriations since the cancellation is permanent. Often rescissions relate to the unobligated balances of funds that were appropriated a year or more ago that still remain available for a specific purpose (e.g., buildings and facilities funding that remains available until expended for specific projects, or disaster response funds for losses due to a specifically named hurricane).

For FY2016, the enacted appropriation rescinds $34 million from three discretionary programs (**Table 16**). Rescissions to mandatory programs are included in the CHIMPS section, according to CBO scoring tables. These levels of rescissions are typical for most years but are small by comparison to FY2011, when rescissions were unusually large ($372 million) and helped achieve that year's relatively large spending reduction.

Table 16. Rescissions from (Prior-Year) Discretionary Budget Authority

(dollars in millions)

	FY2013	FY2014	FY2015	FY2016			
	P.L. 113-6 post-sequ.	P.L. 113-76	P.L. 113-235	Admin. Request	H.Cmte. H.R. 3049	S.Cmte. S. 1800	P.L. 114-113
ARS buildings and facilities	—	—	-2.0	—	—	—	—
Agriculture buildings and facilities	—	-30.0	—	—	—	—	—
Broadband loan balances	-25.3	—	—	—	—	—	—
Common Computing Environment	—	—	—	—	-1.0	—	-1.0
Rural Housing Service	—	-1.3	—	—	—	—	—
Ocean freight (food aid)	—	—	-2.0	—	—	—	—
P.L. 480 Title I (food aid)	—	—	-13.0	—	—	—	—
Watershed and Flood Prevention	—	—	—	-20.0	-20.0	-20.0	-20.0
Resource Conservation and Development	—	-2.0	—	—	—	—	—
Water and waste disposal cancellation	—	—	—	—	-13.0	-13.0	-13.0
Total	**-25.3**	**-33.3**	**-17.0**	**-20.0**	**-34.0**	**-33.0**	**-34.0**

Source: CRS, compiled from tables in the joint explanatory statements or committee reports.

Other Appropriations (Including Emergency Disaster Programs)

The General Provisions title may contain appropriations for activities that are not part of regular agency appropriations. These sometimes include supplemental or disaster appropriations, and may be offset in scorekeeping adjustments by emergency spending designations.

Table 17 shows that the FY2016 appropriation contains $273 million for the emergency watershed, conservation and forestry programs, $130 million of which is not subject to the discretionary budget cap. It also contains $283 million of other spending provisions, including $250 million to supplement the Food for Peace program and several other programs.

Table 17. Other Appropriations in General Provisions

(budget authority in millions of dollars)

	FY2013	FY2014	FY2015	FY2016			
	P.L. 113-6 post-sequ.	P.L. 113-76	P.L. 113-235	Admin. Request	H.Cmte. H.R. 3049	S.Cmte. S. 1800	P.L. 114-113
Disaster/Emergency programs							
Emergency Watershed Protection	60.5	—	78.6	—	2.0	—	159.0
Emergency Conservation Program	10.3	—	9.2	—	—	—	108.0
Emergency Forest Restoration	13.1	—	3.2	—	—	—	6.0
FDA Salaries and expenses for Ebola	—	—	25.0	—	—	—	—
Subtotal, disaster programs	**83.9**	**0.0**	**116.0**	**0.0**	**2.0**	**0.0**	**273.0**
Note: Disaster designation for budget	—	—	*-116.0*	—	—	—	*-130.0*
Other spending provisions							
FDA salaries and expenses	46.2	—	—	—	—	—	—
FDA user fees	—	79.0	—	—	—	—	—
Food for Peace[a]	—	—	—	—	—	—	250.0
Citrus greening	—	20.0	—	—	—	—	5.5
Hardwood trees reforestation pilot	0.6	0.6	0.6	—	—	0.6	0.6
Geographically disadvantaged farmers	1.8	2.0	2.0	—	—	2.0	2.0
Water Bank	—	4.0	4.0	—	—	4.0	4.0
Rural Energy Savings Program	—	—	—	—	—	—	8.0
Dietary Guidelines study	—	—	—	—	—	—	1.0
Summer meals	—	—	—	—	—	—	7.0
School equipment grants	—	—	—	—	—	—	5.0
Hunger Commission	—	1.0	—	—	—	—	—
Subtotal, other spending	**48.6**	**106.6**	**6.6**	**0.0**	**0.0**	**6.6**	**283.1**
Total	**132.5**	**106.6**	**122.6**	**0.0**	**2.0**	**6.6**	**556.1**

Source: CRS, compiled from tables in the joint explanatory statements or committee reports for the referenced appropriations acts or bills.

a. This amount for Food for Peace is in addition to the regular appropriation in Title V of $1.466 billion.

Other Scorekeeping Adjustments

Scorekeeping adjustments are a final part of the accounting of the appropriations bill that is not necessarily shown in the tables published by the appropriations committees.[160] These adjustments are critical, however, for the bill to reach the desired total amount that complies with the 302(b) spending limit for the subcommittee. Some of these amounts are not necessarily specified by provisions in the bill but are related to program operations, such as direct and guaranteed loan programs. CBO calculates and reports these scorekeeping adjustments in unpublished tables.

For FY2016, the other scorekeeping adjustment in the enacted appropriation is -$462 million (**Table 18**). The disaster designation for emergency programs that offset spending in the enacted bill (**Table 17**) is slightly greater than last year.

Also noteworthy, the "negative subsidy" from various USDA loan programs has increased in recent years. Negative subsidies effectively reflect "income" to the government when a loan program operates at less cost than it receives in appropriations via the collection of fees or better-than-expected loan repayment. These negative subsidies have become larger in recent years, and are helping to offset more of the regular appropriation. Prior to FY2013, these negative subsidies were cumulatively less than $100 million. Since FY2013 they have grown to $408 million in FY2015, and moderated slightly to $345 million in FY2016.

Table 18. Scorekeeping Adjustments

(dollars in millions)

	FY2013	FY2014	FY2015	FY2016			
	P.L. 113-6 post-sequ.	P.L. 113-76	P.L. 113-235	Admin. Request	H.Cmte. H.R. 3049	S.Cmte. S. 1800	P.L. 114-113
Denali Commission (permanent)	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Interest Native American Fund Endowment	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Child nutrition equipment grants	1.0	1.0	1.0	1.0	—	1.0	1.0
SNAP employment & training	—	—	—	4.0	—	—	
Loan program negative subsidies							
Rural housing negative subsidy	*-62.0*	*-62.0*	*-141.0*	*-31.0*	*-31.0*	*-31.0*	*-31.0*
Rural community facilities negative subsidy	*-14.0*	*-41.0*	*-90.0*	*-135.0*	*-135.0*	*-135.0*	*-135.0*
Rural elec. & tele. loan negative subsidy	*-60.0*	*-92.0*	*-152.0*	*-154.0*	*-154.0*	*-154.0*	*-154.0*
Rural water & waste loan negative subsidy	—	—	*-2.0*	*-2.0*	*-2.0*	*-2.0*	*-2.0*
Ag credit loan negative subsidy	*-3.0*	*-6.0*	*-23.0*	*-23.0*	*-23.0*	*-23.0*	*-23.0*
Subtotal, negative subsidies	**-139.0**	**-201.0**	**-408.0**	**-345.0**	**-345.0**	**-345.0**	**-345.0**
Rounding plug							3.0
Emergency designations not in 302(b)	—	—	-116.0	—	—	—	-130.0
Total	**-129.0**	**-191.0**	**-514.0**	**-331.0**	**-336.0**	**-335.0**	**-462.0**

[160] Although CHIMPS sometimes are considered to be scorekeeping adjustments and are shown in committee tables, they are discussed elsewhere in this report. This section discusses the unpublished, other scorekeeping adjustments.

Source: CRS, compiled from unpublished CBO tables.

Appendix A. Historical Trends

This appendix offers historical perspective on trends in Agricultural appropriations from FY1995 to FY2015. Comparisons are made across (1) mandatory vs. discretionary spending, (2) nutrition spending compared to the rest of the bill, (3) inflation-adjusted amounts, and (4) agriculture appropriations relative to the entire federal budget, economy, and population.

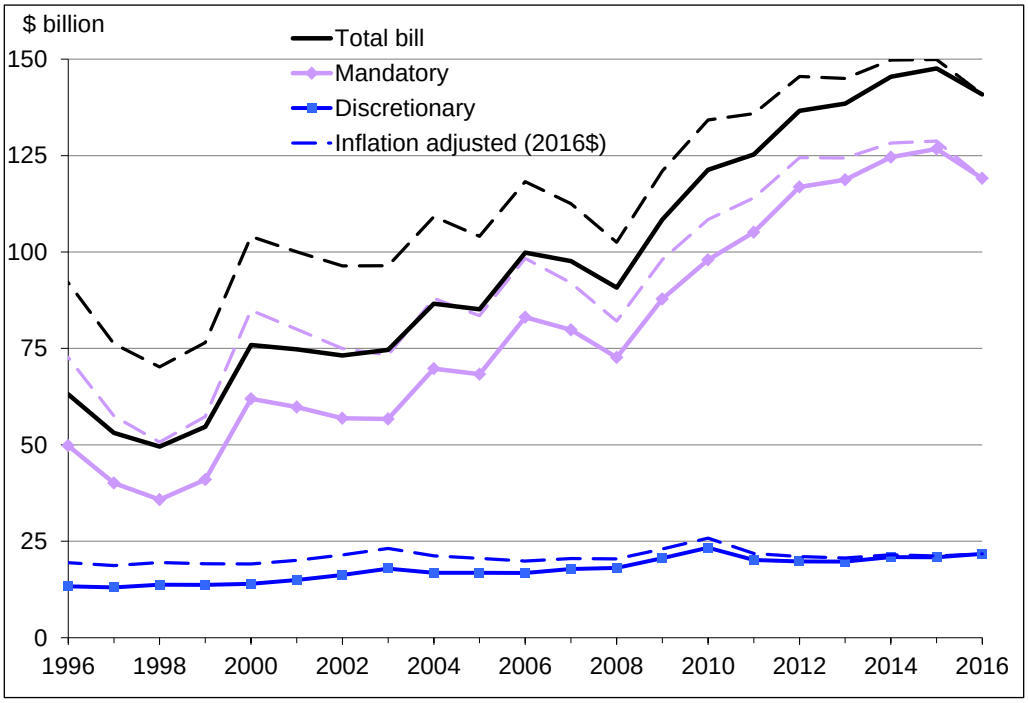
Discretionary spending for each title, over FY2007-FY2016, is shown in **Figure 3**.

See **Figure A-1** for the mandatory and discretionary breakdown; **Table A-1** contains the nominal data, and **Table A-2** contains the inflation-adjusted data. **Table A-3** shows the compounded annualized percentage changes over various time periods.

Mandatory and Discretionary Spending

- Discretionary Agriculture appropriations peaked in FY2010, although mandatory nutrition spending continued to rise through FY2015.
- Over the past five years (since FY2011), total Agriculture appropriations grew at a compounded annual rate of +2.4% (+0.7% on an inflation-adjusted basis).
- The mandatory spending portion of this total shows a +2.5% annual increase over the past five years (+0.9% on an inflation-adjusted basis).
- The discretionary portion has an annual increase of +1.6% over five years (basically flat on an inflation-adjusted basis; -0.1% annually).
- In FY2016, 15% of the total agriculture appropriation is discretionary spending, down from 28% of the total appropriation in FY1998.

Figure A-1. Total Agriculture Appropriations: Mandatory and Discretionary



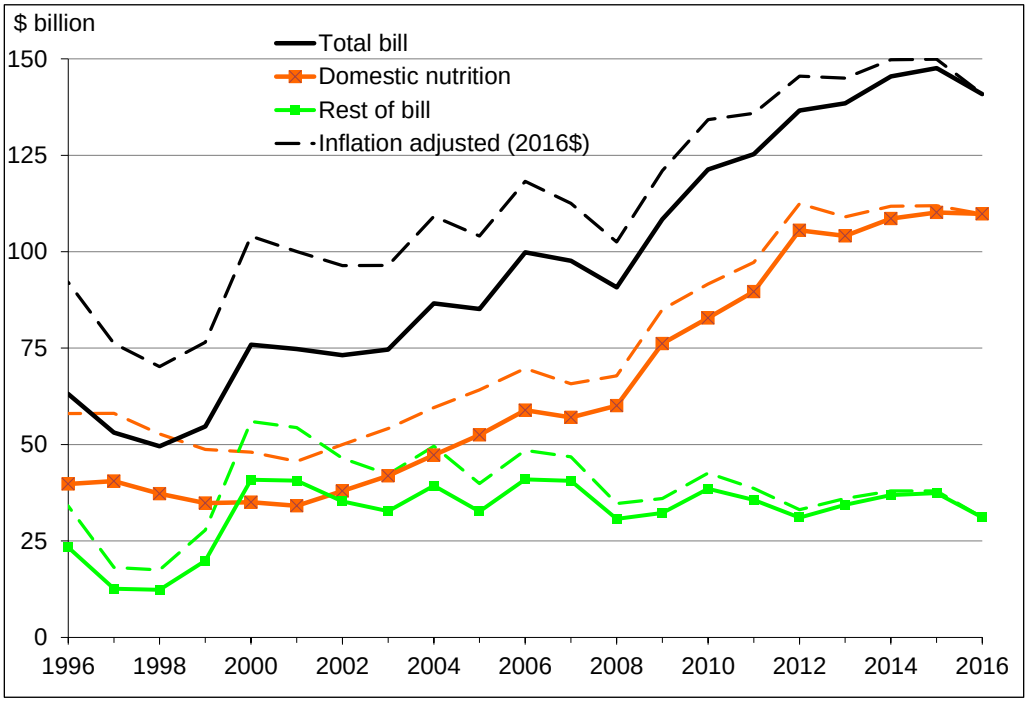
Source: CRS. Fiscal year budget authority. Inflation-adjusted amounts are based on the GDP price deflator.
Notes: Includes only regular annual appropriations; includes CFTC regardless of jurisdiction.

Domestic Nutrition and the Rest of the Bill

Another way to divide the total agriculture appropriation is domestic nutrition compared to everything else (**Figure A-2**). Domestic nutrition appropriations include primarily the child nutrition programs (school lunch and related programs), the Special Supplemental Nutrition Assistance Program (SNAP)—which are mandatory—and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), which is discretionary. The "rest of the bill" includes other USDA programs (except the Forest Service), FDA, and CFTC.

- Total domestic nutrition program spending rose at a +4.1% compounded annual rate over five years (+2.5% annually on an inflation-adjusted basis).
- Spending on the rest of the bill (non-nutrition) decreased at -2.7% annually over five years (-4.3% per year on an inflation-adjusted basis).
- In FY2016, 78% of the total agriculture appropriation was for domestic nutrition, up from 59% in 2006 and 46% in FY2001.
- Most of domestic nutrition is mandatory spending, primarily in SNAP and the child nutrition programs. The mandatory nutrition spending portion rose at a +4.5% annual rate over five years (+2.8% annually inflation-adjusted basis). The discretionary portion decreased -0.8% annually over five years.
- The relationship is reversed for the rest of the bill. Mandatory spending within the rest of the rest of the bill decreased at a -6.5% annual rate over five years (-8.0% on an inflation-adjusted annual basis). Discretionary spending increased at a +2.5% annual rate.

Figure A-2. Total Agriculture Appropriations: Domestic Nutrition and Rest of Bill



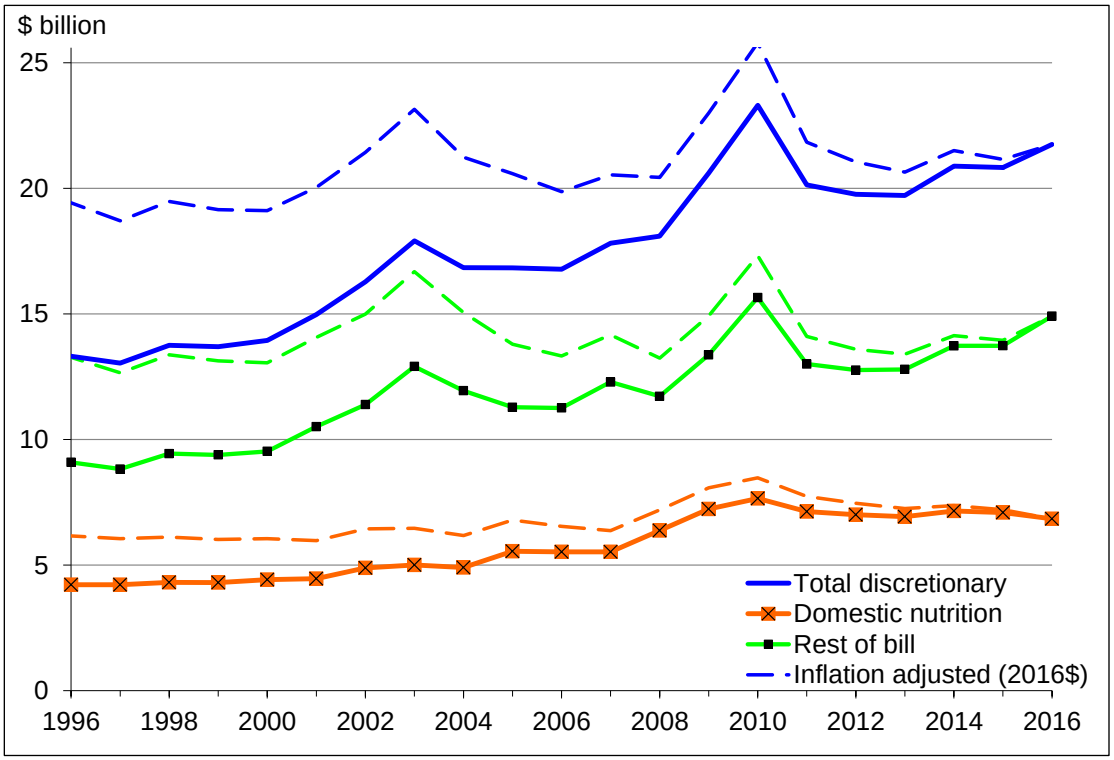
Source: CRS. Fiscal year budget authority. Inflation-adjusted amounts are based on the GDP price deflator.
Notes: The largest domestic nutrition programs are the child nutrition programs, SNAP, and WIC. The "rest of bill" includes USDA (except the Forest Service), FDA, and CFTC.

Discretionary Appropriations

Appropriators arguably have the most control over discretionary appropriations. Within the discretionary subtotal of **Figure A-1**, a similar domestic nutrition vs. rest of the bill comparison can be made as was done for the total appropriation (see **Figure A-3**).

- In FY2016, discretionary budget authority rose +4.4%. For the nutrition portion of the bill, it decreased -3.6%; for the rest of the bill, it rose +8.6%.
- Total discretionary Agriculture appropriations grew at +1.6% per year over the past five years (basically flat on an inflation-adjusted basis; -0.1% annually).
- Over a longer period, the annual change is +2.6% per year over the past 10 years, or +0.9% per year on an inflation-adjusted basis.
- The domestic nutrition portion of this discretionary subtotal (primarily WIC, commodity assistance programs, and nutrition programs administration) shows a -0.8% annual decrease over five years (-2.4% per year if adjusted for inflation).
- The discretionary portion for rest of the bill has risen at +2.8% per year for five years (+1.1% per year on an inflation-adjusted basis).

Figure A-3. Discretionary Agriculture Appropriations



Source: CRS. Fiscal year budget authority. Inflation-adjusted amounts are based on the GDP price deflator.
Notes: Includes only regular annual appropriations; includes CFTC regardless of jurisdiction. The label "Domestic nutrition" includes WIC, commodity assistance programs, and nutrition programs administration.

Table A-1. Trends in Nominal Agriculture Appropriations

(fiscal year budget authority in billions of dollars, except as noted)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Discretionary total	**13.04**	**13.75**	**13.69**	**13.95**	**14.97**	**16.28**	**17.91**	**16.84**	**16.83**	**16.78**
Domestic nutrition[a]	4.22	4.31	4.31	4.42	4.46	4.89	5.00	4.90	5.55	5.53
Rest of bill[b]	8.82	9.44	9.39	9.53	10.51	11.39	12.91	11.94	11.28	11.25
Mandatory total	**40.08**	**35.80**	**41.00**	**61.95**	**59.77**	**56.91**	**56.70**	**69.75**	**68.29**	**83.07**
Domestic nutrition	36.27	32.91	30.51	30.63	29.66	33.06	36.89	42.36	46.94	53.37
Rest of bill	3.81	2.89	10.48	31.33	30.12	23.86	19.82	27.38	21.36	29.70
Total bill	**53.12**	**49.55**	**54.69**	**75.90**	**74.74**	**73.19**	**74.61**	**86.59**	**85.13**	**99.85**
Domestic nutrition	40.49	37.22	34.82	35.04	34.12	37.95	41.89	47.26	52.49	58.89
Rest of bill	12.63	12.33	19.87	40.85	40.63	35.24	32.72	39.32	32.64	40.95
Percentages of Total										
1. Mandatory	75%	72%	75%	82%	80%	78%	76%	81%	80%	83%
2. Discretionary	25%	28%	25%	18%	20%	22%	24%	19%	20%	17%
1. Domestic nutrition	76%	75%	64%	46%	46%	52%	56%	55%	62%	59%
2. Rest of bill	24%	25%	36%	54%	54%	48%	44%	45%	38%	41%
	2007	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
Discretionary total	**17.81**	**18.09**	**20.60**	**23.30**	**20.13**	**19.76**	**19.71**	**20.88**	**20.83**	**21.75**
Domestic nutrition	5.52	6.37	7.23	7.65	7.13	7.00	6.93	7.15	7.09	6.84
Rest of bill	12.29	11.72	13.37	15.65	13.00	12.76	12.79	13.73	13.73	14.91
Mandatory total	**79.80**	**72.67**	**87.80**	**97.98**	**105.13**	**116.85**	**118.75**	**124.58**	**126.49**	**119.11**
Domestic nutrition	51.51	53.68	68.92	75.13	82.53	98.55	97.17	101.43	103.10	102.96
Rest of bill	28.29	18.99	18.88	22.86	22.60	18.29	21.58	23.15	23.40	16.15
Total bill	**97.61**	**90.76**	**108.40**	**121.29**	**125.26**	**136.61**	**138.47**	**145.46**	**147.32**	**140.86**
Domestic nutrition	57.03	60.06	76.16	82.78	89.66	105.55	104.10	108.59	110.19	109.80
Rest of bill	40.58	30.71	32.24	38.50	35.61	31.05	34.37	36.88	37.13	31.07
Percentages of Total										
1. Mandatory	82%	80%	81%	81%	84%	86%	86%	86%	86%	85%
2. Discretionary	18%	20%	19%	19%	16%	14%	14%	14%	14%	15%
1. Domestic nutrition	58%	66%	70%	68%	72%	77%	75%	75%	75%	78%
2. Rest of bill	42%	34%	30%	32%	28%	23%	25%	25%	25%	22%

Source: CRS. Regular appropriations only; all years include Commodity Futures Trading Commission.

a. The largest domestic nutrition programs are the child nutrition programs, the Supplemental Nutrition Assistance Program (SNAP, formerly food stamps)—both of which are mandatory—and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), which is discretionary.

b. "Rest of bill" includes the non-nutrition remainder of USDA (except the Forest Service), FDA, and CFTC. Within that group, mandatory programs include the farm commodity programs, crop insurance, and some conservation and foreign aid/trade programs.

Table A-2. Trends in Real Agriculture Appropriations

(fiscal year inflation-adjusted budget authority in billions of dollars, except as noted)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
GDP price index[a]	0.7785	0.7881	0.7981	0.8147	0.8342	0.8477	0.8639	0.8853	0.9131	0.9428
Inflation-adjusted 2016 dollars (real dollars)										
Discretionary total	**18.70**	**19.48**	**19.15**	**19.11**	**20.04**	**21.44**	**23.14**	**21.23**	**20.58**	**19.87**
Domestic nutrition	6.05	6.11	6.02	6.05	5.97	6.44	6.46	6.18	6.79	6.54
Rest of bill	12.65	13.37	13.13	13.05	14.07	14.99	16.68	15.06	13.79	13.33
Mandatory total	**57.47**	**50.71**	**57.35**	**84.90**	**79.99**	**74.95**	**73.28**	**87.95**	**83.50**	**98.36**
Domestic nutrition	52.01	46.62	42.68	41.97	39.69	43.53	47.67	53.42	57.39	63.20
Rest of bill	5.46	4.10	14.67	42.93	40.30	31.42	25.61	34.53	26.11	35.17
Total bill	**76.18**	**70.19**	**76.50**	**104.01**	**100.03**	**96.39**	**96.42**	**109.19**	**104.08**	**118.23**
Domestic nutrition	58.07	52.73	48.70	48.02	45.66	49.97	54.13	59.60	64.17	69.74
Rest of bill	18.11	17.46	27.80	55.98	54.37	46.41	42.28	49.59	39.90	48.49
	2007	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
GDP price index[a]	0.9684	0.9885	1.0000	1.0088	1.0293	1.0481	1.0661	1.0843	1.0990	1.1164
Inflation-adjusted 2016 dollars (real dollars)										
Discretionary total	**20.53**	**20.43**	**23.00**	**25.79**	**21.84**	**21.05**	**20.64**	**21.50**	**21.15**	**21.75**
Domestic nutrition	6.37	7.20	8.08	8.47	7.73	7.46	7.25	7.36	7.21	6.84
Rest of bill	14.17	13.24	14.92	17.32	14.11	13.59	13.39	14.13	13.95	14.91
Mandatory total	**92.00**	**82.07**	**98.02**	**108.43**	**114.03**	**124.46**	**124.36**	**128.27**	**128.76**	**119.11**
Domestic nutrition	59.38	60.63	76.94	83.14	89.51	104.97	101.76	104.44	104.73	102.96
Rest of bill	32.62	21.44	21.07	25.29	24.52	19.49	22.60	23.83	24.03	16.15
Total bill	**112.53**	**102.51**	**121.02**	**134.22**	**135.86**	**145.51**	**145.00**	**149.77**	**149.92**	**140.86**
Domestic nutrition	65.75	67.83	85.02	91.61	97.24	112.43	109.01	111.80	111.94	109.80
Rest of bill	46.78	34.68	36.00	42.61	38.62	33.08	35.99	37.97	37.98	31.07

Source: CRS. Regular appropriations only; all years include Commodity Futures Trading Commission. See footnotes in **Table A-1** for definitions of "domestic nutrition" and "rest of bill."

a. OMB, Budget of the U.S. Government, "Historical Tables," Table 10.1, at http://www.whitehouse.gov/omb/budget/Historicals.

Table A-3. Percentage Changes in Agriculture Appropriations

	Compounded annual rate of change from years in the past to FY2016							
	Actual Change (Nominal)				Inflation-Adjusted (Real) Change (2016$)			
	1 yr. FY2015	5 yrs. FY2011	10 yrs. FY2006	15 yrs. FY2001	1 yr. FY2015	5 yrs. FY2011	10 yrs. FY2006	15 yrs. FY2001
GDP price index	+1.6%	+1.6%	+1.7%	+2.0%	—	—	—	—
Discretionary total	**+4.4%**	**+1.6%**	**+2.6%**	**+2.5%**	**+2.8%**	**-0.1%**	**+0.9%**	**+0.5%**
Domestic nutrition	-3.6%	-0.8%	+2.2%	+2.9%	-5.1%	-2.4%	+0.4%	+0.9%
Rest of bill	+8.6%	+2.8%	+2.9%	+2.4%	+6.9%	+1.1%	+1.1%	+0.4%
Mandatory total	**-6.0%**	**+2.5%**	**+3.7%**	**+4.7%**	**-7.5%**	**+0.9%**	**+1.9%**	**+2.7%**
Domestic nutrition	-0.1%	+4.5%	+6.8%	+8.7%	-1.7%	+2.8%	+5.0%	+6.6%
Rest of bill	-31.7%	-6.5%	-5.9%	-4.1%	-32.8%	-8.0%	-7.5%	-5.9%
Total bill	**-4.6%**	**+2.4%**	**+3.5%**	**+4.3%**	**-6.0%**	**+0.7%**	**+1.8%**	**+2.3%**
Domestic nutrition	-0.4%	+4.1%	+6.4%	+8.1%	-1.9%	+2.5%	+4.6%	+6.0%
Rest of bill	-16.9%	-2.7%	-2.7%	-1.8%	-18.2%	-4.3%	-4.4%	-3.7%

Source: CRS calculations of the compounded annual rate of change between FY2016 and the stated prior year. Regular appropriations only; all years include Commodity Futures Trading Commission. See footnotes in **Table A-1** for definitions of "domestic nutrition" and "rest of bill."

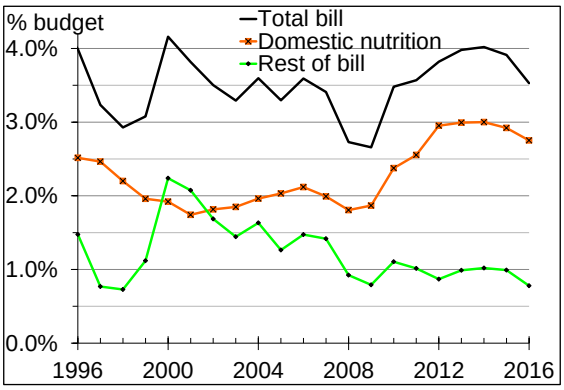
Comparisons to the Federal Budget, GDP, and Population

Relative to the entire **federal budget**, the Agriculture bill's share has declined from over 4% of the total federal budget in FY1995 and FY2000, to 2.7% in FY2008, before rising again to about 4% from FY2013-FY2015 (**Figure A-4**, **Table A-4**). Within that total, the share for nutrition programs had declined from 2.5% in FY1995 to 1.8% in FY2008, but the recent recession has caused that share to rise to about 3% through FY2014, before falling again. The share for the rest of the bill has declined from 2.2% in FY2000 to about 1.0% since FY2011 and 0.8% in FY2016.

Those shares of the federal budget also can be subdivided into mandatory and discretionary spending (**Figure A-5**). The mandatory share for nutrition is presently about 2.6% (decreasing since FY2014), while the discretionary share for nutrition is fairly steady at about 0.2%. The mandatory share for the rest of the bill (primarily crop insurance, commodity program subsidies, and conservation) fell from about 0.6% to 0.4% in FY2016, while the discretionary share for the rest of the bill remains steady at about 0.37%.

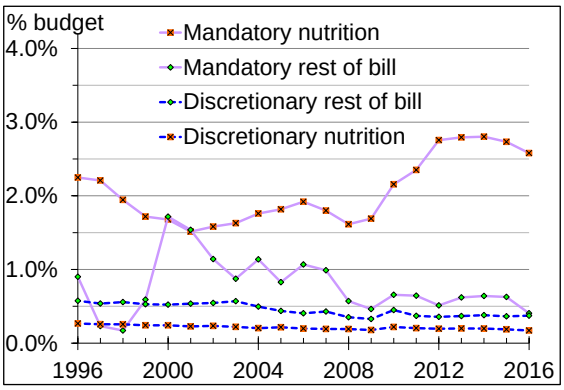
The 0.4% share of the federal budget above for mandatory spending on crop insurance, farm commodity subsidies, and conservation is a good proxy for farm bill spending on agricultural (non-nutrition) programs (**Figure A-5**). It has been variable and generally declining since 2000 (consistent with farm commodity spending until recently), and steadier since 2009 (consistent with the recent inverse relationship between the farm commodity programs and crop insurance).

Figure A-4. Agriculture Appropriations as Percentages of Total Federal Budget



Source: CRS.

Figure A-5. More Components as Percentages of Total Federal Budget



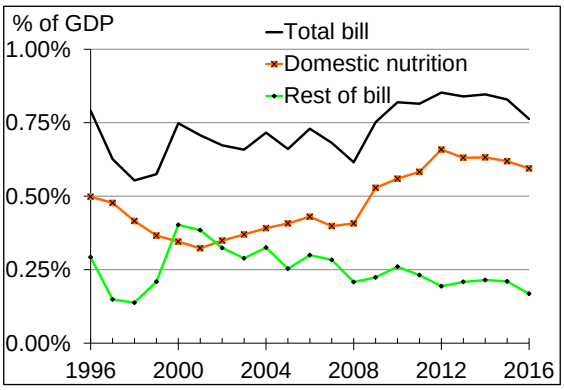
Source: CRS.

As a percentage of gross domestic product (GDP),[161] Agriculture appropriations had been fairly steady at under 0.75% of GDP from FY1997 to FY2009, but have risen to over 0.8% of GDP from FY2010 to FY2015, before falling again to 0.76% in FY2016 (**Figure A-6**, **Table A-4**). Nutrition programs have risen as a percentage of GDP since FY2000 (0.32% in FY2001 to 0.66% in FY2012), though they have ameliorated to 0.59% in FY2016. The share relative to GDP for non-nutrition agricultural programs has declined (0.40% in FY2000 to 0.17% in FY2015).

On a per capita basis, inflation-adjusted total Agriculture appropriations have risen slightly over the past 10 to 15 years from about $250 per capita in 1998 (FY2016 dollars) to about $435 per capita in FY2016 (**Figure A-7**). Nutrition programs have risen more steadily on a per capita basis from about $160 per capita in FY2001 to nearly $340 per capita in FY2016. Non-nutrition "other" agricultural programs have been more steady or declining, falling from about $200 per capita in FY2000 to slightly under $100 per capita in FY2016.

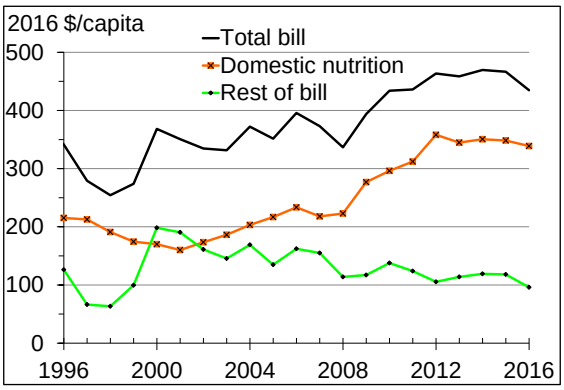
[161] Two other CRS reports compare various components of federal spending against GDP at a more aggregate level. See CRS Report RL33074, *Mandatory Spending Since 1962*, and CRS Report RL34424, *The Budget Control Act and Trends in Discretionary Spending*.

Figure A-6. Agriculture Appropriations as Percentages of GDP



Source: CRS.

Figure A-7. Agriculture Appropriations per Capita of U.S. Population



Source: CRS.

Table A-4. Trends in Agriculture Appropriations Measured Against Benchmarks

Fiscal year	**1997**	**1998**	**1999**	**2000**	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**
Federal Budget ($ billions)	1,643	1,692	1,777	1,825	1,959	2,090	2,266	2,408	2,583	2,780
GDP ($ billions)	8,483	8,955	9,511	10,148	10,565	10,877	11,332	12,089	12,889	13,685
Population (millions)	272.9	276.1	279.3	282.4	285.3	288.0	290.7	293.3	296.0	298.8
Pct. of Federal Budget	**3.23%**	**2.93%**	**3.08%**	**4.16%**	**3.82%**	**3.50%**	**3.29%**	**3.60%**	**3.30%**	**3.59%**
Domestic nutrition	2.46%	2.20%	1.96%	1.92%	1.74%	1.82%	1.85%	1.96%	2.03%	2.12%
Mandatory	*2.21%*	*1.94%*	*1.72%*	*1.68%*	*1.51%*	*1.58%*	*1.63%*	*1.76%*	*1.82%*	*1.92%*
Discretionary	*0.26%*	*0.25%*	*0.24%*	*0.24%*	*0.23%*	*0.23%*	*0.22%*	*0.20%*	*0.21%*	*0.20%*
Rest of bill	0.77%	0.73%	1.12%	2.24%	2.07%	1.69%	1.44%	1.63%	1.26%	1.47%
Mandatory	*0.23%*	*0.17%*	*0.59%*	*1.72%*	*1.54%*	*1.14%*	*0.87%*	*1.14%*	*0.83%*	*1.07%*
Discretionary	*0.54%*	*0.56%*	*0.53%*	*0.52%*	*0.54%*	*0.54%*	*0.57%*	*0.50%*	*0.44%*	*0.40%*
Pct. of GDP	**0.63%**	**0.55%**	**0.58%**	**0.75%**	**0.71%**	**0.67%**	**0.66%**	**0.72%**	**0.66%**	**0.73%**
Domestic nutrition	0.48%	0.42%	0.37%	0.35%	0.32%	0.35%	0.37%	0.39%	0.41%	0.43%
Rest of bill	0.15%	0.14%	0.21%	0.40%	0.38%	0.32%	0.29%	0.33%	0.25%	0.30%
Per capita (2015 dollars)	**279**	**254**	**274**	**368**	**351**	**335**	**332**	**372**	**352**	**396**
Domestic nutrition	213	191	174	170	160	174	186	203	217	233
Rest of bill	66	63	100	198	191	161	145	169	135	162
Fiscal year	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
Federal Budget ($ billions)	2,863	3,326	4,077	3,485	3,510	3,576	3,478	3,619	3,773	3,991
GDP ($ billions)	14,323	14,752	14,415	14,799	15,379	16,027	16,498	17,184	17,803	18,472
Population (millions)	301.7	304.5	307.2	309.3	311.6	313.9	316.1	318.9	321.4	324.0
Pct. of Federal Budget	**3.41%**	**2.73%**	**2.66%**	**3.48%**	**3.57%**	**3.82%**	**3.98%**	**4.02%**	**3.91%**	**3.53%**
Domestic nutrition	1.99%	1.81%	1.87%	2.38%	2.55%	2.95%	2.99%	3.00%	2.92%	2.75%
Mandatory	*1.80%*	*1.61%*	*1.69%*	*2.16%*	*2.35%*	*2.76%*	*2.79%*	*2.80%*	*2.73%*	*2.58%*

Fiscal year	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Discretionary	*0.19%*	*0.19%*	*0.18%*	*0.22%*	*0.20%*	*0.20%*	*0.20%*	*0.20%*	*0.19%*	*0.17%*
Rest of bill	1.42%	0.92%	0.79%	1.10%	1.01%	0.87%	0.99%	1.02%	0.99%	0.78%
Mandatory	*0.99%*	*0.57%*	*0.46%*	*0.66%*	*0.64%*	*0.51%*	*0.62%*	*0.64%*	*0.63%*	*0.40%*
Discretionary	*0.43%*	*0.35%*	*0.33%*	*0.45%*	*0.37%*	*0.36%*	*0.37%*	*0.38%*	*0.36%*	*0.37%*
Pct. of GDP	**0.68%**	**0.62%**	**0.75%**	**0.82%**	**0.81%**	**0.85%**	**0.84%**	**0.85%**	**0.83%**	**0.76%**
Domestic nutrition	0.40%	0.41%	0.53%	0.56%	0.58%	0.66%	0.63%	0.63%	0.62%	0.59%
Rest of bill	0.28%	0.21%	0.22%	0.26%	0.23%	0.19%	0.21%	0.21%	0.21%	0.17%
Per capita (2015 dollars)	**373**	**337**	**394**	**434**	**436**	**464**	**459**	**470**	**466**	**435**
Domestic nutrition	218	223	277	296	312	358	345	351	348	339
Rest of bill	155	114	117	138	124	105	114	119	118	96

Source: CRS. Federal budget and GDP from OMB, Budget of the United States, "Historical Tables," Table 5.1 (total budget authority), and Table 10.1, respectively. Populations from Census Bureau Population Projections, and *Statistical Abstract of the United States.* See **Table A-1** for definitions of "domestic nutrition" and "rest of bill."

Appendix B. Budget Sequestration

Sequestration is a process of automatic, largely across-the-board reductions that permanently cancel mandatory and/or discretionary budget authority when spending would exceed statutory budget goals. The current requirement for sequestration is in the Budget Control Act of 2011 (BCA; P.L. 112-25).[162] **Table B-1** shows the rates of sequestration and the amounts of budget authority cancelled from accounts in the Agriculture appropriations bill.

Table B-1. Sequestration from Accounts in the Agriculture Appropriation

(budget authority in millions of dollars)

	Discretionary Accounts		Mandatory Accounts	
Fiscal year	**Rate**	**Amount**	**Rate**	**Amount**
2013	5.0%	1,153	5.1%	713
2014	—	—	7.2%	1,052
2015	—	—	7.3%	1,153
2016	—	—	6.8%	1,819

Source: OMB, various *Reports to the Congress on the Joint Committee Reductions (Sequestration),* at https://www.whitehouse.gov/omb/legislative_reports/sequestration. Compiled by CRS.

Notes: Sequestration rates are for non-exempt, non-defense accounts. Amount totals were computed by CRS.

Although the Bipartisan Budget Act of 2013 (P.L. 113-67) raised spending limits in the BCA to avoid sequestration of *discretionary* accounts in FY2014 and FY2015—and the Bipartisan Budget Act of 2015 (P.L. 114-74) did it again for FY2016 and FY2017—they do not prevent or reduce sequestration on *mandatory* accounts.

In fact, to pay for avoiding sequestration of discretionary spending in the near term, or as a general budgetary offset for other bills, Congress *extended* the original FY2021 duration of sequestration on mandatory programs three times. First, it extended the duration of mandatory sequestration by two years (until FY2023) as an offset in the 2013 budget act.[163] Second, by another year (until FY2024) to maintain retirement benefits for certain military personnel (P.L. 113-82). And third, another year (until FY205) as an offset in the 2015 budget act.[164]

The first farm commodity program payments from the 2014 farm bill were due in October 2015, and USDA indicated that they would be subject to the 6.8% reduction applicable to FY2016.[165]

Some farm bill mandatory programs are exempt from sequestration. The nutrition programs and the Conservation Reserve Program are statutorily exempt,[166] and some prior legal obligations in crop insurance and the farm commodity programs may be exempt as determined by OMB.[167]

[162] See CRS Report R42972, *Sequestration as a Budget Enforcement Process: Frequently Asked Questions*.

[163] CBO, *Bipartisan Budget Act of 2013,* December 11, 2013, at https://www.cbo.gov/publication/44964.

[164] CBO, *Bipartisan Budget Act of 2015,* October 28, 2015, at https://www.cbo.gov/publication/50938.

[165] Southwest Farm Press, "Vilsack Announces 6.8% ARC/PLC Cuts Forthcoming," October 8, 2016, at http://southwestfarmpress.com/government/vilsack-announces-68-arcplc-cuts-forthcoming-2014-2016-payments-farmers.

[166] Generally speaking, the benefits from these programs are exempt from sequestration; however, some administrative expenses in these programs may be subject to sequestration, and therefore the programs may appear in the tables in this appendix with a relatively small sequesterable amount compared to their total budget authority.

[167] 2 U.S.C. 905 (g)(1)(A), and 2 U.S.C. 906 (j). See also CRS Report R42050, *Budget "Sequestration" and Selected*

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

Since enactment of the BCA, the Office of Management and Budget (OMB) has ordered budget sequestration on non-exempt, non-defense discretionary accounts only once,[168] in FY2013 (**Table B-1**), and on mandatory accounts annually in FY2013-FY2016 (**Table B-2**).

Table B-2. Sequestration of Mandatory Agriculture Appropriations in FY2013-2016

(budget authority in millions of dollars)

	FY2013		FY2014		FY2015		FY2016	
	Seq. BA	Amount	Seq. BA	Amount	Seq. BA	Amount	Seq. BA	Amount
Sequestration rate on non-exempt, non-defense mandatory accounts		**5.1%**		**7.2%**		**7.3%**		**6.8%**
U.S. Department of Agriculture								
Office of the Secretary	—	—	—	—	13	0.9	13	0.9
Office of Chief Economist	—	—	—	—	1	0.1	1	0.1
Agricultural Research Service	2	0.1	2	0.1	2	0.1	2	0.1
National Institute of Food, Agriculture							145	9.9
Extension	5	0.3	5	0.4	25	1.8	—	—
Biomass R&D	—	—	—	—	3	0.2	3	0.2
Integrated Activities	—	—	—	—	100	7.3	—	—
Animal and Plant Health Inspection Service								
Salaries appropriation	266	13.6	261	18.8	294	21.5	295	20.1
Misc. Trust Funds	1	0.1	1	0.1	1	0.1	1	0.1
Food Safety Inspection Service								
Expenses and refunds	1	0.1	1	0.1	1	0.1	1	0.1
Grain Insp. Packers, Stockyards Admin.								
Limitation on Expenses	41	2.1	41	3.0	41	3.0	46	3.1
Agricultural Marketing Service								
Section 32	792	40.4	1,107	79.7	1,122	81.9	1,137	77.3
Milk Market Orders Assess. Fund	57	2.9	58	4.2	57	4.2	59	4.0
Perishable Ag Commodities Act	11	0.6	11	0.8	11	0.8	12	0.8
Expenses and refunds	8	0.4	12	0.9	12	0.9	19	1.3
Payments to States and Possessions	—	—	—	—	73	5.3	73	5.0
Marketing Services	—	—	—	—	30	2.2	30	2.0
Federal Crop Insurance Corporation	58	3.0	58	4.2	81	5.9	51	3.5
Farm Service Agency								

Program Exemptions and Special Rules.

[168] See CRS Report R43669, *Agriculture and Related Agencies: FY2015 Appropriations*.

	FY2013		FY2014		FY2015		FY2016	
	Seq. BA	Amount	Seq. BA	Amount	Seq. BA	Amount	Seq. BA	Amount
Commodity Credit Corporation	6,460	329.5	7,968	573.7	9,737	710.8	20,420	1,388.6
Agricultural Disaster Relief Fund	1,372	70.0	—	—	—	—	—	—
Tobacco Trust Fund	960	49.0	960	69.1	—	—	—	—
Ag. Credit Insurance Corp.	—	—	—	—	1	0.1	1	0.1
CCC Export Loans	—	—	—	—	—	—	6	0.4
Pima Cotton Trust Fund	—	—	—	—	—	—	16	1.1
Wool Apparel Trust Fund	—	—	—	—	—	—	30	2.0
Natural Resources Conservation Service								
Farm Security, Rural Invest. Prog.	3,357	171.2	3,654	263.1	3,697	269.9	3,907	265.7
Watershed Rehabilitation Program	—	—	165	11.9	153	11.2	69	4.7
Rural Business Cooperative Service	87	4.4	89	6.4	118	8.6	141	9.6
Foreign Agricultural Service	1	0.1	2	0.1	1	0.1	1	0.1
Food and Nutrition Service[a]								
SNAP	93	4.7	111	8.0	115	8.4	144	9.8
Child Nutrition Programs	49	2.5	58	4.2	58	4.2	58	3.9
Commodity Assistance Program	21	1.1	21	1.5	21	1.5	21	1.4
WIC	1	0.1	1	0.1	1	0.1	1	0.1
Related Agencies								
Food and Drug Administration								
User Fees	319	16.3	—	—	—	—	—	—
Revolving Fund for Certification	8	0.4	8	0.6	8	0.6	9	0.6
Commodity Futures Trading Comm.	13	0.7	12	0.9	14	1.0	32	2.2
Total	**13,983**	**713.1**	**14,606**	**1,051.6**	**15,791**	**1,152.7**	**26,744**	**1,818.6**

Source: OMB, various *Reports to the Congress on the Joint Committee Reductions (Sequestration),* at https://www.whitehouse.gov/omb/legislative_reports/sequestration. Compiled by CRS.

Notes: "Seq. BA" = Sequesterable budget authority; "Amount" = Amount of sequestration. Sequestration rates are for non-exempt, non-defense accounts. Column totals were computed by CRS.

a. Benefits from the nutrition programs generally are exempt from sequestration by statute, but some administrative expenses in these programs may be subject to sequestration and therefore a relatively small portion of the total budget authority may be sequesterable.

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