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Agricultural Conservation: FY2022 Appropriations

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SUMMARY

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Agricultural Conservation: FY2022 Appropriations

The Agriculture appropriations bill funds the U.S. Department of Agriculture (USDA) except for the Forest Service. For FY2022, the House Appropriations Committee reported H.R. 4356 on June 30, 2021, and the Senate Appropriations Committee reported S. 2599 on August 4, 2021. The House passed a seven-bill omnibus appropriation (H.R. 4502) on July 29, 2021, with Agriculture appropriations as Division B. The FY2022 House-passed and Senate-reported bills include funding for USDA conservation programs and activities. Differences between the two versions are unresolved, as of this report's date. In the absence of an enacted full-year appropriation, Congress passed a continuing resolution (P.L. 117-43, Division A) through December 3, 2021.

Agricultural conservation programs include both mandatory and discretionary spending. Most conservation program funding is mandatory and is authorized in omnibus farm bills. Other conservation programs—mostly technical assistance—operate with discretionary funding through annual appropriations.

The largest discretionary conservation program is the Conservation Operations (CO) account, which funds conservation planning and implementation assistance on private agricultural lands across the country. The Natural Resources Conservation Service (NRCS) administers the CO account. CO funds are used to support nearly half of the salaries and expenses for NRCS staff, as well as NRCS technology development, conservation system design, compliance reviews, grants to partners for additional technical assistance capacity, and resource assessment reports. A decline in funding for CO over the past 10 years has resulted in reduced NRCS staffing levels. Reductions in staff may affect NRCS's ability to provide technical assistance and administer farm bill conservation programs to farmers and ranchers.

The FY2022 House-passed and Senate-reported bills would increase funding for CO. The House bill would increase funding by $62.0 million above FY2021 levels to $894.7 million. The Senate-reported bill would increase funding for CO by $105.2 million above FY2021 levels to $938.0 million. While the total amount for CO funding would increase under both FY2022 bills, a larger portion of the funding would be directed to specific conservation programs and activities than for other uses, such as staff positions. The Administration's FY2022 request is for an increase in CO funding of $53.5 million from the FY2021 appropriation without a proposed increase in staff. The request proposes that the increase in funds be used primarily for climate change-related initiatives.

Other discretionary spending for agricultural conservation is primarily for watershed programs. The House-passed and Senate-reported bills include $10.0 million for the Watershed Rehabilitation Program—the same amount enacted in FY2021. The largest program—Watershed and Flood Prevention Operations (WFPO)—received $175.0 million in FY2021. For FY2022, the House-passed bill would decrease WFPO funding to $160.0 million. The Senate-reported bill would increase funding in FY2022 to $198.0 million, with the additional $23.2 million in funding designated for congressionally directed spending (earmarks). For FY2022, the House and Senate resumed allowing earmarks in appropriations. The House-passed bill for FY2022 does not include earmarks to conservation accounts. The Senate-reported bill contains 24 earmarks totaling $42.9 million in two accounts—CO and WFPO.

Conservation programs funded with mandatory spending do not require annual appropriations, but Congress can reduce mandatory spending programs in appropriations through Changes in Mandatory Program Spending (CHIMPS). Congress enacted CHIMPS on agricultural conservation programs every year between FY2003 and FY2018. Since FY2019, Congress has transferred $60.2 million each year from mandatory conservation programs to fund administrative activities. The FY2022 House-passed and Senate-reported bills both include a similar transfer for FY2022.

Agriculture appropriations bills also may include policy-related provisions that direct how the executive branch is to carry out the appropriations. The FY2022 House-passed and Senate-reported bills both include policy provisions for conservation programs, ranging from waiving specific programmatic requirements to requiring reports to Congress.

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The Agriculture appropriations bill—formally called the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act—funds all of the U.S. Department of Agriculture (USDA), excluding the U.S. Forest Service. For FY2022, the House Appropriations Committee reported H.R. 4356 on June 30, 2021 (including H.Rept. 117-82), and the Senate Appropriations Committee reported S. 2599 on August 4, 2021 (including S.Rept. 117-34). The House passed a seven-bill omnibus appropriation (H.R. 4502) on July 29, 2021, with Agriculture appropriations as Division B. The measure was not completed before the end of FY2021. On September 30, 2021, Congress passed a continuing resolution (P.L. 117-43, Division A), which provides funding for USDA through December 3, 2021.

This report provides a brief overview of the conservation-related provisions in the FY2022 Agriculture appropriations bills. For a general analysis of FY2022 appropriations for agriculture, see CRS Report R46951, *Agriculture and Related Agencies: FY2022 Appropriations*.

Conservation Appropriations

USDA administers numerous agricultural conservation programs that assist private landowners with making land improvements and addressing natural resource concerns. These include working lands programs, land retirement and easement programs, watershed programs, technical assistance, and other programs. The two lead agricultural conservation agencies within USDA are the Natural Resources Conservation Service (NRCS), which provides technical assistance and administers most conservation programs, and the Farm Service Agency (FSA), which administers the Conservation Reserve Program.[1]

Most conservation program funding is mandatory, obtained through the Commodity Credit Corporation (CCC), and authorized in omnibus farm bills (about $5.9 billion of CCC budget authority in FY2022).[2] The Agriculture Improvement Act of 2018 (2018 farm bill; P.L. 115-334) reauthorized most mandatory conservation programs through FY2023. Other conservation programs—most of which provide technical assistance—operate with discretionary funding provided in annual appropriations (about $1 billion annually).

The FY2022 House-passed and Senate-reported appropriations bills generally would increase funding above FY2021 levels for discretionary conservation programs. The Biden Administration's FY2022 request also proposes an increase for discretionary conservation funding from the FY2021 enacted levels.

Discretionary Conservation Programs

Conservation Operations

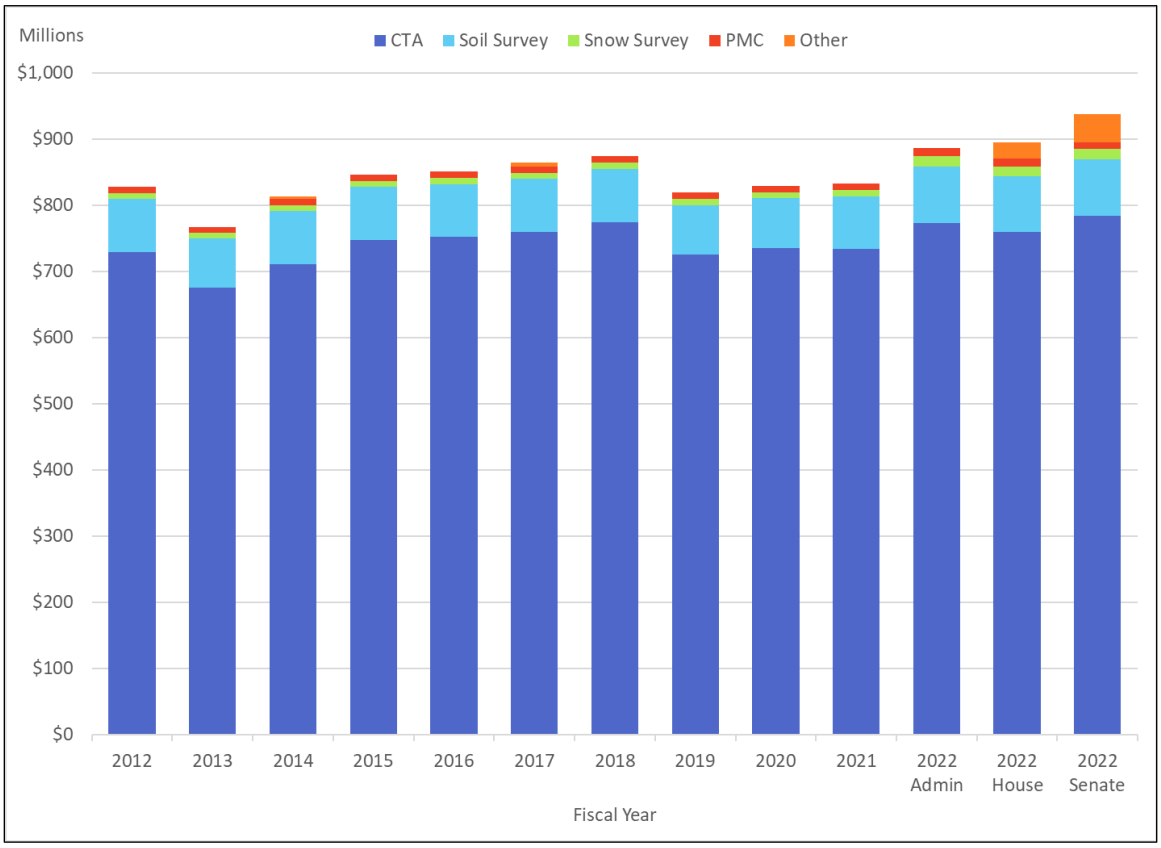
NRCS administers all of USDA's discretionary conservation programs. The largest program and the account that funds most NRCS activities is Conservation Operations (CO). The CO account primarily funds Conservation Technical Assistance (CTA), which provides conservation planning and implementation assistance from field staff placed in almost all counties within the United

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

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

States and its territories. Other components of CO include the Soil Survey, Snow Survey and Water Supply Forecasting, and Plant Materials Centers (**Figure 1**).

Figure 1. Conservation Operations Appropriations, by Function, FY2012-FY2022



Source: Figure created by Congressional Research Service (CRS) based on appropriations acts.

Notes: CTA = Conservation Technical Assistance; PMC = Plant Materials Centers; and Other = Grazing Lands Conservation Initiatives, watershed projects, rescissions, and other congressionally directed funds. *House* refers to H.R. 4502 (as passed by the House), Division B, and *Senate* refers to S. 2599 (as reported by the Senate Appropriations Committee). Depending on the legislative text, some programs included in *Other* during one year may be accounted for in CTA in another year.

The CO account is the primary source of discretionary funding for technical assistance (see "Funding for Technical Assistance" section for additional detail). The Biden Administration's FY2022 budget requests $886.3 million for CO, $53.6 million (+6.4%) more than enacted for FY2021. The House-passed bill adopts much, but not all, of the Administration's request, proposing $8.5 million more than the Administration's request and $62.0 million (+7.4%) more than the FY2021 enacted. The Senate-reported bill also exceeds the Administration's request, proposing $43.2 million more than the House-passed bill and $105.2 million (12.6%) more than the FY2021 enacted amount.

Both the House-passed and Senate-reported bills direct a portion of CO funding to specific conservation programs and initiatives (**Table 1**). Language in H.Rept. 117-82 (accompanying H.R. 4356) and S.Rept. 117-34 (accompanying S. 2599) further directs funding to selected activities and earmarks (**Table 4** and **Table 5**). In some cases, funding from CO would be directed to programs or initiatives that in prior years have been funded outside of the CO account. For example, the FY2020 and FY2021 enacted appropriations included funding for the Office of

Urban Agriculture and Innovative Production in the General Provisions title ($5.0 million and $7.0 million, respectively). The FY2022 Administration's request includes funding for the Office of Urban Agriculture and Innovative Production as a standalone appropriation ($9.5 million) under NRCS. The House-passed and Senate-reported bills, however, would fund this program from the CO account ($9.5 million and $8.0 million, respectively). Therefore, while the total amount for CO funding would increase under the House-passed and Senate-reported bills, much of the increase would go to these directed activities (**Table 1**).

Table 1. FY2020-FY2022 Discretionary Agricultural Conservation Funding

(budget authority in thousands of dollars)

	FY2020	FY2021	FY2022			
Program	**P.L. 116-94**	**P.L. 116-260**	**Admin. Request**	**House-passed**	**Senate-reported**	**Enacted**
Conservation Operations (CO)						
Conservation Technical Assistance	735,760	734,255	773,813	759,813	784,813	
Watershed Projects[a]	*5,600*	*3,000*	0	0	0	
Climate Change-Related Initiatives	0	0	*29,000*	*15,000*	*20,000*	
Soil Health Initiative	0	0	0	*2,000*	*3,000*	
Grazing Lands Conservation Initiative	0	0	0	0	*20,000*	
Soil Survey	74,987	79,444	84,444	84,444	84,500	
Snow Survey	9,400	9,488	16,488	14,488	16,500	
Plant Material Centers	9,481	9,540	11,540	11,540	9,540	
Urban Agriculture and Innovative Production[b]	0	0	0	9,458	8,000	
Heathy Forest Reserve Program	0	0	0	10,000	0	
Feral Hog Fencing	0	0	0	5,000	0	
NFWF Working Land Resilience Program	0	0	0	0	15,000	
CO Earmarks (see **Table 2**)	NA	NA	NA	NA	19,611	
Total Conservation Operations	829,628	832,727	886,285	894,743	937,964	
Watershed Operations	175,000	175,000	175,000	160,000	198,275	
Watershed Earmarks (see **Table 2**)	NA	NA	NA	NA	*23,275*	
Watershed Rehabilitation Program	10,000	10,000	10,000	10,000	10,000	
Water Bank	[4,000]	[4,000]	0	0	[4,000]	
Heathy Forest Reserve Program	0	0	20,000	0	0	

Program	FY2020 P.L. 116-94	FY2021 P.L. 116-260	FY2022 Admin. Request	FY2022 House-passed	FY2022 Senate-reported	FY2022 Enacted
Urban Agriculture and Innovative Production[b]	[5,000]	[7,000]	9,458	0	0	
Total NRCS Discretionary	**1,014,628**	**1,017,727**	**1,100,743**	**1,064,743**	**1,146,239**	

Source: Prepared by CRS using appropriations text and report tables. *House-passed* refers to H.R. 4502, Division B, and *Senate-reported* refers to S. 2599.

Notes: Amounts are nominal discretionary budget authority in thousands of dollars unless labeled otherwise. Italics indicate funding that is shown within other accounts in the table. Bracketed amounts are not included in totals; they indicate funding appropriated in General Provisions and accounted for separately from the Natural Resources Conservation Service (NRCS) appropriations. Excludes amounts in supplemental appropriations acts and proposed rescission language. NFWF = National Fish and Wildlife Foundation; NA = Not applicable.

a. In FY2020, separate funding levels were provided for selected watershed projects, with a primary purpose to provide water to rural communities from within Conservation Technical Assistance (CTA). In the FY2021 enacted appropriation, this language was moved to the Watershed Operations account. Language also was included in the FY2021 enacted appropriation directing funding from CTA to watershed projects authorized under the Flood Control Act of 1944 (P.L. 78-534). While similar in nature, they are for distinctly different watershed projects. For additional discussion, see the "Watershed Programs" section.

b. FY2020 and FY2021 enacted included funding for the Urban Agriculture and Innovative Production program in the General Provisions title. The FY2022 Administration's request includes funding as a standalone appropriation, and the House and Senate bills would fund the office from CO.

Funding for Technical Assistance

NRCS is the federal provider of technical assistance for agricultural conservation.[3] At the landowner's request, NRCS provides technical assistance to conserve and improve natural resources. The assistance includes technical expertise combined with knowledge of local conditions and is provided through a network of federal staff throughout the United States.

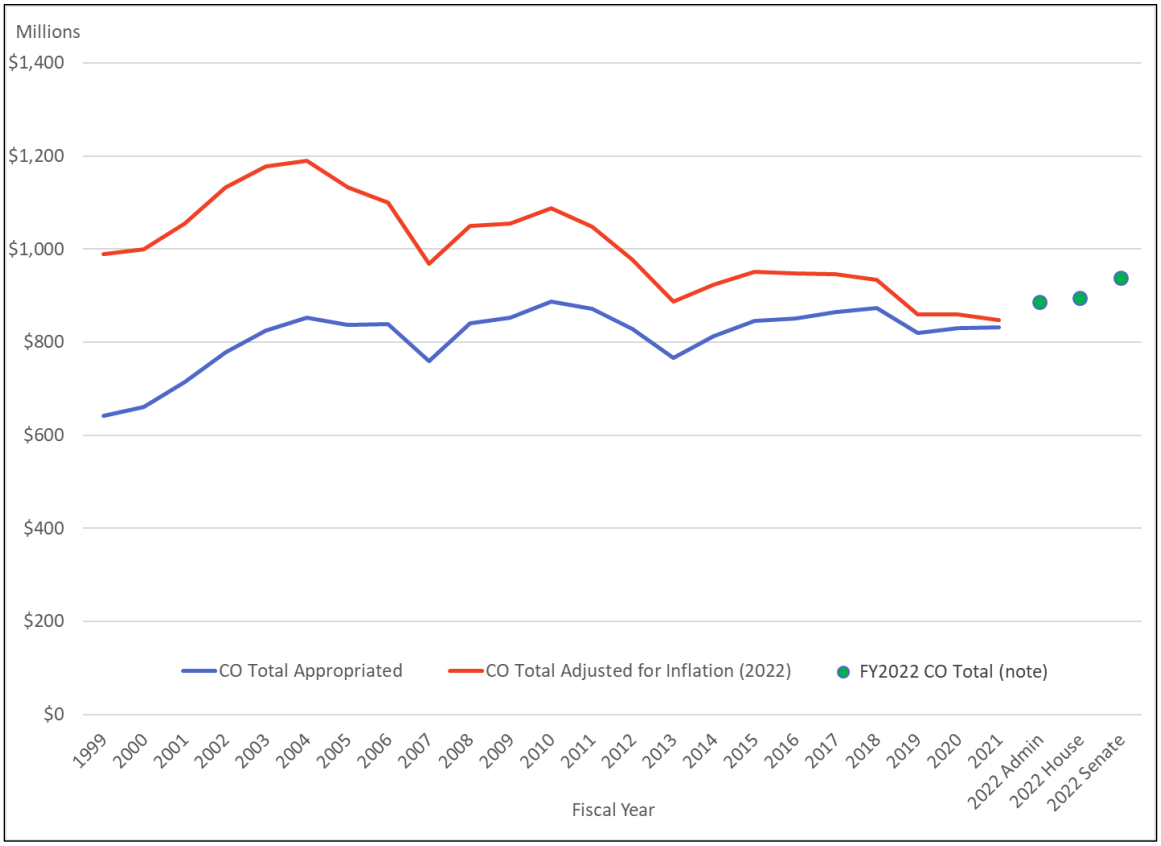
Technical assistance for conservation is funded through both mandatory and discretionary sources, with CO being the primary account receiving discretionary funding from annual appropriations. The CTA program within CO funds much of the conservation technical assistance provided by NRCS. Funds support salaries and expenses for NRCS staff, technology development, conservation system design, compliance reviews, grants to partners for additional technical assistance capacity, and resource assessment reports. Total funding for CO has fluctuated in recent years. In some cases, fluctuations in funding were the result of an Administration's request. In other cases, funding changes reflected national budget dynamics that were not unique to CO (e.g., reductions caused by fiscal pressures and sequestration in FY2013 and funding increases through budget agreements in FY2014-FY2021). In inflation-adjusted dollars, CO has declined over the past 20 years (see **Figure 2**).

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

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

In addition to technical assistance provided through CTA and CO, technical assistance is part of farm bill conservation programs, which are funded through a program's mandatory authorization. Most technical assistance activities within mandatory programs support the delivery of some level of financial assistance as part of a contract or agreement (**Figure 3**). These activities could include providing designs, standards, and specifications needed to install approved conservation practices and activities.

Figure 2. Conservation Operations (CO) Appropriated Funding, FY1999-FY2022



Sources: Figure created by CRS using historical appropriations; and Office of Management and Budget, *Table 10.1—Gross Domestic Product and Deflators Used in the Historical Tables: 1940–2026*, May 2021, at https://www.whitehouse.gov/wp-content/uploads/2021/05/hist10z1_fy22.xlsx.

Notes: The blue line is funding in nominal dollars, whereas the inflation-adjusted red line is calculated using the gross domestic product price deflator in FY2022 dollars. Green dots are FY2022 CO totals in the FY2022 Administration's request, House-passed H.R. 4502, Division B, and Senate-reported S. 2599, respectively.

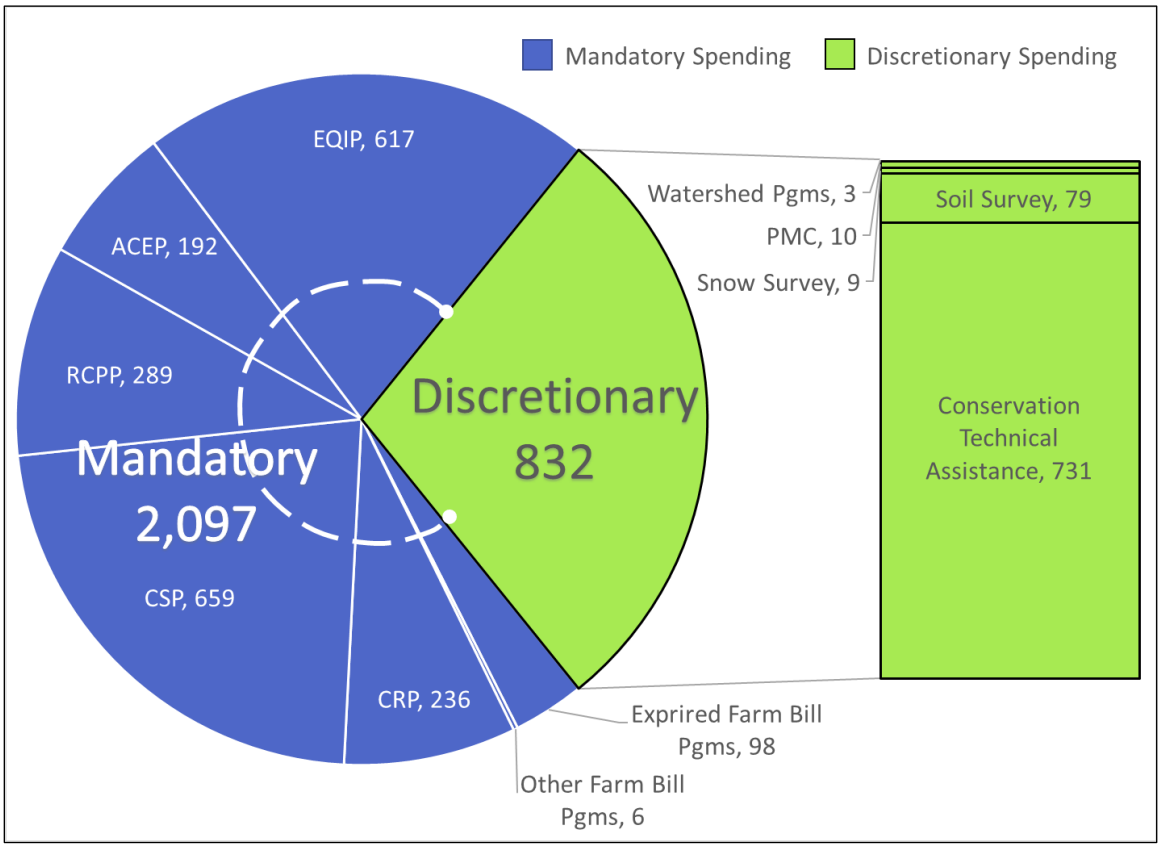
Generally, technical assistance prior to a producer entering into a contract for financial assistance is considered part of CTA. After a producer signs a contract for financial assistance, technical assistance is funded from the individual mandatory program rather than CTA. Once the financial assistance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

As **Figure 3** shows, mandatory programs fund the majority of NRCS technical assistance. Proposals to increase financial assistance for the farm bill conservation programs would likely require a corresponding increase in the amount of technical assistance needed for implementation. For example, the Build Back Better Act (H.R. 5376, passed by the House) would increase

selected farm bill conservation programs and CTA.[4] Without an increase in discretionary spending accounts, implementation of additional financial assistance could potentially be hindered since technical assistance prior to a financial assistance contract generally is funded through discretionary spending accounts (i.e., CTA).

Figure 3. FY2021 Estimated NRCS Technical Assistance, by Program

(budget authority in millions of dollars)



Source: Figure created by CRS using USDA, *FY2022 Budget Explanatory Notes—Natural Resources Conservation Service*, p. 29.

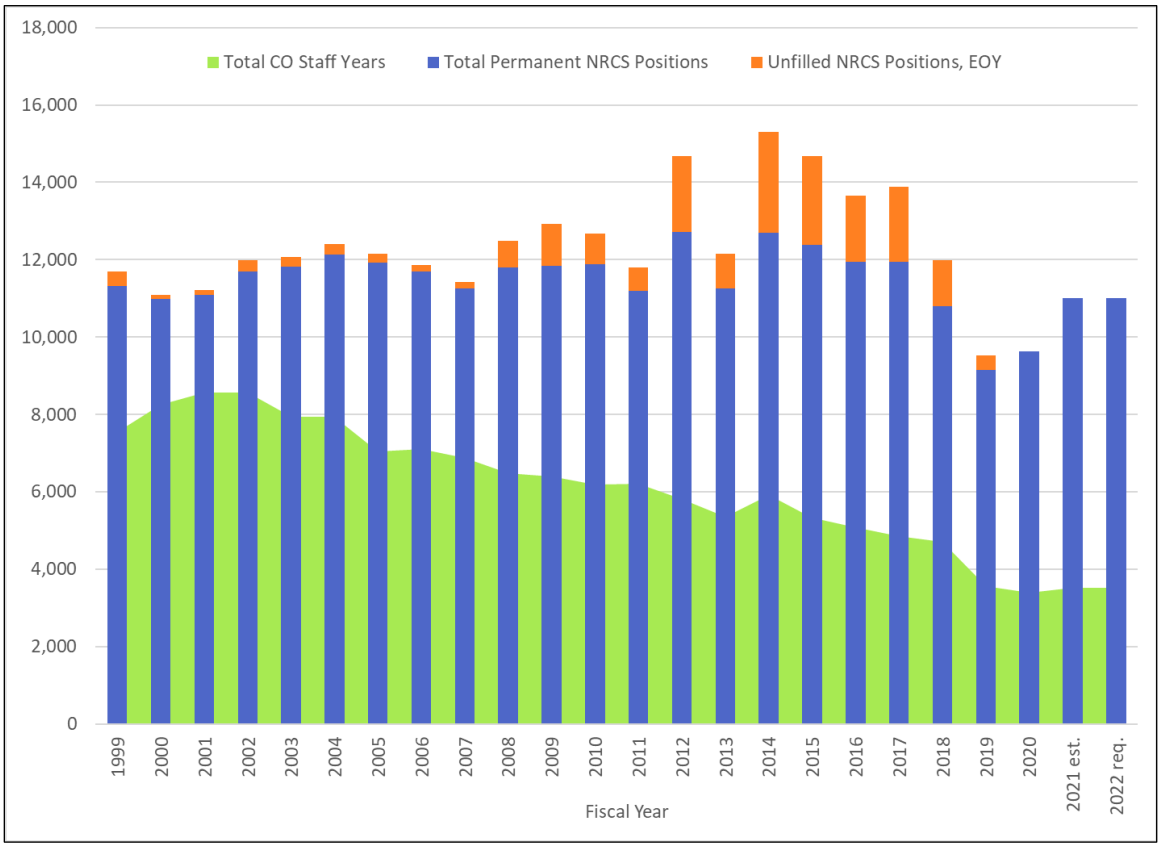
Notes: The figure reflects the total resources for staff, as reported by NRCS, as necessary to implement NRCS-administered conservation programs, including technical assistance for the Conservation Reserve Program (CRP). The total for discretionary technical assistance includes associated science and technology programs funded through the Conservation Operations account. The total for mandatory technical assistance includes the amount reported by NRCS as necessary to implement farm bill authorized conservation programs. ACEP = Agricultural Conservation Easement Program; CSP = Conservation Stewardship Program; EQIP = Environmental Quality Incentives Program; PMC = Plant Material Centers; and RCPP = Regional Conservation Partnership Program. ACEP, CRP, CSP, EQIP, and RCPP are authorized through farm bills, most recently the Agriculture Improvement Act of 2018 (P.L. 115-334). *Expired Farm Bill Programs* include Agricultural Water Enhancement Program, Chesapeake Bay Watershed Program, Farm and Ranchland Protection Program, Grassland Reserve Program, Wetlands Reserve Program, and Wildlife Habitat Incentives Program. *Other Farm Bill Programs* include the NRCS portion of Agricultural Management Assistance, Voluntary Public Access and Habitat Incentive Program, Feral Swine Eradication and Control Pilot, and Healthy Forest Reserve Program.

[4] H.R. 5376 (as passed by the House) would increase selected farm bill conservation programs by $22.3 billion over five years. The act would also increase Conservation Technical Assistance (CTA) by $950 million over five years, with $200 million for the NRCS to provide technical assistance and $100 million for administrative costs. The remaining CTA funds would be directed to climate change-related initiatives.

NRCS Staffing Levels

The CO account funds close to half of NRCS staff; other smaller discretionary programs and mandatory conservation programs account for the remainder. The total number of permanent positions at NRCS funded by CO declined from FY2014 through FY2019. The number of unfilled positions at the agency further magnified this reduction in staff until FY2020, when there was a slight increase (see **Figure 4**). The Administration's FY2022 request includes no increase in proposed staff, notwithstanding a requested increase in CO funding of $53.6 million compared with FY2021. According to the request, this increase in funding would be used primarily for climate change-related initiatives.[5] If FY2021 staffing estimates were realized and no additional staff were added in FY2022, NRCS staffing levels would have increased from their recent low levels (FY2018 through FY2020) but would still remain below higher staffing levels experienced before FY2017 (see **Figure 4**).

Figure 4. Total Natural Resources Conservation Service (NRCS) Staffing, FY1999-FY2022



Source: Figure created by CRS using annual USDA Budget Explanatory Notes.

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

[5] For additional information, see CRS Report R46454, *Climate Change Adaptation: U.S. Department of Agriculture*.

Watershed Programs

The House-passed and Senate-reported bills both contain funding for watershed activities, including Watershed and Flood Prevention Operations (WFPO)—a program that assists state and local organizations with planning and installing measures to prevent erosion, sedimentation, and flood damage.[6] The House-passed bill would reduce WFPO funding to $160.0 million, $15.0 million less than the FY2021 level of $175.0 million. The Senate-reported bill would increase funding to $198.3 million, with the $23.3 million increase directed to earmarks. The Administration's FY2022 request proposes a consistent $175 million.

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

Since FY2014, Congress has directed a portion of CO funds to selected WFPO activities. The enacted FY2021 appropriation included similar directive language but shifted a portion to the WFPO account (**Table 1**). The House-passed and Senate-reported bills do not transfer CO funds for WFPO activities, but both bills would direct WFPO funding to specific activities (**Table 3**). The House-passed bill would direct $65.0 million of available WFPO funding to projects that could commence promptly, address regional priorities, or are authorized under the Flood Control Act of 1944 (P.L. 534 projects). The Senate-reported bill includes similar language for $10.0 million of available WFPO funds. The Senate-reported bill also would direct $23.3 million for WFPO earmarks and $10.0 million for projects that provide water to rural communities.

The House-passed and Senate-reported bills include $10.0 million for the Watershed Rehabilitation Program—the same as enacted in FY2021. The Watershed Rehabilitation Program repairs aging dams built by USDA under WFPO. The Biden Administration also requests $10.0 million in FY2022.

The 2018 farm bill provides $50.0 million annually in permanent mandatory funding for WFPO and Watershed Rehabilitation activities. The mandatory funding is in addition to discretionary funding provided through annual appropriations.[8] Also separate from annual appropriations, the Infrastructure Investment and Jobs Act (P.L. 117-58, Division J, Title I) provides $918.0 million for NRCS watershed programs in FY2022, including $500.0 million for WFPO, $118.0 million for the Watershed Rehabilitation Program, and $300.0 million for the Emergency Watershed Protection Program. Funding is available until expended.

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

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

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

Congressionally Directed Spending (Earmarks)

For FY2022, the House and Senate resumed allowing earmarks in appropriations.[9] Appropriations acts last contained earmarks in FY2010.[10] *Earmarks* generally are defined as congressionally directed spending that noncompetitively benefits a specific entity or locality. Both chambers' rules require that appropriations reports disclose earmarks.[11]

The House-passed bill for FY2022 does not include earmarks to conservation accounts. The Senate-reported bill contains 24 earmarks totaling $42.9 million in two accounts—CO and WFPO (**Table 2**).

Table 2. FY2022 Earmark Totals in S. 2599, by State and Conservation Program

(dollars in thousands)

State	Conservation Operation	Watershed and Flood Prevention Operations	Total
Connecticut	5,000	0	5,000
Illinois	1,000	0	1,000
Kansas	0	500	500
Mississippi	0	8,400	8,400
New Mexico	1,227	0	1,227
Ohio	1,763	0	1,763
Oregon	750	9,375	10,125
Pennsylvania	3,247	0	3,247
Rhode Island	374	5,000	5,374
Vermont	6,250	0	6,250
Total Earmarks	**19,611**	**23,275**	**42,886**
Account Total	937,964	198,275	NA
Percent Earmarked	2%	12%	NA

Source: Prepared by CRS using Congressionally Directed Spending (earmark) tables in S.Rept. 117-34 (accompanying S. 2599).

WFPO was the conservation program most affected by earmarks before the moratorium in FY2011; the account included earmarks in amounts that varied annually. For example, in FY2009, 97% of the funds appropriated for WFPO were earmarked for specific projects, whereas in FY2010, 74% of appropriated WFPO funds were earmarked.[12] The high percentage of

[9] CRS Report R46722, *Community Project Funding: House Rules and Committee Protocols*.

[10] CRS Report R40976, *Earmarks Disclosed by Congress: FY2008-FY2010 Regular Appropriations Bills*.

[11] CRS Report RS22866, *Earmark Disclosure Rules in the House: Member and Committee Requirements*; and CRS Report RS22867, *Earmark Disclosure Rules in the Senate: Member and Committee Requirements*.

[12] The Omnibus Appropriations Act, 2009 (P.L. 111-8) appropriated $24.3 million for Watershed and Flood Prevention Operations (WFPO), of which $23.6 million was for congressionally designated projects. The Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2010 (P.L. 111-80) appropriated $30 million for WFPO, of which $22.1 million was for congressionally designated projects.

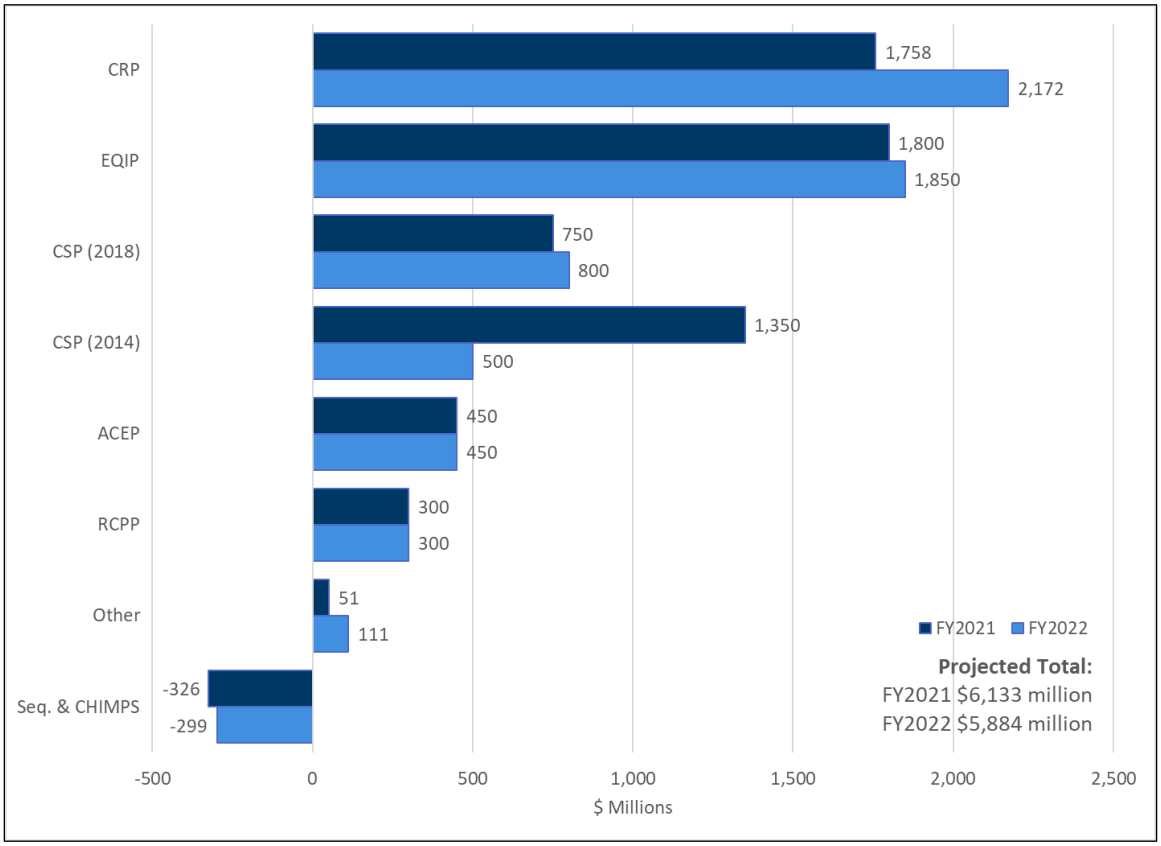
earmarks and program inflexibility were cited among several reasons that no funding for the program was requested in annual budget requests in some years.[13]

Mandatory Conservation Programs

Mandatory conservation programs generally are authorized in omnibus farm bills and receive funding from the CCC—thus, they do not require an annual appropriation. The 2018 farm bill reauthorized mandatory funding through FY2023 for many of the agricultural conservation programs.[14] Because these programs—with the exception of the Conservation Reserve Program (CRP)—are classified as mandatory, nonexempt spending, they are reduced annually by about 6% by budget sequestration (**Figure 5**).[15]

Figure 5. Projected Mandatory Conservation Program Funding, FY2021 and FY2022

(budget authority in millions of dollars)



Sources: Figure created by CRS using Congressional Budget Office (CBO), *Baseline Projections: USDA's Farm Programs*, July 2021, at https://www.cbo.gov/system/files/2021-07/51317-2021-07-usda.pdf; and appropriations for CHIMPS.

[13] Annual requests for no funding for WFPO began in FY2006 under the George W. Bush Administration and continued until the Obama Administration's FY2016 request, which marked the first time in a decade that an Administration requested funding for the program.

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

[15] For additional discussion on sequestration, see Appendix C of CRS Report R46951, *Agriculture and Related Agencies: FY2022 Appropriations*.

Notes: Seq. & CHIMPS = Announced sequestration and changes in mandatory program spending (i.e., transfers to the Farm Production and Conservation Business Center); Other = budget authority for the Emergency Forestry Conservation Reserve Program, Grassroots Source Water Protection, Feral Swine Eradication, Agricultural Management Assistance program, Voluntary Public Access and Habitat Incentive, Watershed and Flood Prevention Operations, Watershed Rehabilitation Program, Conservation User Fees, and programs repealed by the 2014 farm bill; RCPP = Regional Conservation Partnership Program; ACEP = Agricultural Conservation Easement Program; CSP = Conservation Stewardship Program; EQIP = Environmental Quality Incentives Program; and CRP = Conservation Reserve Program. CSP amounts are divided by contracts authorized under the Agricultural Act of 2014 (P.L. 113-79) and Agriculture Improvement Act of 2018 (P.L. 115-334).

Congress has used annual Agriculture appropriations acts to reduce funding to mandatory conservation programs through Changes in Mandatory Program Spending (CHIMPS) every year from FY2003 to FY2017.[16] The FY2018 Consolidated Appropriations Act (P.L. 115-141) marked the first appropriation since FY2002 that did not include CHIMPS to conservation programs, thus allowing all mandatory conservation programs to use their fully authorized level of funding, minus sequestration.

In FY2019, Congress began transferring funds to the Farm Production and Conservation (FPAC) Business Center from other accounts, including from mandatory conservation programs.[17] This transfer creates CHIMPS in three conservation programs—Agricultural Conservation Easement Program (ACEP), Conservation Stewardship Program (CSP), and Environmental Quality Incentives Program (EQIP).[18] The FY2022 House-passed and Senate-reported bills both include the Administration's request for transferring $60.2 million in conservation program CHIMPS to the FPAC Business Center. The same CHIMPS amount ($60.2 million) for the same conservation programs was included in each annual appropriation from FY2019 through FY2021.

Policy-Related Provisions

In addition to setting budgetary amounts, the Agriculture appropriations bill also may include policy-related provisions that direct how the executive branch is to carry out an appropriation. These provisions may have the force of law if they are included in the text of an appropriations act, but their effect is generally limited to the current fiscal year (see **Table 3**). Policy-related provisions in appropriations acts generally do not amend the *U.S. Code* or have a multiyear effect.

For example, the WFPO program historically has been called the "small watershed program" because no project may exceed 250,000 acres, and no structure may exceed 12,500 acre-feet of floodwater detention capacity or 25,000 acre-feet of total capacity. The FY2021 enacted appropriation includes a policy provision that waives the 250,000-acre project limit when the

[16] Changes in Mandatory Program Spending (CHIMPS) are adjustments via an appropriations act that can change available funding for mandatory programs. CHIMPS usually change spending for one year and may score as an increase or decrease to outlays. They do not change the underlying authority of the program in law. For additional background on CHIMPS, see CRS In Focus IF10041, *Reductions to Mandatory Agricultural Conservation Programs in Appropriations Law*.

[17] For additional background on the Farm Production and Conservation (FPAC) Business Center and conservation programs, see CRS Report R46728, *FY2021 Appropriations for Agricultural Conservation*.

[18] The Administration's FY2022 request to transfer $60.2 million to the FPAC Business Center from mandatory conservation programs would be divided as follows: $8.3 million from the Agricultural Conservation Easement Program (ACEP), $21.2 million from the Conservation Stewardship Program (CSP), and $30.7 million from the Environmental Quality Incentives Program (EQIP). None of the funds is proposed to come from the Conservation Reserve Program.

project's primary purpose is something other than flood prevention.[19] This provision does not amend the WFPO authorization and is effective only for the funds provided during the current appropriation year.[20] The House-passed and Senate-reported bills for FY2022 both include a similar provision.

Many of these provisions have been included in past years' appropriations acts. Some provisions in report language and bill text address conservation programs that are not authorized or funded within the annual appropriations (i.e., mandatory spending for farm bill-authorized programs).

Table 3 compares some of the conservation-related policy provisions in the Farm Production and Conservation Programs (Title II) and General Provisions (Title VII) titles of the enacted FY2021 Agriculture appropriation with those in the House-passed and Senate-reported bills for FY2022. Many of these provisions were included in past years' appropriations acts. The table is divided by agency and account according to their location within the bills.

Table 3. Selected Conservation Policy Provisions in the FY2021 and FY2022 Appropriations Acts

FY2021	FY2022	
Enacted, P.L. 116-260	**House-passed, H.R. 4502**	**Senate-reported, S. 2599**
Farm Production and Conservation (FPAC) Business Center		
FPAC Business Center. Directs the transfer of $60.2 million from mandatory conservation program accounts to the Business Center account (**Title II**).	Same as FY2021 enacted (**Title II**).	Same as FY2021 enacted (**Title II**).
Natural Resources Conservation Service (NRCS)		
Conservation Operation (CO). Directs $3.0 million of CO to projects authorized under the Flood Control Act of 1944 (**Title II**).	No comparable provision.	No comparable provision.
No comparable provision.	Directs $15.0 million of CO for climate change-related initiatives, including climate science and hubs (**Title II**).	No comparable provision.
No comparable provision.	No comparable provision.	Directs $19.6 million of CO for 17 "Congressionally Directed Spending" projects (**Title II**).

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

[20] The provision applies to the $175 million in FY2021 and any funds previously provided. Since WFPO funding is available until expended, it is possible that the waiver could carry forward into future fiscal years but only for funds made available in or prior to FY2021.

FY2021	FY2022	
Enacted, P.L. 116-260	**House-passed, H.R. 4502**	**Senate-reported, S. 2599**
No comparable provision.	No comparable provision.	Directs $15.0 million of CO to National Fish and Wildlife Foundation to establish a voluntary cost-share program for agricultural producers to increase resilience from adverse weather events (**Title II**).
See *Office of Urban Agriculture and Innovative Production* line, below, providing $7.0 million for the office (**§754**).	Directs $9.5 million of CO for the Urban Agriculture and Innovative Production Program (**Title II**).	Directs $8.0 million of CO for the Urban Agriculture and Innovative Production Program (**Title II**).
No comparable provision.	Directs $10.0 million of CO for Healthy Forests Reserve Program (**Title II**).	No comparable provision.
Watershed Operations. Limits the application of the 250,000-acre limitation in Watershed and Flood Prevention Operations (WFPO) to activities for which the primary purpose is flood prevention (**Title II**).	Same as FY2021 enacted (**Title II**).	No comparable provision.
No comparable provision.	No comparable provision.	Directs $23.3 million of WFPO for 7 "Congressionally Directed Spending" projects (**Title II**).
Directs $65.0 million of available funds to be allocated to projects that commence promptly, address select regional priorities, or are authorized under the Flood Control Act of 1944 (**Title II**).	Same as FY2021 enacted (**Title II**).	Similar to FY2021 enacted but reduced to $10.0 million of available funds (**Title II**).
Directs $10.0 million to projects providing water to rural communities (**Title II**).	No comparable provision.	Same as FY2021 enacted (**Title II**).
	General Provisions	
Agricultural Management Assistance (AMA). Allows AMA funds to remain available until expended (**§707**).	Same as FY2021 enacted (**§707**).	Same as FY2021 enacted (**§707**).
Experienced Services Program. Allows use of WFPO, Watershed Rehabilitation, and Emergency Watershed Protection program funds to provide technical assistance through the Agricultural Conservation Experienced Services (ACES) program, a part-time employment program for retirees (**§786**).	Same as FY2021 enacted (**§767**).	Same as FY2021 enacted (**§755**).
Water Bank. Provides $4.0 million for the Water Bank program (**§749**).	No comparable provision.	Same as FY2021 enacted (**§750**).

FY2021	FY2022	
Enacted, P.L. 116-260	**House-passed, H.R. 4502**	**Senate-reported, S. 2599**
Wetland Mitigation Banking. Allocates $5.0 million for farm bill mitigation banks. Prioritizes areas with a significant number of individual wetlands and conservation compliance requests (**§763**).	No comparable provision.	Same as FY2021 enacted (**§753**).
Office of Urban Agriculture and Innovative Production. Allocates $7.0 million for establishing the office within NRCS (**§754**).	Similar language but moved under *Conservation Operations* line and increased to $9.5 million—see above (**Title II**).	Similar language but moved under *Conservation Operations* line and increased to $8.0 million—see above (**Title II**).

Source: Prepared by CRS from P.L. 116-260; H.R. 4502, Division B; and S. 2599.

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

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

Table 4 includes conservation policy provisions in report language that direct specific funding levels. **Table 5** includes provisions that direct policy but not necessarily a specific amount of funding. The tables are divided by general programs, accounts, or themes. The majority of provisions are located under NRCS, but some are located under FSA or CCC within the reports.

Table 4. Selected Conservation Policy Provisions Directing Funding Amounts in FY2021 and FY2022 Appropriations Explanatory Statements

FY2021	FY2022	
Explanatory Statement for Div. A of P.L. 116-260	**House-reported H.Rept. 117-82**	**Senate-reported S.Rept. 117-34**
	Soil Surveys Program	
Directs $79.4 million of Conservation Operations (CO) to the program.	Similar to FY2021 but increases amount to $84.4 million of CO to the program.	Similar to FY2021 but increases amount to $84.5 million of CO to the program.
Directs $1.0 million of the Soil Surveys Program to the Soil Health Initiative linking soil health and cover crop management.	Similar to FY2021 but moved under CTA and increases to $2.0 million. A separate entry directs $1.0 million for the Initiative with additional requirements and directions.	No comparable provision.
Directs $3.8 million to maintain relevant soil survey, including on federal and tribal lands, and encourages the Natural Resources Conservation Service (NRCS) to study the impact of grazing, wildfire, recreation, and invasive species on soil.	No comparable provision.	No comparable provision.

FY2021	FY2022	
Explanatory Statement for Div. A of P.L. 116-260	**House-reported H.Rept. 117-82**	**Senate-reported S.Rept. 117-34**
Snow Survey and Water Forecasting Program		
Directs $9.5 million of CO to the program.	Similar to FY2021 but increases amount to $14.5 million.	Similar to FY2021 but increases amount to $16.5 million.
Plant Materials Centers		
Directs $9.5 million of CO to the centers.	Similar to FY2021 but increases amount to $11.5 million.	Same as FY2021.
Conservation Technical Assistance (CTA)		
Directs $734.3 million of CO to CTA.	Similar to FY2021 but increases amount to $759.8 million.	Similar to FY2021 but increases amount to $784.8 million.
Directs $2.5 million of CTA to the farmers.gov Customer Experience Portal.	No comparable provision.	No comparable provision.
No comparable provision.	No comparable provision.	Directs $3.0 million of CTA for soil testing and remediation.
No comparable provision.	No comparable provision.	Directs $8.0 million of CTA for USDA Climate Hubs.
No comparable provision.	No comparable provision.	Directs $12.0 million of CTA for climate smart agriculture.
No comparable provision.	No comparable provision.	Directs $20.0 million of CTA for Grazing Lands Conservation Initiative. $16.0 million of which is required to be used for competitive grants and $2.0 million for a cooperative agreement with the National Grazing Lands Coalition.
Feral Hog Fencing		
No comparable provision	Directs $5.0 million of CO for a cost-share program for the construction and repair of perimeter fencing.	Similar to House report but does not include a funding amount.
Healthy Forests Reserve Program (HFRP)		
No comparable provision.	Directs $10.0 million of CO for HFRP.	No comparable provision.
Urban Agriculture and Innovative Production Program		
$7.0 million provided in bill text as a general provision. Not included in report language.	Directs $9.5 million of CO for the program. Included in bill text and report language. Supports increased staffing and grants to historically underserved communities.	Directs $8.0 million of CO for the program. Included in bill text and report language.
National Fish and Wildlife Foundation (NFWF) Program		
No comparable provision.	No comparable provision.	Directs $15.0 million of CO to establish a NFWF Working Lands Resilience Program.

FY2021	FY2022	
Explanatory Statement for Div. A of P.L. 116-260	**House-reported H.Rept. 117-82**	**Senate-reported S.Rept. 117-34**
	Earmarks	
No comparable provision.	No comparable provision.	Directs $19.6 million of CO for congressionally directed projects.
No comparable provision.	No comparable provision.	Directs $23.3 million of WFPO for congressionally directed projects.

Source: Prepared by CRS. For FY2021, see the explanatory statement for FY2021 Agriculture appropriations in U.S. Congress, House Committee on Appropriations, H.R. 133/P.L. 116-260, committee print, 117th Cong., 1st sess., March 2021, H.Cmte.Print 43-749, Book I (Washington, DC: GPO, 2021), at https://www.congress.gov/committee-print/117th-congress/house-committee-print/43749; for FY2022, see H.Rept. 117-82 (accompanying H.R. 4356) and S.Rept. 117-34 (accompanying S. 2599).

Notes: These policy provisions clarify congressional intent for the specific fiscal year cited. The explanatory statement that accompanies the final FY2021 appropriation indicates that unless otherwise noted, the House report language (H.Rept. 116-446, accompanying H.R. 7610) carries the same weight as language in the explanatory statement. Therefore, a notation of "no comparable provision" in the enacted column does not vacate a described provision. Rather, the FY2021 House report and explanatory statement should be read together to capture all of the congressional intent for the fiscal year. For additional information on the programs identified in this table, see CRS Report R40763, *Agricultural Conservation: A Guide to Programs*.

Table 5. Summary of Selected Conservation Policy Provisions in FY2021 and FY2022 Appropriations Explanatory Statements

(E = FY2021 explanatory statement; H = FY2022 House report; S = FY2022 Senate report)

E	H	S	Programs, Accounts, and Themes
			Conservation Reserve Program (CRP)
✓		✓	Encourages USDA to revise the draft programmatic environmental assessment for CRP to allow dryland agriculture uses on Conservation Reserve Enhancement Program (CREP) acres.
✓		✓	Encourages USDA to enroll CRP acres in State Acres for Wildlife Enhancement (SAFE) practices.
		✓	Directs the USDA to amend CRP policies and practices to permit current and future participants to plant but not harvest agricultural commodity crops as wildlife food plots on up to 10% of the enrolled land.
			Environmental Quality Incentives Program (EQIP)
✓		✓	Urges the Natural Resources Conservation Service (NRCS) to develop EQIP guidance with input from selected irrigation and land management organizations in the southwestern United States.
	✓		Directs NRCS to use EQIP to support manure management, collaborate with other federal agencies, and report to Congress.
		✓	Encourages USDA to support implementation of energy efficiency projects under EQIP.
			Conservation Stewardship Program (CSP)
	✓		Encourages the creation of "climate change mitigation" bundles within CSP.
			Regional Conservation Partnership Program (RCPP)
✓	✓	✓	Directs NRCS to maintain select critical conservation areas under RCPP, leverage resources to achieve the goals of the 2015 Gulf Hypoxia Action Plan, and provide additional CTA funds to RCPP to address planning backlogs. House does not include reference to the 2015 Gulf Hypoxia Action Plan, while Senate does not include selected critical conservation areas.
			Conservation Compliance

E	H	S	Programs, Accounts, and Themes
✓		✓	Encourages USDA to use a one-to-one acre ratio for wetlands mitigation requirements.
			Watershed and Flood Prevention Operations (WFPO)
✓			Provides direction on technical assistance for WFPO projects.
		✓	Directs NRCS to provide greater flexibility for WFPO technical assistance.
			Conservation Technical Assistance (CTA) and Conservation Practices
	✓		Encourages the development of conservation practices for small farmers related to "sustainable farming methods."
	✓		Directs NRCS to increase support for grazing lands technical service.
		✓	Directs NRCS to report to Congress total technical assistance funding for the previous 3 years.
		✓	Urges NRCS to reevaluate Technical Service Providers matching requirements.
			Office of Urban Agriculture and Innovative Production
	✓		Supports the Community Compost and Food Waste Reduction Project and encourages USDA to promote composting and reduce food waste.
	✓		Encourages the Office of Urban Agriculture and Innovative Production to collaborate with other agencies and develop farmers markets.
	✓		Encourages the Office of Urban Agriculture and Innovative Production to support vertical farming.
			Program Administration and Operations
✓			Directs NRCS to report to Congress on program duplication identified in Inspector General reports.
	✓		Encourages NRCS to review and align conservation program delivery timelines with legislatively mandated timelines.
	✓		Requires a report on the impact of customer data systems on staff efficiency.
	✓		Encourages NRCS to use the Conservation Agricultural Mentoring Program to enhance outreach.
	✓		Encourages NRCS to continue working with Resource Conservation and Development Councils.
		✓	Requires USDA to utilize youth or conservation corps for projects on public lands.
		✓	Directs NRCS to implement cooperative agreements with organizations that support the lesser-prairie chicken and carbon sequestration programs.
			Soil Health
✓		✓	Encourages USDA to dedicate more CTA funding to measuring and testing carbon levels, healthy soil planning, and soil carbon sequestration planning.
✓			Directs NRCS to analyze the feasibility of evaluating watershed and cropland projects under the Conservation Effects Assessment Project (CEAP).
	✓		Encourages the expansion of National Resources Inventory (NRI) to include soil sampling and analysis.
	✓		Encourages the continued support of selected practices and soil health demonstration projects related to regenerative agriculture.
	✓		Encourages soil carbon measuring, monitoring, and modeling be added to the Soil Surveys Program.
			Water Quality and Quantity
✓		✓	Directs NRCS to give priority to areas with major drought response plans, agreements, or programs designed to result in conservation of surface water or groundwater.

E	H	S	Programs, Accounts, and Themes
	✓		Supports and directs funding to reduce nutrient loading that can contribute to Harmful Algal Blooms (HAB) growth.
		✓	Encourages NRCS to implement innovative drought resiliency and mitigation practices for irrigation.
			Wildlife
	✓		Supports the Sage Grouse Initiative.
	✓		Encourages the development of affordable, regional pollinator seed mixes.
		✓	Directs NRCS to strengthen and expand the Working Lands for Wildlife program.
			Climate Change
	✓		Encourages NRCS to support and publicize the COMET-Farm Tool.
			Geographically Specific Provisions
	✓		Encourages continuation of the Driftless Area Landscape Conservation Initiative in Minnesota, Iowa, Wisconsin, and Illinois.
	✓		Encourages select flood mitigation measures in the Great Lakes region.
	✓		Encourages NRCS to work with local, state, and federal agencies in the Western Lake Erie Basin.
	✓		Urges USDA to participate in developing a Mississippi River restoration and resiliency strategy.

Source: Compiled by CRS. For FY2021, see the explanatory statement for FY2021 agriculture appropriations in H.Cmte.Print 43-749, Book I, at https://www.congress.gov/committee-print/117th-congress/house-committee-print/43749; for FY2022, see H.Rept. 117-82 (accompanying H.R. 4356) and S.Rept. 117-34 (accompanying S. 2599).

Notes: A ✓ denotes the provision's location. E = Explanatory statement for FY2021 agriculture appropriation; H = H.Rept. 117-82; and S = S.Rept. 117-34. These policy provisions clarify congressional intent for the specific fiscal year cited. The explanatory statement accompanying the final FY2021 appropriation indicates that unless otherwise noted, the House report language (H.Rept. 116-446, accompanying H.R. 7610) carries the same weight as language in the explanatory statement. Therefore, no ✓ in the enacted column (E) does not vacate a described provision. Rather, the FY2021 House report and explanatory statement should be read together to capture all of the congressional intent for the fiscal year. For additional information on the programs identified in this table, see CRS Report R40763, *Agricultural Conservation: A Guide to Programs*. *COMET-Farm* refers to the NRCS online carbon and greenhouse gas accounting tool, which can be accessed at http://comet-farm.com/Home.

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