U.S. Department of Agriculture 1400 Independence Avenue SW Washington, DC 20250 www.usda.gov

Fact Sheet

Overview of Commodity Credit Corporation Expenditures in Recent Years

The CCC currently supports diverse agricultural producers and a reliable food system

Under the leadership of Secretary Vilsack, Commodity Credit Corporation (CCC) funds have been used carefully within the scope of USDA's authority in a way that is fiscally responsible and has not put farm programs at risk.

In FY21 and FY22, CCC funds have supported a variety of efforts to help agricultural producers navigate significant and unpredictable challenges. In turn, this helps maintain an accessible and reliable food supply despite continued disruptions from the COVID-19 pandemic and serious animal diseases like African Swine Fever and Highly Pathogenic Avian Influenza.

In response to high demand from farmers and trade associations that represent production agriculture, Secretary Vilsack also utilized CCC to create the forward-looking Partnerships for Climate Smart Commodities to increase the domestic consumption of agricultural commodities by helping producers develop and expand markets and leverage the greenhouse gas benefits of climate-smart commodity production. USDA originally allocated \$1 billion in funding yet received proposals requesting \$20 billion for this popular program, prompting the department to increase funding to more than \$3.5 billion.

Past use of CCC has jeopardized Farm Bill programs

In FY18, FY19 and FY20, aggressive use of CCC authority forced USDA to seek continuing resolution anomalies from Congress to replenish funding early to continue making payments. This aggressive use of the CCC would have put Farm Bill programs in jeopardy if early funding could not have been secured. Such anomalies have not been necessary under Secretary Vilsack's management of the CCC.

In FY19, CCC authorizations reached a record level with most funds going to the continuation of one program, the Market Facilitation Program. This program offered payments to farmers following retaliatory tariffs in response to the trade agenda at that time.

Analysis of USDA data has found the Market Facilitation Program <u>picked winners and losers</u> between regions and crops, helped wealthy farms and foreign companies instead of small farms, and lacked transparency. This record was topped in FY20 with funding primarily going to the Coronavirus Food Assistance Program, which was also plagued by complaints of improper payments and discrimination.

A snapshot of CCC special use in the Biden-Harris Administration

Support for Emergency Food and School Nutrition: Covers programs such as those to purchase food for emergency food providers or <u>enhance local school districts' ability to purchase foods</u> as the nation continues to recover from the COVID-19 pandemic and related food and labor supply chain challenges. Food purchases directly support American producers.

African Swine Fever (ASF) Prevention: Directly supports robust expansion and coordination of monitoring, surveillance, prevention, quarantine, and eradication activities.

Market Disruption: Provides relief from increased transportation challenges, availability and cost of certain materials, and other near-term obstacles related to the marketing and distribution of certain agricultural commodities.

Highly Pathogenic Avian Influenza (HPAI) Response: Directly supports USDA's response to a large outbreak of HPAI. It allows APHIS to continue its critical work with state and local partners to quickly identify and address cases of HPAI in the United States.

Partnerships for Climate-Smart Commodities: Develops and expands markets for America's climate-smart commodities, leverages the greenhouse gas benefits of climate-smart commodity production, and provides direct, meaningful benefits to production agriculture, including for small and underserved producers.

Higher Blends Infrastructure Incentive Program: Helps the sales and use of higher blends of ethanol and biodiesel by expanding the infrastructure for renewable fuels derived from U.S. agricultural products.

A five-year breakdown of CCC authorizations

FY 2018: \$13,427,000,000 FY 2019: \$17,400,000,000 FY 2020: \$21,130,000,000 FY 2021: \$3,500,000,000 FY 2022: \$7,339,791,421

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