

**UNITED STATES
DEPARTMENT OF AGRICULTURE**

FY 2022 BUDGET

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OVERVIEW

- The 2021 amounts in the 2022 budget documents are based on the enacted amounts provided by P.L. 116-260, the FY 2021 Omnibus and COVID Relief and Response Act.
- The budget requests appropriations of about \$29.5 billion for discretionary programs covered by the Agriculture and Interior Subcommittees, an increase of 15 percent or \$3.9 billion above the 2021 enacted level provided by the 2021 Appropriations Act.
- The request also includes about \$536 million from scorekeeping adjustments.
- The budget proposes \$203 million for pay costs and FERS to support annualization of the 2021 pay raise, a 2.7 percent pay cost increase in 2022 and 1.1 percent FERS increase in 2022
- No funding is included through general provisions in the budget. A few general provisions have been included in the Mission Area accounts and are identified as a program increase.

**UNITED STATES DEPARTMENT OF AGRICULTURE
HIGHLIGHTS OF THE FY 2022 BUDGET**

MAJOR PROGRAM CHANGES – DISCRETIONARY FUNDS

Title I – Departmental Administration/Central Activities

Office of the Secretary

- +\$6 million and 24 FTEs for the Office of the Secretary
- +\$9.1 million for the Climate Change Corps
- +\$5 million for the Office of the Chief Scientist to support the Agriculture Advanced Research and Development Authority (AgARDA), as authorized in the FY 2018 Farm Bill

Executive Operations

Office of the Chief Economist

- +\$6.6 million and 8 FTEs for Climate Research and Analysis

Office of the Chief Information Officer

- +\$17.4 million for Cyber Security Continuous Diagnostics Monitoring Phases 1-3
- +\$12 million for the relocation Enterprise Data Center operations from the Goodfellow Federal Center facility

Agriculture Buildings and Facilities

- +\$25 million for the transformation of vehicle fleet to passenger motor vehicles and related infrastructure such as working to provide hybrid, alternative, and/or electric vehicle (EV) charging infrastructure as an interim critical step to meet strategic clean energy goals

Office of Inspector General

- +\$4.4 million and 3 FTEs for mission support of an increase in a number of new investigations on COVID response, potential SNAP fraud, investigations, and IT infrastructure, while leveraging current staffing

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Office of the General Counsel

- +\$1.9 million to maintain staff hired in 2021
- +\$12.5 million for records management system and staff, to shift the Records Management program from OCIO to OGC, which oversees records management for the entire Department

Title I – Research, Education and Economics

Economic Research Service

- +\$4 million to support climate science activities

National Agricultural Statistics Service

- +\$7 million for climate change, including \$2 million to expand our existing geospatial program to provide more critical information on the impact of extreme weather events, and \$5 million to support establishing baseline data for climate change tracking

Agricultural Research Service – Salaries and Expenses (+\$357.8 million)

- +\$99 million for clean energy, including: \$56.2 million for sustainable clean energy; \$19.5 million for Biowaste-stream to Bioenergy; \$11.6 million for Crop Production Program; \$0.5 million for the Crop Protection Program; \$10.2 million for Environmental Stewardship Program; and \$1 million for Library and Information Services
- +\$92 million for climate science, including: \$11 million for Livestock Production Program; \$11.1 million for Crop Production Program; \$8 million for Food Safety research; \$5.5 million for Livestock Protection Program; \$10 million for Crop Protection Program; \$42.5 million for Environmental Stewardship Program; and \$4 million for Library and Information Services
- +\$49 million for NBAF, including: \$11.6 million for research and \$37.4 million for operations and maintenance
- +\$95 million for Advanced Research Projects Agency – Climate to invest in climate-related innovations
- +\$5 million for climate hubs

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National Institute of Food and Agriculture

- +\$394.1 million for NIFA, including:
 - \$70.4 million for Hatch Act;
 - \$9.8 million for McIntire-Stennis Research Program;
 - \$19.8 million for Evans-Allen Capacity Grants;
 - \$265 million for AFRI, including \$5 million for climate hubs (for a total of \$700 million);
 - \$20 million for Sustainable Agriculture Research and Education;
 - \$8.1 million for Minor Crop Pest Management;
 - \$0.6 million for Women and Minorities in STEM Fields; and
 - \$0.4 million for Ag in the Classroom

Title I – Marketing and Regulatory Programs

Animal and Plant Health Inspection Service – Salaries and Expenses

- +\$25.4 million and 60 FTEs for Safeguarding Emergency Preparedness and Response
 - \$10 million for Civilian Climate Corp
 - \$5 million for Chronic Wasting Disease
 - \$8.5 million for Citrus Greening
 - \$2.3 million for Fruit Fly
 - \$4 million for the National Bio and Agro-Defense Facility
 - \$3 million for cogongrass

Agricultural Marketing Service

- +\$22 million for business innovation centers to stimulate business innovation in agricultural sectors with a specific focus on addressing barriers preventing or limiting small, minority-owned, socially-disadvantaged producers, processors, or distributors from market access and opportunities.

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Title I – Food Safety

Food Safety and Inspection Service (+\$89.9 million)

- +\$10.3 million for IT modernization
- +\$2.8 million for Recruitment and Retention Incentives for Public Health Veterinarians
- +\$44.1 million for reduced User Fees for Small and Very Small Establishments
- +\$12.5 million to cover additional buildout cost of Mid-Western Laboratory as part of the Goodfellow relocation

Title II – Farm Programs

Farm Service Agency

- +\$5.5 million for Socially Disadvantaged Farmers and Ranchers
- +\$1.6 million and 20 FTEs for the Urban Agriculture Initiative
- +\$2.3 million and 65 FTE for Temporary Staff and Overtime
- The budget proposes to increase the direct ownership loan program by \$300 million for a total program level of \$2.8 billion and an increase of \$200 million for the guaranteed ownership loan program for a total program level of \$3.5 billion

Risk Management Agency – Salaries and Expenses

- +\$2 million to bring on additional employees with the skillsets necessary to ensure actuarial soundness of new policies as well as contract for additional resources to address climate change
- +\$1.2 million to hire additional staff to work on underserved communities
- +\$4.5 million to develop new products for the FCIC Board consideration and to expand risk management education and outreach efforts

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Title II – Conservation Programs

Natural Resources Conservation Service

- +\$21 million for Climate Smart Agriculture
- +\$8 million for climate hubs
- +\$3 million to conduct conservation planning related to soil testing and soil remediation to meet Farm Bill requirements
- +\$5 million for the Soil Survey Program
- +\$7 million for the Snow Survey and Water Supply Forecasting Program
- +\$2 million for the Plant Material Centers Program

- +\$20 million for the Healthy Forests Reserve Program
- +9.5 million for the Urban Agriculture Innovative Production Program

Title III – Rural Development Programs

Rural Development

Salaries and Expenses

- \$38.6 million and 250 FTEs for RD salaries and benefits, travel, training and facility costs
- \$32 million for StrikeForce activities
- \$17.2 million for Information Technology

Rural Housing Service

- \$45 million for Rental Assistance (\$40 million) and Vouchers (\$5 million) to maintain units/vouchers
- \$4 million for multi-family preservation, which is requested in the RHIF account
- \$1 million for Mutual and Self-Help Housing grants

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- The budget proposes an increase of \$500 million for the Section 502 Single Family Housing Direct loan program for a total program level of \$1.5 billion and an increase of \$6 billion for the Guaranteed loan program for a total program level of \$30 billion

Rural Business-Cooperative Service

- +\$19.8 million to support a \$1.5 billion Guaranteed Business and Industry loan program, which is an increase of \$588 million in program level above 2021
- +\$10 million for the Rural Innovation and Stronger Economy grants and Healthy Food Financing Initiative (previously funded through general provision)
- +\$29.8 million for the Rural Energy for America grant program

Rural Utilities Service

- +\$95 million for Water and Waste Disposal grants
- + \$119 million increase for ReConnect, of which the budget proposes \$50 million from Cushion of Credit
- +\$446.8 million for Electric and Telecommunications, including:
 - \$400 million for the costs of grants and loan modifications for incentives to increase transition to carbon pollution free electricity
 - \$25 million for Telecommunication Treasury Direct to improve broadband deployment through modification and refinancing of existing loans
 - \$22 million for Rural Energy Savings Plan (previously funded through general provision)
- The budget proposes a \$6.5 billion increased program level for Electric loans through the Direct Treasury Rate program. The budget is not requesting Direct FFB Electric and Telecommunication loans as the Treasury Rate borrower rate charges 1/8th percent below the FFB borrower rate.

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Title IV – Domestic Nutrition Programs

Food and Nutrition Service

Child Nutrition Programs

- +\$17 million discretionary funding for Child Nutrition Programs, including:
 - \$2 for team nutrition
 - \$3 million for Summer EBT Demonstration Program will allow States to continue to test new strategies to reach children with limited access to sufficient food during summer months. This increase will allow FNS to continue to expand the demonstration projects to new States or new areas within currently participating States
 - \$5 million for school meals equipment grants
 - \$1 million for child nutrition training (previously funded through general provision)
 - \$6 million for school breakfast expansion grants (previously funded through general provision)
 - Includes \$17 million for the Farm to School program

Special Supplemental Nutrition Program for Women, Infants, and Children

- No change in overall funding for WIC, but there are some shifts in funding to help sustain, update, improve data systems, and additional contingency is needed to ensure participant access to benefits, including:
 - \$26.5 million for Federal Administration and program evaluation and monitoring; \$100 million for MIS; and \$200 million for contingency reserve funds to serve a monthly average of 6.4 million participants
 - \$833 million for the WIC Cash-Value Benefit amount to the National Academies of Science, Engineering, and Medicine’s recommended level

Supplemental Nutrition Assistance Program

- +\$1 million for Healthy Fluid Milk (previously funded through general provision)

- +\$3 million for the Tribal Organizations Demo Projects to purchase agricultural commodities under the food distribution program for the Indian reservation (FDPIR) (previously funded through general provision)

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Commodity Assistance Program

- +\$7 million for the Commodity Supplemental Food Program
- +\$3 million for the Farmers' Market Nutrition Program
- +\$5.4 million for the Emergency Food Assistance Program

Nutrition Programs Administration

- \$10.3 million for Ensuring Scientific Integrity of Dietary Guidelines and Food Plans
- \$6 million for Cross-Program Customer Service and Integration
- \$3.3 million for Enhanced Staffing for Critical Policy and Cross-Program Support Processes
- \$5.7 million for Office of Management Expanded Staffing
- \$1.8 million and 10 FTEs for CAP account increases
- \$1.7 million and 9 FTEs for Civil Rights Division Staffing
- \$3 million and 2 FTEs for Consolidated Translation Services

Title V – International Food Assistance Programs

Foreign Agricultural Service

- -\$170 million by reducing funding for P.L. 480 Title II grants to provide a more streamlined approach to international food aid

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Interior Appropriations – Forest Service

The total Forest Service discretionary budget request is \$8.4B billion (including Wildfire Suppression operations reserve fund which is \$2.1 Billion)

- The total discretionary increase of \$985 million or 12 percent compared to 2021 enacted makes significant priority investments to address the following:
 - Wildland fire risk management - \$400 million for large-scale fuel mitigation, vegetation and habitat management, and other restoration work in the National Forest System.
 - Climate reclamation - \$100 million to address orphan oil and gas wells and abandoned mine lands within the National Forest System.
 - Climate resilience - \$84 million for climate adaptation and resilience and protection of biodiversity across a range of State and Private Forestry and National Forest System programs.
 - Climate research - \$42 million for Forest and Rangeland Research to support the Administration’s science-based approach to improve the climate resilience of forest and rangeland ecosystems, and for support to USDA Climate Hubs.

MAJOR PROGRAM CHANGES – MANDATORY FUNDS

Farm Production and Conservation

Commodity Credit Corporation (-\$14 billion)

- The Budget requests about \$25.9 billion to reimburse CCC for estimated 2021 losses. Outlays in 2022 are projected to be approximately \$9.6 billion, compared to \$10.6 billion estimated for 2021.

Federal Crop Insurance Corporation (+\$912 million)

- The estimated 2022 indemnities of \$10.7 billion reflects an estimated loss ratio of 1.0. In addition, producers are expected to pay about \$4.0 billion in premiums. For the 2021 crop year, the program is expected to provide about \$131.4 billion in risk protection.

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Food, Nutrition, and Consumer Services

Child Nutrition Programs (+\$1.8 billion)

- The budget provides an increase to meet projected participation growth and food cost inflation for Child Nutrition Programs. Note that, due to waivers that have been established for Child Nutrition Program operations during the COVID-19 pandemic, normal obligational patterns in these programs have been disrupted. About half of the meals served in schools in FY 2021 are being served and claimed under the Summer Food Service Program, while half are being served and claimed under the School Lunch and Breakfast Programs.
- The School Lunch Program projects serving about 5.04 billion reimbursable meals in 2022, an increase of 27 percent over the 2021 level. The School Lunch Program will serve an average of 30 million children each day, and the School Breakfast Program will serve 16 million children each day.

Supplemental Nutrition Assistance Program (-\$8.2 billion)

- The budget fully funds SNAP to cover an estimated participation of 45.4 million participants per month. This decrease reflects the net effect of estimated decreases in the average benefit costs per person/per month as emergency authorization (EA) payments end due to the end of the Public Health Emergency. The current estimate assumes that the Public Health Emergency will end sometime in the 2nd quarter of the fiscal year and average benefits will return to pre-pandemic levels. However, the current estimate also assumes that SNAP participation is expected to increase to an average of 45.367 million participants.
- The budget also includes increases of \$22.9 million for State Administrative Expenses; \$12 million to support the Nutrition Education and Obesity Prevention Grant Program; \$10.1 million for Employment & Training programs; \$64.4 million for other program costs; \$32.5 million for nutrition assistance programs for Puerto Rico and American Samoa; and \$17.9 million for the Commonwealth of the Northern Marianas Islands.