



DEPARTMENT OF AGRICULTURE

Funding Highlights:

- The U.S. Department of Agriculture (USDA) provides leadership and direction on issues related to food, agriculture, and natural resources based on sound public policy, the best available science, and effective management.
- The Budget focuses on core Departmental activities such as agricultural research, rural lending, and protecting the Nation's forested lands and private agricultural lands, while also supporting the Secretary's efforts to improve services and expand broadband. The Budget also proposes that USDA responsibly and efficiently use taxpayer resources by making targeted reforms to duplicative programs and overly generous subsidy programs.
- The 2020 Budget requests \$20.8 billion for USDA, a \$3.6 billion or 15-percent decrease from the 2019 estimate (including changes in mandatory programs and receipts).

The President's 2020 Budget:

USDA works to promote American agricultural products and exports, support rural economic development, maintain access to a safe and nutritious food supply, and strengthen the productive and sustainable use of National Forest System Lands and stewardship of private lands.

USDA's broad mission encompasses everything from domestic feeding programs and assistance in rural America, to farm loans and the National Forest System. Throughout rural America, USDA's programs provide financing to help grow job prospects and raise income levels as well as improve utilities and infrastructure. The Department works to promote agricultural production while also protecting the long-term availability of safe and affordable food. USDA programs safeguard and protect America's food supply by reducing the incidence of food-borne hazards through the inspection of meat, poultry, and egg products.

The Department's programs also improve nutrition and health through food assistance and nutrition education. USDA works to increase foreign market access for U.S. agricultural products and provides data and analysis of foreign market conditions. This helps U.S. agricultural producers make informed decisions on international trade opportunities, and supports the U.S. economy through increased exports. In addition, USDA manages and protects America's public and private lands by working cooperatively across Federal, State, and local governments and the private sector and the private sector to preserve and conserve the Nation's natural resources through restored forests,

improved watersheds, and healthy private working lands. The Budget supports critical investments across core mission areas within USDA to best deliver results and support rural America.

Protects Health Outcomes for Pregnant Women, Infants, and Young Children. The Budget requests \$5.8 billion to serve all projected participants in the Special Supplemental Nutrition Program for Women, Infants, and Children. This program provides nutritious supplemental food packages, nutrition education, and health and immunization referrals to low-income and nutritionally at-risk pregnant and postpartum women, infants, and children.

"[W]e will continue to provide the best possible service to our customers – the farmers, ranchers, foresters, and producers of American agriculture and 'do right and feed everyone'."

USDA Strategic Goals
May 2018

Promotes Work and Reforms the Food Safety Net. The Budget includes bold proposals to help able-bodied adults participating in the Supplemental Nutrition Assistance Program (SNAP) enter the job market and work toward self-sufficiency. The Budget continues the America's Harvest Box proposal, allowing innovative partnerships with the private sector to combine the traditional SNAP Electronic Benefits Transfer benefits with 100 percent American grown foods provided directly to households. The proposal ensures that Americans in need have access to a nutritious diet while significantly reducing the cost to taxpayers. States maintain the ability to provide choice to their partici-

pants, including innovative approaches for the inclusion of fresh products. The Budget also includes proposals to reserve benefits for those most in need, promote efficiency in State operations, and strengthen program integrity.

Invests in Rural America. In today's information-driven global economy, e-connectivity has become an essential component to attract and grow rural businesses. To that end, the Budget supports continued implementation of the Secretary's e-Connectivity Pilot Program to foster thriving agricultural economies. The Department also helps to maintain and modernize rural utilities by providing critical support for infrastructure, such as \$528 million in funding for water and wastewater grants and loans that support \$1.2 billion in water and wastewater direct loans, \$5.5 billion in electric loans, and \$690 million in telecommunications loans. Through USDA's \$24 billion portfolio of guaranteed housing loans, the Department assists lenders in providing low- to moderate-income rural Americans with access to affordable housing. In addition, the Budget supports a \$3 billion loan level for community facility direct and guaranteed loans, which assist communities in developing or improving essential public services and facilities across rural America, such as health clinics or fire and rescue stations.

Combats the Opioid Challenge Facing Rural America. According to the Centers for Disease Control and Prevention, the rates of drug overdose deaths are rising in rural communities, surpassing the rate in urban areas. Through the Secretary's leadership of the Task Force on Agriculture and Rural Prosperity, the Department has identified specific actions to combat the opioid crisis and improve the quality of life in rural communities. USDA is approaching the opioid crisis with a dedicated urgency by partnering with local communities to provide program resources for prevention, treatment, and recovery. For example, USDA has launched an interactive data tool to help rural communities as they plan and build a local response to this monumental challenge. The Budget proposes \$44 million in distance learning and telemedicine grants, of which \$20 million would be dedicated to projects that combat the opioid crisis. In addition, the Budget proposes \$60 million in community facilities grants, which can be used to support treatment centers and other community needs.

Prioritizes Agricultural Research. USDA funded research helps to protect, secure, and improve the Nation's food, agricultural, and natural resource systems. Because the challenges facing the agriculture industry are immense, the Budget prioritizes competitive research through the Department's flagship grant program, the Agriculture and Food Research Initiative (AFRI). The Budget requests \$500 million for AFRI, an increase of \$100 million above the 2018 enacted level, and maintains formula-based research and extension grants at the level requested in the 2019 Budget. In 2020, the Budget also invests in the Nation's aging research infrastructure by proposing \$50 million for a new competitive grant program to modernize agriculture research facilities at land grant universities. The Budget proposes \$1.2 billion for the Agricultural Research Service, which conducts in-house basic and applied research. This includes additional funding for the National Bio- and Agro-Defense Facility, currently under construction in Manhattan, Kansas. USDA is assuming the responsibility for operational planning and future operations of the facility, which will provide the United States the ability to conduct comprehensive research, develop vaccines, and provide enhanced diagnostic capabilities to protect against emerging foreign animal and zoonotic diseases that threaten the Nation's food supply, agricultural economy, and public health. The Budget also proposes \$50 million for modernizing Agricultural Research Service facilities.

Implements Firefighting Funding Fix and Supports Forest Management Priorities. In 2018, Forest Service wildfire suppression spending was \$2.6 billion, a record level for the second consecutive year. Extreme fire behavior fueled by dry forest ecosystems and aggressive suppression operations in the wildland-urban interface to protect life and property were primary factors contributing to this unprecedented outlay of resources. The Administration's work with the Congress to enact a wildfire funding fix culminated last March with the wildfire cap adjustment in the Consolidated Appropriations Act, 2018. In 2020, the wildfire cap adjustment would provide the Forest Service and the Department of the Interior with additional funding of up to \$2.25 billion if the agencies fully expend their base funding levels for wildfire suppression. This funding aims to eliminate the need for disruptive "fire borrowing" from other uses to fund shortfalls during times of emergency.

In addition, the Administration has been direct and unequivocal about the need to accelerate active forest management. The Budget reflects this critical priority by requesting \$450 million for hazardous fuel mitigation work and \$375 million for the forest products program, higher amounts than in any prior Budget or enacted appropriation for both programs. Hazardous fuel removal is pivotal in ensuring Federal forests and watersheds are sustainable, healthy, and productive, which helps to make them safer and more resilient to the destructive impacts of wildfire. These programs also generate jobs in rural forest communities.

Improves Customer Service. The Budget supports new and continuing investments in information technology modernization by USDA to improve customer service and streamline and modernize rural and farm program and service delivery. Through the <https://www.Farmers.gov> service portal, the Department is working toward greater online service delivery and fewer in-person and paper-based transactions. In addition, the Budget continues support for the Secretary's realigned Farm Production and Conservation mission area by streamlining service delivery between the Farm Service Agency, Natural Resources Conservation Service, and Risk Management Agency to improve efficiency, effectiveness, and accountability.

Supports Comprehensive Farm Safety Net Reforms and Reduces Waste. The Budget proposes to optimize and improve crop insurance and commodity programs in a way that maintains a strong safety net. The Budget does this while also achieving savings, eliminating subsidies to higher income farmers, and reducing overly generous crop insurance premium subsidies to farmers and payments made to private sector insurance companies. The Budget includes a bold set of proposals, including those that would reduce the average premium subsidy for crop insurance from 62 percent

to 48 percent and limit commodity, conservation, and crop insurance subsidies to those producers that have an Adjusted Gross Income of \$500,000 or less. In addition, the Budget proposes reductions to overly generous subsidies provided to participating insurance companies by capping underwriting gains at 12 percent, which would ensure that the companies receive a reasonable rate of return given the risks associated with their participation in the crop insurance program. The Budget proposes to tighten commodity payment limits, including eliminating an unnecessary and separate payment limit for peanut producers and limiting eligibility for commodity subsidies to one manager per farm.

Ensures Commodity Purchases and Donations and Improves Program Transparency. During times of market disruption, low prices, or oversupply, USDA has the ability to purchase commodities from the marketplace and donate them to domestic feeding programs and soup kitchens. The Budget includes a suite of proposals to ensure stable historical levels of funding for all the nutrition programs that benefit from these activities while also increasing transparency and improving operational efficiency.