

The President's FY2018 Budget Request for the U.S. Department of Agriculture

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Background

The Trump Administration released its first budget request on March 16, 2017. Titled "[America First: A Budget Blueprint to Make America Great Again](#)," the request for FY2018 does not have the detail of a regular budget (see CRS Report RS20752, [Submission of the President's Budget in Transition Years](#)).

The FY2018 Blueprint addresses discretionary spending only and primarily conveys information at the Cabinet level. While it highlights changes to some programs, the request remains vague about the effect on most agencies. A more detailed budget is expected in May 2017 and may provide more details, as well as the Administration's plans for mandatory spending. Ultimately, though, Congress will determine funding levels for FY2018 through its budget and appropriations process.

This report analyzes the funding request for the U.S. Department of Agriculture (USDA). It does not reflect the jurisdiction of the House and Senate Agriculture appropriations subcommittees, which exclude the Forest Service and include the Food and Drug Administration and, in the House, the Commodity Futures Trading Commission. See CRS Report R44588, [Agriculture and Related Agencies: FY2017 Appropriations](#).

While the Blueprint makes comparisons to FY2017 levels, there is currently no final FY2017 appropriation. Thus, this report may refer to FY2016 levels, which support a continuing resolution through April 28, 2017 ([P.L. 114-254](#)).

U.S. Department of Agriculture

In total, the Blueprint proposes a reduction of 21% (or \$4.7 billion) for USDA, from \$22.6 billion in FY2017 to a requested \$17.9 billion for FY2018. USDA has the third largest percentage reduction among Cabinet-level departments, behind the Environmental Protection Agency (-31%) and the Department of State (-29%). USDA has the fifth largest dollar reduction, behind the Departments of Health and Human Services (-\$12.6 billion), State (-\$10.9 billion), Education (-\$9.2 billion), and Housing and Urban Development (-\$6.2 billion).

The Blueprint specifically proposes to eliminate three USDA programs totaling \$0.8 billion. It identifies four programs

for full funding, though specific amounts are not necessarily provided. It mentions unspecified reductions to some activities and does not mention other USDA agencies at all.

At least \$3.7 billion of the proposed \$4.7 billion reduction for USDA remains unspecified ([Table 1](#)).

Proposed Elimination

- **Water and Wastewater Loans and Grants** (-\$498 million in the Blueprint). This program supports construction of rural community water systems. It is about 85% of the Rural Utilities Service budget and one-sixth of all rural development funding.
- **Rural Business Cooperative Service** (-\$95 million in the Blueprint). These programs provide loans and grants to foster business and employment in rural areas.
- **McGovern-Dole International Food for Education and Child Nutrition Program** (-\$202 million in FY2016). This program donates U.S. agricultural products and assistance for school, maternal, and child nutrition projects in developing countries.

"Fully Funded" Programs

- **Special Supplemental Nutrition Program for Women, Infants, and Children**. The Blueprint states that the \$6.2 billion proposed for FY2018 would "serve all projected participants." This is \$150 million less than the FY2016 appropriation of \$6.35 billion.
- **Food Safety Inspection Service** (\$1.0 billion in FY2016 and implied in the Blueprint for FY2018). This agency regulates meat, poultry, and processed egg products.
- **Agriculture and Food Research Initiative** (AFRI, \$350 million in FY2016 and proposed for FY2018). This flagship competitive grant program accounts for about 12% of USDA's research budget.
- **Wildland fire preparedness and suppression activities** (\$2.4 billion proposed for FY2018). These activities are shared between the USDA Forest Service and the Department of the Interior (DOI). The comparable amount for FY2017 is uncertain depending whether DOI is included and how rising spending is counted. Therefore a span of \$1.9 billion to \$2.5 billion represents a plausible range.

Unspecified Amounts

- **County office service center agencies** that deliver programs to constituents (such as the Farm Service Agency, the National Resource Conservation Service, and Rural Development). The Blueprint proposes to reduce staffing and "encourage private sector conservation planning."
- **Statistical agencies** (such as the National Agricultural Statistics Service and the Economic Research Service). The Blueprint proposes an unspecified reduction "while maintaining core analytical functions" such as the Census of Agriculture.
- **Agricultural research** beyond the AFRI mentioned above (such as the Agricultural Research Service and the National Institute of Food and Agriculture). The Blueprint would "continue to support" high priority areas but does not specify a funding level.

Table 1. Proposed Changes to USDA in the President's FY2018 Budget Blueprint

(budget authority in billions of dollars)

	FY2017/CR ^a	FY2018 request	Proposed change	% change
Department of Agriculture^b	22.6	17.9	-4.7	-21%

Water and waste water loans and

grants	0.50	0.0	-0.5	-100%
Rural Business Cooperative Service	0.10	0.0	-0.1	-100%
McGovern-Dole Food for Education	0.20 ^c	0.0	-0.2 ^d	-100%
Women, Infants, and Children program	6.35 ^c	6.2	-0.2 ^d	-2% ^d
Food Safety Inspection Service	1.01 ^c	1.0 ^e	0.0 ^d	0% ^d
Agriculture and Food Research Initiative	0.35 ^c	0.35	0.0 ^d	0% ^d
Wildland fire preparedness and suppression	1.9 to 2.5 ^f	2.4	-0.1 to +0.5 ^d	na
Subtotal of programs mentioned	10.4 to 11.0 ^d	10.0	-0.4 to -1.0 ^d	
Remainder, unspecified across rest of USDA ^b	11.6 to 12.2 ^d	7.9	-3.7 to -4.3 ^d	-32% to -35% ^d

Source: CRS, based on Office of Management and Budget, *America First: A Budget Blueprint to Make America Great Again*.

- a. While the Blueprint makes comparisons to FY2017, there is no final FY2017 appropriation. Certain amounts in this column are from FY2016, which is the basis of the current continuing resolution.
- b. Excludes amounts for the Food for Peace international food aid program as in the Blueprint, and mandatory spending.
- c. FY2016 amount; see CRS Report R44588, [Agriculture and Related Agencies: FY2017 Appropriations](#).
- d. Computed based on data in this table.
- e. Implied from the Blueprint fully funding the program.
- f. The comparable amount for FY2017 wildland fire preparedness and suppression is uncertain depending on whether the Department of Interior is included and how rising spending is counted. Therefore a range is used.

Transfer of Food for Peace to Department of State

Food for Peace Title II international food aid (formerly known as P.L. 480) provides primarily in-kind donations of U.S. commodities. Agricultural appropriations to USDA (\$1.5 billion in FY2016) have funded the program, but it is administered by the State Department.

The Blueprint intends to fund Food for Peace Title II in the State Department's budget, which for FY2018 "allows for

significant funding of humanitarian assistance, including food aid," though it does not mention Food for Peace or specify an amount. The Obama Administration similarly proposed moving Food for Peace appropriations to State in the FY2014 budget request, which Congress did not follow.