

## FUNCTION 350: AGRICULTURE

### SENATE BUDGET RESOLUTION FOR 2001

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Under current law, spending for Function 350, Agriculture, will total \$29.7 billion in BA and \$28.3 billion in outlays for 2000. This function includes funding for federal programs intended to promote the economic stability of agriculture through direct assistance and loans to food and fiber producers, provide regulatory, inspection and reporting services for agricultural markets, and promote research and education in agriculture and nutrition.

Farm income support programs operated by the Commodity Credit Corporation (CCC), and risk management programs under the Federal Crop Insurance Corporation (FCIC) make up most of the spending in this function. Over the past 25 years, CCC spending has ranged from \$0.6 billion in 1975 to \$26 billion in 1986. This year, total outlays for the CCC are expected to be a record \$27.6 billion, and FCIC outlays are expected to be \$2.2 billion.

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#### CHAIRMAN'S MARK

(\$ Billions)

	2000	2001	2002	2003	2004	2005
Budget Authority	35.3	20.9	19.0	18.0	17.4	16.1
Outlays	33.9	18.8	17.2	16.4	15.9	14.6

#### Discretionary

The Chairman's mark assumes discretionary spending in this function would total \$4.5 billion in BA and outlays for 2001. Over the next five years, discretionary spending in this function would total \$23.1 billion in BA and \$22.8 billion in outlays. The mark represents a increase of \$0.1 billion in BA over the enacted 2000 level.

Specifically, the Chairman's mark assumes substantial program increases within the Farm Service Agency, the Agricultural Research Service, the Animal and Plant Health Inspection Service, and research, education and extension activities funded under the Cooperative State Research,

Education, and Extension Service. The Chairman's mark also assumes sufficient funding to implement a program within USDA to upgrade and integrate outdated department-wide computing systems. The Chairman's mark assumes \$94 million in additional funds requested by the President for 2000 will be appropriated before the end of this year.

### **Mandatory used for Discretionary offsets**

The Chairman's mark assumes mandatory savings of \$30 million in BA in 2001 and \$90 million in BA over the next five years from the Fund for Rural America program.

### **Mandatory PAYGO**

The Chairman's mark recognizes that legislation will likely be enacted later this year to help agricultural producers manage risk. For this purpose, the Chairman's mark provides for a mandatory spending adjustment of \$8.0 billion in this function for the 2001 through 2005 period.

In addition, the mark recognizes the likely need for additional assistance for agriculture producers, and that legislation for this purpose falls under the jurisdiction of the Committee on Agriculture, Nutrition, and Forestry. The Chairman's mark provides a mandatory spending adjustment of \$5.5 billion in BA and outlays for 2000, and \$3.0 billion for the 2001 through 2005 period upon that committee's reporting of legislation that provides assistance for producers of program crops and specialty crops, and enhancements for agriculture conservation programs.

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COMPARISON OF CHAIRMAN'S MARK WITH PRESIDENT'S BUDGET  
AND SBC BASELINE  
(\$ Billions)

	2000	2001	2002	2003	2004	2005
<u>Chairman's Mark</u>						
Budget Authority	35.3	20.9	19.0	18.0	17.4	16.1
Outlays	33.9	18.8	17.2	16.4	15.9	14.6
<u>President's Budget</u>						
Budget Authority	29.7	21.7	19.8	16.1	15.5	14.2
Outlays	28.4	19.9	18.6	14.6	13.9	12.6
<u>SBC Baseline</u>						
Budget Authority	29.7	17.7	16.9	15.9	15.1	13.8
Outlays	28.3	16.4	15.3	14.3	13.8	12.4
<u>Mark compared to:</u>						
<u>President's Budget</u>						
Budget Authority	5.5	-0.8	-0.9	1.9	1.9	1.9
Outlays	5.5	-1.1	-1.3	1.7	2.0	2.0
<u>SBC Baseline</u>						
Budget Authority	5.6	3.2	2.0	2.1	2.2	2.3
Outlays	5.6	2.4	1.9	2.0	2.1	2.2

