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FY-2018 SOYBEAN APPROPRIATIONS BACKGROUNDER

July 2017

ASA Position:

ASA's appropriations priorities are to protect funding for crop insurance, export market development programs (FMD and MAP), food aid, agricultural research, conservation practices on working lands, and Inland Waterways and Harbor Maintenance Trust Funds. ASA also supports funding for EPA's Office of Pesticide Programs.

For **FY2018** Agriculture Appropriations, ASA supports:

- \$425 million for the Agricultural and Food Research Initiative (AFRI)
- Full funding for USDA working lands conservation programs, including CSP, EQIP and RCPP
- Not less than \$1.58 billion to fund international food assistance programs
- \$200 million for MAP and \$34.5 million for the FMD Program

For **FY2018** Energy & Water Appropriations, ASA supports:

- Full use of Inland Waterways Trust Fund revenues
- Increased funding for Corps of Engineers' Operations & Maintenance; support House committee passed level of \$3.5 billion
- Increased funding for Harbor Maintenance Trust Fund for maintenance and construction of ports and harbors; support House committee passed level of \$1.34 billion

For **FY2018** Interior and Environment Appropriations, ASA supports:

- Funding for EPA's Office of Pesticide Programs (OPP) at the authorized levels of \$128 million

Background:

The President's budget request was sent to Congress in May. The House has passed its version of Agricultural Appropriations out of Subcommittee and awaits consideration by the full House. The Senate has not yet acted.

Agricultural and Food Research Initiative (AFRI)

AFRI is the Nation's premier competitive, peer-reviewed research program for fundamental and applied sciences in agriculture. ASA has strongly supported AFRI since its creation in the 2008 farm bill. The 2014 farm bill authorizes AFRI funding of \$700 million annually. Even with the small but steady increases Congress has provided to AFRI, the FY2017 funding of \$375 million is well short of authorized levels.

The President's budget requests \$350 million for AFRI. The House has not released its breakdown of funding for agricultural research programs.

ASA supports at least \$425 million for AFRI in FY2018 and full funding of \$700 million annually as soon as practicable.

Conservation Funding

ASA supports the levels of mandatory farm bill funding for private lands conservation programs, including the [Conservation Stewardship Program](#) (CSP), the [Environmental Quality Incentives Program](#) (EQIP), and the [Regional Conservation Partnership Program](#) (RCPP) established in the 2014 farm bill. RCPP encourages partnerships to increase the restoration and sustainable use of soil, water, wildlife and related natural resources on regional or watershed scales. Several state soybean associations are partners in RCPP programs.

Funding levels for FY2017 were mixed. For the first time in several years, there were no reductions to CSP. However, EQIP was cut by \$181 million (11 percent). The \$181 million cut to EQIP has ramifications for the [Regional Conservation Partnership Program](#) (RCPP) because RCPP draws its funding from CSP and EQIP. Accordingly, the cut to EQIP meant a \$28 million cut to RCPP.

The President's FY18 budget would completely eliminate the CSP – USDA's largest working lands program – as well as the public-private partnerships under the RCPP. The President also proposed a \$325 million cut to EQIP.

The House bill makes no cuts to these programs. ASA supports the House bill.

International Food Assistance

American farmers play a significant role in alleviating world hunger. ASA supports all in-kind U.S. food aid programs and uses of food in development and emergency assistance to developing nations.

For FY2018, ASA supports not less than \$1.58 billion in total food assistance funding, including:

- \$201 million for the McGovern-Dole Global Food for Education Program
- \$1.46 billion for P.L. 480 Title II (Food for Peace)

However, the House Ag Appropriations Bill is set to reduce these programs to:

- \$184 million for the McGovern-Dole Global Food for Education Program
- \$1.4 billion for P.L. 480 Title II (Food for Peace)

The Consolidated Appropriations Act passed in May had the \$1.466 billion for P.L. 480 and boosted it with another \$134 million to reach \$1.6 billion.

Export Promotion Programs

Export development programs, including the Market Access Program (MAP) and the Foreign Market Development Program (FMD), have helped build an export market of \$150 billion for 2014. The public-private partnership among soy producers, the soy industry and the U.S. government creates a significant and positive boost to the U.S. economy.

For FY2018, ASA supports:

- Maintaining the authorized \$200 million in mandatory funding for MAP
- Maintaining the authorized \$34.5 million in mandatory funding for the FMD program

Interior & Environment Appropriations

Office of Pesticide Programs (OPP)

The OPP, authorized in the Pesticide Registration Improvement Extension Act (PRIA), is critically important to ensure timely and thorough review, registration, and reapproval of crop protection tools for producers. Staffing has been reduced in recent years and funding well below statutory levels, which results in inefficient and slow approvals of products.

Funding for OPP comes from three accounts within EPA:

- Science and Technology: Pesticide licensing
- Environmental Programs and Management: Pesticide licensing
- State and Tribal Assistance Grants: Categorical grant: Pesticides Program Implementation

For FY2018 Interior and Environment Appropriations, ASA supports:

- Funding for EPA's Office of Pesticide Programs (OPP) at the statutory levels of \$128 million.

The President's FY2018 proposes to reduce these programs to \$99.4 million for the OPP, or nearly \$29 million below statutory levels.

Energy & Water Appropriations

The successful policy changes achieved in the 2014 Water Resources Reform & Development Act (WRRDA) must continue to be reflected in the annual Energy & Water appropriations bill.

- Appropriate the highest level of funding that can be supported by the inland waterway barge fuel fee revenues received into the Inland Waterways Trust Fund (IWTF).
- Provide at least \$3.5 billion for the Corps of Engineers' Operations & Maintenance (O&M) account.
- Provide at least \$1.3 billion for the Harbor Maintenance Trust Fund (HMTF) for maintenance & construction of ports and harbors.