



DEPARTMENT OF AGRICULTURE

The President's 2009 Budget will:

- Ensure the continuation of a strong farm economy and fulfill the Administration's commitment to reduce trade barriers;
- Provide nutrition assistance programs to one in five Americans;
- Maintain support for the Northwest Forest Plan by providing for the offer of 800 million board feet of timber to be harvested;
- Encourage rural development through program reforms and improved housing opportunities; and
- Help ensure the safety of both imported and domestic products.

Ensuring the Continuation of a Strong Farm Economy

- *Promotes a strong farm economy.* The Administration's farm bill proposals represent a comprehensive, reform-minded, and fiscally responsible approach to supporting America's farmers and ranchers, including:
 - Reforms to tighten payment limits and revise the countercyclical support program to be responsive to actual conditions and provide a strong safety net.
 - Revisions to make commodity programs less market-distorting, reduce friction with America's trading partners, and increase spending on conservation and energy programs.
- *Reduces trade barriers.* Encourages future growth in agriculture through the reduction of trade barriers.
 - Maintains and opens new markets for American farmers and ranchers, to build on record levels for U.S. agricultural exports that will eclipse the \$81.9 billion record set in 2007.
 - Continues efforts toward approval and implementation of the free trade agreements with Colombia, Panama, and South Korea to level the playing field for U.S. producers.



Source: Department of Agriculture

Workers unloading wheat from a cargo ship.

Promoting Nutrition Assistance Programs

- *Reauthorizes the Food Stamp Program.* Improves the integrity of this program by tightening overly broad waivers from eligibility criteria, and removes penalties for college and retirement savings, and child care expenses.
- *Increases funding for the Special Supplemental Nutrition Program for Women, Infants and Children (WIC).* Provides \$6.1 billion for WIC services, reaching an estimated 8.6 million beneficiaries in 2009. In keeping with the Administration's promotion of childhood wellness and fitness, the Department is issuing updated WIC food packages that reduce maximum allowances of certain foods and promote the intake of fresh fruits and vegetables.

Developing Sustainable Forests

- *Supports the Northwest Forest Plan.* Provides a national timber sales target of 3.5 billion board feet, which includes the Northwest Forest Plan's goal of 800 million board feet of timber for the Forest Service in 2009. The goal is a sustainable level that provides enough timber to build 64,000 three-bedroom houses, but is well below the 10 billion board feet of timber harvested in 1990.
- *Improves forest health.* Reduces the threat of catastrophic wildfires to communities and the environment by providing \$297 million for hazardous fuels reduction projects—a more than fourfold increase since 2000.
- *Improves stewardship.* Supports stewardship of America's national forests, which are vital parts of the Nation's natural heritage, economic base, environmental resources, and recreational opportunities.

Encouraging Rural Development

- *Increases homeownership.* Provides more efficient and effective housing assistance for rural residents. Promotes the use of guaranteed loans by providing a \$4.8 billion guaranteed single family housing loan level, an increase of \$659 million over 2008, to maintain single family homeownership opportunities while eliminating the more costly direct homeownership loans.
- *Provides rental assistance.* Ensures that all current tenants will continue to receive support by providing \$997 million in rental assistance, including \$897 million for rental assistance grants and \$100 million for vouchers, rather than the traditional unit-based assistance.

Improving Import and Domestic Food Safety

- *Ensures the safety of meat, poultry, and egg products.* Supports efforts to:
 - Determine the equivalency of foreign food safety inspection systems;
 - Inspect domestic and imported meat, poultry, and egg products for compliance with U.S. food safety laws and regulations; and
 - Improve the ability to detect harmful agents in food with rapid test capabilities.
- *Reduces the risk of plant and animal pests and diseases impacting the United States.* Supports efforts to:
 - Monitor for, and respond to, domestic pests and diseases of plants and animals;
 - Monitor pests and diseases overseas and propose necessary regulatory actions; and
 - Detect and prevent the entry and dissemination of commodities that may harbor disease.

Major Savings and Reforms

- Identifies 33 programs representing \$2.3 billion for termination or reduction, including:
 - Resource Conservation and Development Program, which duplicates other Department of Agriculture economic development programs that encourage State and local governments to plan and implement projects, including those for resource protection, community zoning and infrastructure, and economic development;
 - Commodity Supplemental Food Program, which, in the limited areas where it is available, duplicates two of the Nation's largest Federal nutrition assistance programs—Food Stamps and WIC; and
 - Watershed Surveys and Planning Program, which subsidizes local planning activities for water resource use, and Watershed and Flood Prevention Operations Program, which subsidizes local dam and water supply construction projects. This is not a core responsibility of the Federal Government.

Since 2001, the Department of Agriculture has:

- Opened new markets for American farmers and ranchers, helping lead to a record level for U.S. agricultural exports of \$81.9 billion in 2007, up nearly 55 percent since 2001.
- Reduced hazardous fuels on 13.5 million acres of forest and doubled the yearly acreage coverage under the President's Healthy Forests Initiative.
- Enrolled over one million acres into the Wetlands Reserve Program to restore and protect these ecologically valuable lands.
- Provided assistance to farmers and ranchers resulting in conservation on more than 130 million acres of land.
- Provided food and nutrition benefits to an additional 9.1 million people participating in the Food Stamp Program and approximately one million women, infants, and children participating in WIC.
- Strengthened domestic surveillance and testing of avian influenza to ensure rapid detection and response. Provided assistance to 142 countries where highly pathogenic avian influenza has been detected to slow the spread of the disease abroad.
- Encouraged the development of a domestic renewable fuels industry with incentives that resulted in the production of 9 billion gallons of ethanol and 250 million gallons of biodiesel.
- Helped reduce the prevalence of *Listeria monocytogenes* on ready-to-eat meat by over 50 percent through effective inspection systems and response mechanisms.

Department of Agriculture
(Dollar amounts in millions)

	2007 Actual	Estimate	
		2008	2009
Spending			
Discretionary Budget Authority:			
Commodities and International.....	3,132	3,144	3,263
Rural Development	2,478	2,335	2,111
Forest Service.....	4,325	4,488	4,111
Conservation	873	937	800
Food and Nutrition Service	5,536	6,013	6,372
Research	2,539	2,594	2,216
Marketing and Regulatory Programs	1,911	1,925	1,999
Central Administration	523	441	526
Subtotal	21,317	21,877	21,398
Receipts	-52	-40	-45
Mandatory savings proposals	—	—	-573
Total, Discretionary budget authority	21,265	21,837	20,780
<i>Memorandum:</i>			
<i>Budget authority from enacted supplementals</i>	<i>4,042</i>	<i>1,573</i>	<i>—</i>
<i>Additional funding requirements (P.L. 480 Title II)</i>	<i>—</i>	<i>350</i>	<i>—</i>
Total, Discretionary outlays	24,398	28,267	22,643
Mandatory Outlays:			
Food and Nutrition Service	47,924	53,213	55,022
Commodity Credit Corporation.....	10,750	10,120	9,912
Crop Insurance	3,471	4,385	5,221
Natural Resources Conservation Service	1,484	1,785	2,546
Agricultural Marketing Service.....	889	685	1,473
Forest Service.....	791	557	420
Rural Development, including liquidating accounts	-3,154	-2,169	-1,622
Receipts, reestimates, and all other programs	-2,111	-2,075	-857
Total, Mandatory outlays	60,044	66,501	72,115
Total, Outlays	84,442	94,768	94,758

Department of Agriculture—Continued
(Dollar amounts in millions)

	2007 Actual	Estimate	
		2008	2009
Credit activity			
Direct Loan Disbursements:			
Farm Loans.....	1,070	1,091	1,073
Commodity Credit Corporation.....	11,286	9,339	8,786
Rural Utilities Service.....	6,453	7,127	6,501
Rural Housing.....	1,841	1,951	933
Rural Business and Community Development.....	53	66	64
P.L. 480.....	91	39	—
Total, Direct loan disbursements.....	20,794	19,613	17,357
Guaranteed Loan Commitments:			
Farm Loans.....	2,110	2,475	2,500
Commodity Credit Corporation.....	1,334	2,274	2,675
Rural Utilities Service.....	7	52	34
Rural Housing Service.....	3,645	5,478	5,514
Rural Business Service.....	598	1,072	1,097
Total, Guaranteed loan commitments.....	7,694	11,351	11,820
		Number of Programs	2009 BA Savings
Major Savings, Discretionary			
Terminations.....	19		—786
Reductions.....	14		—1,506