

Agricultural Conservation: FY2023 and FY2024 Appropriations

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Agricultural Conservation: FY2023 and FY2024 Appropriations

The Agriculture appropriations bill funds the U.S. Department of Agriculture (USDA) except for the U.S. Forest Service. The FY2023 Consolidated Appropriations Act (P.L. 117-328, Division A) and the FY2024 Consolidated Appropriations Act (P.L. 118-42, Division B) included funding for USDA conservation programs and activities.

Agricultural conservation programs receive both mandatory and discretionary spending. Most conservation program funding is mandatory and is authorized in omnibus farm bills. Other conservation programs—mostly conservation technical assistance—operate with discretionary funding through annual appropriations acts. The FY2023 appropriations included funding levels for discretionary conservation programs that were more than the amounts provided in FY2022. The FY2024 appropriations reduced funding levels for discretionary conservation below the FY2023 levels. In FY2023, Congress also enacted legislation known as the Inflation Reduction Act of 2022 (IRA; P.L. 117-169), which provided supplemental funding for both mandatory and discretionary conservation programs in addition to what was provided in annual appropriations.

The largest discretionary conservation program is the Conservation Operations (CO) account, which funds conservation planning and implementation assistance on private agricultural lands across the country. The Natural Resources Conservation Service (NRCS) administers the CO account. CO funds are used to support nearly half of the salaries and expenses for NRCS staff, as well as NRCS technology development, conservation system design, compliance reviews, grants to partners for additional technical assistance capacity, and resource assessment reports. A decline in funding for CO over the past 10 years has resulted in reduced NRCS staffing levels. Reductions in staff may affect NRCS's ability to provide technical assistance and administer farm bill conservation programs to farmers and ranchers, including additional funding provided by the IRA.

The FY2023 appropriations increased funding for CO to \$941.1 million, a \$36.7 million increase from FY2022 levels. The FY2024 appropriations decreased funding for CO to \$914.9 million. Both the FY2023 and FY2024 appropriations directed CO funding to specific projects, commonly referred to as earmarks. In FY2023 and FY2024, earmarks accounted for roughly 2% of total CO. Conservation programs that were funded from separate appropriations in FY2023 were funded from CO in FY2024. The FY2023 appropriations included a \$13.0 million increase for additional NRCS staff, the first direct increase in funding for additional staff in the previous five years. Similar additional funding for staffing was not provided in the FY2024 appropriations. Separate from annual appropriations, in FY2023, the IRA provided \$1.0 billion for NRCS Conservation Technical Assistance (CTA), which is funded through CO. This supplemental funding is directly related to the additional financial assistance funding provided in the IRA for selected farm bill conservation programs. The IRA funding provided for CTA is available through FY2031 and could affect NRCS staffing levels.

Other discretionary spending for agricultural conservation is primarily for watershed programs. The largest program—Watershed and Flood Prevention Operations (WFPO)—was funded at \$75.0 million in the FY2023 appropriations and \$35.0 million in the FY2024 appropriations. The Watershed Rehabilitation Program received \$2.0 million in the FY2023 appropriations and \$1.0 million in FY2024. Both the FY2023 and FY2024 appropriations included earmarks for specific WFPO projects. In FY2023, earmarks accounted for nearly 28% of appropriated WFPO funds. With the reduction in funding for FY2024, earmarks became 58% of appropriated WFPO funding.

Conservation programs funded with mandatory spending do not require annual appropriations. Congress can reduce mandatory spending programs in appropriations through Changes in Mandatory Program Spending (CHIMPS). Congress enacted CHIMPS on agricultural conservation programs every year between FY2003 and FY2018. In FY2023 and FY2024, Congress transferred \$60.2 million each year from mandatory conservation programs to fund administrative activities as it has for every fiscal year since FY2019.

Agriculture appropriations bills may include policy-related provisions that direct how the executive branch is to carry out the appropriations. The FY2023 and FY2024 appropriations included policy provisions for conservation programs, such as waiving specific programmatic requirements and requiring reports to Congress.

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The Agriculture appropriations bill—formally called the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act—funds all of the U.S. Department of Agriculture (USDA), excluding the U.S. Forest Service.

Congress passed, and the President signed into law, the FY2023 Consolidated Appropriations Act (P.L. 117-328) on December 29, 2022. Agriculture and related agencies are included under Division A. For FY2024, the House Appropriations Committee reported H.R. 4368 on June 14, 2023 (including H.Rept. 118-124), which failed on the House floor on September 28, 2023. The Senate Appropriations Committee reported S. 2131 on June 22, 2023 (including S.Rept. 118-44). The FY2024 appropriations for agriculture were not enacted before the end of FY2023. Congress passed a series of continuing resolutions until March 9, 2024, when H.R. 4366 was passed and signed into law as the FY2024 Consolidated Appropriations Act (P.L. 118-42).¹ Agriculture and related agencies are included under Division B.

This report provides a brief overview of the conservation-related provisions in the FY2023 and FY2024 Agriculture appropriations bills. For a general analysis of FY2023 and scope of the FY2024 appropriations for agriculture, see CRS Insight IN12158, *Agriculture and Related Agencies: FY2024 Appropriations*.

Conservation Appropriations

USDA administers numerous agricultural conservation programs that assist private landowners with making land improvements and addressing natural resource concerns. These include working lands programs, land retirement and easement programs, watershed programs, technical assistance, and other programs. The two lead agricultural conservation agencies within USDA are the Natural Resources Conservation Service (NRCS), which provides technical assistance and administers most conservation programs, and the Farm Service Agency (FSA), which administers the Conservation Reserve Program.²

Most conservation program funding is mandatory, obtained through the Commodity Credit Corporation (CCC), and authorized in omnibus farm bills (about \$5.0 billion of CCC outlays in FY2023 and \$5.3 billion in FY2024).³ The Agriculture Improvement Act of 2018 (2018 farm bill; P.L. 115-334) reauthorized most mandatory conservation programs through FY2023.⁴ Congress also enacted a one-year extension (P.L. 118-22, Division B, §102) for expiring farm bill authorizations through FY2024. Other conservation programs—most of which provide technical assistance—operate with discretionary funding provided in annual appropriations (about \$1 billion annually).

The FY2023 appropriations generally increased funding from FY2022 levels for discretionary conservation programs. In FY2023, Congress also enacted legislation known as the Inflation Reduction Act of 2022 (IRA; P.L. 117-169), which provided supplemental funding for both

¹ Continuing resolutions included the following: P.L. 118-15 (9/30/2023 through 11/17/2023), P.L. 118-22 (11/16/2023 through 1/19/2024), P.L. 118-35 (1/19/2024 through March 1, 2024), and P.L. 118-40 (3/1/2024 through 3/8/2024).

² For more information on individual conservation programs, see CRS Report R40763, *Agricultural Conservation: A Guide to Programs*.

³ The Commodity Credit Corporation (CCC) is a mandatory funding mechanism for agriculture programs administered by the U.S. Department of Agriculture (USDA). For more information on the CCC, see CRS Report R44606, *The Commodity Credit Corporation (CCC)*. Outlay funding estimates are from Congressional Budget Office (CBO) “CBO’s June 2024 Baseline for Farm Programs,” June 2024, <https://www.cbo.gov/system/files/2024-06/51317-2024-06-usda.pdf>.

⁴ For additional information on farm bill conservation programs, see CRS Report R47478, *Agricultural Conservation and the Next Farm Bill*.

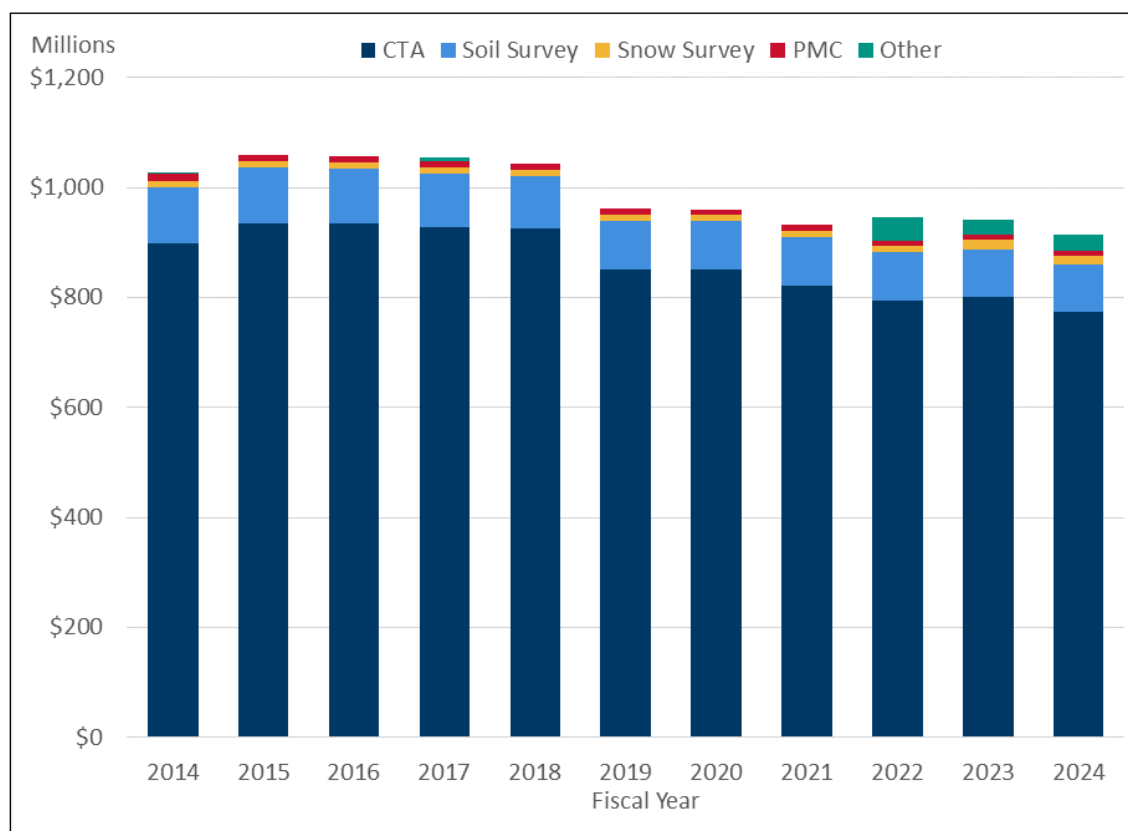
mandatory and discretionary conservation programs. The FY2024 appropriation is less than the FY2023 level for discretionary conservation programs.

Discretionary Conservation Programs

Conservation Operations

NRCS administers all of USDA's discretionary conservation programs. The largest program and the account that funds most NRCS activities is Conservation Operations (CO). The CO account primarily funds Conservation Technical Assistance (CTA), which provides conservation planning and implementation assistance from field staff placed in almost all counties within the United States and its territories. Other components of CO include the Soil Survey, Snow Survey and Water Supply Forecasting, and Plant Materials Centers (**Figure 1**).

Figure 1. Conservation Operations Annual Appropriations, by Function
FY2014-FY2024



Source: Figure created by the Congressional Research Service (CRS) based on historical appropriations acts and adjusted for inflation using the gross domestic product price deflator in FY2023 dollars from the Office of Management and Budget, Table 10.1—Gross Domestic Product and Deflators Used in the Historical Tables: 1940–2029, March 2024, https://www.whitehouse.gov/wp-content/uploads/2024/03/hist10z1_fy2025.xlsx.

Notes: CTA = Conservation Technical Assistance; PMC = Plant Materials Centers; and Other = Grazing Lands Conservation Initiatives, watershed projects, and Congressionally Directed Spending/Community Project Funding (Earmarks). Depending on the legislative text, some programs included in Other during one year may be accounted for in CTA in another year. Figure does not include supplemental funding.

The CO account is the primary source of discretionary funding for technical assistance (see the “Funding for Technical Assistance” section for additional detail). The FY2024 appropriations funded CO at \$941.9 million, or \$26.2 million (-2.8%) less than enacted for FY2023. The FY2023 appropriations increased CO funding by \$36.7 million from FY2022 levels. Both the FY2023 and FY2024 appropriations directed funding to specified conservation initiatives (**Table 1**). Language in the FY2023 and FY2024 explanatory statements further directed some funding to selected activities and specific projects, referred to as “earmarks” (**Table 2**).⁵

Table 1. FY2022-FY2024 Discretionary Agricultural Conservation Funding

budget authority in thousands of dollars

	FY2022	FY2023	FY2024
Program	P.L. 117-103	P.L. 117-328	P.L. 118-42
Conservation Operations (CO)			
Conservation Technical Assistance	759,813	800,892	773,495
<i>Climate Change-Related Initiatives</i>	3,000	0	0
<i>Soil Health Initiative</i>	1,000	0	0
<i>Grazing Lands Conservation Initiative</i>	14,000	14,000	10,000
<i>Additional Staff</i>	0	13,000	0
<i>Phragmites Control</i>	0	1,000	1,000
<i>Equity Cooperative Agreements</i>	0	0	0
Soil Survey	84,444	86,757	86,757
<i>Maintenance</i>	5,000	0	0
Snow Survey	9,488	16,751	14,751
<i>Feasibility Study</i>		1,000	0
Plant Material Centers	10,540	10,751	10,751
<i>Climate Change-Related Initiatives</i>	1,000	1,000	0
Urban Agriculture and Innovative Production ^a	8,500	0	7,000
Heathy Forest Reserve Program ^b	7,000	0	0
Feral Hog Fencing	5,000	3,000	3,000
CO Earmarks (see Table 2)	19,611	22,973	19,145
Total CO	904,396	941,124	914,899
Watershed Operations^c	100,000	75,000	35,000
<i>Watershed Earmarks (see Table 2)</i>	23,275	20,591	20,350
Watershed Rehabilitation Program	1,000	2,000	1,000
Water Bank	[4,000]	[4,000]	[2,000]
Mitigation Banking	[5,000]	[5,000]	[2,000]

⁵ “Explanatory Statement Submitted by Mrs. Murray, chair of the Senate Committee on Appropriations, regarding H.R. 4366, Consolidated Appropriations Act, 2024,” *Congressional Record*, vol. 170, no. 39 (March 5, 2024), pp. S1287-S1293. “Explanatory Statement Submitted by Mr. Leahy, chair of the Senate Committee on Appropriations, Regarding H.R. 2617, Consolidated Appropriations Act, 2023,” *Congressional Record*, vol. 168, no. 197 (December 19, 2022), pp. S7825-S7839.

	FY2022	FY2023	FY2024
Program	P.L. 117-103	P.L. 117-328	P.L. 118-42
Urban Agriculture and Innovative Production^a	0	8,500	0
Healthy Forest Reserve Program^b	0	7,000	0
Total NRCS Discretionary	1,005,396	1,018,124	950,899

Source: Prepared by CRS using appropriations text and report tables.

Notes: Amounts are nominal discretionary budget authority in thousands of dollars. Italics indicate funding that is included within other accounts in the table. Bracketed amounts are not included in totals; they indicate funding appropriated in General Provisions and accounted for separately from the Natural Resources Conservation Service (NRCS) appropriation. Funding totals exclude amounts provided through supplemental appropriations acts, emergency funding, and rescissions. “Earmarks” refer to total funds identified as Congressionally Directed Spending and Community Project Funding.

- FY2022 and FY2024 enacted included funding for the Urban Agriculture and Innovative Production program in the CO account. The FY2023 enacted included funding as a standalone appropriation under NRCS. The FY2024 Administration’s request would continue the funding as a standalone appropriation under NRCS.
- FY2022 enacted included funding for the Healthy Forest Reserve Program in the CO account. The FY2023 enacted included funding as a standalone appropriation under NRCS. The FY2024 enacted included no funding for the program.
- FY2024 enacted directed all non-earmarked funds under the Watershed Operations account to “multi-benefit irrigation modernization projects and activities that increase fish or wildlife habitat, reduce drought impact, improve water quality or instream flow, or provide off-channel renewable energy production.”

Separate from annual appropriations, in FY2023 the IRA (§21002(a)(1)) provided \$1.0 billion for NRCS CTA to remain available through FY2031. This supplemental funding is directly related to the additional funding provided in the IRA for selected farm bill conservation programs (see “Funding for Technical Assistance” discussion).

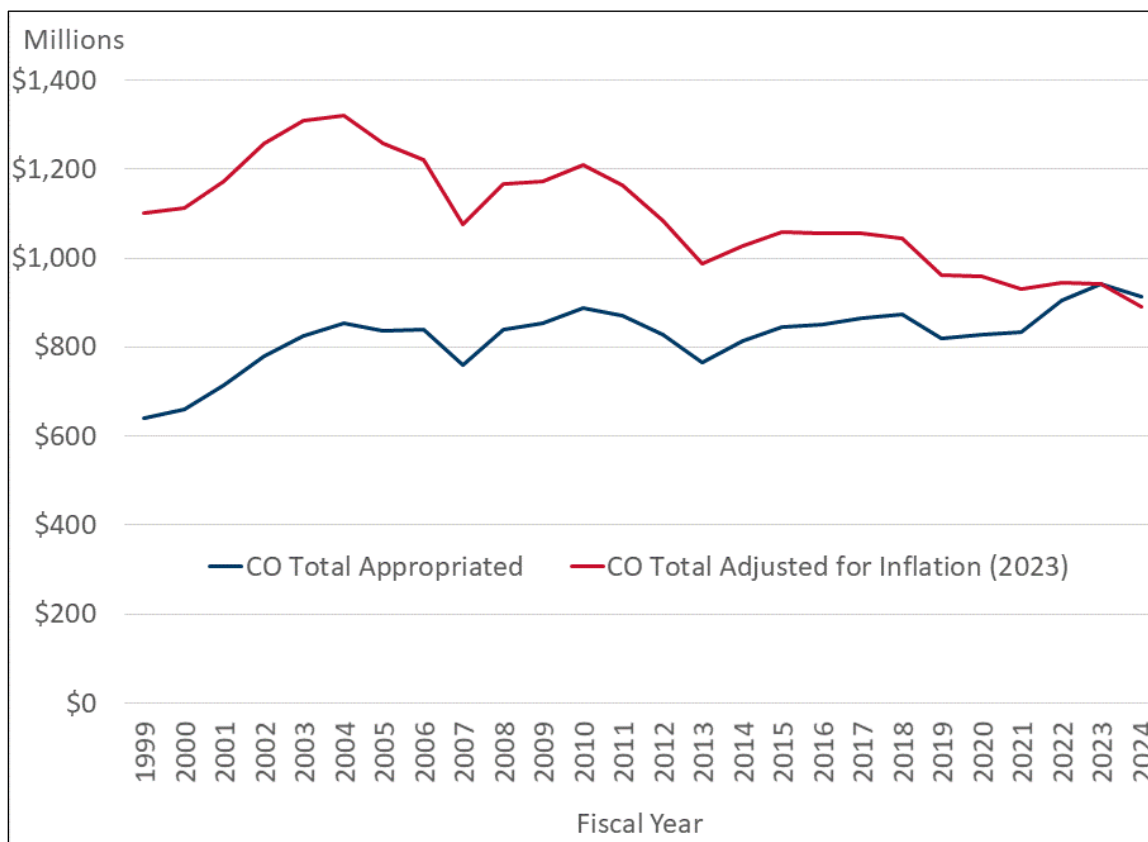
Funding for Technical Assistance

NRCS is the federal provider of technical assistance for agricultural conservation.⁶ At the landowner’s request, NRCS provides technical assistance to conserve and improve natural resources. The assistance includes technical expertise combined with knowledge of local conditions and is provided through a network of federal staff throughout the United States.

Technical assistance for conservation is funded through both mandatory and discretionary sources, with CO being the primary account receiving discretionary funding from annual appropriations. The CTA program within CO funds much of the conservation technical assistance provided by NRCS. Funds support salaries and expenses for NRCS staff, technology development, conservation system design, compliance reviews, grants to partners for additional technical assistance capacity, and resource assessment reports. Total funding for CO has fluctuated in recent years. In some cases, fluctuations in funding were in response to an Administration’s request. In other cases, funding changes reflected national budget dynamics that were not unique to CO (e.g., reductions caused by fiscal pressures and sequestration in FY2013 and funding increases through budget agreements in FY2014-FY2021). In inflation-adjusted dollars, CO has declined over the past 20 years (see **Figure 2**).

⁶ The statutory authority to provide conservation technical assistance is derived from the Soil Conservation and Domestic Allotment Act of 1935 (P.L. 74-46, 16 U.S.C. §590 et seq.).

Figure 2. Conservation Operations (CO) Appropriated Funding
FY1999-FY2024



Source: Figure created by CRS using historical appropriations; USDA, *FY2025 Budget Explanatory Notes—Natural Resources Conservation Service*; and Office of Management and Budget, Table 10.1—Gross Domestic Product and Deflators Used in the Historical Tables: 1940–2029, March 2024, https://www.whitehouse.gov/wp-content/uploads/2024/03/hist10z1_fy2025.xlsx.

Notes: The blue line is funding in nominal dollars, whereas the inflation-adjusted red line is calculated using the gross domestic product price deflator in FY2023 dollars.

The other type of agricultural conservation assistance is financial assistance, which provides direct payments to landowners to implement certain conservation practices or to conserve and protect natural resources on private land. Most programs providing financial assistance are authorized through omnibus farm bills and receive funding from mandatory sources—thus, they do not require an annual appropriation.

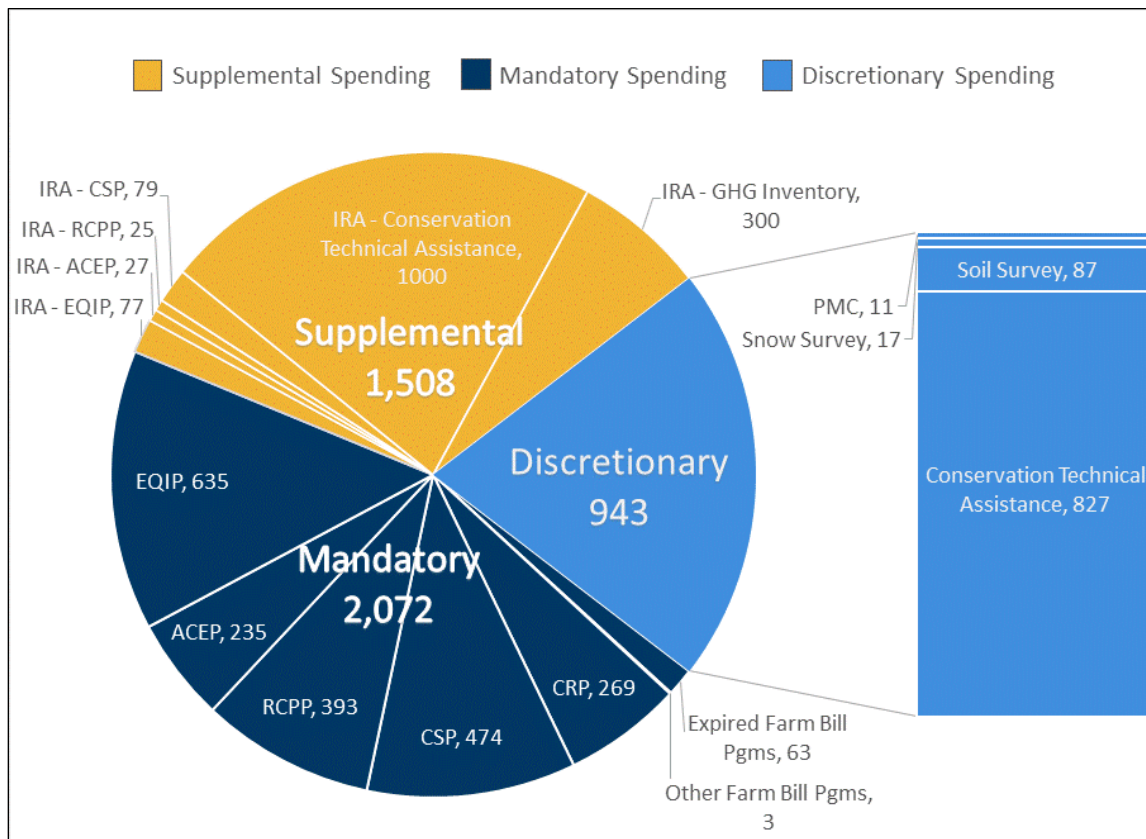
In addition to CTA and CO technical assistance, technical assistance is part of farm bill conservation programs, which are funded through a program’s mandatory authorization. Most technical assistance activities within mandatory programs support the delivery of some level of financial assistance as part of a contract or agreement (**Figure 3**). These activities may include providing designs, standards, and specifications needed to install approved conservation practices and activities.

Generally, technical assistance provided prior to a producer entering into a contract for financial assistance is considered part of CTA. After a producer signs a financial assistance contract, technical assistance is funded from the individual mandatory program rather than CTA. Once the financial assistance contract is complete, most mandatory program funds are no longer available

to support ongoing assistance in maintaining the conservation plans, practices, and activities implemented under the financial assistance program.

Figure 3. FY2023 Total NRCS Technical Assistance, by Program

budget authority in millions of dollars



Source: Figure created by CRS using USDA, *FY2025 Budget Explanatory Notes—Natural Resources Conservation Service*, p. 28-25.

Notes: Numbers may not add due to rounding. FY2023 is the latest available. NRCS = Natural Resources Conservation Service; ACEP = Agricultural Conservation Easement Program; CSP = Conservation Stewardship Program; CRP = Conservation Reserve Program; EQIP = Environmental Quality Incentives Program; GHG = Greenhouse Gas; IRA = Inflation Reduction Act of 2022 (P.L. 117-169); PMC = Plant Material Centers; and RCPP = Regional Conservation Partnership Program. The Agricultural Act of 2014 (P.L. 113-79) repealed and consolidated several farm bill conservation programs. The repealed and consolidated programs are no longer authorized but have valid contracts requiring technical assistance. These programs are called Expired Farm Bill Programs and include the Agricultural Water Enhancement Program, Chesapeake Bay Watershed Program, Farm and Ranchland Protection Program, Grassland Reserve Program, Wetlands Reserve Program, and Wildlife Habitat Incentives Program. Other farm bill programs include the NRCS portion of Agricultural Management Assistance, Voluntary Public Access and Habitat Incentive Program, Feral Swine Eradication and Control Pilot, and Healthy Forest Reserve Program.

As **Figure 3** shows, mandatory programs funded nearly half of NRCS technical assistance in FY2023. The IRA provided nearly \$17 billion in additional funding for selected mandatory farm bill conservation programs.⁷ Because the additional financial assistance for the farm bill conservation programs requires a corresponding increase in the amount of technical assistance

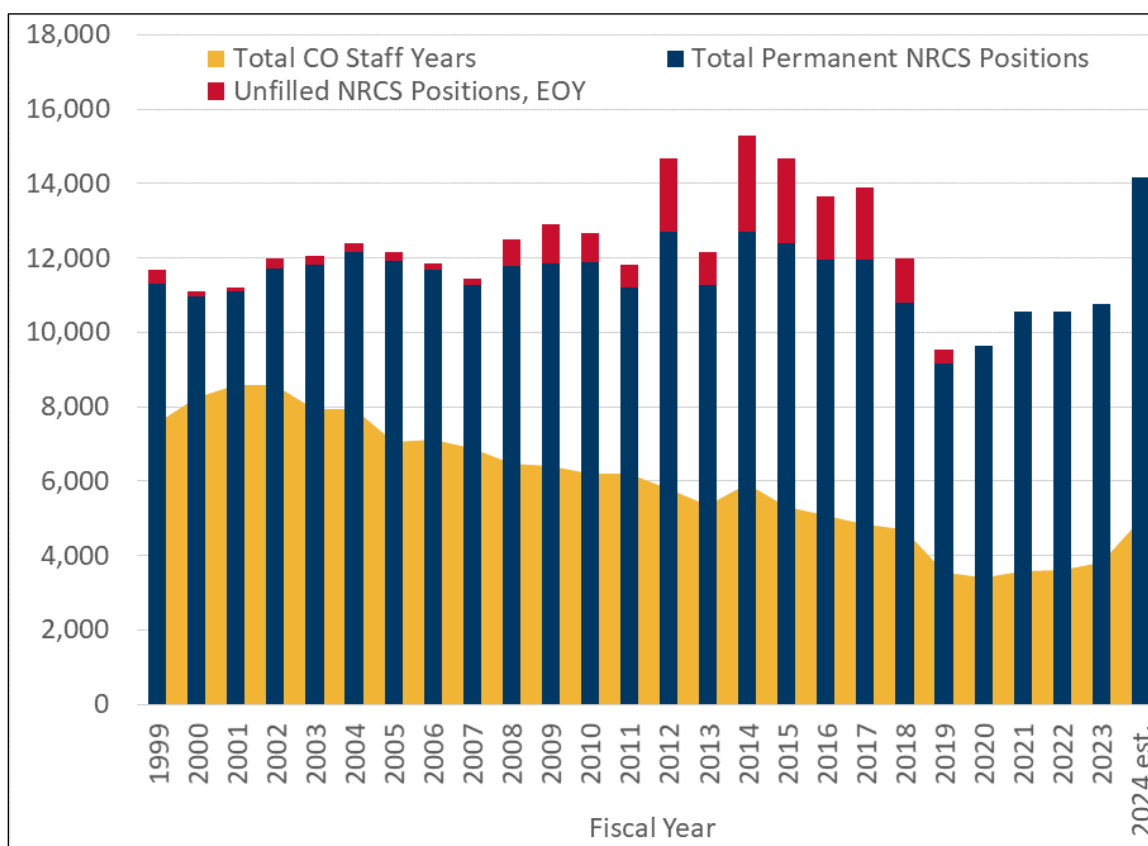
⁷ For additional information on the Inflation Reduction Act of 2022 (IRA), see CRS Insight IN11978, *Inflation Reduction Act: Agricultural Conservation and Credit, Renewable Energy, and Forestry*.

needed for implementation, the IRA also provided additional funding for CTA.⁸ Without this increase in discretionary spending accounts, implementation of additional financial assistance could be hindered since technical assistance prior to a financial assistance contract generally is funded through discretionary spending accounts (i.e., CTA).

NRCS Staffing Levels

CO funds close to half of NRCS staff; other smaller discretionary programs and mandatory conservation programs account for the remainder. The total number of permanent positions at NRCS funded by CO declined from FY2014 through FY2019 (**Figure 4**). The FY2023 staffing level increased slightly but not to the levels requested by the Administration in FY2024.⁹ If FY2024 staffing estimates were filled, then total permanent NRCS staffing positions would be the highest in more than two decades (**Figure 4**).

Figure 4. Total Natural Resources Conservation Service (NRCS) Staffing
FY1999-FY2024



Source: Figure created by CRS using annual USDA Budget Explanatory Notes.

Notes: A staff year is equivalent to one full-time person working for one year. CO = Conservation Operations; EOY = end of year; and est. = estimate.

⁸ IRA §21002(a)(1) provided \$1 billion for Conservation Technical Assistance (CTA) to be available through FY2031.

⁹ The FY2024 request included an increase in proposed staff compared with FY2023, primarily reflecting the additional funding provided in the IRA. According to the request, this increase in funding would be used primarily “to expand staffing capacity to keep pace with increased mandatory financial assistance authorities that exceed \$3.5 billion in 2024.” USDA, *FY2024 Budget Explanatory Notes—Natural Resources Conservation Service*, p. 29-24.

Watershed Programs

The FY2023 and FY2024 appropriations contained funding for watershed activities, including Watershed and Flood Prevention Operations (WFPO)—a program that assists state and local organizations with planning and installing measures to prevent erosion, sedimentation, and flood damage.¹⁰ The FY2024 appropriations reduced WFPO funding to \$35.0 million, or \$40.0 million (-53.3%) less than enacted for FY2023. Language in the FY2023 and FY2024 explanatory statement further directed some funding to earmarks (**Table 2**).

WFPO consists of projects built under two authorities—the Watershed Protection and Flood Prevention Act of 1954 (P.L. 83-566) and the Flood Control Act of 1944 (P.L. 78-534). The vast majority of the projects have been built pursuant to the authority of P.L. 83-566 (referred to as P.L. 566 projects), which authorizes the chief of NRCS to approve construction of smaller watershed projects.¹¹ Larger P.L. 566 projects require congressional approval. The Flood Control Act of 1944 authorized 11 specific projects, referred to as P.L. 534 projects, which are larger and more expensive than P.L. 566 projects.

The FY2023 and FY2024 enacted appropriations directed WFPO funding to specific activities (**Table 3**). In FY2023, enacted appropriations directed \$10.0 million of available WFPO funding to projects that could commence promptly, address regional priorities, or are authorized under the Flood Control Act of 1944 (P.L. 534 projects). An additional \$10.0 million was directed to projects that provide water to rural communities and \$20.6 million for WFPO earmarks. In FY2024, all appropriated funding was directed either to specific projects or to specific types of projects. Of the \$35.0 million available in FY2024, \$20.4 million (58%) was directed to specific projects. The remaining \$14.3 million was directed to projects that are multi-benefit irrigation modernization projects that increase fish or wildlife habitat, reduce drought impact, improve water quality or instream flow, or provide off-channel renewable energy production.

The Small Watershed Rehabilitation Program repairs aging dams built by USDA under WFPO.¹² The program has discretionary funding authority of up to \$85.0 million annually through the end of FY2024.¹³ Congress appropriated \$1.0 million for FY2024, half of the \$2.0 million provided in FY2023.

The 2018 farm bill provides \$50.0 million annually in permanent mandatory funding for WFPO and Small Watershed Rehabilitation activities. The mandatory funding is in addition to discretionary funding provided through annual appropriations.¹⁴

¹⁰ For additional information, see CRS Report R46471, *Federally Supported Projects and Programs for Wastewater, Drinking Water, and Water Supply Infrastructure*.

¹¹ In general, no P.L. 566 project may exceed 250,000 acres, and no structure may exceed 12,500 acre-feet of floodwater detention capacity or 25,000 acre-feet of total capacity.

¹² For additional information, see CRS Report R47383, *Federal Assistance for Nonfederal Dam Safety*.

¹³ The program is authorized through omnibus farm bills, most recently the Agriculture Improvement Act of 2018 (P.L. 115-334). Congress enacted a one-year extension (P.L. 118-22, Division B, §102) of farm bill authorizations through FY2024, which includes the Small Watershed Rehabilitation Program's discretionary funding authority. For additional information on farm bill expiration and extension, see CRS Report R47659, *Expiration of the 2018 Farm Bill and Extension for 2024*.

¹⁴ For additional discussion of changes made in the 2018 farm bill, see CRS Report R45698, *Agricultural Conservation in the 2018 Farm Bill*.

Congressionally Directed Spending and Community Project Funding (Earmarks)

For FY2023 and FY2024, the House and Senate allowed earmarks in appropriations.¹⁵ *Earmarks* generally are defined as congressionally directed spending that noncompetitively benefits a specific entity or locality. The House refers to these as Community Project Funding (CPF) requests, and the Senate refers to these as Congressionally Directed Spending (CDS) items. Both chambers' rules require that appropriations reports disclose earmarks.¹⁶ In FY2023 and FY2024, the House Agriculture appropriations subcommittee included CO as an eligible account for CPF requests, and the Senate Agriculture appropriations subcommittee included WFPO as an eligible account for CDS items.¹⁷

The FY2023 enacted appropriations contained 35 earmarks totaling \$43.6 million in two accounts—CO and WFPO (**Table 2**). The enacted appropriations included \$23.0 million of earmarks in CO (2.4% of the total FY2023 CO appropriation of \$941.1 million) and \$20.6 million of earmarks in WFPO (27.5% of the total FY2023 WFPO appropriation of \$75.0 million). The FY2024 enacted appropriations contained 29 earmarks totaling \$39.5 million in CO and WFPO. The enacted appropriations included \$19.1 million of earmarks in CO (2.1% of the total FY2024 CO appropriation of \$914.9 million) and \$20.4 million of earmarks in WFPO (58.1% of the total FY2024 WFPO appropriation of \$35 million).

Table 2. Total Earmarks in FY2023 and FY2024, by State and Conservation Program

dollars in thousands

State	Conservation Operation		Watershed and Flood Prevention Operations		Total	
	FY2023	FY2024	FY2023	FY2024	FY2023	FY2024
Arizona	0	0	0	55	0	55
California	1,325	4,000	0	0	1,325	4,000
Delaware	0	500	0	0	0	500
Florida	175	0	0	0	175	0
Hawaii	1,000	0	0	0	1,000	0
Idaho	4,000	1,000	0	0	4,000	1,000
Illinois	975	0	0	0	975	0
Kansas	0	0	2,100	0	2,100	0
Louisiana	0	1,000	0	0	0	1,000
Michigan	750	3,000	110	0	860	3,000
Minnesota	0	500	0	0	0	500

¹⁵ CRS Report R46722, *Community Project Funding: House Rules and Committee Protocols*.

¹⁶ CRS Report RS22866, *Earmark Disclosure Rules in the House: Member and Committee Requirements*; and CRS Report RS22867, *Earmark Disclosure Rules in the Senate: Member and Committee Requirements*.

¹⁷ For additional information, see House Appropriations Committee, "Fiscal Year 2024 Member Request Guidance," <https://appropriations.house.gov/fiscal-year-2024-member-request-guidance>; and Senate Appropriations Committee, "FY 2024 Appropriations Requests and Congressionally Directed Spending," <https://www.appropriations.senate.gov/fy-2024-appropriations-requests-and-congressionally-directed-spending>.

State	Conservation Operation		Watershed and Flood Prevention Operations		Total	
	FY2023	FY2024	FY2023	FY2024	FY2023	FY2024
Mississippi	1,200	0	5,330	13,105	6,530	13,105
New Jersey	1,950	500	165	0	2,115	500
Nevada	0	0	0	55	0	55
New York	4,950	0	55	0	5,005	0
Ohio	0	0	0	55	0	55
Oregon	0	0	5,048	5,000	5,048	5,000
Rhode Island	0	0	5,000	2,025	5,000	2,025
South Carolina	0	0	0	55	0	55
Texas	3,500	6,748	0	0	3,500	6,748
Washington	3,147	500	2,728	0	5,875	500
Wisconsin	0	1,397	0	0	0	1,397
West Virginia	0	0	55	0	55	0
Total Earmarks	22,973	19,145	20,591	20,350	43,564	39,495

Source: Prepared by CRS using Community Project Funding/Congressionally Directed Spending (earmark) tables in “Explanatory Statement Submitted by Mr. Leahy, chair of the Senate Committee on Appropriations, Regarding H.R. 2617, Consolidated Appropriations Act, 2023,” *Congressional Record*, vol. 168, no. 197 (December 19, 2022), pp. S7834-S7864.

Notes: Numbers may not add due to rounding.

Mandatory Conservation Program

Mandatory conservation programs generally are authorized in omnibus farm bills and receive funding from the CCC—thus, they do not require an annual appropriation. The 2018 farm bill reauthorized mandatory funding through FY2023 for many of the agricultural conservation programs. The IRA further extended the authorization and provided additional funding for several farm bill conservation programs through FY2031 (**Figure 5**).¹⁸ Congress also enacted a one-year extension (P.L. 118-22, Division B, §102) for other expiring farm bill authorizations through FY2024.

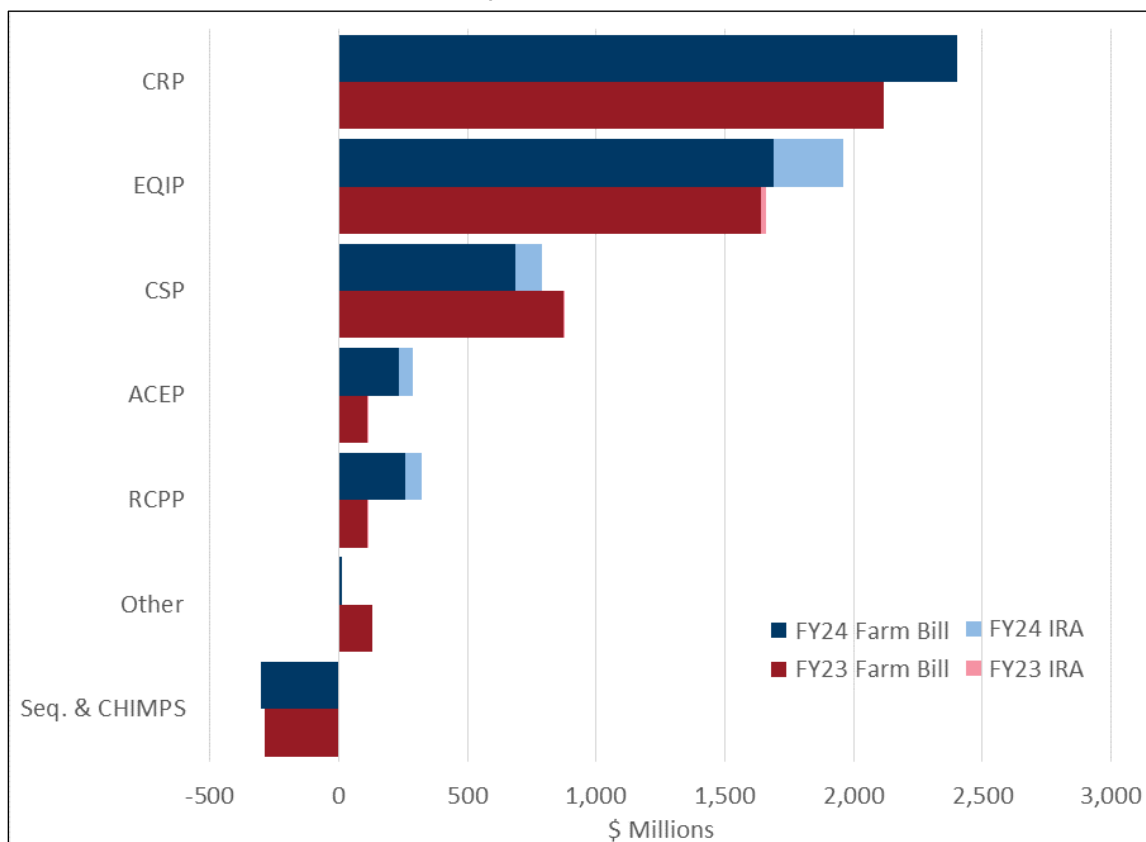
Mandatory conservation program funding—with the exception of the Conservation Reserve Program (CRP)—is classified as mandatory, nonexempt spending and is therefore reduced annually by about 6% by budget sequestration.¹⁹

¹⁸ The Inflation Reduction Act of 2022 (P.L. 117-169) extended authority for the Agricultural Conservation Easement Program (ACEP), Conservation Stewardship Program (CSP), Environmental Quality Incentives Program (EQIP), and Regional Conservation Partnership Program (RCPP). For additional information about farm bill conservation program authority, see CRS Report R47478, *Agricultural Conservation and the Next Farm Bill*.

¹⁹ For additional discussion on sequestration, see Appendix C in CRS Report R46951, *Agriculture and Related Agencies: FY2022 Appropriations*.

Figure 5. Mandatory Conservation Program Funding, FY2023 and FY2024

outlays in millions of dollars



Source: Figure created by CRS using Congressional Budget Office (CBO), “CBO’s June 2024 Baseline for Farm Programs,” June 2024, and appropriations for Changes in Mandatory Program Spending (CHIMPS).

Notes: Seq. & CHIMPS = Announced sequestration and changes in mandatory program spending (i.e., transfers to the Farm Production and Conservation Business Center); Other = budget authority for the Emergency Forestry Conservation Reserve Program, Grassroots Source Water Protection, Feral Swine Eradication, Agricultural Management Assistance program, Voluntary Public Access and Habitat Incentive, Watershed and Flood Prevention Operations, Watershed Rehabilitation Program, Conservation User Fees, and repealed programs; RCPP = Regional Conservation Partnership Program; ACEP = Agricultural Conservation Easement Program; CSP = Conservation Stewardship Program; EQIP = Environmental Quality Incentives Program; CRP = Conservation Reserve Program; Farm Bill = total mandatory funding authorized under the Agriculture Improvement Act of 2018 (2018 farm bill; P.L. 115-334), as amended; and IRA = Inflation Reduction Act of 2022 (P.L. 117-169). CSP amounts are totaled from contracts authorized under the Agricultural Act of 2014 (P.L. 113-79) and the 2018 farm bill. Total funding levels shown are estimated outlays. Sequestration on IRA funds is estimated at the announced levels for FY2023 and FY2024, respectively.

Congress used annual Agriculture appropriations acts to reduce funding to mandatory conservation programs through Changes in Mandatory Program Spending (CHIMPS) every year from FY2003 to FY2017.²⁰ The FY2018 Consolidated Appropriations Act (P.L. 115-141) was the first appropriations act since FY2002 that did not include CHIMPS to conservation programs,

²⁰ Changes in Mandatory Program Spending (CHIMPS) are adjustments via an appropriations act that can change available funding for mandatory programs. CHIMPS usually change spending for one year and may score as an increase or decrease to outlays. They do not change the underlying authority of the program in law. For additional background on CHIMPS, see CRS In Focus IF10041, *Reductions to Mandatory Agricultural Conservation Programs in Appropriations Law*.

thus allowing all mandatory conservation programs to use their authorized level of funding, minus sequestration.

In FY2019, USDA reorganized several agencies, including NRCS, and created the Farm Production and Conservation (FPAC) mission area. As part of the reorganization, Congress began transferring funds to the FPAC Business Center from other accounts, including from mandatory conservation programs.²¹ This transfer creates CHIMPS in three conservation programs—Agricultural Conservation Easement Program (ACEP), Conservation Stewardship Program (CSP), and Environmental Quality Incentives Program (EQIP). The FY2023 and FY2024 appropriations included the Administration’s request for transferring \$60.2 million in conservation program CHIMPS to the FPAC Business Center. The same CHIMPS amount (\$60.2 million) for the same conservation programs was included in each annual appropriation since FY2019.

Supplemental Funding

Separate from annual appropriations, in FY2023 the IRA (§21002(a)(1)) provided \$1.0 billion for NRCS CTA to remain available through FY2031. This supplemental funding is directly related to the additional \$17.0 billion provided in the IRA for selected mandatory farm bill conservation programs—EQIP, CSP, ACEP, and the Regional Conservation Partnership Program (RCPP). The IRA also provided \$300.0 million to remain available through FY2031 for NRCS to carry out a program to quantify greenhouse gas emissions reductions from IRA activities for use in the USDA Greenhouse Gas Inventory Assessment program.

Separate from funds provided as annual appropriations, the FY2023 appropriations (P.L. 117-328, Division N) provided \$925.0 million for the Emergency Watershed Protection (EWP) program.²² Congress classified this funding as emergency spending, and it is available until expended.

Policy-Related Provisions

In addition to setting budgetary amounts, the Agriculture appropriations bill also may include policy-related provisions that direct how the executive branch is to carry out an appropriation. These provisions have the force of law if they are included in the text of an appropriations act, but their effect is generally limited to the funds provided to that fiscal year (see **Table 3**). Policy-related provisions in appropriations acts generally do not amend the *U.S. Code* or have a multiyear effect.

For example, the WFPO program historically has been called the “small watershed program” because no project may exceed 250,000 acres, and no structure may exceed 12,500 acre-feet of floodwater detention capacity or 25,000 acre-feet of total capacity. The FY2023 and FY2024 enacted appropriations included a policy provision that waives the 250,000-acre project limit when a project’s primary purpose is something other than flood prevention.²³ This provision

²¹ For additional background on the Farm Production and Conservation (FPAC) Business Center and conservation programs, see CRS Report R46728, *FY2021 Appropriations for Agricultural Conservation*.

²² For additional information on the Emergency Watershed Protection (EWP) program, see CRS Report R42854, *Emergency Assistance for Agricultural Land Rehabilitation*.

²³ The appropriation for the Natural Resources Conservation Service (NRCS) in P.L. 117-328 and P.L. 118-42 states, “Provided, That for funds provided by this Act or any other prior Act, the limitation regarding the size of the watershed or subwatershed exceeding two hundred and fifty thousand acres in which such activities can be undertaken shall only apply for activities undertaken for the primary purpose of flood prevention (including structural and land treatment measures)....” The underlying limitation referred to is 16 U.S.C. §1002.

applies only to FY2023 and FY2024 appropriated funds and unobligated prior appropriations.²⁴ This provision does not amend the WFPO authorization and permanently alter the program.

Many of these provisions have been included in past years' appropriations acts.

Table 3 compares some of the conservation-related policy provisions in the Farm Production and Conservation Programs (Title II) and General Provisions (Title VII) titles of the enacted FY2023 and FY2024 Agriculture appropriations bills. The table is divided by agency and account according to their location within the bills.

Table 3. Selected Conservation Policy Provisions in the FY2023 and FY2024 Appropriations Acts

FY2023 Enacted, P.L. 117-328	FY2024 Enacted, P.L. 118-42
Farm Production and Conservation (FPAC) Business Center	
FPAC Business Center. Transfer of \$60.2 million from mandatory conservation program accounts to the Business Center account (Title II).	Same as FY2023 (Title II).
Natural Resources Conservation Service (NRCS)	
Conservation Operations (CO). Allocates \$23.0 million of CO for 16 "Community Project Funding/Congressionally Directed Spending" projects (Title II).	Similar language allocates \$19.1 million of CO for 18 "Community Project Funding/Congressionally Directed Spending" projects (Title II).
See <i>Urban Agriculture and Innovative Production</i> line, below, providing \$8.5 million for related programs. (Title II).	Allocates \$8.5 million of CO for the Urban Agriculture and Innovative Production Program (Title II).
Watershed Operations. Limits the application of the 250,000-acre limitation in Watershed and Flood Prevention Operations (WFPO) to activities for which the primary purpose is flood prevention (Title II).	Same as FY2023 (Title II).
Allocates \$20.6 million of WFPO for 19 "Community Project Funding/Congressionally Directed Spending" projects (Title II).	Similar language allocates \$20.4 million of WFPO for 11 "Community Project Funding/Congressionally Directed Spending" projects (Title II).
Allocates \$10.0 million of available funds to be allocated to projects that commence promptly, address selected regional priorities, or are authorized under the Flood Control Act of 1944 (Title II).	No comparable provision.
No comparable provision.	Allocates \$14.7 million to projects that are multi-benefit irrigation modernization projects that increase fish or wildlife habitat, reduce drought impact, improve water quality or instream flow, or provide off-channel renewable energy production (Title II).
Urban Agriculture and Innovative Production. Allocates \$8.5 million for related programs (Title II).	Similar language but moved under <i>Conservation Operations</i> line and reduced to \$7.0 million—see above (Title II).
General Provisions	

²⁴ The provision applies to the \$75 million in FY2023, the \$35 million in FY2024, and any funds previously provided. Since Watershed and Flood Prevention Operations (WFPO) funding is available until expended, it is possible that the waiver could carry forward into future fiscal years but only for funds made available in or prior to FY2024.

FY2023 Enacted, P.L. 117-328	FY2024 Enacted, P.L. 118-42
Agricultural Management Assistance (AMA). Allows AMA funds to remain available until expended (§707).	Same as FY2023 (§707).
Experienced Services Program. Allows use of WFPO, Watershed Rehabilitation, and Emergency Watershed Protection (EWP) program funds to provide technical assistance through the Agricultural Conservation Experienced Services (ACES) program, a part-time employment program for retirees (§759).	Same as FY2023 (§751).
Water Bank. Appropriates \$4.0 million for the Water Bank program (§762).	Reduces appropriation to \$2.0 million (§753).
Wetland Mitigation Banking. Appropriates \$5.0 million for farm bill mitigation banks. Prioritizes areas with a significant number of individual wetlands and conservation compliance requests (§764).	Reduces appropriation to \$2.0 million (§771).
Soil Testing. Appropriates \$5.0 million for testing soil, water, or agricultural producers for per- and polyfluoroalkyl substances (PFAS) (§766).	No comparable provision.
No comparable provision.	Rescinds \$28.0 million from the “Rural Water Operations Program” under WFPO (§766).
No comparable provision.	Rescinds \$30.0 million of unobligated balances of CO (§784).

Source: Prepared by CRS from P.L. 117-328 and P.L. 118-42.

Note: These policy changes are relevant only for funds available in the fiscal year cited.

In addition to the text of an appropriations act, the explanatory statement accompanying the final appropriations—and the House and Senate report language, if applicable, that generally accompanies the committee-reported bills—may provide policy instructions.²⁵ These documents do not have the force of law but often explain congressional intent, which Congress expects the agencies to observe. The committee reports and explanatory statement may need to be considered together to capture all of the congressional intent for a given fiscal year.

In FY2023 and FY2024, explanatory statements and report language included a variety of provisions directing conservation policy and programs. Some provisions direct funding to existing conservation programs, such as the Snow Survey and Water Supply Forecasting Program, Plant Material Centers, and Soil Survey. Other provisions direct NRCS to amend policy, address specific resource concerns, or provide additional assistance to selected watersheds. Furthermore, some provisions in report language may address conservation programs that are not authorized or funded within the annual appropriations (i.e., mandatory spending for farm bill-authorized programs).

²⁵ The Senate Appropriations Committee did not take up the FY2023 appropriations bill, S. 4661; therefore, the committee did not submit a report.

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