

# USDA's FY97 Budget Calls for a Gain of \$3.8 Billion; Cut of 885 Staff Years

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"Investing in the future" is being highlighted as a major theme of USDA's proposed budget for FY 1997.

Speaking at a press conference held on March 19, Secretary **Dan Glickman** unveiled USDA's FY97 budget proposal by noting that a high priority for the Department is to "invest in our future, and in our children's future--in science and technology, in education, the environment, and in making sure that rural America has the basic infrastructure to participate in an information-based global economy."

USDA's overall budget proposal for FY97 calls for a program level of \$84.8 billion and federal cash outlays of \$56.0 billion. This represents a 4.8 percent increase--by \$3.8 billion--from the currently estimated FY96 program level of \$81.0 billion, as well as a 1.8 percent increase--by \$1.0 billion--from the currently estimated FY96 cash outlay level of \$55.0 billion.

Budget officials generally regard "program level" figures as the best method for describing the total scope of federal activities, including all services, loans, and grants in a budget. This is because "federal cash outlay" figures, while generally publicized more frequently, often don't clearly reflect the total magnitude of federal activities, since some loan program outlay figures are either excluded or presented in net terms.

USDA's budget proposes a staffing level for FY97 of 104,568 full-time equivalent positions, or staff years. This represents a decrease of 885 staff years from the currently estimated FY96 staff year level of 105,453.

Agencies which reflect proposed increases in staff years include the National Agricultural Statistics Service (an increase of 128 staff years, to total 1,229 staff years), the Animal and Plant Health Inspection Service (115, to total 6,444), the Forest Service (75, to total 39,121), the Office of the Chief Financial Officer (64, to total 1,299), the Office of the General Counsel (18, to total 380), the Foreign Agricultural Service (16, to total 923), and the Grain Inspection, Packers and Stockyards Administration (2, to total 878).

Agencies with the largest proposed decreases in staff years include the Farm Service Agency (a decrease of 514 staff years, to total 6,767 staff years), the Natural Resources Conservation Service (294, to total 12,163), the Rural Housing Service (263, to total 6,751), the Agricultural Marketing Service (110, to total 3,828), the Food Safety and Inspection Service (84, to total 10,004), Departmental Administration (33, to total 998), the Rural Business-Cooperative Service (13, to total 380), and the Rural Utilities Service (7, to total 836).

For all remaining USDA agencies the proposed staff years for FY97 are the same as their respective staff years for FY96, as currently estimated.

By comparison, one year ago USDA's proposed budget for FY96 called for a staffing level of 108,053 staff years--a decrease of 841 staff years from the previous year--and a program level of nearly \$90.5 billion--an increase of \$2.1 billion from the previous year.

## Highlights

Highlights of USDA's FY97 budget proposal include:

- -a \$2.1 billion increase for rural economic and community development, to total \$9.8 billion. This includes support for a USDA "Rural Performance Partnership Program," which is a flexible funding mechanism that allows Rural Economic and Community Development State Directors to have increased input into the allocation of funds among 14 USDA rural development programs which provide housing, infrastructure, and business development assistance to rural Americans;
- -full funding for USDA's Special Supplemental Food Program for Women, Infants, and Children (WIC), so that the program will be able to serve 7.5 million women, infants, and children by the end of FY97;
- -contingency funds for USDA's Food Stamp Program and WIC, to assure adequate funding even if food prices increase;
- -continuing export promotion programs by providing just under \$8 billion in program level funding for USDA's international programs and activities;
- -increasing funding for USDA's conservation programs, including technical assistance and funds to enroll an additional 226,000 acres in USDA's Wetlands Reserve Program;
- -improving USDA's meat and poultry inspection system by proposing a \$20 million increase over the FY96 level to fund implementation of pathogen reduction and Hazard Analysis and Critical Control Points activities;
- -increasing funding for USDA's Northwest Forest Plan, that identifies and protects key watersheds, old-growth forests, and numerous wildlife species;
- -investing in science--including a \$33 million increase for competitive grants through USDA's National Research Initiative--to help provide the technological advances that will allow American farmers to remain competitive in world agricultural markets;
- -funding for the continued implementation of USDA's federal crop insurance program reform which was enacted in Oct. 1994;
- -funding for the Census of Agriculture, which was previously conducted by the Bureau of the Census. Funding will support final preparation for the 1997 Census, to be conducted beginning in early 1998;
- -funding to move ahead with USDA's Integrated Pest Management (IPM) initiative, to help agricultural producers implement IPM practices on 75 percent of total crop acreage by the year 2000.

USDA's proposed budget for FY 97 was transmitted to Congress earlier on the same day as the Department's press conference