



Appropriations Update: House Appropriations Committee Unveils FY 2022 Agriculture Bill

Lewis-Burke Associates LLC – July 2, 2021

On June 29, the House Appropriations Committee unveiled its fiscal year (FY) 2022 Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations bill and the accompanying report. The bill would provide a total of \$26.55 billion in discretionary funding for the U.S. Department of Agriculture (USDA) and the Food and Drug Administration (FDA), of which more than \$3.39 billion would fund agricultural research, \$321 million over the FY 2021 enacted level. The bill will likely be considered on the House floor by the end of the month, the Senate has yet to take any action on appropriations.

USDA's intramural research arm, the **Agricultural Research Service (ARS)** would receive \$1.637 billion for its **Salaries and Expenses** account, \$145.3 million or 9.7 percent above the FY 2021 level. Within the report, there are over seventy-five activities singled out within ARS, ranging from alfalfa research to human nutrition throughout the lifespan to precision agriculture to whitefly research. Some of these priorities are included to remind ARS of the committee's ongoing interest in an area, others would receive new or additional funding.

In its report, the committee explicitly mentions addressing climate change, a key tenant of President Biden's agenda. The report states that ARS is "uniquely positioned to develop agricultural solutions to climate change on a national, regional, and local scale. The committee recommends funding for the Administration's clean energy and climate science goals in targeted areas to build upon ongoing research activities and lay the groundwork for innovative approaches in the future." To that end, the bill would provide \$20 million in support of clean energy research and an additional \$50 million to support agricultural climate science. However, the committee rejects the Administration's proposal to fund a portion of the proposed Advanced Research Projects Agency – Climate (ARPA-C) through ARS, noting, "the budget request lacks an adequate justification of ARS's role." Lastly, the bill would provide funding for the National Bio and Agro-Defense Facility (NBAF) to "be used to carry out the science program and transition activities."

Within the **National Institute of Food and Agriculture (NIFA)**, many of its signature research and extension programs would see modest funding increases. Specifically, the Agriculture and Food Research Initiative (AFRI) would receive \$450 million, an increase of \$15 million over the FY 2021 enacted level but much less than the requested \$700 million. Hatch, Evans-Allen, Smith-Lever, McIntire-Stennis, and Education Grants for Hispanic-Serving Institutions would all see increases. Flat funding, \$5 million, would be provided for Capacity Building for Non-Land Grant Colleges of Agriculture.

Similar to ARS, the report singles out numerous areas of interest within NIFA, including:

- **Farm of the Future:** the committee encourages further integration of "applied research in precision agriculture, smart automation, resilient agricultural practices, applied socioeconomics, and improved crop varieties from advanced genomics and phenotyping across varied landscapes and locations to advance data-driven solutions to increase productivity, integrate technology,

create value added agricultural products, and enhance connectivity and resilience for thriving rural communities.” \$6 million would be provided for the activity, \$4 million was provided in FY 2021.

- **Genome to Phenome:** the bill includes \$2 million for the Agricultural Genome to Phenome Initiative (AG2PI), a \$1 million increase over FY 2021. The committee instructs “NIFA to use a competitive process to issue awards in the Genome to Phenome program and urges additional focus on root stocks that increase carbon capture and can support grain crop covers. In addition, the committee supports the development of tools and datasets for the analysis of phenotypes that can be used across multiple livestock and crop species to improve the output and efficiency of agriculture.”
- **Next Generation Crops:** the committee encourages “the development of new, economically viable crops to improve the nation’s agricultural output and applications.”
- **Specialty Crop Research Initiative (SCRI):** the committee highlights the importance of “addressing the needs of the specialty crop industry through research and extension activities” encouraging “NIFA to address tools, growing techniques, and technology emissions.” The matching requirement would once again be waived.
- **Tick-Borne Disease Research:** the committee urges support for “innovative ways to conduct surveillance of tick and tick-borne pathogen surveillance and conduct strategies for surveillance and risk communication.”
- The committee highlights that “projects that use agro-acoustics to manage pests are eligible for AFRI awards under the Pests and Beneficial Species Program.”

Of note, the committee would provide \$2 million for the **Agriculture Advanced Research and Development Authority (AGARDA)** under the Office of the Under Secretary for Research, Education, and Economics (REE). AGARDA was authorized in the 2018 Farm Bill but has yet to be funded. Beyond REE, but important to research and extension activities, the bill would also provide \$786.6 million for the **ReConnect Broadband Pilot** authorized in the 2018 Farm Bill.

Finally, over \$200 million is designated for “**Community Project Funding**”, or earmarks, the first time in over a decade earmarks have been included in the congressional appropriations process. Projects supported include the building of new ARS facilities, as well as a multitude of community facilities and broadband expansion. Importantly, the Senate Agriculture Appropriations Committee will also support congressionally directed spending requests and the two chambers will have to negotiate on which earmarks make it into a final package.

Food and Drug Administration

Though technically an agency under the jurisdiction of the Department of Health and Human Services (HHS), the **Food and Drug Administration (FDA)** is, as the title of the bill implies, funded through the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations bill. Within the House FY 2022 Agriculture Appropriations bill is discretionary funding and user fee totals for the Food and Drug Administration (FDA). The committee would provide \$3.45 billion in direct appropriations for the FDA and recommended \$2.81 billion in user fees. The main user fee allocations the committee would fund are detailed below:

- \$1.14 billion for prescription drugs

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- \$241.43 million for medical devices
- \$527.84 million for human generic drugs
- \$43.11 million for biosimilar biologicals
- \$33.83 million for animal drugs
- \$23.13 million for animal generic drugs, and
- \$712 million for tobacco products

The committee would provide increases to all user fee programs with the exception of tobacco products. The largest increase would go to prescription drugs which would be increased by \$34.66 million over the FY 2021 enacted level.

The committee placed an emphasis on inspections by providing the FDA's drug center with \$2.1 billion dollars, of which \$8.5 million would be used to increase the number of overseas drug inspections. Similarly, the committee would provide the Center for Food Safety \$1.2 billion, of which \$15 million would be set aside for foreign seafood import inspections.

Members of both parties agreed that too much of the medical supply chain was located overseas. For instance, the committee called on the FDA to issue regulations requiring mandatory product listing and registration for dietary supplements with the express purpose of creating transparency in the supply chain.

The committee would provide \$12.9 million for the FDA's *Closer to Zero* program, which provides guidance on best practices for reducing and eliminating toxic heavy metals in infant and toddler foods. The committee also called for greater diversity in clinical trials, which the FDA has begun focusing on. In addition to including a greater number of racial and ethnic minorities, the committee called on the FDA to review clinical trial designs that could include pregnant and nursing women. With regard to COVID-19, the committee is concerned that many clinical trials, particularly for specialty drugs were halted or delayed because of the pandemic.

The committee urges the agency to use its full authority under the Family Smoking Prevention and Tobacco Control Act to address the dangers of Electronic Nicotine Delivery Systems on individuals under 18 years of age. Currently, the FDA conducts premarket reviews of e-cigarettes and other deemed tobacco products.

The committee would include an additional \$5 million for the Orphan Products Grants Program. The program advances the development of orphan products that could treat rare diseases or conditions, such as ALS. With respect to ALS and other neurodegenerative diseases, the committee is directing the FDA to increase its engagement with the National Institutes of Health (NIH), academic institutions, and the private sector.

As the agency recruits investigators, the committee called on the FDA to look for talent from Minority Serving Institutions.



FY 2022 Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations
(In thousands)

	FY 2021 Enacted	FY 2022 Request	FY 2022 House	House vs. FY 2021 Enacted	House vs. FY 2022 Request
Agricultural Research Service, Salaries & Expenses	1,491,784	1,849,590	1,637,046	145,262 (9.7%)	-212,544 (11.5%)
National Institute of Food and Agriculture	1,570,089	1,955,863	1,654,804	84,715 (5.4%)	-301,059 (15.4%)
AFRI	435,000	700,000	450,000	15,000 (3.4%)	-250,000 (35.7%)
Hatch Act	259,000	329,000	265,000	6,000 (2.32%)	-64,000 (-19.45%)
Smith-Lever Act 3(b) and 3(c)	315,000	315,000	320,000	5,000 (1.6%)	5,000 (1.6%)
McIntire-Stennis	36,000	45,783	38,000	2,000 (5.6%)	-7,783 (17%)
Education Grants for Hispanic-Serving Institutions	12,500	12,500	20,000	7,500 (60%)	7,500 (60%)
Food Safety and Inspection Service (FSIS)	1,075,703	1,165,589	1,153,064	77,361 (7.2%)	-12,525 (1.1%)
Animal and Plant Health Inspection Service (APHIS), Salaries & Expenses	1,064,179	1,102,222	1,121,427	57,248 (5.3%)	19,205 (1.7%)
Food and Drug Administration (FDA), Discretionary	3,201,928	3,526,928	3,449,869	247,941 (7.7%)	-77,059 (2.2%)
Community Project Funding	0	--	202,259	202,597 (100%)	

Source: The FY 2022 House Agriculture Appropriations report is available at https://old.lewis-burke.com/sites/default/files/house_ag_report.pdf. Press release and summary is available at <https://appropriations.house.gov/news/press-releases/appropriations-committee-releases-fiscal-year-2022-agriculture-rural-development>.