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AGENCY WIDE

PURPOSE STATEMENT

The Commodity Credit Corporation (CCC or the Corporation) is a wholly owned Government corporation created in 1933 under a Delaware charter and reincorporated June 30, 1948, as a Federal corporation within the Department of Agriculture by the Commodity Credit Corporation Charter Act, approved June 29, 1948 (15 U.S.C. 714). CCC assists in stabilizing, supporting, and protecting farm income and prices, helps to maintain balanced and adequate supplies of agricultural commodities, supports the orderly distribution of these commodities, and assists in the conservation of soil and water resources. The goal is to promote economic stability in the farm sector through an approach that supports farm income and facilitates prices that are reasonable to consumers and competitive in world markets, while retaining basic management responsibilities of farmers and minimizing Federal interference in the agricultural economy.

Management of the Corporation is vested in a board of directors, subject to the general supervision and direction of the Secretary of Agriculture, who is an ex-officio director and chairman of the board. The board consists of seven members, in addition to the Secretary. Various Department of Agriculture officials are ex-officio officers of the Corporation. The activities of the Corporation are carried out mainly by the personnel and through the facilities of the Farm Service Agency (FSA) and the FSA State and county committees. The Foreign Agricultural Service (FAS), the Natural Resources Conservation Service (NRCS), and other agencies and offices of the Department, and commercial agents also carry out certain phases of the Corporation's activities. With respect to FSA-administered CCC programs, FSA utilizes its headquarters offices in Washington, D.C. and Kansas and FSA State and county offices. There are 50 State offices, an insular area office in Puerto Rico, and over 2,100 county offices. Similarly, NRCS-administered programs are carried out through the national office of NRCS and its nationwide office structure. CCC activities carried out by FAS require the use of the FAS headquarters office and agricultural attachés located throughout the world. The FPAC Business Center provides mission support related to budget, economic analysis, and financial management.

CCC program activities are implemented in response to various statues, such as the Agriculture Improvement Act of 2018 (2018 Farm Bill), in addition to annual Appropriation Acts. Historically, the principal activity conducted by CCC relate to the operation of price and income support programs for producers of agricultural commodities. However, the CCC Charter Act provides broad authority with respect to the support of U.S. agriculture. Program activities funded through CCC support:

- Stabilizing, supporting, and protecting farm income and prices;
- Conserving soil, air, and water resources and protecting and improving wildlife habitats;
- Maintaining balanced and adequate supplies of agricultural commodities and aiding in their orderly distribution; and
- Developing new domestic and foreign markets and marketing facilities for agricultural commodities.

In addition, a significant amount of CCC funds are expended in the operation of numerous conservation programs, principally under the Food Security Act of 1985. Most of these conservation programs are administered on behalf of CCC by NRCS.

CCC is the principal source of funds for the international activities of the Department of Agriculture. Under the CCC Charter Act and other acts, most notably Public Law 480 and the Agricultural Trade Act of 1978, the Corporation provides assistance in the development of international markets and provides guarantees to facilitate the financing of goods and services exported from the United States to improve or establish agriculture-related facilities in emerging markets, and storage, handling, and disposition of commodities acquired under the various programs. CCC funds, and CCC-acquired commodities, are also used with respect to the administration of developmental programs in foreign countries. CCC-owned commodities are also available for use in the administration of domestic nutrition and feeding programs administered by the Food and Nutrition Service.

FINANCING

The Corporation has an authorized capital stock of $100 million held by the United States, with the authority to have outstanding borrowing of up to $30 billion at any one time. Its capital structure is replenished each year by appropriations to restore net realized losses on support operations and to reimburse costs of other programs.

Borrowing Authority

Funds are borrowed from the Treasury and may also be borrowed from private lending agencies and others. The Corporation maintains a sufficient amount of its borrowing authority to purchase at any time all notes and other obligations evidencing loans made by such agencies and others. All bonds, notes, debentures, and similar obligations issued by the Corporation are subject to approval by the Secretary of the Treasury as required by the Act of March 8, 1938 (15 U.S.C. 713a-4). Reservation of borrowing authority for these purposes has not been required for many years.

Interest on borrowings from the Treasury (and on capital stock) is paid at a rate based upon the average interest rate of all outstanding marketable obligations (of comparable maturity date) of the United States as of the preceding month. Interest may also be paid on other notes and obligations at a rate prescribed by the Corporation and approved by the Secretary of the Treasury.

Appropriations

Reimbursement for Net Realized Losses. Under Section 2 of Public Law 87-155, the Act of August 17, 1961, (15 U.S.C. 713a-11), annual appropriations are authorized for each fiscal year, commencing with 1961, to reimburse the Corporation for net realized losses. The Omnibus Budget Reconciliation Act of 1987 amended Public Law 87-155 to authorize that the Corporation be reimbursed for its net realized losses by means of a current, indefinite appropriation as provided in annual appropriations acts.

Hazardous Waste Management Program. Legislation affecting this program includes the Safe Drinking Water Act and the Comprehensive Environmental Response, Compensation, and Liability Act. CCC conducted a grain storage program from the 1930's to the early 1970's. At its peak during the 1950's, CCC operated grain storage facilities on leased property at approximately 4,500 locations nationwide. During this period, some of the grain was authorized for fumigation using carbon tetrachloride to control destructive insects. In 1985, use of carbon tetrachloride was prohibited and the EPA assigned a maximum allowable contaminant level. Since that time, over 50 former CCC storage sites have been found to have carbon tetrachloride ground water contamination levels exceeding the EPA maximum. CCC is authorized to use its borrowing authority, not to exceed $5 million, for site investigations, ongoing operations and maintenance and remediation expenses.

BIAPARTISAN BUDGET ACT OF 2018

The Bipartisan Budget Act of 2018 (BBA), Public Law 115-123, provides assistance to producers impacted by hurricanes and wildfires in 2017 and made changes to the CCC commodity and disaster programs.

In addition, the BBA made changes to the Supplemental Agricultural Disaster Assistance Programs, including:

Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP) – The BBA removed the annual funding limitation of $20 million per program year and clarified which losses are eligible for assistance.

Livestock Indemnity Program (LIP) – The BBA removed the payment limit for LIP and added provisions to provide benefits for the sale of animals at a reduced price if the sale occurred due to injury that was a direct result of an eligible adverse weather event or due to an attack by an animal reintroduced into the wild.
Livestock Forage Disaster Program (LFP) – The BBA clarified LFP provisions related to contract growers and grazing animals. This program maintains a $125,000 payment limitation.

Tree Assistance Program (TAP) – The BBA removed the payment limitation for TAP and increased the number of acres for which a producer can receive payment from 500 to 1,000 acres per year.

Also, the BBA revised the eligibility requirements, enrollment procedures, and payment calculations for the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs to add seed cotton as a covered commodity and remove generic base acres. The BBA also amended provisions to include seed cotton yields, allocation of generic base acres, election of ARC-County Option (ARC–CO) or PLC for seed cotton base acres, and enrollment for 2018.

ADDITIONAL SUPPLEMENTAL APPROPRIATIONS FOR DISASTER RELIEF ACT, 2019

The Additional Supplemental Appropriations for Disaster Relief Act, 2019, Public Law 116-20, provided $3.005 billion of which $1.6 billion was made available until December 31, 2020, for disaster assistance for necessary expenses related to losses of crops (including milk, on-farm stored commodities, crops prevented from planting in 2019, and harvested adulterated wine grapes), trees, bushes, and vines, as a consequence of Hurricanes Michael and Florence, other hurricanes, floods, tornadoes, typhoons, volcanic activity, snowstorms, and wildfires occurring in calendar years 2018 and 2019. USDA is administering this assistance through the 2019 Wildfires and Hurricanes Indemnity Program (WHIP+), which provides payments to eligible producers who suffered eligible crop, tree, bush, and vine losses resulting from hurricanes and wildfires that occurred in the 2018 and 2019 calendar years. In addition, the Disaster Relief Act authorized TAP to cover eligible orchardists or nursery tree growers of pecan trees with a tree mortality rate that exceeds 7.5 percent (adjusted for normal mortality) and is less than 15 percent (adjusted for normal mortality) for losses incurred during the period beginning January 1, 2018, and ending December 31, 2018.

SUPPLEMENTAL APPROPRIATIONS FOR PANDEMIC ASSISTANCE: CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY (CARES) ACT, 2020; AND FAMILIES FIRST CORONAVIRUS RESPONSE ACT 2020

The Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020, the Families First Coronavirus Response Act 2020, and other USDA existing authorities provided immediate relief programs to provide direct support to agricultural producers, under the Coronavirus Food Assistance Program (CFAP) as well as the Farmers to Families Food Box Program. In the first round of CFAP (CFAP 1), eligible farmers and ranchers received one CFAP 1 payment, drawn from two possible funding sources. The first source was appropriated funding provided in the CARES Act, which was used to compensate farmers for losses due to price declines that occurred between mid-January 2020, and mid-April 2020 and for specialty crops for product that was shipped and spoiled or unpaid product. The second funding source used the Commodity Credit Corporation Charter Act to assist producers with their marketing through the Fall of 2020. The second round of CFAP (CFAP 2) utilized an early replenishment of CCC borrowing authority provided in the CARES Act of $14 billion. CFAP 2 payments were calculated using the price decline between mid-January 2020 and late July 2020 for non-specialty crops and livestock, while specialty crop producers were paid a percentage of their 2019 sales. CFAP provides vital financial assistance to producers of agricultural commodities with financial assistance that gives them the ability to absorb sales declines and increased marketing costs associated with the COVID-19 pandemic.

AGRICULTURAL IMPROVEMENT ACT OF 2018 (2018 Farm Bill)

The Agriculture Improvement Act of 2018 (2018 Farm Bill), Public Law 115-334, was signed by the President on December 20, 2018. The 2018 Farm Bill repealed certain programs and continued other programs with modifications.

PROGRAMS OF THE CORPORATION

COMMODITY PROGRAMS

Income support, marketing assistance loans, and related stabilization programs – The Corporation conducts programs to support farm income and stabilize the market for agricultural commodities.

Price Loss Coverage (PLC): Payments are issued when the effective price of a covered commodity is less than the respective reference price for that commodity established in the statute. The payment is equal to 85 percent of the base acres of the covered commodity times the difference between the reference price and the effective price times the program payment yield for the covered commodity. While PLC retains the core characteristics of the 2014 Farm Bill, the 2018 Farm Bill authorizes a nationwide one-time PLC yield update that will be in effect for 2020-2023 crops. In addition, the PLC reference price now has an escalator option, not to exceed 115 percent of the statutory reference price (the effective reference price), and producers can re-visit their election decision.

Agriculture Risk Coverage (ARC): There are two types: County ARC and Individual ARC:

- **County ARC**: Payments are issued when the actual county crop revenue of a covered commodity is less than the ARC county guarantee for the covered commodity and are based on county data, not farm data. The ARC county guarantee equals 86 percent of the previous 5-year average national farm price, excluding the years with the highest and lowest price (the ARC guarantee price), times the 5-year average county yield, excluding the years with the highest and lowest yield (the ARC county guarantee yield). Both the guarantee and actual revenue are computed using base acres, not planted acres. The payment is equal to 85 percent of the base acres of the covered commodity times the difference between the county guarantee and the actual county crop revenue for the covered commodity. Payments may not exceed 10 percent of the benchmark county revenue (the ARC guarantee price times the ARC county guarantee yield).
- **Individual ARC:** Payments are issued when the actual individual crop revenues, summed across all covered commodities on the farm, are less than ARC individual guarantees summed across those covered commodities on the farm. The farm for individual ARC purposes is the sum of the producer's interest in all ARC farms in the State. The farm's ARC individual guarantee equals 86 percent of the farm's individual benchmark guarantee, which is defined as the ARC guarantee price times the 5-year average individual yield, excluding the years with the highest and lowest yields, and summing across all crops on the farm. The actual revenue is computed in a similar fashion, with both the guarantee and actual revenue computed using planted acreage on the farm. The individual ARC payment equals: (a) 65 percent of the sum of the base acres of all covered commodities on the farm, times (b) the difference between the individual guarantee revenue and the actual individual crop revenue across all covered commodities planted on the farm. Payments may not exceed 10 percent of the individual benchmark revenue.

County Agriculture Risk Coverage (ARC)/Price Loss Coverage (PLC) Election and Yield Updates: All of the producers on a farm must make an election of: (1) PLC/County ARC on a covered-commodity-by-covered-commodity basis; or (2) Individual ARC for all covered commodities on the farm. If the producers on the farm elect PLC/County ARC, the producers must also make an election to select which base acres on the farm are enrolled in PLC and which base acres are enrolled in County ARC. Alternatively, if Individual ARC is selected, then every covered commodity on the farm must participate in Individual ARC. The 2018 Farm Bill authorized an annual election opportunity beginning in crop year 2021, with an initial election opportunity in 2019 for both the 2019 and 2020 crop years. Also, authorization for ARC and PLC was extended through the 2023 crop year. In addition, the 2018 Farm Bill authorized a nationwide PLC yield update for the 2020 crop year.

Actively Engaged in Farming: Producers who participate in the Price Loss Coverage or Agriculture Risk Coverage programs are required to provide significant contributions to the farming operation to be considered as "actively engaged in farming." "Actively engaged" provisions are retained in the 2018 Farm Bill, although first cousins, nieces, and nephews are now eligible family members.

Compliance: The 2018 Farm Bill continues to require an acreage report for all cropland on the farm. The acreage report is required to be eligible for Price Loss Coverage; Agriculture Risk Coverage; marketing assistance loans; and loan deficiency payments.

Compliance with Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) provisions continues to be required for participation in most FSA and NRCS programs. These provisions place restrictions on the planting of an agricultural commodity on highly erodible land or wetlands. Further, they prohibit the conversion of a wetland to make possible the production of an agricultural commodity.

The 2018 Farm Bill continued premium assistance for crop insurance as a benefit subject to compliance with HELC and WC provisions. New provisions are created for determinations, administration, and penalties relating to HELC and WC provisions that are unique to crop insurance. FSA has made HELC/WC eligibility determinations for crop insurance participants based on NRCS technical determinations of HELC/WC compliance.

Marketing Assistance Loans (MAL) and Sugar Loans: MALs are available to producers of crops including wheat, feed grains, oilseeds, upland cotton, peanuts, rice, and pulse crops and provide short-term financing for 2019-23 crops. Loans are also available for sugar, honey, wool, and extra-long staple cotton. With limited exceptions, marketing assistance loans are nonrecourse. The commodities serve as collateral for the loan and on maturity the producer may deliver or forfeit such collateral to satisfy the loan obligation without further payment. The 2018 Farm Bill increased marketing assistance loan rates for most eligible commodities. Availability of loans for some commodities may be affected by appropriations language. Direct purchases may be made from processors as well as producers, depending on the commodity.

Adjusted Gross Income (AGI): As in the 2014 Farm Bill, producers whose average AGI exceeds $900,000 as applicable to a crop, fiscal, or program year are not eligible to receive payments for most programs administered by FSA and NRCS under the 2018 Farm Bill.

Payment Limitations: The 2018 Farm Bill retains several provisions of the 2014 Farm Bill. The total amount of payments received, directly and indirectly, by a person or legal entity (except joint ventures or general partnerships) for PLC and ARC may not exceed $125,000 per program year. In addition, as under the 2014 Farm Bill, a person or legal entity that receives PLC and ARC payments for peanuts has a separate $125,000 payment limitation. Marketing loan gains and loan deficiency payments were removed from the $125,000 payment limit in the 2018 Farm Bill.

The 2018 Farm Bill also changes payment limits for the Noninsured Crop Disaster Assistance Program (NAP) with a payment limit of $125,000 now applies to catastrophic coverage payments and $300,000 payment limit applies to additional coverage. In addition, the payment limit for the Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish Program (ELAP) is eliminated. The Bipartisan Budget Act of 2018 had previously eliminated the payment limit for the Livestock Indemnity Program (LIP) and increased the acres eligible per orchardist or nursery tree grower for the Tree Assistance Program.

DAIRY PROGRAMS

Dairy Margin Coverage: The 2018 Farm Bill changes the name of the Margin Protection Program for Dairy (MPP-Dairy) to the Dairy Margin Coverage (DMC) program and retains much of the 2014 Farm Bill structure (although with some major changes).

These changes include: lowering participant premiums, adding additional levels of coverage (up to $9.50 per hundredweight for the first 5 million pounds of production), allowing a 75 percent credit (for continuing participants) or a 50 percent credit (for those taking cash) based on the difference between premiums and program payments accruing to the dairy operation during 2014 to 2017, and allowing producers to make a separate election for covered production over five million pounds. Also, the 2018 Farm Bill repealed the Dairy Product Donation Program and replaced it with a new fluid milk donation program that encourages dairy organizations to donate milk through food banks and similar organizations.

Dairy Indemnity Payment Program (DIPP): DIPP provides payments to dairy producers when a public regulatory agency directs them to remove their raw milk from the commercial market because it has been contaminated by pesticides or other residues.

OTHER PROGRAMS

Biomass Crop Assistance Program (BCAP): BCAP provides incentives to farmers, ranchers and forest landowners to establish, cultivate and harvest eligible biomass for heat, power, bio-based products, research and advanced biofuels. Although BCAP was funded at $25 million per fiscal year in the 2014 Farm Bill, appropriations acts capped the program at $23 million in 2015 and at $3 million in 2016 and 2017. The 2018 appropriations act prevented FSA from using staff and other resources to administer BCAP in 2018. The 2018 Farm Bill provides an authorization to spend up to $25 million annually through 2023 but changes the funding source from CCC mandatory funds to discretionary funds subject to annual appropriation. It also adds algae as an eligible material. No funds were appropriated for BCAP for FY 2021 under the Further Consolidated Appropriations Act, 2021".

Feedstock Flexibility Program (FFP): The 2018 Farm Bill extended FFP through 2023. FFP allows the purchase of sugar to be sold for the production of bioenergy in order to avoid forfeitures of sugar loan collateral under the Sugar Program.

The following tables shows actual and estimated CCC payments made directly to producers for 2019 to 2022, in accordance with the provisions of the 2018 Farm Bill.

COMMODITY CREDIT CORPORATION
Payment Programs, Fiscal Years 2019 – 2022
(Dollars in Thousands)

Table CCC-1. Payment Programs

	2019 Actual	2020 Actual	2021 Estimate	2022 Estimate
ARC Payments:				
Corn	$404,329	$208,411	$356,766	$12,324
Grain Sorghum	36,669	34,521	7,261	3,033
Barley	19,679	5,435	2,529	91
Oats	13,253	3,809	3,105	0
Total Feed Grains	**473,930**	**252,176**	**369,661**	**15,448**
Other Commodities				
Wheat	368,304	186,745	78,025	667
Seed Cotton	0	93,170	5,805	4,526
Rice	968	326	159	3,427
Peanuts	96	319	65	186
Lentils	2,981	3,061	306	273
Large Chickpeas	1,046	1,426	31	176
Small Chickpeas	324	105	42	42
Dry Edible Peas	4,334	1,352	135	0
Total Other	**378,053**	**286,504**	**84,568**	**9,297**
Oilseed Payments:				
Soybeans	224,287	150,782	649,692	0
Sunflower Seed Oil	4,854	4,549	2,892	0
Flaxseed	1,601	516	158	42
Canola	763	620	307	0
Rapeseed	40	37	0	1
Sesame Seed	2	15	1	1
Mustard Seed	266	66	29	0
Safflower Seed	644	78	127	0
Crambe	31	35	17	0
Total Oilseeds	**232,488**	**156,698**	**653,223**	**44**
Total ARC Payments	**1,084,471**	**695,378**	**1,107,452**	**24,789**

Continuation
COMMODITY CREDIT CORPORATION
Payment Programs, Fiscal Years 2019 – 2022
(Dollars in Thousands)

Table CCC-1. Payment Programs, continued

	2019 Actual	2020 Actual	2021 Estimate	2022 Estimate
PLC Payments:				
Corn	212,343	55,442	1,075,228	1,389,764
Grain Sorghum	221,794	194,320	232,404	166,533
Barley	80,910	57,182	55,268	72,986
Oats	20	-6	0	0
Total Feed Grains	**515,067**	**306,938**	**1,362,900**	**1,629,283**
Other Commodities				
Wheat	647,057	277,698	1,684,354	1,431,014
Seed Cotton	-	286,188	1,001,419	1,180,372
Rice	491,678	605,694	380,039	532,371
Peanuts	311,845	342,286	405,313	437,552
Lentils	-	3,126	16,172	15,891
Large Chickpeas	-	82	5,629	5,536
Small Chickpeas	-	-	1,230	1,081
Dry Edible Peas	-	1,268	7,620	8,741
Total Other	**1,450,580**	**1,516,342**	**3,501,776**	**3,612,558**
Oilseed Payments:				
Sunflower Seed Oil	27,389	27,000	11,907	21,126
Flaxseed	3,728	3,006	6,608	3,503
Canola	45,259	74,498	89,686	57,670
Rapeseed	17	18	111	47
Safflower Seed	505	5	-	-
Crambe	-	-	9	-
Total Oilseeds	**76,898**	**104,527**	**108,321**	**82,346**
Total PLC Payments	**2,042,545**	**1,927,807**	**4,972,997**	**5,324,187**
Trade Mitigation Assistance:				
Corn	-	-	-	-
Grain Sorghum	-	-	-	-
Wheat	-	-	-	-
Cotton	-	-	-	-
Dairy	-	-	-	-
Soybeans	-	-	-	-
Other Commodities	-	-	-	-
Other a/	14,429,765	10,951,122	-	-
Total Trade Mitigation Assistance	**14,429,765**	**10,951,122**	**0**	**0**

Continuation
COMMODITY CREDIT CORPORATION
Payment Programs, Fiscal Years 2019 – 2022
(Dollars in Thousands)

Table CCC-1. Payment Programs, continued

	2019 Actual	2020 Estimate	2021 Estimate	2022 Estimate
LDP Payments:				
Corn	-	-	635	11,657
Wheat	-	-	8,098	14,314
Barley	-	-	5,149	7,353
Upland Cotton	69	16,150	1,357	8,765
Rice	-	-	-	-
Peanuts	-	-	-	-
Lentils	617	4,882	-	-
Large Chickpeas	-	878	-	-
Small Chickpeas	-	250	-	-
Total LDP Payments	**686**	**22,160**	**15,239**	**42,089**
Total Noninsured Assistance Program	**152,624**	**128,775**	**165,000**	**165,000**
Crop Disaster Program:				
Tree Assistance Program	15,435	54,254	9,146	8,759
Livestock Forage Disaster Program	287,931	160,304	236,939	212,879
Emergency Livestock Assistance	46,097	60,421	57,940	54,318
Livestock Indemnity Program	49,920	61,219	50,681	52,096
Total Disaster Payments	**399,383**	**336,198**	**354,706**	**328,052**
Other Programs:				
Upland Cotton Econ Adjustment Assistance	40,820	31,366	33,900	35,145
Cotton Ginning Cost Share	93	-	-	-
Tobacco Payments	0	-	-	-
Dairy Margin Protection Program/DMC	319,151	218,203	1,647,000	771,000
Total Other Payments	**360,064**	**249,569**	**1,680,900**	**806,145**
Payments, Grand Total	**18,469,538**	**14,311,009**	**8,296,294**	**6,690,262**

a/ Given the timing of the 2019 MFP in the crop cycle, USDA took a county-based multi-crop approach to minimize market distortions. The 2019 MFP used a single rate per acre in each county for MFP-eligible non-specialty crops, which include select non-specialty commodities both directly and indirectly affected by the trade dispute. This single multi-crop county rate was calculated using historical acreage weights, plus included cups and caps. Due to this multi-crop approach, and additional factors—such as the use of cups and caps and provisions for prevented plantings--commodity-specific data are not presented here. For more information on the 2019 calculations, see: https://www.usda.gov/oce/trade/USDA_Trade_Methodology_Report_2019.pdf".

CONSERVATION PROGRAMS

Title II of the 2018 Farm Bill re-authorized funding and enrollment authority for new and existing conservation programs implemented by FSA and NRCS. These programs help farmers adopt and maintain conservation systems that protect water quality, reduce soil erosion, protect and enhance wildlife habitat and wetlands, conserve water and sequester carbon. NRCS administers several programs that are financed through CCC, and detailed descriptions of program operations and performance indicators can be found under NRCS elsewhere in these Explanatory Notes.

Conservation Reserve Program (CRP) – Administered by FSA, CRP is a voluntary program that assists farm owners and operators in conserving and improving soil, water, air, and wildlife resources by converting highly erodible and other environmentally sensitive acreage normally devoted to the production of agricultural commodities to a long-term resource-conserving cover. CRP participants enroll contracts for periods from 10 to 15 years in exchange for annual rental payments and cost-share and technical assistance for installing approved conservation practices.

CRP enrolls land through general and continuous signups. Under general signup provisions, producers compete nationally during specified enrollment periods for acceptance based on an environmental benefits index. Under continuous signup provisions, producers enroll specified high-environmental value lands such as wetlands, riparian buffers, and various types of wildlife habitat at any time during the year without competition. Grassland enrollment is continuous, but competitive.

The 2018 Farm Bill extended and modified authorization for CRP through 2023. The acreage cap was increased from 24 million acres to 27 million acres by 2023 and includes 8.6 million acres for continuous practices and 2 million acres for grasslands. Additionally, the farm bill created two new pilot programs: the Clean Lakes, Estuaries, and Rivers initiative (CLEAR 30, which has 30-year contracts) and a Soil Health and Income Protection Program. FSA is targeting at least 40 percent of continuous CRP acres to the practices considered as Clean Lakes, Estuaries, and Rivers (CLEAR). A proportional, historic State acreage allocation was included for a portion of the acres available for enrollment. The 2018 Farm Bill also authorized up to $12 million in incentive payments for tree thinning and related activities and provides additional haying and grazing flexibilities.

Beginning in 2021, the Secretary announced the approval of a number of incentives to boost enrollment in CRP and encourage farmers to adopt “climate-smart” conservation practices. Specifically, these changes included the following:

- <u>Climate-Smart Practice Incentive</u>: Producers will receive an added incentive of up to 10% for specific practices that have climate benefits. Incentive rates for each practice will be established based on the current categorization system used in the General CRP Environmental Benefits Index (EBI) (3, 4, 5, or 10 percent).

- <u>Tree practices</u>: The contract length for all tree practices will be extended to 15-yearsave the most impact for carbon sequestration.

- <u>Restoring the Soil Productivity Index</u>: USDA will allow county rental rates to be adjusted upward or downward using a soil productivity index range of 0.5-1.5 (50-150 percent of the county rental rate).

- <u>Restoring “Inflationary” Adjustments</u>: USDA will increase the county rental rate by a one-time, 10 percent “inflationary” adjustment for the life of the contract.

- <u>Restoring Water Quality Incentive</u>: USDA will restore the practice-based incentive for buffers and water quality targeted practices.

- <u>Practice Incentive Payments</u>: Continuous CRP practice incentive payment will increase from the current 20 percent up to 50 percent, the maximum authorized by the Farm Bill. To ensure implementation of the conservation plan, 10 percent will be held back until a sufficient period into the contract to ensure compliance.

- Restoring Minimum Rates for Grasslands: The Secretary restored minimum rental rates of $15 for CRP grassland offers, beginning in 2021.

- Adding Grassland Priority Zones: To increase enrollment of grasslands in migratory corridors and wildlife habitat, the Secretary will continue to add additional national priority zones as a consideration when ranking grassland applications.

Monitoring and Evaluation

To ensure accountability and climate benefits, USDA will implement a comprehensive initiative to measure, monitor, assess, and evaluate the soil carbon benefits of land enrolled in CRP. Over the coming two years, USDA will work with research partners to study the carbon sequestration and reduced nitrous oxide emissions from enrolling acres into this program.

NRCS will collect soil samples from enrolled CRP and similar land that is still being farmed on a rolling 3-year interval. These samples will be used to validate the soil carbon sequestration levels for land enrolled in CRP.

Since the evaluation of CRP will include a representative sample of programs that are enrolled in working lands programs as a reference, this data set can also be used to test the benefits of practices targeted at soil health. This will inform the role of climate smart agriculture practices and the environmental practices of land stewardship practices on working lands and how they can play a role toward the goal of conserving 30% of US lands and oceans by 2030.

The monitoring and assessment will be done primarily in partnership with land grant universities or other research institutions but may also include technical service providers or other cooperators. USDA will also conduct outreach to 1890s, Hispanic Serving Institutions, Tribal Colleges and other potential technical service providers from socially disadvantaged communities.

Since a significant part of the expense will be to visit the sites and collect the samples, USDA will design the projects to not only to inform soil carbon benefits from CRP, but also include other major resource concerns for particular practices (e.g. water quality for buffers or wildlife benefits for duck nesting habitat) when appropriate.

USDA plans to use the results of the research to adjust the climate incentives in CRP, the climate portion of the Environmental Benefits Index and provide a more precise estimate of specific climate benefits by practice, region, or, eventually even, farm or contract level. This improved data and modeling will in turn improve USDA's ability to support landowners undertaking conservation activities to participate in carbon markets and for the US to document contributions to commitments under international climate goals.

CRP Transition Incentives – The 2018 Farm Bill extended the Transition Incentives Program through 2023. It authorized up to $50 million to encourage the transition of expiring CRP land to a beginning, socially disadvantaged, or veteran farmer or rancher so land can be returned to sustainable grazing or crop production. The transitioning landowner no longer need be a retiring producer. The 2018 Farm Bill also reauthorized transition for land that will be prepared for organic production or enrolled in NRCS's Conservation Stewardship Program (CSP) or the Environmental Quality Incentives Program (EQIP).

CONSERVATION RESERVE PROGRAM
Net Expenditures
(Dollars in Thousands)

Table CCC-2. CRP Net Expenditures

Program Level	2019 Actual	2020 Actual	2021 Estimated	2022 Estimated
Financial Assistance	$1,900,922	$1,845,968	$2,032,707	$2,309,272
Technical Assistance	617	7,918	23,575	22,632
Total, Program Level	**1,901,539**	**1,853,886**	**2,056,282**	**2,331,904**

Emergency Forestry Conservation Reserve Program (EFCRP) – The Department of Defense, Emergency Supplemental Appropriations to Address Hurricanes in the Gulf of Mexico, and Pandemic Influenza Act of 2006, P.L. 109-148, as amended by P.L. 109-234 and P.L. 110-28, mandated that the Secretary carry out an emergency pilot program in States that the Secretary determines have suffered damage to merchantable timber in counties affected by hurricanes during the 2005 calendar year. The Act provided $404.1 million for this program, called EFCRP. These acres have not counted against the CRP maximum program authority for acreage enrollment. The final annual rental payments will be made in 2021.

Agricultural Management Assistance Program (AMA) – The Agricultural Risk Protection Act of 2000 authorized CCC funding of $10 million for 2001 and subsequent years for AMAP. AMAP provides cost-share assistance to producers in states in which Federal Crop Insurance Program participation is historically low as determined by the Secretary of Agriculture.

The Secretary delegated authority to implement this program to the Natural Resources Conservation Service (50 percent), Risk Management Agency (40 percent), and the Farm Service Agency (10 percent). The funds are used to:

- Provide financial assistance to producer to construct or improve water management structures or irrigation structures; plant trees for windbreaks or to improve water quality; and mitigate risk through production diversification or resource conservation practices, including soil erosion control, integrated pest management, or transition to organic farming through NRCS.
- Enter into partnerships with universities, county cooperative extension offices, non-profit organizations and others to provide producers assistance to understand and using crop insurance and other farm safety net tools so they can make the best risk management decisions for their agricultural operations through RMA.
- Provide cost share assistance to producers and handlers of agricultural products for the costs of obtaining or maintaining organic certification through FSA's Organic Certification Cost Share Program (OCCSP).

The program continues under the 2018 Farm Bill. The 2018 actual outlays included $5 million total in transfers.

DISASTER PROGRAMS

Noninsured Crop Disaster Assistance Program (NAP) – NAP provides "catastrophic" and additional ("buy-up") coverage for crops and in locations where Federal crop insurance is unavailable. The 2018 Farm Bill authorizes permanent funding for "buy-up" coverage, which has been the case for catastrophic coverage since 1994. Producers who elect buy-up select a by-crop coverage level between 50 and 65 percent, in 5 percent increments, at 100 percent of the average market price. Producers also pay a service fee and a fixed premium equal to 5.25 percent of the liability for buy-up coverage. The 2018 Farm Bill increases the service fee. Service fees are waived for limited resource, beginning farmers and socially disadvantaged farmers; buy-up coverage premiums are reduced by 50 percent for those same farmers. In addition, a payment limit of $125,000 remains for catastrophic coverage payments, while the 2018 Farm Bill increased the payment limit for additional NAP coverage to $300,000. NAP was first authorized the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994.

The following four disaster programs were authorized by the 2008 Farm Bill under the USDA Supplemental Disaster Assistance program, made permanent in the 2014 Farm Bill, and were re-authorized in the 2018 Farm Bill.

- **Livestock Forage Disaster Program (LFP)** LFP provides compensation to eligible livestock producers that have suffered grazing losses due to drought or fire on land that is native or improved pastureland with permanent vegetative cover or that is planted specifically for grazing. LFP payments for drought are equal to 60 percent of the monthly feed cost for up to 5 months, depending upon the severity of the drought. LFP payments for fire on federally managed rangeland are equal to 50 percent of the monthly feed cost for the number of days the producer is prohibited from grazing the managed rangeland, not to exceed 180 calendar days.

- **Livestock Indemnity Program (LIP)** – LIP provides benefits to eligible livestock owners and contract growers for livestock deaths in excess of normal mortality caused by an eligible loss conditions, including eligible adverse weather, eligible disease, or eligible attacks by animals reintroduced into the wild by the Federal Government or protected by federal law. LIP payments to eligible livestock owners are equal to 75 percent of the average fair market value of the livestock. Rates for contract growers of poultry or swine are based on 75 percent of national average input costs for the applicable livestock. It also provides benefits for the sale of animals at a reduced price if the sale occurred due to injury that was a direct result of an eligible adverse weather event or due to an attack by an animal reintroduced into the wild.

- **Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish (ELAP)** ELAP provides emergency assistance to eligible producers of livestock, honeybees and farm-raised fish for losses due to disease (including cattle tick fever), adverse weather, or other conditions, such as blizzards and wildfires, not covered by LFP and LIP.

- **Tree Assistance Program (TAP)** TAP provides financial assistance to qualifying orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes, and vines damaged by natural disasters.

FOREIGN ASSISTANCE PROGRAMS

Export Credit Guarantees – The short-term Export Credit Guarantee Program (GSM-102), CCC guarantees (for up to 18 months) payments due to U.S. exporters, or their assignees (U.S. financial institutions), from defaults in payments by foreign banks on export credit sales due to commercial as well as noncommercial risks. Facility payment guarantees operate under the general provisions of the GSM-102 program and provide export financing for capital goods and services to improve handling, marketing, processing, storage, or distribution of imported agricultural products.

On July 1, 2005, the guarantee fees (premia) charged under the export credit guarantee programs were changed from a flat fee basis to a country risk-based approach. The revised premia respond to a World Trade Organization (WTO) dispute panel decision and are intended to remove any long-term subsidy component of the program, prospectively. Fees were updated using the risk-based approach in October 2011. Also, in response to the panel decision, the GSM-103 intermediate export credit guarantee program was suspended on July 1, 2005. Both GSM-103 and the Supplier Credit Guarantee were repealed by Title III, Section 3101, of the Food, Conservation, and Energy Act of 2008.

Total loan guarantee commitments in 2020 were $2.22 billion, all for the GSM-102 program. Total program levels for 2020 and 2021 are estimated to be $5.5 billion each year, including $5.0 billion for GSM-102 and $0.5 billion for facility guarantees.

The 2022 budget continues to reflect credit reform procedures for Federal credit programs authorized by the Budget Enforcement Act of 1990, Title XIII of the Omnibus Budget Reconciliation Act of 1990. These procedures require that for direct loans or loan guarantees issued since 1992, budget authority and outlays for these programs represent estimated subsidy costs over the life of the program, rather than claims, disbursements and repayments. The appropriation language specifies the portion of the requested budget authority to be used for administrative expenses, which are funded via a discretionary annual appropriation. Budget authority for the subsidy represents the present value of CCC's estimated net cash flows over the lifetime of the credit guarantee. Budget authority and outlays for subsidy are presented in the Budget in the program account. All claims disbursement and repayment activity related to loans made in 1992 or later appear in a "financing account" and are considered "off-budget" for purposes of estimating the deficit. Budget authority and outlays for pre-1992 portfolios of guarantees and claims are reflected in the budget in "liquidating accounts" and are calculated on a cash basis as before, to represent claim disbursements and borrower repayments.

Market Access Program (MAP) – Under the MAP, CCC Funds are used to reimburse participating organizations for a portion of the costs of carrying out overseas marketing and promotional activities. The 2018 Farm Bill continued the authority for the MAP program with annual funding of $200 million for 2019–2023.

Foreign Market Development Cooperator Program (FMD) and Quality Samples Program – Under the FMD program, $34.5 million in cost-share assistance is provided to nonprofit commodity and agricultural trade associations to support overseas market development activities that are designed to remove long-term impediments to increased U.S. trade. CCC will fund the Quality Samples Program at an authorized annual level of $2.5 million. Under this initiative, samples of U.S. agricultural products will be provided to foreign importers to promote a better understanding and appreciation for the high quality of U.S. products.

Technical Assistance for Specialty Crops (TASC)-Technical Assistance for Specialty Crops is extended through 2023 with annual funding of $9 million for each fiscal year. The TASC program provides funding to eligible U.S. organizations for projects that address sanitary, phytosanitary, and technical barriers that prohibit or threaten the export of U.S. specialty crops. Eligible activities include seminars and workshops, study tours, field surveys, pest and disease research, and pre-clearance programs.

Emerging Markets Program (EMP) –EMP is extended through 2023 and provides cost-share funding for technical assistance activities such as feasibility studies, market research, sectorial assessments, orientation visits, specialized training and business workshops. The EMP helps U.S. organizations promote exports of U.S. agricultural products to countries that have, or are developing, market-oriented economies and that have the potential to be viable commercial markets.

Priority Trade Fund – The 2018 Farm Bill authorizes $3.5 million per year from 2019-2023 for authorized activities to access, develop, maintain, and expand markets for United States agricultural commodities. The funding can be applied to MAP, FMD, Technical Assistance for Specialty Crops or Emerging Market programs. Allocation of Priority Trade funding will be informed by the extent to which program applications exceed available funds for one or more programs.

The Bill Emerson Humanitarian Trust (BEHT) – BEHT is a commodity and/or monetary reserve designed to ensure that the United States can meet its international food aid commitments. Assets of the Trust can be released any time the Administrator of the U.S. Agency for International Development determines that PL 480 Title II is inadequate to meet those needs in any fiscal year. When a release from the Trust is authorized, the Trust's assets cover all commodity costs associated with the release. All non-commodity costs, including ocean freight charges; internal transportation, handling, and storage overseas; and certain administrative costs are paid by CCC. The 2018 Farm Bill extended the authorization to replenish the BEHT through 2023.

Food for Progress Program – The Food for Progress Program (FPP) helps developing countries and emerging democracies modernize and strengthen their agricultural sectors. U.S. agricultural commodities donated to recipient countries are sold on the local market and the proceeds are used to support agricultural, economic or infrastructure development programs. The 2018 Farm Bill extended FPP through 2023.

TRANSFER OF FUNDS

The 2002 and all subsequent Farm Bills have authorized CCC to transfer funds to various agencies to fulfill authorized programs. The following table shows recipient agencies and amounts of transfers for 2019 and 2020 and anticipated amounts for 2021 and 2022:

Table CCC-3. Transfers

CCC Transfers (Dollars in Thousands)				
Agencies Receiving Transfers:	**2019 Actual**	**2020 Actual**	**2021 Estimate**	**2022 Estimate**
Agricultural Marketing Service	$137,728	$123,000	$123,000	$124,000
Office of the Secretary	15,000	20,515,000	18,000	20,000
Animal and Plant Health Inspection Service	232,500	75,000	75,000	75,000
Office of Chief Economist	1,000	1,000		
National Institute of Food and Agriculture	210,000	163,000	171,000	183,000
Food and Nutrition Service	20,600	21,000	21,000	21,000
Natural Resources Conservation Service	4,331,358	5,210,000	3,589,000	3,689,000
Risk Management Agency	4,000	4,000	4,000	4,000
Rural Development	129,022	204,000	79,000	84,000
Wool Apparel Manufacturers Trust Fund	30,000	30,000	30,000	30,000
Pima Cotton Trust Fund	16,000	16,000	16,000	16,000
Grassroots Source Water Protection Program	5,000	-	-	-
Economic Research Service	500	-	-	-
Total	**5,132,708**	**26,362,000**	**4,126,000**	**4,246,000**

CCC NET EXPENDITURES

CCC net expenditures for 2021 are estimated at $10.6 billion, a decrease of $7.5 billion from 2020. Baseline expenditures for 2022 are estimated at approximately $9.6 billion. The following table shows CCC net expenditures by commodity and program for 2019 through 2022.

Table CCC-4. Net Expenditures

(Dollars in Thousands)	2019 Actual	2020 Actuals	2021 Estimate	2022 Estimate
Corn	$595,032	$436,764	$1,290,357	$1,454,670
Grain Sorghum	259,029	228,328	240,024	169,684
Barley	102,102	66,559	63,611	80,785
Oats	13,798	4,425	3,143	2
Total Feed Grains and Products	**969,961**	**736,076**	**1,597,136**	**1,705,141**
Wheat and Products	1,049,018	470,389	1,826,435	1,456,723
Rice	494,948	634,923	354,702	536,446
Upland Cotton a/	69,744	118,237	-40,940	47,020
ELS Cotton	6,657	449,419	948,117	1,185,038
Tobacco	0	0	0	0
Honey	556	1,578	-417	37
Dairy and Products	319,151	208,502	1,647,583	771,649
Soybeans	270,084	184,456	606,097	3,640
Other Oilseeds	81,652	112,029	111,763	82,376
Sugar	0	0	0	0
Peanuts	299,648	296,512	412,544	438,036
Sunflower Seed Non-Oil	-165	5	208	-23
Soybeans Products	0	0	0	0
Vegetable Oil Products	0	0	0	0
Other Commodities	21,031	6,460	35,446	32,114
Total Other Commodities	**2,612,324**	**2,482,509**	**5,901,537**	**4,553,056**
Total Commodities	**3,582,285**	**3,218,584**	**7,498,672**	**6,258,197**
Market Access Program	194,915	186,910	189,000	189,000
Foreign Market Development Cooperator	33,000	0	33,000	33,000
Quality Samples Program	2,517	1,044	2,000	2,000
Livestock Forage	287,931	160,304	236,939	212,879
Livestock Indemnity	49,920	61,219	50,681	52,096
Emergency Livestock Assistance	46,097	60,421	57,940	54,318
Tree Assistance Program	15,435	54,254	9,147	8,759
Farm Bill Implementation	0	12,159	3,000	3,000
Export Donations - Ocean Transportation	37,520	0	0	0
Noninsured Assistance Program	152,624	128,775	165,000	165,000
Bio-based Fuel Production	0	0	0	0
Conservation Reserve Program (CRP)	1,901,726	1,853,886	2,056,282	2,331,904
Emergency Forestry CRP	42	37	0	0
Biomass Crop Assistance	-5	0	0	0
Technical Assistance for Specialty Crops	5,671	7,742	8,000	8,000
Interest	356,958	133,869	14,000	16,000
All Other a/	14,929,459	11,221,804	282,000	278,732
Total Programs and Expenses	**18,013,810**	**13,882,424**	**3,106,989**	**3,354,688**
Total Net Expenditures, CCC Baseline	**21,596,095**	**17,101,010**	**10,605,661**	**9,612,885**

a/ All other includes Trade Mitigation Programs, Emerging Markets Program, Citrus Trust Fund, technical Assistance for Specialty Crops, Section 4, Section 11, Food for Progress, Electronic Warehouse receipt. NAP Loss

Adjuster, Organic Cost Share, Priority Trade, ARC and CRP Pilot programs, Oriental Fruit Fly Quarantine Program, Foundation for Food and Agriculture Research.

AVAILABLE FUNDS

(Thousands of Dollars)

Table CCC-5. Available Funds

Item	2019Actual	2020 Actual	2021 Estimate	2022 Estimate
Reimbursement for Net Realized Losses	$10,888,368	$26,309,033	$40,309,033	$25,915,000
CCC Export Loans Credit Guarantee Program Account	8,845	6,381	6,381	6,063
Total Commodity Credit Corporation	**10,897,213**	**26,315,414**	**40,315,414**	**25,921,063**

CLASSIFICATION BY OBJECTS

(Thousands of Dollars)

Table CCC-6. Classification by Objects

Item No.	Item	2019 Actual	2020 Estimate	2021 Estimate	2022 Estimate
Direct Obligations					
	Other Objects:				
22	Transportation of things	$38,000	0	40,000	40,000
33	Investments and loans	7,616,000	8,457,000	9,046,000	8,902,000
41	Grants, subsidies, and contributions	19,820,000	27,609,000	10,886,000	10,296,000
	Total, Direct Obligations	**27,474,000**	**36,066,000**	**19,972,000**	**19,238,000**
Reimbursable Obligations					
	Other Objects:				
41	Grants, subsidies, and contributions	1,000,000	-	-	-
99.9	**Total, new obligations**	**28,474,000**	**36,066,000**	**19,972,000**	**19,238,000**

ACCOUNT 1: NET REALIZED LOSSES

APPROPRIATIONS LANGUAGE

The appropriations language follows (new language underscored; deleted language enclosed in brackets):

COMMODITY CREDIT CORPORATION FUND
Reimbursement for Net Realized Losses
(Including Transfer of Funds)

For the current fiscal year, such sums as may be necessary to reimburse the Commodity Credit Corporation for net realized losses sustained, but not previously reimbursed, pursuant to section 2 of the Act of August 17, 1961 (15 U.S.C. 713a-11): Provided, That of the funds available to the Commodity Credit Corporation under section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i) for the conduct of its business with the Foreign Agricultural Service, up to $5,000,000 may be transferred to and used by the Foreign Agricultural Service for information resource management activities of the Foreign Agricultural Service that are not related to Commodity Credit Corporation business.

Hazardous Waste Management
(Limitation on Expenses)

For the current fiscal year, the Commodity Credit Corporation shall not expend more than $15,000,000 for site investigation and cleanup expenses, and operations and maintenance expenses to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9607(g)), and section 6001 of the Resource Conservation and Recovery Act (42 U.S.C. 6961).

LEAD-OFF TABULAR STATEMENT

COMMODITY CREDIT CORPORATION FUND
Reimbursement for Net Realized Losses

Table CCC-7. Account 1. Lead Off Tabular Statement

2021 Appropriations	40,309,032,819
Change in Appropriation	-14,394,032,819
2022 Request, Current Law	25,915,000,000

RECONCILIATION TO BUDGET AUTHORITY

The following table reconciles budget authority with appropriations:
(Dollars in Thousands)

Table CCC-8. Account 1. Reconciliation to Budget Authority

	2019 Actuals	2020 Actuals	2021 Estimate	2022 Estimate
Appropriation (Net Realized Losses)	$10,888,368	$26,309,033	$40,309,033	$25,915,000
Portion applied to CCC debt reduction	-5,755,659	-13,947,000	-21,788,000	-21,669,000
Transferred to Other Accounts	-5,132,708	-26,362,000	-4,127,000	-4,246,000
Adjustments:				
CCC, Budget Authority (Net)	19,568,000	27,579,000	10,047,000	10,253,000
CCC Export Loans Program Account	8,845	6,381	6,381	6,063
Budget Authority (Net)	**19,576,845**	**27,585,381**	**10,053,381**	**10,259,063**

The following tables reflect actual and estimated losses by commodity and program for 2019 through 2022:

Table CCC-9. Account 1.* FY 2019 - ACTUALS *(millions of dollars)

ITEM	TOTAL	Feed Grains	Wheat	Rice	Upland Cotton	Soybeans	Dairy Products	All Other a/c/
Program Costs:								
Storage and Handling	$12	$-	$-	$-	$-	$-	$-	$12
Transportation	38	-	-	-	-	-	-	38
Loan Deficiency Payments	1	-	-	-	-	-	-	1
Loans Made	7,641	1,770	221	231	2,151	1,083	-	2,185
Loans Repaid	(7,546)	(1,789)	(187)	(228)	(2,283)	(1,037)	-	(2,022)
ARC Payments	1,085	474	368	1	-	224	-	17
PLC Payments	2,043	515	647	492	-	-	-	389
Dairy Margin Coverage	319	-	-	-	-	-	319	-
Dairy Premiums	30	-	-	-	-	-	(30)	-
Conservation Reserve	1,902	-	-	-	-	-	-	1,902
Other Conservation b/	2	-	-	-	-	-	-	2
Foreign Market Development Coop	33	-	-	-	-	-	-	33
Quality Samples Program	3	-	-	-	-	-	-	3
Noninsured Assistance Program	153	-	-	-	-	-	-	153
Market Access Program	195	-	-	-	-	-	-	195
Market Facilitation	13,678	-	-	-	-	-	-	13,678
Food Purchase and Distribution Program	734	-	-	-	-	-	-	734
Agricultural Trade Promotion Program	17	-	-	-	-	-	-	17
Marketing Loan Write-offs	14	-	-	-	14	-	-	-
Transfers to Other USDA Agencies	5,133	-	-	-	-	-	-	5,133
Disaster Programs	394	-	-	-	-	-	-	394
Other c/	74	65	180	34	-	16	-	(220)
Total Program Costs:	**$25,953**	**$1,035**	**$1,229**	**$529**	**$(118)**	**$286**	**$289**	**$22,642**
Non-Program Costs:								
Interest (net):	357							
Operating Expenses	-							
Total Non-Program Costs	**357**							
Total Net Realized Losses	**$26,309**							

a/Other commodities and programs include soybean products, blended food products, vegetable oil products, pulse crops, peanuts and minor oilseeds.
b/ Other conservation program includes the Emergency Forestry Conservation Reserve Program.
c/ Other costs include upland cotton economic adjustment assistance payments, ocean transport for export donations, and all other miscellaneous expense.

Table CCC-10. Account 1. **FY 2020 - ACTUALS (millions of dollars)]**

ITEM	TOTAL	Feed Grains	Wheat	Rice	Upland Cotton	Soybeans	Dairy Products	All Other a/c/
Program Costs:								
Storage and Handling	-	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-
Loan Deficiency Payments	22	-	-	-	16	-	-	6
Loans Made	8,442	1,771	231	271	3,127	960	-	2,082
Loans Repaid	(8,109)	(1,594)	(225)	(242)	(3,056)	(926)	-	(2,065)
ARC Payments	695	252	187	0	-	151	-	105
PLC Payments	1,928	307	278	606	-	-	-	737
Dairy Margin Protection	218	-	-	-	-	-	218	-
Dairy Premiums	(10)	-	-	-	-	-	(10)	-
Conservation Reserve	2,874	-	-	-	-	-	-	2,874
Other Conservation **b/**	5	-	-	-	-	-	-	5
Foreign Market Development Coop	-	-	-	-	-	-	-	-
Quality Samples Program	1	-	-	-	-	-	-	1
Noninsured Assistance Program	129	-	-	-	-	-	-	129
Market Access Program	187	-	-	-	-	-	-	187
Market Facilitation Program	10,286	-	-	-	-	-	-	10,286
Marketing Loan Write-offs	-	-	-	-	-	-	-	-
Transfers to Other USDA Agencies	26,362	-	-	-	-	-	-	26,362
Disaster Programs	336	-	-	-	-	-	-	336
Agricultural Trade Promotion	13	-	-	-	-	-	-	13
Other **c/**	(3,204)	-	-	-	-	-	-	(3,204)
Total Program Costs:	**40,176**	**736**	**470**	**635**	**87**	**184**	**208**	**37,855**
Non-Program Costs:								
Interest (net):	133							
Operating Expenses	-							
Total Non-Program Costs	**133**							
Total Net Realized Losses	**$40,309**							

a/Other commodities and programs include soybean products, blended food products, vegetable oil products, pulse crops, peanuts and minor oilseeds.
b/ Other conservation program includes the Emergency Forestry Conservation Reserve Program.
c/ Other costs include upland cotton economic adjustment assistance payments, ocean transport for export donations, and all other miscellaneous expense.

***Table CCC-11. Account 1.* FY 2021 - ESTIMATES (millions of dollars)**

ITEM	TOTAL	Feed Grains	Wheat	Rice	Upland Cotton	Soybeans	Dairy Products	All Other a/c/
Program Costs:								
Storage and Handling	1	-	-	-	-	-	-	1
Transportation	40	-	-	-	-	-	-	40
Loan Deficiency Payments	15	6	8	-	1	-	-	-
Loans Made	8,983	2,070	279	260	2,634	1,484	-	2,256
Loans Repaid	(9,279)	(2,210)	(224)	(286)	(2,710)	(1,528)	-	(2,322)
ARC Payments	1,107	370	78	0	-	650	-	10
PLC Payments	4,973	1,363	1,684	380	-	-	-	1,546
Dairy Margin Protection	1,647	-	-	-	-	-	1,647	-
Dairy Premiums	(79)	-	-	-	-	-	(79)	-
Conservation Reserve	2,056	-	-	-	-	-	-	2,056
Other Conservation b/	-	-	-	-	-	-	-	-
Foreign Market Development Coop	33	-	-	-	-	-	-	33
Quality Samples Program	2	-	-	-	-	-	-	2
Noninsured Assistance	165	-	-	-	-	-	-	165
Market Access Program	189	-	-	-	-	-	-	189
Market Facilitation Program	-	-	-	-	-	-	-	-
Food Purchase and Distribution	-	-	-	-	-	-	-	-
Agricultural Trade Promotion	-	-	-	-	-	-	-	-
Marketing Loan Write-offs	-	-	-	-	-	-	-	-
Transfers to Other USDA Agencies	3,988	-	-	-	-	-	-	3,988
Disaster Programs	355	-	-	-	-	-		355
Other c/	11,705	-	-	-	-	-	-	11,705
Total Program Costs:	**$25,901**	**$1,598**	**$1,826**	**$355**	**$(75)**	**$606**	**$1,568**	**$20,023**
Non-Program Costs:								
Interest (net):	14							
Operating Expenses	-							
Total Non-Program Costs	**14**							
Total Net Realized Losses	**$25,915**							

a/ Other commodities and programs include soybean products, blended food products, vegetable oil products, pulse crops, peanuts, and minor oilseeds.
b/ Other conservation program includes the Emergency Forestry Conservation Reserve Program.
c/ Other costs include upland cotton economic adjustment assistance payments, ocean transport for export donations, and all other miscellaneous expense.

***Table CCC-12. Account 1.* FY 2022 - ESTIMATES (millions of dollars)**

ITEM	TOTAL	Feed Grains	Wheat	Rice	Upland Cotton	Soybeans	Dairy Products	All Other a/c/
Program Costs:								
Storage and Handling	1	-	-	-	-	-	-	1
Transportation	40	-	-	-	-	-	-	40
Loan Deficiency Payments	42	19	14	-	9	-	-	-
Loans Made	8,839	2095	257	253	2,650	1,443	-	2,141
Loans Repaid	(8,779)	(2,054)	(246)	(252)	(2,647)	(1,439)	-	(2,141)
ARC Payments	25	15	1	3	-	-	-	5
PLC Payments	5,324	1,629	1,431	532	-	-	-	1,732
Dairy Margin Protection	771	-	-	-	-	-	711	-
Dairy Premiums	(71)	-	-	-	-	-	(71)	-
Conservation Reserve	2,332	-	-	-	-	-	-	2,332
Other Conservation b/	-	-	-	-	-	-	-	-
Foreign Market Development Coop	33	-	-	-	-	-	-	33
Quality Samples Program	2	-	-	-	-	-	-	2
Noninsured Assistance	165	-	-	-	-	-	-	165
Market Access Program	189	-	-	-	-	-	-	189
Market Facilitation Program	-	-	-	-	-	-	-	-
Food Purchase and Distribution	-	-	-	-	-	-	-	-
Agricultural Trade Promotion	-	-	-	-	-	-	-	-
Marketing Loan Write-offs	-	-	-	-	-	-	-	-
Transfers to Other USDA Agencies	4,246	-	-	-	-	-	-	4,246
Disaster Programs	328	-	-	-	-	-	-	328
Other c/	675	-	-	-	-	-	-	675
Total Program Costs:	**$14,163**	**$1,705**	**$1,457**	**$536**	**$12**	**$4**	**$700**	**$9,748**
Non-Program Costs:								
Interest (net):	16							
Operating Expenses	-							
Total Non-Program Costs	**16**							
Total Net Realized Losses	**$14,179**							

a/ Other commodities and programs include soybean products, blended food products, vegetable oil products, pulse crops, peanuts, and minor oilseeds.
b/ Other conservation program includes the Emergency Forestry Conservation Reserve Program.
c/ Other costs include upland cotton economic adjustment assistance payments, ocean transport for export donations, and all other miscellaneous expense.

The following table below shows Farm Bill program funding used for administrative expenses incurred by the Farm Service Agency, the Foreign Agricultural Service (FAS) , other agencies of the Department engaged in the Corporation's activities, and the Office of Inspector General for audit functions. These funds are in addition to discretionary appropriations for these agencies.

FARM BILL PROGRAM FUNDING USED FOR ADMINISTRATIVE EXPENSES

(Outlays in thousands of dollars)

Table CCC-13. Account 1. Section 711 FAS Agricultural Trade Facilitation Program Administrative Exp.

Program	2019 Actual	2020 Actual	2021 Estimate	2022 Estimate
Emerging Markets Program a/	$746	$746	$914	$914
Technical Assistance for Specialty Crops b/	803	803	1,023	1,023
Foreign Market Development Cooperator Program a/	1,160	1,160	1,245	1,245
Market Access Program a/	4,788	4,788	5,285	5,285
Pima Cotton Trust a/	0	0	127	127
Wool Apparel Manufacturers Trust a/	0	0	127	127
Food for Progress a/	2,331	2,331	6,020	6,020
CCC Section 4 Authority c/	11,482	10,723	10,462	10,462
CCC Section 11 Authority c/	54,596	56,102	50,167	50,167
Totals	**75,906**	**76,653**	**75,370**	**75,370**

a/ Transferred to FAS
b/ Transferred to AMS
c/ Transferred to multiple agencies

STATUS OF PROGRAMS

Commodity Loans Made and Outstanding
(Dollars in Billions)

Table CCC-14. Account 1. Commodity Loans Made & Outstanding

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Loans Made	$7.2	$7.1	$5.7	$5.7	$3.8	$5.7	$6.5	$7.4	$7.6	$7.6	$8.4
Loans Outstanding	$0.7	$0.3	$0.4	$0.3	$0.2	$0.4	$0.2	$0.2	$0.4	$0.6	$0.9

FY 2020 Commodity Loans
(Dollars in Thousands)

Table CCC-15. Account 1. PY Commodity Loans

Commodity	Loans Outstanding SOY	Loans Made	Loans Repaid/ Forfeitures/Transfer to Receivables	Loans Outstanding EOY
Cotton	105,291.29	3,328,352.09	-3,187,570.66	246,072.72
Feed Grains	138,051.95	1,771,273.16	-1,594,311.42	315,013.69
Oil and Oilseeds	2,545.41	26,731.09	-25,140.95	4,135.55
Peanuts	83,562.57	887,348.83	-933,441.51	37,469.89

Rice	15,772.58	271,371.96	-242,469.24	44,675.30
Soybeans	81,810.19	960,147.13	-926,473.02	115,484.30
Sugar	0	940,860.44	-940,860.44	0
Wheat	119,227.19	230,765.88	-224,820.05	125,173.02
Other a/	20,209.14	25,187.48	-33,579.56	11,817.06
Total	**$ 566,470.32**	**$8,442,038.06**	**$ (8,108,666.85)**	**$ 899,841.53**

FY 2020 ARC-PLC Payments
(Dollars in Thousands)

Table CCC-16. Account 1. ARC-PLC Payments

Commodity	ARC	PLC	Total
Barley	$ 5,435	$ 57,182	$ 62,617
Canola	620	74,498	75,118
Chickpeas – Large	1,426	82	1,508
Chickpeas – Small	105	-	105
Corn	208,411	55,442	263,853
Crambe	35	-	35
Dry Peas	1,352	1,268	2,620
Flaxseed	516	3,006	3,522
Lentils	3,061	3,126	6,187
Mustard	66	-	66
Oats	3,809	(6)	3,803
Peanuts	319	342,286	342,605
Rapeseed	37	18	55
Rice – LG	161	593,017	593,178
Rice – MG	165	12,677	12,842
Rice – TJ	-	-	-
Safflower	78	5	83
Seed Cotton	93,170	286,188	379,358
Sesame	15	-	15
Sorghum	34,521	194,320	228,841
Soybeans	150,782	-	150,782
Sunflower	4,549	27,000	31,549
Wheat	186,745	277,698	464,443
Total	**$695,378**	**$1,927,807**	**$ 2,623,185**

TRADE MITIGATION PROGRAMS

The CCC Charter Act (15 U.S.C 714c) Section 5 authorizes CCC to assist in the disposition of surplus commodities and to increase the domestic consumption of agricultural commodities by expanding or aiding in the expansion of domestic markets or by developing or aiding in the development of new and additional markets, marketing facilities, and uses for such commodities. In order to support these efforts, CCC established the following programs to assist farmers suffering from damage due to trade retaliation in FY 2018 and 2019.

The 2018 **Market Facilitation Program (MFP)** provided direct payments to producers of soybeans, corn, sorghum, wheat, cotton, dairy and hogs. The payments help producers who have been negatively impacted by foreign governments imposing tariffs on U.S. agricultural products and disrupting marketing of agricultural commodities beyond the control of producers. The payments are to aid producers in the disposition of surplus commodities and aid in the expansion of domestic markets or in the development of new and additional markets for specific crops or commodities negatively impacted by the actions of foreign governments. The MFP has two categories – crop and livestock. The program has a single combined $125,000 payment limitation for any producer for the five crops and a separate combined $125,000 payment limitation for any producer for hogs and milk. MFP program payments do not count against any payment limits established under the 2014 or 2018 Farm Bills.

The 2019 **Market Facilitation Program (MFP 2)** provides assistance to farmers and ranchers with commodities directly impacted by unjustified foreign retaliatory tariffs, resulting in the loss of traditional export markets. Assistance is available for agricultural producers of non-specialty crops, dairy, hogs, and specialty crops. Assistance for non-specialty crops is based on a single-county payment rate per acre basis multiplied by a farm's total plantings of MFP-eligible crops in aggregate in 2019 for that county. Those per-acre payments are not dependent on which of those crops are planted in 2019. A producer's total payment-eligible plantings cannot exceed total 2018 plantings. County payment rates range from $15 to $150 per acre, depending on the impact of unjustified trade retaliation in that county. In the event a non-specialty crop was prevented from being planting and had a subsequently planted eligible cover crop planted, the minimum standard national payment rate of $15/acre would be paid for those acres regardless of the county.

The following crops are eligible for payment under this single-county payment rate: alfalfa hay, barley, canola, corn, crambe, dried beans, dry peas, extra-long staple cotton, flaxseed, lentils, long grain and medium grain rice, millet, mustard seed, oats, peanuts, rapeseed, rye, safflower, sesame seed, small and large chickpeas, sorghum, soybeans, sunflower seed, temperate japonica rice, triticale, upland cotton, and wheat.

For the specialty crop category, the following crops are included: almonds, cranberries, cultivated ginseng, fresh grapes, hazelnuts, macadamia nuts, pecans, pistachios, fresh sweet cherries and walnuts. Payment rates are based upon a National rate for each applicable specialty crop multiplied by the producer's reported share interest in the planted specialty crop.

Like the 2018 MFP there are three payment categories – non specialty crop, specialty crops, and livestock (dairy and hogs). The program has a single combined $250,000 payment limitation for each payment category; however, a producer cannot receive more than $500,000 overall under the 2019 MFP if they could receive assistance from each payment category.

The **Food Purchase and Distribution Program** is administered by the AMS to purchase unexpected surplus of affected commodities such as fruits, nuts, ride, legumes, beef, pork and milk for distribution to food banks and other nutrition programs.

The **Agricultural Trade Promotion Program** is administered by the Foreign Agricultural Service (FAS) in conjunction with the private sector to assist in developing new export markets for farm products.

The **Technical Assistance for Specialty Crops (TASC)** program provides funding to eligible U.S. organizations for projects that address sanitary, phytosanitary and technical barriers that prohibit or threaten the export of U.S. specialty crops. Eligible activities include seminars and workshops, study tours, field surveys, pest and disease research, and pre-clearance programs. Eligible crops include all cultivated plants and their products produced in the United States except wheat, feed grains, oilseeds, cotton, rice, peanuts, sugar and tobacco. Awards are for a maximum of $500,000 per year and for projects of up to five years. The TASC program is intended to benefit an entire industry or commodity rather than a specific company or brand. U.S. non-profit, for-profit and government entities are all eligible to apply. Proposals may target individual countries or reasonable regional groupings of countries.

FY 2020 MFP and MFP 2 Payments
(Dollars in Thousands)

Table CCC-17. Account 1. MFP & MFP 2 Payments

Commodity	MFP	MFP2	Total
Almonds 1/	$ 7,051	$ 83,854	$ 90,905
Cherries		79,918	79,918
Corn	485		485
Cotton	3,259		3,259
Cranberries		13,365	13,365
Dairy	7,737	235,152	242,889
Fresh Sweet Cherries	4,880		4,880
Ginseng		2,965	2,965
Grapes		20,191	20,191
Hazel Nuts		4,634	4,634
Hogs	5,213	157,896	163,109
Macadamia Nuts		77	77
Non-specialty Crops		8,398,878	8,398,878
Pecans		36,787	36,787
Pistachios		17,144	17,144
Sorghum	457	0	457
Soybeans	14,125	0	14,125
Walnuts		29,542	29,542
Wheat	738	0	738
Total	**$ 43,945**	**$ 9,080,403**	**$ 9,124,348**

1/ Shelled almonds for MFP.

Noninsured Crop Disaster Assistance Program (NAP)
NAP payments in crop year 2020 totaled $147.5 million, with offsetting fees collected of $14.0 million. Of the payments, $0.5 million was for crop year 2012, $0.4 million was for crop year 2013, $0.1 million was for crop year 2014, $0.7 million was for crop year 2015, $0.8 million was for crop year 2016, $8.3 million was for crop year 2017, $8.3 million was for crop year 2018, $123.9 million was for crop year 2019, and $11.6 million was for crop year 2020.

Disaster Assistance.
The following four disaster programs were re=authorized by the 2018 Farm Bill: Livestock Forage Disaster Program (LFP), Livestock Indemnity Program (LIP), Tree Assistance Program (TAP) and Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP). Payments to producers are authorized for FY 2012 and each succeeding fiscal year.

FY 2020 Disaster Assistance
(Dollars in Thousands)

Table CCC-18. Account 1. Disaster Assistance

Disaster Programs	**FY 2020 Outlays**
Livestock Forage Disaster Program (LFP)	$160,304
Livestock Indemnity Program (LIP)	$61,219
Tree Assistance Program (TAP)	$54,254
Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP)	$60,421
Total	$336,198

Farm Bill-Authorized CCC Transfers, FY 2020
(Dollars in Thousands)

Table CCC-19. Account 1. Farm Bill Authorized Transfers

Agencies Receiving Transfers:	**2020 Actual**
Agricultural Marketing Service	$123,000
Office of the Secretary	20,500,000
Animal and Plant Health Inspection Service	75,000
Office of Chief Economist	1,000
National Institute of Food and Agriculture	163,000
Departmental Administration	15,000
Food and Nutrition Service	21,000
Natural Resources Conservation Service	5,210,000
Risk Management Agency	4,000
Rural Development	204,000
Wool Apparel Manufacturers Trust Fund	30,000
Pima Cotton Trust Fund	16,000
Grassroots Source Water Protection Program	-
Economic Research Service	-
Total	**26,362,000**

Prompt Payment Act Interest Payments. Total interest paid on late payments during 2020 was $435,442 compared to $1,481,649 in 2019. Payments were late because of program documentation delays, high number of payments being processed during payment cycle, misplacement or mishandling of documentation at the local office, and computer system processing delays as reported by State and county offices.

Farm Storage Facility Loan Program (FSFL). For 2020, loan obligations totaled $340 million.

Sugar Storage Facility Loans. No loans were made in 2020.

COMMODITY EXPORT ACTIVITIES

The Corporation is authorized to promote the export of U.S. agricultural commodities and products through sales, payments, direct credit, credit guarantees, and the conduct of other activities related to the exportation of commodities. During 2020, CCC commercial export credit activities consisted of credit guarantees under the GSM-102 Export Credit Guarantee Program.

Direct Credit. From the beginning of the short-term export credit sales program in 1956 through September 30, 2005, sales of agricultural commodities amounted to approximately $9,649.2 million, with an additional $722.9 million in capitalized interest resulting from debt rescheduling. However, there has been no new program activity since 1987. There has been no amount outstanding under this program since September 30, 2010, and principal repayments from inception totaled $9,649.2 million.

CCC Export Credit Guarantees. During 2020 the following loan commitments were made under the CCC Export Credit Guarantee Programs.

Table CCC-20. Account 1. Loan Commitments

Activity	FY 2020 Loan Commitments ($ in thousands)
GSM-102, Short-term Guarantees	$2,224,383
Facility Guarantee Program	0
Total	**$2,224,383**

Guarantee fees (premium) charged under the export credit guarantee programs are risk-based and are calculated to offset program costs and expected losses and to comply with relevant international agreements related to official export financing programs.

U.S. Agricultural Technical Expertise Provided to Emerging Markets. The Food, Agriculture, Conservation and Trade Act of 1990 extended by the Agriculture Improvement Act of 2018, (Public Law 115–334) as amended, authorizes for each fiscal year through 2023, a program for promoting agricultural exports to emerging markets through the sharing of U.S. agricultural technical expertise. Actual obligations for FY 2020 totaled $4.10 million which included expenditures for prior year obligations.

Bill Emerson Humanitarian Trust. The 2018 Farm Bill extended the authorization to replenish the Bill Emerson Humanitarian Trust (BEHT) through 2023. BEHT is a commodity and/or monetary reserve designed to ensure that the United States can meet its international food assistance commitments under P.L. 480 Title II. Commodities or their cash equivalent that can be held in the reserve include wheat, corn, grain sorghum, and rice. Assets of the BEHT can be released any time the Administrator of the U.S. Agency for International Development determines that P.L. 480 Title II funding for emergency needs is inadequate to meet those needs in any fiscal year. When a BEHT release is authorized, the Trust's assets (whether commodities or funds) cover all commodity costs associated with the release. All non-commodity costs, including freight charges; internal transportation, storage, and handling overseas; and certain administrative costs are paid by CCC.

SUPPLY AND FOREIGN PURCHASE ACTIVITIES

The Corporation is authorized to procure agricultural commodities in the U.S. and abroad for U.S. and foreign governmental agencies and entities, pursuant to sections 5(b) and (c) of its Charter Act, and Section 4 of the Act of July 16, 1943 (15 U.S.C. 713a9).

ACQUISITION AND DISPOSAL ACTIVITIES

The Corporation acquires stocks of various farm products as a result of its support activities. Such acquisitions result from purchases from producers and processors and collateral acquisitions arising from loan operations. The inventory decreased in 2020 from 2019. CCC’s acquisition cost value on September 30, 2020, was $18.2 million, as compared to $23.8 million in 2019.

Summary of Dispositions. The Corporation moves substantial quantities of farm commodities into useful channels, both at home and abroad. The value (at acquisition cost) of commodities removed from CCC inventories in FY 2020 was $3.65 billion.

Commodity Inventories Owned by CCC
End of Year, Fiscal Years 2010-2020
(Dollars in Thousands)

Table CCC-21. Account 1. Commodity Inventories Owned by CCC Inventories

Year	Cotton	Dairy	Feed Grains	Soybeans	Wheat	Other	Total
2020	15		1,299			16,844	18,158
2019	4,517	-	106	-	-	18,773	23,396
2018	-	-	3,419	-	14	42,615	46,048
2017	-	-	2,886	-	50	31,917	34,853
2016	-	-	1,019	-	-	23,428	24,447
2015	-	-	-	-	-	56,028	56,028
2014	-	-	-	-	-	40,120	40,120
2013	11	-	849	-	1,039	69,223	71,122
2012	-	-	-	-	-	13,784	13,784
2011	-	-	4,725	-	-	48,046	52,771
2010	-	6,081	355	-	2,046	39,144	47,626

Dispositions by Domestic Commercial Sales.
For unrestricted use Commodities acquired under support can be sold for unrestricted use domestically only at prices which are not below minimums prescribed by law. There are no similar minimums on sales of non-storables. For restricted use Commodities may be sold for restricted uses or outlets at less than the minimums prescribed by law. These uses would include new or byproduct uses, peanuts and oilseeds sold for extraction of oil, and commodities that have substantially deteriorated in quality or are in danger of loss or waste.

The following table shows the value of commodities disposed of during 2020:

Table CCC-22. Account 1. Commodity Disposed

Type of Disposition *($ in thousands)*	**Cost Value**	**Proceeds**
Domestic Sales for Dollars	$2,896,542	$2,896,542
P.L. 480 (Export) Title II*	$673,860	$673,860
Export Donations	$83,088	$83,088
Total Dispositions	**$3,653,490**	**$3,653,490**

*Proceeds represent the value of commodities charged to P.L. 480 and recorded as sales.

CONSERVATION
Conservation Activities in 2020

Table CCC-23. Account 1. Conservation

Program	Authorized Acres or Funding Level	(Dollars in Thousands)	
		CCC Net Outlays	Transfer to NRCS
Conservation Reserve Program	24 million acres (rolling maximum)	$1,845,968	0
Emergency Forestry Conservation Reserve Program	$2.926 million	0	0
Wetlands Reserve Program	2.275 million acres (rolling maximum)	0	0

Voluntary Public Access & Habitat Incentives	$49.75 million	0	0
Watershed Protection and Flood Prevention Program	$47.05 million		50,000
Environmental Quality Incentives Program	$1.528 billion	0	1,275,750
Farmland Protection Program	$87 million	0	0
Agricultural Management Assistance Program	$15 million	0	5,000
Wildlife Habitat Incentives Program	$1.8 million	0	0
Grassland Reserve Program	1.220 million acres	0	0
Conservation Stewardship Program	$2.313 billion	0	2,039,323
Healthy Forests Reserve Program	$6.75 million	0	0
Agricultural Conservation Easement Program	$455.6 million	0	326,070
Regional Conservation Partnership Program	$544.6 million	0	210,000
Technical Assistance	$1.686 billion	0	1,304,327
Conservation Reserve Program Technical Assistance	24.0 million acres (rolling maximum)	7,918	
Total		**1,853,886**	**5,210,470**

(Authorized funding levels are based on the 2018 Farm Bill, P.L. 115-334, enacted December 20, 2018.)

Hazardous Waste Management Program. Carbon tetrachloride, formerly used as a pesticide to treat stored grain, has been detected at above the United States Environmental Protection Agency's (U.S. EPA) maximum contaminant level in groundwater samples taken at numerous former CCC grain storage facilities. Current environmental liability posed by these sites is estimated to range between $47 million and $380 million. CCC does not ordinarily receive an annual appropriation from the USDA Hazardous Materials Management Account (HMMA) and, normally, relies solely on its Section 11 and Section 4 borrowing authority to conduct site investigations, operate and maintain remedial systems, and monitor sites as directed by state agencies and U.S. EPA. In FY 2020, the CCC program was authorized to use $921 thousand from the USDA HMMA account for the design and construction of three remedial systems.

Although the program funding has declined annually in real dollars, fiscal commitments have continued to increase. These include the costs of environmental monitoring, site investigations, ground water and/or soils remediation, and more recently, vapor intrusion investigations and mitigation that are needed to comply with regulatory mandates. Activities such as monitoring, remediation, and vapor mitigation are recurring costs that extend for several years and often decades. This has the effect of limiting annual funds available for work at other sites in the inventory. Additionally, new and continuous expenditures are anticipated to comply with regulatory requirements as more and more former CCC sites are evaluated. At present, CCC is having difficulty meeting its current regulatory obligations and is at risk of enforcement actions by the regulatory agencies.

Table CCC-24. Account 1. *Hazardous Waste Management Program FY 2020 activity included:*

Total Contaminated Sites in CCC Inventory	453
Investigation, Remediation, and/or Monitoring Ongoing	33
To Be Resolved – Screening, Investigation, and/or Remediation Pending	400
Sites Closed/No Further Action Required	20
FY 2020 CCC Funding	$4.7M
FY 2020 Funding (HMMA)	$0.9M
TOTAL	$5.6M

FINANCING

Borrowing Authority. CCC operations are financed through borrowing from the U.S. Treasury. The 1988 Appropriations Act, P.L. 100-202, increased the statutory borrowing authority to $30 billion. As of September 30, 2020, $27.6 billion of this authority was in use.

Reimbursement for Net Realized Losses. During 2019, the Corporation received $10.888 billion for reimbursement of 2018 losses. As of September 30, 2020, net realized losses totaled $26.309 billion. These losses are financed by the Corporation's borrowing authority until reimbursed by appropriation.

Section 11 Activities. Section 161 of the 1996 Act amended section 11 of the CCC Charter Act to limit the uses of CCC funds for reimbursable agreements and transfers and allotments of funds to State and Federal agencies. Starting 1997, total CCC funds used under that section in a fiscal year, including agreements for ADP or information technology management activities, were limited to the total of such allotments and transfers in 1995. The Section 11 cap was increased in 2001 from $36.2 million to $56.1 million. Outlays in 2020 were $56.1 million.

CCC Outlays
(Dollars in Millions)

Table CCC-25. Account 1. Outlays

Item	2018 Actual	2019 Actual	2020 Actual
Loan Activity:			
Loans Outstanding, Beginning of Year	$ 237.0	$ 471.90	$566.5
Loans Made	7,627.2	7,553.80	8,442.0
Loans Repaid – Cash	(7,459.5)	(7,276.50)	(6,357.5)
Loans Repaid – Certificates	-	(94.50)	(1,172.9)
Marketing Loans Repaid	79.8	(36.00)	(440.7)
Collateral Acquired	(28.0)	(40.10)	
Write-offs	-	-	(29.5)
Transfers to Accounts Receivable	(52.1)	(12.10)	(107.90)
Loans Outstanding, End of Year	***$ 404.4***	***$ 566.50***	***$899.90***
Inventory Activity:			
Inventory, Beginning of Year	34.85	46.05	23.80
Commodity Purchases	515.18	1297.0	2,080.51
Certificates from Loan Redemption	-	-	-
Collateral Acquired	28.04	156.6	1,567.33
Loan Collateral Settlements	-	-	-
Processing, Packaging, etc.	-	-	-
Storage and Handling	12.4	12.3	-
Transportation	0.7	0.6	-
Other Transfers (net)	-28.2	-171.3	-1,551
Commodity Cost of Sales	-	-	-
Domestic Donations	-	-	-
Export Donations	-517.02	-1306.3	-2102.56
Inventory, End of Year	***46.05***	***23.40***	***18.16***

CCC Outlays, continued
(Dollars in Millions)

Direct Cash Payments:			
Agriculture Risk Coverage	3,823.80	1,804.4	695.4
Price Loss Coverage	3,278.90	2,042.5	1,927.80
Production Flexibility Payments a/	0	0	0
Direct Payments	0.4	0	0
Counter-Cyclical Payments	0	0	0
Loan Deficiency Payments	0.1	0.7	23.6
Noninsured Assistance Payments a/	183.5	155.8	128.8
Conservation Reserve Payments	1,953.10	1,901.70	1,853.9
Other Conservation Payments	2.2	1.9	0
Trade Mitigation Programs	52.1	14,430.10	10,951.10
Other Payments	749.6	5,204.70	
Total Direct Cash Payments	***10,043.70***	***27,809.6***	***15,579.80***
Disaster Programs:			
Livestock Forage Disaster Program	487.5	287.9	160.3
Livestock Indemnity Program	36.6	49.9	61.2
Tree Assistance Program	11.3	15.4	54.3
Emergency Assistance for Livestock,	47.1	46.1	60.4
Total Disaster Programs	***582.5***	***399.3***	***336.2***
Other Payments:			
Margin Protection Program for Dairy	230.3	15.7	0
Dairy Margin Coverage	0	305.9	208.5
Total Other Payments	***230.3***	***321.6***	***208.5***
Commodity Export Activities:			
CCC Export Credit Guarantee Programs			
(Program Level)	-1,97800	-2,024.00	-2,224.4
(Net Outlays)	27	27	
Market Access Program			
(Program Level)	-185.4	-188.2	-187
(Net Outlays)	194.7	189.0	187
Other:			
Realized Loss	10,888.40	26,309.00	25,915.00
Investment in Agricultural Commodities	515.2	1,297.00	

a/ Reflects refunds of overpayments or accounting adjustment

ACCOUNT 2: FARM STORAGE FACILITY LOANS

LEAD-OFF TABULAR STATEMENT

Table CCC-26. Account 2. Lead-Off Tabular Statement

Item	Amount
2021 Enacted	$475,077,000
Change in Appropriation	-69,000
Budget Estimate, 2022	468,500,000
Budget Estimate, Current Law 2022	$468,500,000

PROJECT STATEMENT

Table CCC-27. Account 2. Project Statement - Appropriations

Item	2019 Program Level	2020 Program Level	2021 Program Level	Inc. or Dec. PL	2022 Program Level
Mandatory Appropriations:					
Farm Storage Facility Loans	$300,000	$410,000	$400,000	-	$400,000
Sugar Storage Facility Loans	8,500	8,500	68,500	-	68,500
SDA Modification Cost from ARP	-	-	69	-$69	-
Subtotal	308,500	418,500	468,569	-69	468,500
Total Appropriation.	**308,500**	**418,500**	**468,569**	**-69**	**468,500**
Total Available	**308,500**	**418,500**	**468,569**	**-69**	**468,500**
Lapsing Balances	-72,618	-78,958	-	-	-
Total Obligations.	**235,882**	**339,542**	**468,569**	**-69**	**468,500**

Table CCC-28. Account 2. Project Statement - Obligations

Item	2019 Program Level	2020 Program Level	2021 Program Level	Inc. or Dec. PL	2022 Program Level
Mandatory Obligations:					
Farm Storage Facility Loans	$235,882	$339,542	$400,000	-	400,000
Sugar Storage Facility Loans	-	-	68,500	-	68,500
SDA Modification Cost from ARP	-	-	69	-$69	-
Subtotal Mand Oblig	235,882	339,542	468,569	-69	468,500
Total Obligations	**235,882**	**339,542**	**468,569**	**-69**	**468,500**
Lapsing Balances	72,618	78,958	-		-
Total Bal. Available, EOY	-	-	-	-	-
Total Available	**308,500**	**418,500**	**468,569**	**-69**	**468,500**
Total Appropriation	**308,500**	**418,500**	**468,569**	**-69**	**468,500**

JUSTIFICATION OF INCREASES AND DECREASES

1.) Cost from ARP ($69,000 available in 2021): The decrease in funding reflects the one-time modification cost of payments to SDA farmers for FY 2021 per section 1005 of the American Rescue Plan, Public Law 117-2

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

(thousands of dollars)

Table CCC-29. Account 2. SFL Geographic Breakdown of Obligations

State/Territory/Country	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
Alabama	$473	$146	$504	$504
Arizona	-	31	25	25
Arkansas	2,749	3,194	4,839	4,839
Colorado	554	1,625	1,774	1,774
Connecticut	174	33	169	169
Delaware	71	450	424	424
Florida	24	27	42	42
Georgia	523	1,512	1,657	1,657
Idaho	2,713	5,394	6,601	6,601
Illinois	30,076	32,834	51,220	51,220
Indiana	6,151	8,619	12,025	12,025
Iowa	42,579	67,191	89,372	89,372
Kansas	9,510	12,565	17,973	17,973
Kentucky	8,674	7,107	12,849	12,849
Louisiana	-	27	22	22
Maine	2,031	4,531	5,343	5,343
Maryland	92	1,230	1,076	1,076
Massachusetts	20	196	176	176
Michigan	4,825	3,260	6,583	6,583
Midway Islands	-	-	-	-
Minnesota	30,090	45,970	61,927	61,927
Mississippi	708	394	897	897
Missouri	6,417	17,111	19,156	19,156
Montana	3,969	5,705	7,876	7,876
Nebraska	24,854	33,822	47,773	47,773
Nevada	126	131	209	209
New Hampshire	68	149	177	177
New Jersey	207	304	416	416
New York	3,132	3,265	5,208	5,208
North Carolina	374	2,235	2,124	2,124
North Dakota	20,370	17,489	30,824	30,824
Ohio	9,548	12,315	17,800	17,800
Oklahoma	269	1,406	1,364	1,364
Oregon	1,123	441	1,273	1,273
Pennsylvania	1,390	1,706	2,521	2,521
South Carolina	591	261	694	694
South Dakota	14,313	31,460	37,267	37,267
Tennessee	633	1,751	1,941	1,941
Texas	297	917	988	988
Utah	-	546	445	445

Vermont	-	8	7	7
Virginia	1,428	4,239	4,614	4,614
Washington	90	353	361	361
West Virginia	729	829	1,268	1,268
Wisconsin	3,754	5,461	7,503	7,503
Wyoming	163	1,302	1,193	1,193
Obligations	**235,882**	**339,542**	**468,500**	**468,500**
Lapsing Balances	72,618	78,958	-	-
Total, Available	**308,500**	**418,500**	**468,500**	**468,500**

CLASSIFICATION BY OBJECTS

(thousands of dollars)

Table CCC-30. Account 2. Classification by Objects

Item No.	Item	2019 Actual	2020 Actual	2021 Enacted	2022 Budget
33.0	Investments and loans	$235,882	$339,542	$468,569	$468,500
	Total, Other Objects	235,882	339,542	468,569	468,500
99.9	**Total, new obligations**	**235,882**	**339,542**	**468,569**	**468,500**