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What Is the Farm Bill?

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What Is the Farm Bill?

The farm bill is an omnibus, multiyear law that governs an array of agricultural and food programs. Titles in the most recent farm bill encompassed farm commodity revenue supports, agricultural conservation, trade and foreign food assistance, farm credit, research, rural development, forestry, bioenergy, horticulture, and domestic nutrition assistance. Typically renewed about every five or six years, the farm bill provides a predictable opportunity for policymakers to comprehensively and periodically address agricultural and food issues.

The most recent farm bill—the Agriculture Improvement Act of 2018, P.L. 115-334—was enacted into law in December 2018 to cover a five-year period. In November 2023, Congress enacted a one-year extension to cover FY2024 and crop year 2024 (P.L. 118-22, Division B, §102). Provisions in the 2018 farm bill modified the structure of farm commodity support, expanded crop insurance coverage, amended conservation programs, reauthorized and revised nutrition assistance, and extended authority to appropriate funds for many U.S. Department of Agriculture (USDA) discretionary programs.

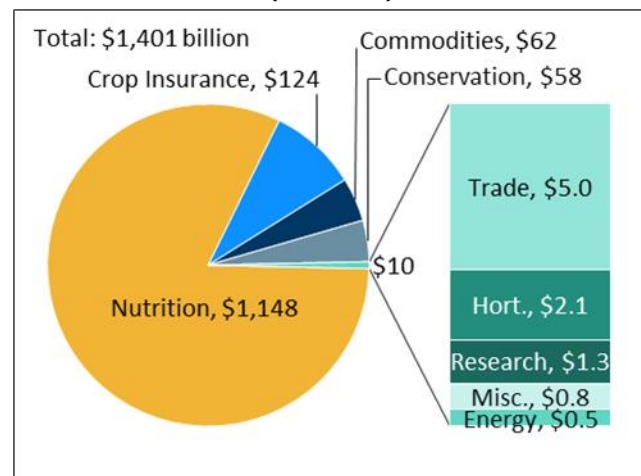
At enactment in December 2018, the Congressional Budget Office (CBO) estimated that the total cost of the mandatory programs in the farm bill would be \$428 billion over its five-year duration, FY2019-FY2023, about \$1.8 billion more than if the 2014 farm bill were extended. On a 10-year basis, the expected cost was \$867 billion over FY2019-FY2028, which was budget neutral compared to extending the 2014 farm bill. Four titles accounted for 99% of anticipated farm bill mandatory outlays: nutrition, crop insurance, farm commodity programs, and conservation (see graph). Programs in all other farm bill titles accounted for about 1% of mandatory outlays. Many programs are authorized to receive discretionary (appropriated) funds.

In February 2024, CBO released a new baseline that updates spending projections. Using this projection for the major farm bill programs and funding indicated in law for other farm bill programs that are not included in the annual projection, the current baseline for farm bill programs is estimated at \$682 billion over 5 years (FY2025-FY2029) and \$1,401 billion over 10 years (FY2025-FY2034).

The allocation of spending across titles in the farm bill over time is not a zero-sum game. Legislative changes enacted in each farm bill account for only a fraction of the observed change between farm bills. Every year, CBO re-estimates the baseline to determine expected costs. Baseline projections can rise and fall over time based on changes in economic conditions, without action by Congress. For example, the relative proportions of farm bill spending have shifted over time. In the 2024 projection, the nutrition title is 82% of the farm bill baseline compared with about 76% when the 2018 farm bill was enacted and 67% in the 2008 farm bill. Sharp increases in the nutrition title reflect changing economic conditions, including those occurring after the pandemic and the administrative adjustments made to SNAP benefit calculations. For non-nutrition farm bill programs, baseline amounts in 2024 are greater than when the 2018 farm bill was enacted (\$253 billion over 10 years as of 2024 compared with \$210 billion over 10 years in 2018).

The February 2024 baseline is \$62 billion less over 10 years than the baseline in May 2023. Whether an increase or a decrease in a program’s baseline helps or hurts to achieve a legislative goal depends on one’s policy perspective. CBO evaluates proposed policy changes by using the assumptions that support the baseline projection.

Farm Bill Titles with Mandatory Baseline, 10-Year Projected Outlays, FY2025-FY2034 (\$ billions)



Source: CRS using the CBO Baseline (February 2024) for the five largest titles and amounts in law for programs in other titles.

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What Is the Farm Bill?

The farm bill is an omnibus, multiyear law that governs an array of agricultural and food programs. Although agricultural policies are sometimes created and changed by freestanding legislation or as part of other major laws, the farm bill provides a predictable opportunity for policymakers to comprehensively and periodically address agricultural and food issues. The farm bill is typically renewed about every five or six years.¹

Historically, farm bills focused on farm commodity program support for a handful of staple commodities—corn, soybeans, wheat, cotton, rice, peanuts, dairy, and sugar. Farm bills have become increasingly expansive in nature since 1973, when a nutrition title was first included. Other prominent additions since then include conservation, horticulture, and bioenergy.²

The omnibus nature of the farm bill can create broad coalitions of support among sometimes conflicting interests for policies that, individually, might have greater difficulty negotiating the legislative process. This can lead to competition for funds provided in a farm bill. In recent years, more stakeholders have become involved in the debate on farm bills, including national farm groups; commodity associations; state organizations; nutrition and public health officials; and advocacy groups representing conservation, recreation, rural development, faith-based interests, local food systems, and certified organic production.

The Agriculture Improvement Act of 2018 (P.L. 115-334, H.Rept. 115-1072), referred to here as the “2018 farm bill,” was the most recent omnibus farm bill. It was enacted in December 2018, to cover a five-year period through 2023. In November 2023, Congress enacted a one-year extension, as part of a continuing resolution, to cover FY2024 and crop year 2024 (P.L. 118-22, Division B, §102). The 2018 farm bill, as extended, begins expiring at the end of FY2024.

The 2018 farm bill contained 12 titles encompassing commodity revenue supports, farm credit, trade, agricultural conservation, research, rural development, energy, and foreign and domestic food programs, among other programs.³ (All titles in the 2018 farm bill are described in the **text box** below and in the section “Title-by-Title Summaries of the 2018 Farm Bill.”) Provisions in the 2018 farm bill modified the structure of farm commodity support, expanded crop insurance coverage, amended conservation programs, reauthorized and revised nutrition assistance, and extended authority to appropriate funds for many U.S. Department of Agriculture (USDA) discretionary programs.

Without reauthorization, some farm bill programs expire, such as the nutrition assistance programs and the farm commodity revenue programs. Procedurally, the potential for expiration and the consequences of expired law may motivate legislative action. Short-term extensions were enacted for the farm bill in 2008, and one-year extensions were enacted in 2013 and 2023. Without reauthorization or extension, support for certain basic farm commodities would revert to long-abandoned—and potentially costly—supply-control and price regimes under permanent law dating back to the 1940s. Some programs may cease to operate, while others might continue to pay only existing obligations. Nutrition programs that require reauthorization and are funded with mandatory spending can continue to operate via appropriations acts. Many discretionary programs would lose their statutory authority to receive appropriations, though an annual

¹ See CRS Report R45210, *Farm Bills: Major Legislative Actions, 1965-2023*. Since the 1930s, there have been 18 farm bills (2018, 2014, 2008, 2002, 1996, 1990, 1985, 1981, 1977, 1973, 1970, 1965, 1956, 1954, 1949, 1948, 1938, and 1933). Some researchers have identified other earlier enacted legislation considered to be “farm bill” legislation.

² See also CRS In Focus IF12047, *Farm Bill Primer: What Is the Farm Bill?*.

³ See CRS Report R45525, *The 2018 Farm Bill (P.L. 115-334): Summary and Side-by-Side Comparison*.

appropriations act could provide funding. Other programs amended in the farm bill have permanent authority (e.g., crop insurance).⁴

Titles of the Farm Bill: Functions and Major Issues

Title I, Commodity Programs: Provides farm payments when crop prices or revenues decline for major commodity crops, including wheat, corn, soybeans, peanuts, rice, dairy, and sugar. Includes disaster programs to help livestock and tree fruit producers manage production losses due to natural disasters. Other support includes margin coverage program for dairy and marketing quotas, minimum price guarantees, and import barriers for sugar.

Title II, Conservation: Encourages environmental stewardship of farmlands and improved management on private land through land retirement, conservation easements, working lands assistance, and partnership opportunities.

Title III, Trade: Supports U.S. agricultural export programs and international food assistance programs. Major programs include those that support agricultural trade promotion and facilitation and international food aid.

Title IV, Nutrition: Provides nutrition assistance for low-income households through programs including the Supplemental Nutrition Assistance Program (SNAP, formerly known as food stamps) and The Emergency Food Assistance Program (TEFAP).

Title V, Credit: Offers direct government loans and guarantees to producers to buy land and operate farms and ranches. Eligibility rules and policies prioritize and increase assistance for beginning and socially disadvantaged producers.

Title VI, Rural Development: Supports rural housing, community facilities, business, and utility programs through grants, loans and loan guarantees, and rural business and community development programs. Establishes planning, feasibility assessments, and coordination with other local, state, and federal programs. Programs include grants and loans for infrastructure, economic development, broadband, and telecommunications.

Title VII, Research, Extension, and Related Matters: Supports a wide range of agricultural research and extension programs that expand academic knowledge about agriculture and food and help farmers and ranchers become more efficient, innovative, and productive.

Title VIII, Forestry: Supports forestry management programs run by USDA's Forest Service through the management of public and private forest land through research, financial and technical assistance, and policy amendments.

Title IX, Energy: Encourages the development of farm and community renewable energy systems through grants, loan guarantees, and feedstock procurement initiatives. Provisions cover the production, marketing, and processing of biofuels and biofuel feedstocks, and research, education, and demonstration programs.

Title X, Horticulture: Supports specialty crops, including fruits, vegetables, tree nuts, and nursery products, through market promotion, plant pest and disease prevention, and research. Provides assistance to support USDA-certified organic agricultural production and locally produced foods—both for crops and animal products. Authorizes a regulatory framework for the cultivation of hemp.

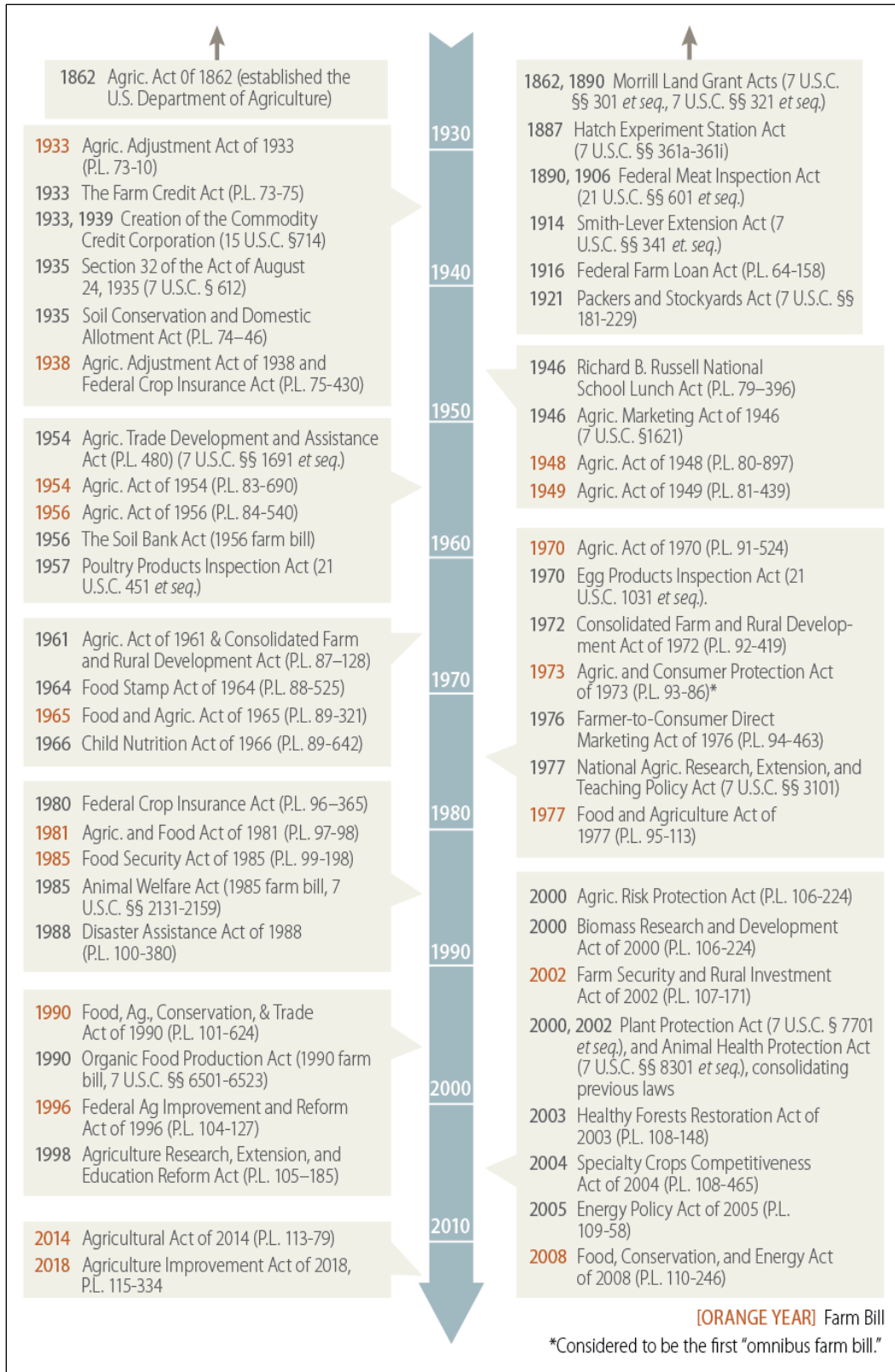
Title XI, Crop Insurance: Enhances risk management through the permanently authorized Federal Crop Insurance Program, which offers subsidized insurance policies to farmers to protect against losses in yield, crop revenue, or whole farm revenue.

Title XII, Miscellaneous: Covers other programs and assistance, including livestock and poultry disease preparedness and animal health. Includes programs for beginning farmers and ranchers and limited-resource and socially disadvantaged farmers, among other miscellaneous provisions.

Figure 1 provides a timeline of selected important dates for U.S. farm bill policy and other related laws. In many respects, agricultural policy in the United States began with the creation of USDA, homesteading, and subsequent creation of the land-grant universities in the 1800s. Many stand-alone agricultural laws were passed during the early 1900s to help farmers with credit availability and marketing practices and to protect consumers via meat inspection.

⁴ See CRS Report R47659, *Expiration of the 2018 Farm Bill and Extension in 2024*.

Figure I. Selected Dates for U.S. Farm Bill Policy and Selected Related Laws



Source: Figure created by the Congressional Research Service (CRS).

The economic depression and dust bowl in the 1930s prompted the first “farm bill” in 1933, with subsidies and production controls to raise farm incomes and encourage conservation. Commodity subsidies evolved through the 1960s, when Great Society reforms drew attention to food assistance. The 1973 farm bill was the first “omnibus” farm bill. It included not only farm supports but also food stamp reauthorization to provide nutrition assistance for needy individuals. Subsequent farm bills expanded in scope, adding titles for formerly stand-alone laws such as trade, credit, and crop insurance. New conservation laws were added in the 1985 farm bill, organic agriculture in the 1990 farm bill, research programs in the 1996 farm bill, bioenergy in the 2002 farm bill, and horticulture and local food systems in the 2008 farm bill.

What Is the Estimated Cost of the Farm Bill?

The farm bill authorizes programs in two spending categories: mandatory and discretionary.

- Mandatory spending programs generally operate as entitlements. Mandatory spending is authorized and paid for when a law is enacted under budget enforcement rules that use multiyear federal budget estimates.⁵
- Discretionary spending programs are authorized for their scope but are not funded in the farm bill. They are subject to annual appropriations and may not receive any funding or may receive less than the farm bill-authorized amount.

Mandatory spending programs usually dominate the farm bill debate and its budget. The farm bill “pays” for mandatory spending in addition to determining policy. These procedures follow a framework of laws for budget enforcement that use projected “baseline” and “scores” from the Congressional Budget Office (CBO).

The CBO *baseline* represents an availability of funding; it is a projection at a particular point in time of what future federal spending on mandatory programs would be assuming current law continues. This baseline is the *benchmark* against which proposed changes in law are measured. Having a baseline essentially gives programs built-in future funding if policymakers decide that the programs are to continue. Straightforward reauthorization would have zero budget effect.

The impact (*score*) of a proposed bill that alters mandatory spending is measured in relation to the baseline. Changes that increase spending relative to the baseline have a *positive* score; those that decrease spending relative to the baseline have a *negative* score; and *budget neutral* refers to having a zero score. Increases in overall cost beyond the baseline may be subject to budget constraints, such as pay-as-you-go (PAYGO) requirements.⁶ Reductions from the baseline may be used to offset other provisions in a bill that have a positive score or to reduce the federal deficit. The annual budget resolution determines whether a farm bill will be held budget neutral, must reduce spending, or may increase spending.⁷

What Was the Expected Cost of the 2018 Farm Bill at Enactment?

Farm bills have 5-year and 10-year budget projections according to federal budgeting practices. At enactment in December 2018, CBO estimated that the total cost of the mandatory programs in the farm bill would be \$428 billion over its five-year duration, FY2019-FY2023, about \$1.8

⁵ See CRS Report R45425, *Budget Issues That Shaped the 2018 Farm Bill*.

⁶ See CRS Report R41157, *The Statutory Pay-As-You-Go Act of 2010: Summary and Legislative History*.

⁷ CRS In Focus IF12233, *Farm Bill Primer: Budget Dynamics*.

billion more than if the 2014 farm bill were extended. On a 10-year basis, the expected cost was \$867 billion through FY2028, which was budget neutral (**Table 1**).⁸

Four titles accounted for 99% of anticipated farm bill mandatory outlays: nutrition, crop insurance, farm commodity programs, and conservation. The nutrition title comprised 76% of mandatory outlays, mostly for the Supplemental Nutrition Assistance Program (SNAP, formerly known as food stamps). The remaining 24% covered mostly federal crop insurance and commodity support (16%) and conservation (7%). Programs in other titles accounted for about 1% of mandatory outlays. However, many programs were authorized to receive discretionary (appropriated) funds.

Table 1. Budget for the 2018 Farm Bill
(millions of dollars, 5- and 10-year totals, mandatory spending)

Farm bill titles	5 years (FY2019-FY2023)			10 years (FY2019-FY2028)		
	CBO baseline April 2018	Score of 2018 farm bill	Projected outlays at enactment	CBO baseline April 2018	Score of 2018 farm bill	Projected outlays at enactment
Commodities	31,340	+101	31,440	61,151	+263	61,414
Conservation	28,715	+555	29,270	59,754	-6	59,748
Trade	1,809	+235	2,044	3,624	+470	4,094
Nutrition	325,922	+98	326,020	663,828	+0	663,828
Credit	-2,205	+0	-2,205	-4,558	+0	-4,558
Rural Development	98	-530	-432	168	-2,530	-2,362
Research	329	+365	694	604	+615	1,219
Forestry	5	+0	5	10	+0	10
Energy	362	+109	471	612	+125	737
Horticulture	772	+250	1,022	1,547	+500	2,047
Crop Insurance	38,057	-47	38,010	78,037	-104	77,933
Miscellaneous	1,259	+685	1,944	2,423	+738	3,161
Subtotal	426,462	+1,820	428,282	867,200	+70	867,270
- Increase revenue	-	+35	35	-	+70	70
Total	426,462	+1,785	428,247	867,200	+0	867,200

Sources: CRS from the Congressional Budget Office (CBO) Baseline by Title (unpublished; April 2018); and CBO cost estimate of the conference agreement for H.R. 2, December 11, 2018.

Notes: Baseline for the credit title is negative because of receipts to the Farm Credit System Insurance Fund. Baseline for the rural development “cushion of credit” is accounted for outside of the farm bill.

What Is the Budget for the Next Farm Bill?

In February 2024, CBO released a new baseline that updates spending projections for changing economic conditions and expected participation. The prior baseline in May 2023 was the scoring baseline for bills during the 2023 legislative session. Another baseline may be expected in spring

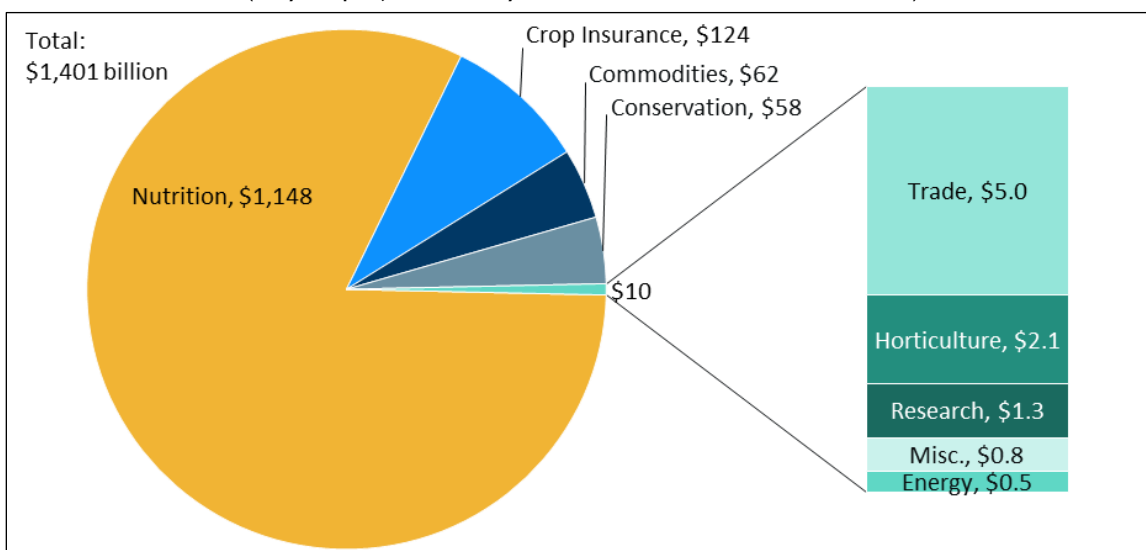
⁸ Congressional Budget Office (CBO) cost estimate of H.R. 2, the Agriculture Improvement Act of 2018, December 11, 2018.

2024 and could become the scoring baseline for the rest of the 118th Congress.⁹ The House and Senate Budget Committees may direct CBO on which baseline is appropriate to use as the scoring baseline.¹⁰

Chronologically, the May 2023 CBO baseline was a projection for FY2024-FY2033. The February 2024 baseline advances the projection period by one year to cover FY2025-FY2034, which may be more appropriate for prospective congressional action this Congress. Since a farm bill has not yet been marked up in committee, no active bills have relied on projections under the May 2023 baseline. Some committees and Members may have marker bills or drafts that were scored using the May 2023 baseline.

Structurally, the CBO baseline projection does not cover the entire farm bill and is not organized by the titles of the farm bill.¹¹ To estimate a baseline for the entire farm bill, CRS uses the CBO data to compile a baseline by grouping programs according to title and adding known baseline that is expressed in law for programs in the farm bill not enumerated in the CBO baseline. Using the February 2024 projection for the five largest farm bill titles, and funding indicated in law for other farm bill programs, the current baseline for farm bill programs is estimated at \$682 billion over 5 years (FY2025-FY2029) and \$1,401 billion over 10 years (FY2025-FY2034, **Figure 2, Table 2**).

Figure 2. Farm Bill Titles with Mandatory Baseline
(10-year projected outlays, FY2025-FY2034, billions of dollars)



Sources: Created by CRS using Congressional Budget Office (CBO) February 2024 baseline for the five largest titles and amounts indicated in law for programs in other titles.

⁹ CBO has usually released a January and March baseline, with the March baseline used for scoring the rest of the year. During recent years, the timing of these baselines has been delayed.

¹⁰ The 2002, 2008, 2014 farm bills were enacted using CBO baselines from the prior calendar years (the 2001, 2007 and 2013 baselines, respectively), but those bills had been marked up and passed on the floors of each chamber during the calendar year of the baseline. Use of the former baseline allowed the conference agreement to use the assumptions that had supported the legislative development of bills to that point. CRS Report R45210, *Farm Bills: Major Legislative Actions, 1965-2023*.

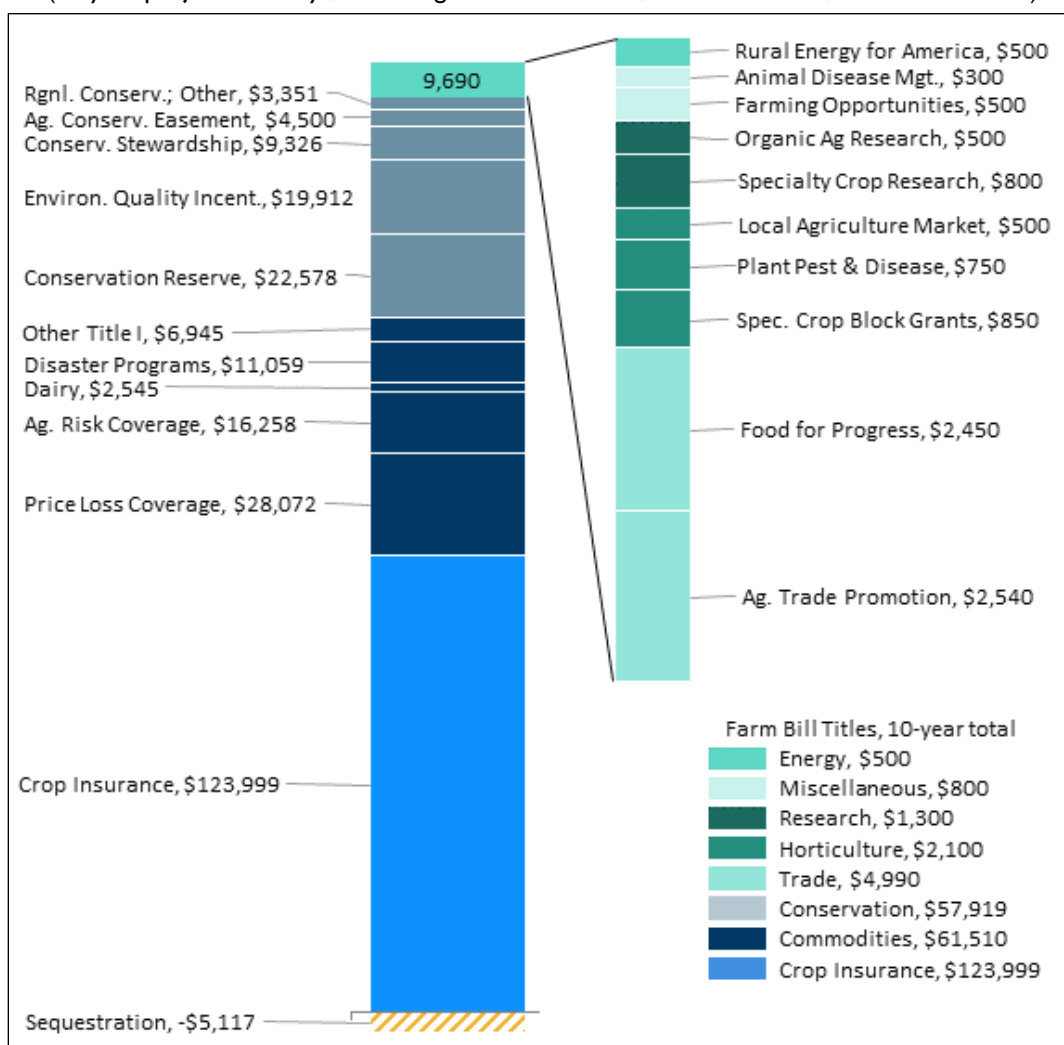
¹¹ For information on CBO baseline projections, see CBO, “Details About Baseline Projections for Selected Programs,” USDA Mandatory Farm Programs data, at <https://www.cbo.gov/data/baseline-projections-selected-programs#25>.

The relative proportions of farm bill spending have shifted over time. In the 2024 projection, the nutrition title is 82% of the farm bill baseline, compared with about 76% when the 2018 farm bill was enacted and 67% in the 2008 farm bill. The increase in the 10-year baseline for the nutrition title since 2018 (73% on a nominal basis, before inflation) reflects current economic conditions, including consequences of the Coronavirus Disease 2019 (COVID-19) pandemic, inflation, and administrative adjustments in the Thrift Food Plan pursuant to a provision in the 2018 farm bill.

For the non-nutrition agriculture programs in the farm bill, current economic projections are that program outlays would be \$253 billion over the next 10 years (Figure 3), \$53 billion or 20% greater than the 10-year projection at enactment in 2018 on a nominal basis. On an inflation-adjusted basis, however, the non-nutrition agriculture subtotal in 2024 is slightly less than the 10-year amount at enactment in 2018 (\$257 million in 2018 using 2024 dollars compared with \$253 billion projected in 2024). In 2024 dollars, the 2018 farm bill total at enactment is \$1,063 billion, indicating a real increase in the nutrition title and in the bill total.

Figure 3. Baseline for Agriculture Programs in the Farm Bill

(10-year projected outlays, excluding the nutrition title, FY2025-FY2034, millions of dollars)



Source: Created by CRS using the CBO February 2024 baseline for the four largest titles and amounts indicated in law for programs in other titles.

How Has the Baseline Changed from May 2023 to February 2024?

The update to the CBO baseline as of February 2024 is \$62 billion less than the baseline in May 2023 (**Table 2**). This comparison is for 10-year periods but for different years, as discussed above. The difference is confined to four farm bill titles: farm commodities (-\$7 billion), conservation (-\$2 billion), nutrition (-\$75 billion), and crop insurance (+\$23 billion). These titles have programs with benefits or enrollment that is dependent on economic conditions and assumptions. For the commodities title, the Price Loss Coverage program represents most of the difference, of which about 40% is due to feed grains, such as corn, and 40% due to rice and cotton together. For the conservation title, projections for the Conservation Reserve Program represent most of the difference.

Changes in the baseline also exist in CBO’s projections for two accounts that are related to, but outside of, the farm bill. First, CBO updated its projection of outlays for the agricultural conservation spending under the Inflation Reduction Act (P.L. 117-169), increasing it by \$919 million to \$16 billion.¹² Second, CBO increased its projection for the Administration’s use of authorities in the Commodity Credit Corporation (CCC) Charter Act, increasing it by \$5 billion to \$15 billion.¹³

Whether an increase or a decrease in a program’s baseline helps or hurts to achieve a legislative goal depends on one’s policy perspective. CBO evaluates (scores) proposed policy changes by using the assumptions that support the “current services” baseline projection. For example, if a bill proposes to expand a program, it may cost less to expand that program (a smaller score than under an old baseline) if its current services baseline has been lowered due to new assumptions about market prices and participation that project less government spending. On the other hand, if a bill proposes to reduce a program and move its budgetary baseline as an offset to another program, then a lower baseline following updated assumptions may reduce opportunities to fund a new initiative.

Table 2. Baseline for a Farm Bill in 2024 and Changes Since 2023, by Title
(10-year projected mandatory outlays, millions of dollars)

Title of the Farm Bill with Baseline	Recent CBO Baselines		
	May 2023	Feb. 2024	Change from 2023 to 2024
	FY2024-FY2033	FY2025-FY2034	projections
I. Commodities	68,556	61,510	-7,046
II. Conservation	59,994	57,919	-2,075
III. Trade	4,990	4,990	+0
IV. Nutrition	1,223,110	1,147,727	-75,383
VII. Research	1,300	1,300	+0
IX. Energy	500	500	+0
X. Horticulture	2,100	2,100	+0
XI. Crop Insurance	101,345	123,999	+22,654

¹² Budget issues for conservation programs in the Inflation Reduction Act are discussed in CRS Report R47478, *Agricultural Conservation and the Next Farm Bill*.

¹³ Authorities for discretionary use of the Commodity Credit Corporation are discussed in CRS Report R44606, *The Commodity Credit Corporation (CCC)*.

	Recent CBO Baselines		
XII. Miscellaneous	800	800	+0
Total, farm bill titles	1,462,695	1,400,845	-61,850
Note:			
Non-farm bill programs			
Farm bill conservation programs in the Inflation Reduction Act	15,130	16,049	+919
CCC Charter Act Use	10,000	15,000	+5,000

Source: CRS analysis of CBO May 2023 and February 2024 baselines for the five largest titles (<https://www.cbo.gov/about/products/baseline-projections-selected-programs>), and amounts in law for programs in other titles.

What Did It Cost to Extend the Farm Bill Through FY2024?

The one-year extension of the 2018 farm bill for FY2024 and the 2024 crop year (P.L. 118-22, Division B, §102) continued programs with a mandatory spending baseline and provided new mandatory funding for some programs without a baseline. For the former, the extension used existing baseline, which did not require Congress to find offsetting budgetary savings. These programs encompass most of the farm bill, including most shown in **Figure 3**.

For the list programs without baseline, as discussed in the next heading and shown in **Figure 4**, the extension provided \$177 million of new mandatory funding for FY2024 for 19 of the 21 programs without baseline (the gray hatched bars in the figure). Congress fully offset the cost of the mandatory funding in the extension by rescinding \$177 million of unobligated balances remaining in the Biorefinery Assistance Program (also one of the programs without baseline).¹⁴

Which Farm Bill Programs Do Not Have a Continuing Baseline?

From a budgetary perspective, many programs are assumed to continue beyond the end of their authorization. That is, they have a continuing *baseline* beyond the end of a farm bill, which gives them built-in future funding if policymakers decide that the programs are to continue, or, if not, the baseline can be reallocated or used as an offset for deficit reduction. Reauthorizing *farm bill programs without baseline* would have a positive score (cost) and would likely need to be offset by reductions elsewhere.

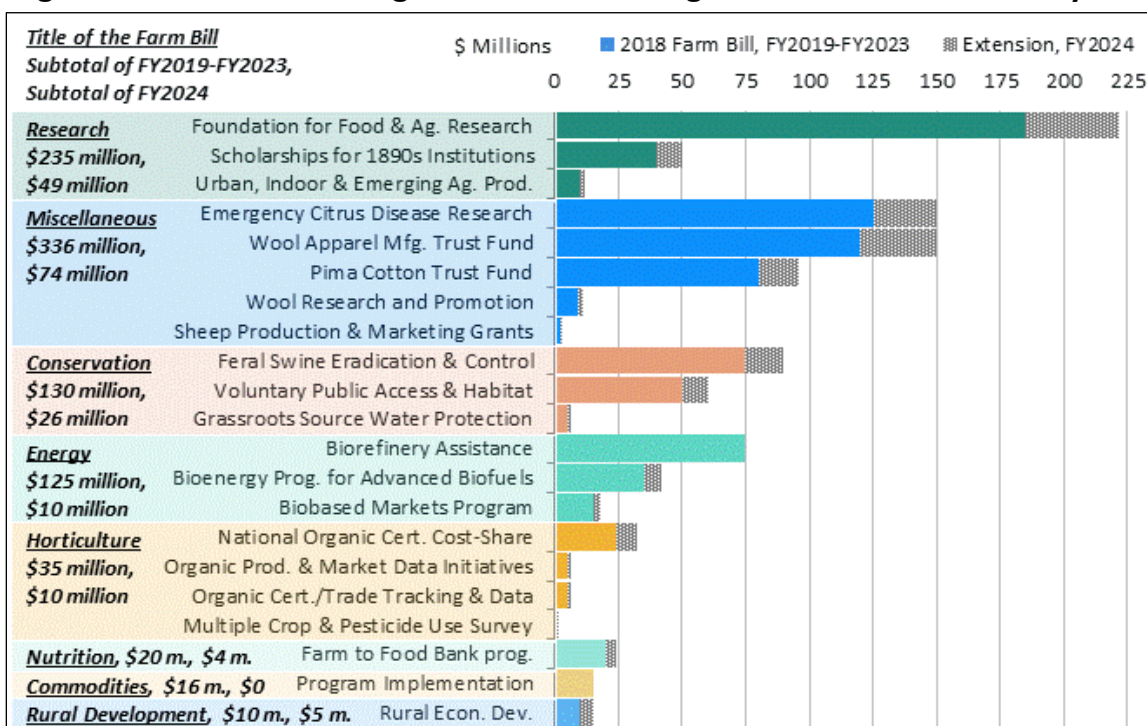
Twenty-one programs, shown in **Figure 4**, received mandatory funding in the 2018 farm bill but did not have a baseline beyond FY2023. As Congress balances budget considerations, providing mandatory funding for programs without baseline requires budgetary offsets. These 21 programs received \$906 million of mandatory funding during the five years of the 2018 farm bill (out of total mandatory spending of \$428 billion across all farm bill programs). Programs that receive mandatory funding do not require annual discretionary appropriations.

The one-year farm bill extension during FY2024 (P.L. 118-22, Division B, §102) provided \$177 million of mandatory funding to 19 of these programs for one year in FY2024. The cost was fully offset by a rescission to the Biorefinery Assistance Program. These programs remain without baseline beyond the extension and will expire at the end of FY2024.

¹⁴ CBO, Cost Estimate of H.R. 6363, Further Continuing Appropriations and Other Extensions Act, 2024, Division B, §102, available at https://www.cbo.gov/system/files/2023-11/hr6363_DivA-and-DivB.pdf.

For more background, see CRS In Focus IF12115, *Farm Bill Primer: Programs Without Baseline Beyond FY2024*.

Figure 4. 2018 Farm Bill Programs Without a Budget Baseline After FY2024, by Title



Source: CRS analysis of P.L. 115-334 and P.L. 118-22; and CRS Report R45425, *Budget Issues That Shaped the 2018 Farm Bill*, Table 3.

Notes: Programs in P.L. 115-334 are identified as having mandatory budgetary outlays during FY2019-FY2023 but no budget authority beyond FY2023. P.L. 118-22, Division B, §102 provides funding for most programs without baseline during the one-year extension.

What Is the Effect of Supplemental Payments?

Supplemental spending (i.e., spending that is not provided in the farm bill or by annual appropriations acts) is not part of the baseline and is not part of the regular budgeting process. It may be important in considering the next farm bill because of the magnitude of supplemental spending in recent years. In FY2019 and FY2020, the Trump Administration increased outlays by over \$25 billion to producers affected by retaliatory tariffs.¹⁵ From FY2020 to FY2022, Congress and the White House provided supplemental pandemic assistance of over \$30 billion to farms and over \$60 billion for nutrition assistance.¹⁶ The Infrastructure Investment and Jobs Act of 2021 (P.L. 117-58) provided \$2.9 billion for USDA broadband and watershed programs.¹⁷ The Inflation Reduction Act of 2022 (P.L. 117-169) added over \$17 billion in outlays through FY2031 for four programs in the farm bill’s conservation title (noted in **Table 2**) and one program in the energy

¹⁵ For more background, see CRS In Focus IF11289, *Farm Policy: Comparison of 2018 and 2019 MFP Programs*.

¹⁶ For more background, see CRS In Focus IF11764, *U.S. Agricultural Aid in Response to COVID-19*; and CRS Report R46681, *USDA Nutrition Assistance Programs: Response to the COVID-19 Pandemic*.

¹⁷ For more background, see CRS In Focus IF11990, *Infrastructure Investment and Jobs Act (IIJA): Funding for USDA Broadband, Watershed, and Bioproduct Programs*.

title.¹⁸ Congress has also authorized more than \$19 billion of ad hoc disaster assistance for agricultural losses since 2018.¹⁹ In 2023, the Biden Administration announced \$2 billion for trade promotion and food aid from its authority to use the Commodity Credit Corporation.²⁰ All of this supplemental funding is not regular farm bill funding. Congress may wish to consider the effectiveness of farm bill programs in light of this accumulated additional funding.

Title-by-Title Summaries of the 2018 Farm Bill

Following are summaries of the major provisions of each title, as organized in the 2018 farm bill. For more detailed information about the development of provisions in the 2018 farm bill, see CRS Report R45525, *The 2018 Farm Bill (P.L. 115-334): Summary and Side-by-Side Comparison*.

For a contemporary discussion of title-by-title policy options proposed by stakeholders for Congress to consider in the next farm bill, see CRS Report R47057, *Preparing for the Next Farm Bill*, and CRS Report R47313, *Next Farm Bill Primer Series*.

Title I: Commodity Programs²¹

The farm commodity programs title authorizes support programs for dairy, sugar, and covered commodities—including major grain, oilseed, and pulse crops—as well as agricultural disaster assistance. The 2018 farm bill extended authority for most current commodity programs but with some modifications. Major field-crop programs included Price Loss Coverage (PLC), Agricultural Risk Coverage (ARC), and Marketing Assistance Loans (MAL). The dairy program protected a portion of the margin between milk and feed prices. The sugar program provided a combination of price supports, limits on imports, and processor/refiner marketing allotments. Four disaster assistance programs focused primarily on livestock and tree crops. Title I also included several administrative provisions that set payment limits, an adjusted gross income (AGI) threshold, and other details for payment attribution and eligibility.

The 2018 farm bill provided producers the flexibility of switching between ARC and PLC coverage under certain conditions. Producers could update their program yields for the PLC, and an escalator provision was added that could potentially raise a covered commodity's effective reference price. For ARC, data from the Risk Management Agency became the primary source for county average yields, which was intended to avoid cross-county disparities in payments. For the marketing assistance loan program, rates increased for several crops, including barley, corn, grain sorghum, oats, extra-long-staple cotton, rice, soybeans, dry peas, lentils, and small and large chickpeas. Regarding payment limitations, the definition of *family farm* expanded to include first cousins, nieces, and nephews, thus increasing eligibility.

For dairy, a new Dairy Margin Coverage (DMC) program added higher levels of margin coverage, provided for lower producer-paid premium rates for 5 million pounds or less of milk production, and allowed producers to cover a larger percentage of milk production compared with

¹⁸ For more background, see CRS Insight IN11978, *Inflation Reduction Act: Agricultural Conservation and Credit, Renewable Energy, and Forestry*; and CRS Report R47478, *Agricultural Conservation and the Next Farm Bill*.

¹⁹ For more background, see CRS In Focus IF12101, *Farm Bill Primer: Disaster Assistance*.

²⁰ USDA, "USDA Bolsters Investments in International Trade and Food Aid," press release, October 24, 2023; and Senate Agriculture Committee, "Stabenow, Boozman Urge Secretary Vilsack to Support American Farmers by Making Investments in Trade Promotion and Food Assistance," September 6, 2023.

²¹ See CRS In Focus IF11163, *2018 Farm Bill Primer: The Farm Safety Net*; CRS In Focus IF11164, *2018 Farm Bill Primer: Title I Commodity Programs*; and CRS In Focus IF11188, *2018 Farm Bill Primer: Dairy Programs*.

the 2014 Margin Protection Program. Under DMC, premiums were designed to incentivize higher levels of coverage. Producers could participate in both margin coverage and the Livestock Gross Margin-Dairy insurance program that insured the margin between feed costs and a designated milk price.

For assistance following a disaster, the 2018 farm bill amended payments for livestock and tree losses and removed select payment limitations. It also expanded eligibility for the Noninsured Crop Disaster Assistance Program (NAP) and amended payment calculations and service fees.

Title II: Conservation²²

The conservation title provides assistance to agricultural producers by addressing environmental resource concerns on private land through land retirement, conservation easements, working lands assistance, and partnership opportunities. The 2018 farm bill reauthorized and amended many of the largest conservation programs and created a number of new pilot programs, carve-outs, and initiatives.

The two largest working lands programs—Environmental Quality Incentives Program (EQIP) and Conservation Stewardship Program (CSP)—were reauthorized and amended. Enrollment for CSP was reduced and funds were shifted, in part, to EQIP and other farm bill conservation programs. EQIP was expanded to irrigation and drainage entities, and additional funding carve-outs and pilot projects were authorized. The largest land retirement program—the Conservation Reserve Program (CRP)—was reauthorized and expanded by incrementally increasing the enrollment limit from 24 million acres in FY2019 to 27 million acres by FY2023. CRP payments to participants were reduced, and additional subprograms were authorized. The Regional Conservation Partnership Program (RCP) was redefined as a stand-alone program with separate contracts and an expanded scope of eligible projects. Agricultural land easements in the Agricultural Conservation Easement Program (ACEP) were amended to provide additional flexibility to eligible entities.

Title III: Trade²³

The trade title addresses U.S. agricultural export programs and U.S. international food assistance programs. Major programs support agricultural trade promotion and facilitation, such as the Market Access Program, and the primary U.S. international food assistance program, Food for Peace (FFP) Title II.

The 2018 farm bill reauthorized existing U.S. export promotion programs and consolidated four programs into a new Agricultural Trade Promotion and Facilitation Program (ATPFT) that established permanent mandatory funding. It also established a Priority Trade Fund within ATPFT. The enacted law also reauthorized direct credits or export credit guarantees for the promotion of agricultural exports to emerging markets.

The 2018 farm bill reauthorized all international food assistance programs as well as certain operational details such as repositioning of agricultural commodities and micronutrient fortification. It also added a provision requiring that food vouchers, cash transfers, and local and regional procurement of non-U.S. foods avoid market disruption in the recipient country. The 2018 farm bill amended FFP Title II by eliminating the requirement to *monetize*—that is, sell on

²² See CRS Report R45698, *Agricultural Conservation in the 2018 Farm Bill*; or CRS In Focus IF11199, *2018 Farm Bill Primer: Title II Conservation Programs*.

²³ See CRS In Focus IF11223, *2018 Farm Bill Primer: Agricultural Trade and Food Assistance*.

local markets to fund development projects—at least 15% of FFP Title II commodities. It also increased the minimum level of FFP Title II funds allocated for nonemergency assistance. The 2018 farm bill also reauthorized and/or amended other international food assistance programs, including the McGovern-Dole program.

Title IV: Nutrition²⁴

The nutrition title provides food assistance for low-income households through programs including SNAP and The Emergency Food Assistance Program (TEFAP). The 2018 farm bill amended various aspects of the programs and reauthorized them through FY2023. Rules regarding SNAP eligibility and benefit calculation were largely maintained, including general work requirements and the time limit for nondisabled adults without dependents. The law required some changes to the calculation for homeless households' benefits as well as certain aspects of benefit calculation. Among other program integrity policies, the 2018 farm bill established a National Accuracy Clearinghouse to identify concurrent enrollment in multiple states.

For the SNAP Electronic Benefit Transfer (EBT) system, the 2018 farm bill placed limits on fees, shortened the time frame for unused benefits, and changed the authorization requirements for some farmers' market operators. It required nationwide online acceptance of SNAP benefits and authorized a pilot project about recipients' use of mobile technology to redeem SNAP benefits.

The 2018 farm bill further reauthorized, renamed, and expanded the Food Insecurity Nutrition Incentive (FINI, now the Gus Schumacher Nutrition Incentive Program), a grant program for projects that incentivize SNAP and other low-income participants' purchase of fruits and vegetables. The 2018 farm bill also continued funding for the Senior Farmers' Market Nutrition Program and reauthorized but reduced funding for the Community Food Projects grants.

It also reauthorized and revised food distribution programs. Supporting emergency feeding organizations, the bill reauthorized TEFAP and authorized new projects to facilitate the donation of raw/unprocessed commodities. The Food Distribution Program on Indian Reservations now requires the federal government to pay at least 80% of administrative costs and includes a demonstration project for tribes to purchase their own commodities.

Title V: Credit

The credit title offers direct government loans to farmers/ranchers and guarantees on private lenders' loans. For the USDA farm loan programs, the 2018 farm bill added criteria that may be used to reduce a three-year farming experience requirement. It raised the maximum loan size for guaranteed loans by about 25%. It further doubled the limit for direct farm ownership loans and increased the direct operating loan limit by one-third. Beginning and socially disadvantaged farmers benefited from a higher guarantee percentage on loans. For the Federal Agricultural Mortgage Corporation (known as FarmerMac), the 2018 farm bill increased an acreage exception to remain a qualified loan. For the Farm Credit System Insurance Corporation, the farm bill provided greater statutory guidance about its conservatorship and receivership authorities, which are largely modeled after the Federal Deposit Insurance Corporation. It also reauthorized the State Agricultural Loan Mediation Program and expanded the range of eligible issues.

²⁴ See CRS In Focus IF11087, *2018 Farm Bill Primer: SNAP and Nutrition Title Programs*.

Title VI: Rural Development²⁵

The rural development title supports rural business and community development. The 2018 farm bill made changes to existing USDA programs. It temporarily prioritized public health emergencies and substance use disorder, including in the Distance Learning and Telemedicine Program, the Community Facilities Program, and the Rural Health and Safety Education Program. For rural broadband deployment, the 2018 farm bill authorized the Rural Broadband Access Program to provide grants in addition to direct and guaranteed loans and increased the minimum acceptable speed levels for broadband service. The farm bill reauthorized the Rural Energy Savings Program and amended the program to allow off-grid and energy storage systems. It amended the definition of *rural* to exclude individuals incarcerated on a “long-term or regional basis” and excluded the first 1,500 individuals who reside in housing located on military bases. The 2018 farm bill further provided that areas defined as rural between 1990 and 2020 may remain so until the 2030 census. It amended the Cushion of Credit Payments Program for rural utilities to cease new deposits and to modify the interest rate.

Title VII: Research, Extension, and Related Matters²⁶

The research title supports agricultural research at the federal level and provides support for cooperative research, extension, and postsecondary agricultural education programs. The 2018 farm bill reauthorized several existing programs and established new programs and initiatives.

The 2018 farm bill also amended and reauthorized funding for the competitively awarded Agriculture and Food Research Initiative (AFRI), Organic Agriculture Research and Extension Initiative (OREI), and Specialty Crop Research Initiative (SCRI). It reauthorized the Expanded Food and Nutrition Education Program (EFNEP), which distributes funds to eligible applicants on a formula basis. It enhanced mandatory funding and required a strategic plan for the Foundation for Food and Agriculture Research (FFAR).

Among new programs and initiatives, the 2018 farm bill established the Agriculture Advanced Research and Development Authority Pilot, research Centers of Excellence at 1890 Institutions (historically black land-grant colleges and universities), and competitive grants programs to benefit tribal students and those at 1890 Institutions. It also established new competitive research and extension grants for hemp research and indoor and urban agriculture.

Title VIII: Forestry²⁷

The forestry title supports forestry management programs run by USDA’s Forest Service. The 2018 farm bill continued provisions related to forestry research and provided financial and technical assistance to nonfederal forest landowners. It also included several provisions addressing management of the National Forest System lands managed by the Forest Service and the public lands managed by the Bureau of Land Management in the Department of the Interior.²⁸ It reauthorized the Healthy Forests Reserve Program, Rural Revitalization Technology, National Forest Foundation, and funding for implementing statewide forest resource assessments. It authorized financial assistance for large restoration projects that cross landownership boundaries.

²⁵ See CRS In Focus IF11225, *2018 Farm Bill Primer: Rural Development Programs*.

²⁶ See CRS In Focus IF11319, *2018 Farm Bill Primer: Agricultural Research and Extension*.

²⁷ See CRS In Focus IF10681, *Farm Bill Primer: Forestry Title*.

²⁸ See CRS Report R45696, *Forest Management Provisions Enacted in the 115th Congress*.

The farm bill also addressed issues related to the accumulation of biomass and the associated risk for uncharacteristic wildfires.

The 2018 farm bill changed how the Forest Service and the Bureau of Land Management comply with the National Environmental Policy Act for management of sage grouse and mule deer habitat. It also changed the Forest Service's authority to designate insect and disease treatment areas and procedures intended to expedite the environmental analysis. It established two watershed protection programs on National Forest System lands and authorized acceptance of cash or in-kind donations for those programs.

Title IX: Energy²⁹

The energy title encourages the development of biofuels and farm and community renewable energy systems through grants, loan guarantees, and a feedstock procurement initiative. It also supports increases in energy efficiency as well as the development of biobased products. The 2018 farm bill extended eight programs and one initiative through FY2023, repealed one program and one initiative (the Repowering Assistance Program and the Rural Energy Self-Sufficiency Initiative), and established one new grant program (the Carbon Utilization and Biogas Education Program). It amended the Biomass Crop Assistance Program to include algae. It also modified the definitions of *biobased product* (to include renewable chemicals), *biorefinery* (to include the conversion of an intermediate ingredient or feedstock), and *renewable energy systems* (to include ancillary infrastructure such as a storage system). Compared to previous farm bills, the 2018 farm bill provided less mandatory funding for existing USDA energy programs.

Title X: Horticulture³⁰

The horticulture title supports *specialty crops*—as defined in statute, covering fruits, vegetables, tree nuts, and nursery products—through a range of initiatives, including market promotion, plant pest and disease prevention, and public research. The title also provides support to certified organic agricultural production and locally produced foods.

The 2018 farm bill reauthorized many of these provisions, including block grants to states, support for farmers markets, data and information collection, education on food safety and biotechnology, and organic certification. Provisions affecting the specialty crop, certified organic, and local foods sectors were not limited to the horticulture title (Title X) but were contained within several other titles, including the research, nutrition, and trade titles.

The 2018 farm bill expanded and added funding for farmers markets and local food promotion programs by combining existing programs to create a new Local Agriculture Market Program. Other provisions supporting local and urban agriculture development were housed in the miscellaneous, research, conservation, and crop insurance titles.³¹ The 2018 farm bill made changes to USDA's National Organic Program (NOP) and related programs, addressing concerns about organic import integrity by including provisions that strengthen the tracking, data collection, and investigation of organic product imports. It also expanded mandatory funding for the National Organic Certification Cost Share Program and expanded support for technology upgrades to improve tracking and verification of organic imports.

²⁹ See CRS In Focus IF10639, *Farm Bill Primer: Energy Title*.

³⁰ See CRS In Focus IF11317, *2018 Farm Bill Primer: Specialty Crops and Organic Agriculture*.

³¹ See CRS In Focus IF11252, *2018 Farm Bill Primer: Support for Local Food Systems*; and CRS In Focus IF11210, *2018 Farm Bill Primer: Support for Urban Agriculture*.

The 2018 farm bill authorized establishing a regulatory framework for the cultivation of *hemp* (as defined in statute) and created a new regulatory program for hemp production under USDA's oversight. Related provisions expanded the statutory definition of *hemp* and expanded eligibility to produce hemp to a broader set of producers and groups, including tribes and territories. Provisions in other titles further expanded support for hemp, including making hemp eligible for federal crop insurance and certain USDA research programs, as well as excluding hemp from the statutory definition of *marijuana* under the Controlled Substances Act.³²

Title XI: Crop Insurance

The crop insurance title modifies the permanently authorized Federal Crop Insurance Act. The federal crop insurance program offers subsidized policies to farmers to protect against losses in yield, crop revenue, or whole farm revenue.

The 2018 farm bill made several modifications. It expanded coverage by authorizing catastrophic policies for forage and grazing crops and grasses. It also allowed producers to purchase separate crop insurance policies for crops that can be both grazed and mechanically harvested on the same acres and to receive independent indemnities for each intended use. For crop insurance research and development, the farm bill redefined *beginning farmer or rancher* as an individual having actively operated and managed a farm or ranch for less than 10 years. This redefinition made these individuals eligible for federal subsidy benefits of whole-farm insurance plans.

The farm bill also allowed waivers of certain viability and marketability requirements for developing a policy or pilot program for the production of hemp. It further added *hemp* (as defined in statute) as an eligible crop for federal crop insurance and to the limited list of crops that cover post-harvest losses.

Title XII: Miscellaneous

The miscellaneous title of the 2018 farm bill covered a wide array of issues across six subtitles, including livestock, agriculture and food defense, historically underserved producers, Department of Agriculture Reorganization Act of 1994 Amendments, and other general provisions.

The livestock provisions established the National Animal Disease Preparedness Response Program and the National Animal Vaccine and Veterinary Countermeasures Bank. Other livestock provisions authorized appropriations for the Sheep Production and Marketing Grant Program; added llamas, alpacas, live fish, and crawfish to the list of covered animals under the Emergency Livestock Feed Assistance Act; and established regional cattle and carcass grading centers. Other animal-related provisions banned the slaughter of dogs and cats, imposed a ban on animal fighting in U.S. territories, and required a report on the importation of dogs.

The miscellaneous title included a number of other provisions covering a wide range of policy issues. Among these, it directed USDA to restore certain exemptions for inspection and weighing services that were included in the United States Grain Standards Act but were rescinded by USDA when the act was reauthorized in 2015. It amended the Controlled Substances Act to exclude *hemp* (as defined in statute) from the statutory definition of *marijuana*. The enacted law also established the Farming Opportunities Training and Outreach program by combining and expanding programs for beginning, limited resource, and socially disadvantaged farmers and ranchers.³³ It further extended outreach and technical assistance programs for socially

³² See CRS In Focus IF11088, *2018 Farm Bill Primer: Hemp Cultivation and Processing*.

³³ See CRS In Focus IF11227, *2018 Farm Bill Primer: Beginning Farmers and Ranchers*.

disadvantaged farmers and ranchers and added military veteran farmers and ranchers as a qualifying group. It also created a military veterans agricultural liaison within USDA to advocate for and provide information to veterans and established an Office of Tribal Relations to coordinate USDA activities with Native American tribes.³⁴ The farm bill required USDA to conduct additional planning and monitoring of plant disease and pest concerns and reauthorized policies supporting citrus growers and cotton and wool apparel manufacturers.

³⁴ See CRS In Focus IF11093, *2018 Farm Bill Primer: Veteran Farmers and Ranchers*.

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