

## **IN FOCUS**

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# Farm Bill Primer: Horticulture Title and Related Provisions

Beginning in 2008, enacted farm bill legislation has included a horticulture title covering specialty crops and certified organic products. Over the years, this title has included provisions supporting locally sourced products (not limited to crops) and hemp cultivation. Upon enactment of the Agriculture Improvement Act of 2018 (2018 farm bill; P.L. 115-334), projected outlays for the horticulture title totaled \$1.0 billion (FY2019-FY2023), accounting for less than 0.5% of total projected farm bill spending. Funding for these sectors is not limited to the horticulture title but is also contained within other titles, covering a range of programs administered by the U.S. Department of Agriculture (USDA). Congress has extended farm bill funding through FY2024 (P.L. 118-22, Division A, §102), extending funding for specialty crops, certified organic products, and locally sourced products.

The following is an overview of selected 2018 farm bill provisions and issues for the next farm bill related to specialty crops, USDA-certified organic products, and locally sourced foods (for descriptions, see **text box**). This excludes a discussion of hemp cultivation, which is addressed separately in CRS In Focus IF12278, *Farm Bill Primer: Selected Hemp Industry Issues*.

## **Specialty Crops**

The 2018 farm bill reauthorized and expanded funding for many of the existing USDA programs supporting fruits, vegetables, and other specialty crops. In the horticulture title, provisions included Specialty Crop Block Grants to states, Specialty Crop Market News data collection, food safety education initiatives, and chemical regulation and information collection. Provisions in other 2018 farm bill titles included the Specialty Crop Research Initiative (research title); USDA purchases of fruits and vegetables for use in domestic assistance programs (nutrition title); and pest and disease research, emergency funding for citrus disease research, federal crop insurance, supplemental disaster assistance, trade promotion, and other marketing programs (various titles).

#### **S**elected Issues and Options

Produce industry groups represent a range of crops and regional interests. In previous farm bills, these groups tended to support reauthorization and expansion of existing USDA programs. The next farm bill also could focus on other legislative priorities within the industry, such as market development and competitiveness, supply-chain disruptions and distribution challenges, export promotion, research and innovation, and expansion of USDA procurement and access to domestic nutrition programs and other USDA programs. Priorities of the Specialty Crop Farm Bill Alliance (SCFBA)—representing producer organizations of fruits, vegetables, tree nuts, and nursery crops—cover USDA nutrition programs, competitiveness and sustainability, trade and foreign competition, research and innovation, and natural resources and climate. Other industry priorities involving labor availability and H-2A agricultural guest worker programs or support for U.S. producer groups that are affected by competition from foreign imports may involve reforms outside of a farm bill.

## **Terms and Definitions**

Specialty crops – "fruits and vegetables, tree nuts, dried fruits, and horticulture and nursery crops (including floriculture)" (7 U.S.C. §1621 note).

USDA Organic – agricultural products certified and labeled as grown and processed in accordance with USDA regulations (7 C.F.R. §205) and verified by a USDA-accredited certifying agent according to USDA's National Organic Program (NOP). NOP is a voluntary certification program for producers and handlers that use approved methods and standards, covering organically produced specialty crops, field crops, and animal products (e.g., meat and dairy products), as well as nonfood consumer products.

Locally Sourced Foods – No consensus exists for what constitutes locally sourced foods. In most cases, USDA farm programs that support local food systems base program eligibility on using a statutory definition of *locally or regionally produced agricultural food products* as any food product that is raised, produced, and distributed in "the locality or region in which the final product is marketed" where "the total distance that the product is transported is less than 400 miles from the origin of the product; or ... the State" where produced (7 U.S.C. §1932).

Legislation introduced in the 118th Congress would address various industry priorities. These include bills that would expand domestic market development (e.g., H.R. 5061), competitiveness (e.g., H.R. 4838), and support for domestic producers (e.g., H.R. 5062, H.R. 679). Other bills would require reporting on the competitiveness of U.S. specialty crop exports (e.g., H.R. 6399/S. 3300) and address import competition (e.g., H.R. 545/S. 104, H.R. 2536). Other legislation would increase USDA purchases of fruits and vegetables (e.g., H.R. 5589/S. 2874, S. 1639) and funding for fruits and vegetables in various USDA domestic programs (e.g., H.R. 4149/S. 2015, H.R. 3127/S. 2223, H.R. 4185). Other bills would address a specialty crop mechanization and automation initiative (e.g., H.R. 4173) and pest and disease research (e.g., H.R. 3856, S. 322), among other research (e.g., H.R. 4359/S. 2135, S. 2192). Other proposals would modify adjusted gross income (AGI) payment limits that SCFBA claim disproportionately prohibit specialty crop producers from participating in USDA conservation and disaster programs (e.g., H.R. 2942/S. 1365), and other proposals would expand federal

crop insurance for certain damages (e.g., H.R. 4308/S. 2134).

## **USDA-Certified Organic Agriculture**

The 2018 farm bill reauthorized and expanded support for agricultural products certified and labeled as USDA Organic. (For background, see CRS In Focus IF10278, U.S. Farm Policy: USDA-Certified Organic Production.) The horticulture title of the 2018 farm bill primarily focused on addressing perceived shortcomings in USDA's organic certification by making changes intended to enhance enforcement, limit program fraud, and fund technology upgrades. Other provisions changed the eligibility and consultation requirements of the National Organic Standards Board (NOSB) and reauthorized the National Organic Certification Cost-Share Program and the Organic Production and Market Data collection. Provisions in other 2018 farm bill titles included the Organic Agriculture Research and Extension Initiative (research title); transition assistance and incentives for organic production (conservation title); and federal crop insurance and other marketing and promotion support in other titles.

#### **Selected Issues and Options**

The organic industry represents highly diverse interests with often diverging priorities. Some shared priorities have focused on USDA not finalizing regulations addressing transitioning dairy cows, livestock handling and poultry living conditions, and oversight and enforcement of NOPcertified products. Farm bill priorities have been put forward by the Organic Trade Association, the National Organic Coalition, and the Organic Farmers Association, among other groups that support organic produce and other specialty crops. Other producer groups are actively pursuing an alternative certification regime under a *Regenerative Organic* label, in part to address certain perceived NOP shortcomings and in part related to soilless hydroponic growing systems that qualify as *USDA Organic*.

Legislation introduced in the 118th Congress would address various industry priorities. Some shared priorities among some groups include bills that would expand organic market development, particularly for smaller scale and socially disadvantaged producers and underserved regions (e.g., H.R. 3650/S. 1582, H.R. 1167/S. 96); create competitive grants to support organic transition (H.R. 2720); require improved coordination between USDA research agencies and organic research and extension (S. 2317); and amend USDA's NOP to establish a regulatory framework to develop organic standards and address any backlog in developing such standards (H.R. 5973). Other proposals would expand support for regionally adapted seed varieties and animal breeds (S. 2023), support agricultural conservation and research into climate-related practices (H.R. 1840/S. 1016), and provide certain types of support for USDA-certified organic milk and dairy production (S. 3097).

## **Locally Sourced Foods**

The 2018 farm bill reauthorized and expanded funding for many existing provisions supporting locally sourced foods (both crops and animal products). The horticulture title created the Local Agriculture Market Program (LAMP), which combined and expanded existing USDA farmers' market, local food marketing, and value-added processing grant programs. Provisions in other farm bill titles enhanced crop insurance and disaster assistance for urban and small-scale production and changed food programs and grants.

The 2018 farm bill created new support for urban food systems in the research and other titles, establishing an Office of Urban Agriculture and Innovative Production (OUAIP) at USDA and providing new grant authority to facilitate urban production, harvesting, transportation, and marketing. The 2018 farm bill also included provisions supporting historically underserved producers (Title XII, Subtitle C). These provisions expanded USDA support for beginning, socially disadvantaged, and veteran farmers and ranchers, which often also support farming operations within USDA programs benefitting local and urban farmers.

#### **S**elected Issues and **O**ptions

Legislative priorities among groups representing generally small-sized local and urban producers—and beginning, socially disadvantaged, and veteran farmers and ranchers span diverse food systems and community needs. Shared priorities include increased access to USDA programs and the need to address equity and competition—often related to small-sized and limited resource producers. (For background, see CRS In Focus IF12096, *Farm Bill Primer: Beginning and Underserved Producers.*) Priorities also often focus on agricultural sustainability and access to USDA conservation funding, as well as support for USDA certified organic and specialty crop production systems.

Legislation introduced in the 118<sup>th</sup> Congress includes bills that would increase funding for LAMP and local and regional food system infrastructure and would make locally grown produce more available to certain USDA programs (e.g., H.R. 2723/S. 1205, H.R. 4149/S. 2015); provide mandatory funding and make program changes to OUAIP (S. 2591); and expand support and training for local, small meat and poultry processing plants (S. 354/H.R. 945). Other proposals would address industry consolidation and antitrust concerns (H.R. 4979/S. 2670). Other bills would expand program support, training, and opportunities for small, local, and underserved producer groups (e.g., H.R. 3955/S. 2340, S. 2380, S. 2023); support agricultural conservation and research into climate-related practices (e.g., H.R. 5354/S. 2180, H.R. 1840/S. 1016, S. 2614); and support creation of a more resilient and diverse food supply chain (H.R. 4873, H.R. 3814). Various other industry priorities have been proposed by the National Sustainable Agriculture Coalition, which represents organizations advocating for the sustainability of agriculture, food systems, natural resources, and rural communities.

## Selected CRS Resources

CRS In Focus IF11317, 2018 Farm Bill Primer: Specialty Crops and Organic Agriculture

CRS In Focus IF11252, 2018 Farm Bill Primer: Support for Local Food Systems

CRS In Focus IF11227, 2018 Farm Bill Primer: Beginning Farmers and Ranchers

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