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Farm Bill Primer: Background and Status

The farm bill is an omnibus, multiyear law that governs an array of agricultural and food programs. It provides an opportunity for policymakers to comprehensively and periodically address agricultural and food issues. The farm bill has typically been renewed about every five years since the 1930s (CRS Report R45210, *Farm Bills: Major Legislative Actions, 1965-2024*).

What Is in a Farm Bill?

The breadth of the farm bill is optional and determined mostly by the joint jurisdiction of the House and Senate agriculture committees. Initially, farm bills focused on support for a handful of staple commodities—corn, soybeans, wheat, cotton, rice, peanuts, dairy, and sugar. Since 1973, farm bills have become increasingly expansive, when a nutrition title was first included. Other prominent additions include formerly stand-alone laws, such as conservation, credit, and research. New topics were added, such as bioenergy and horticulture. In 2024, the farm bill considered by the House committee (H.R. 8467) and introduced in the Senate (S. 5335) contained the same 12 titles as the Agriculture Improvement Act of 2018 (2018 farm bill; P.L. 115-334; see **text box**).

The omnibus nature of the farm bill can create broad coalitions for policies that individually might not have a majority of support in the legislative process. In recent years, more stakeholders have become involved in the farm bill debate representing conservation, rural development, nutrition, local food systems, and organic production.

When Does the Farm Bill Expire?

The 2018 farm bill was written to cover five years through FY2023 and the 2023 crop year. Congress enacted a one-year extension in November 2023 for 2024 (P.L. 118-22, Division B, §102) and a second one-year extension in December 2024 to cover FY2025 and the 2025 crop year (P.L. 118-158, Division D).

Without reauthorization, some farm bill programs expire and may not continue operations. Most nutrition assistance programs can be continued by providing appropriations. Farm commodity programs need to be reauthorized for future crop years. The farm bill also suspends long-abandoned permanent laws from the 1940s for the farm commodity programs that used supply controls and price regimes that would be costly to implement if their suspension expires. Other programs like crop insurance have permanent authority and do not need reauthorization (CRS Report R47659, *Expiration of the 2018 Farm Bill and Extension for 2025*).

What Does the Farm Bill Cost?

Farm bills authorize programs in two spending categories: mandatory and discretionary. They authorize mandatory funding for programs based on multiyear budget estimates (*baseline*) and estimates of what provisions in newly enacted bills cost (*scores*). Programs authorized for discretionary funding are not funded by the farm bill and depend on future appropriations action. Mandatory programs usually dominate the farm bill debate (CRS In Focus IF12233, *Farm Bill Primer: Budget Dynamics*).

Farm bills have both 5-year and 10-year budget projections for the programs that operate as entitlements based on formulas and eligibility criteria. The 10-year projection for the 2018 farm bill was \$867 billion over FY2019-FY2028 (**Table 1**). Four titles accounted for 99% of the 2018 farm bill's mandatory spending: nutrition (primarily the Supplemental Nutrition Assistance Program, SNAP), farm commodities, crop insurance, and conservation. Programs in all other farm bill titles accounted for about 1% of mandatory outlays and receive mostly discretionary funds.

Titles in Recent Farm Bills

Title I, Commodities: Provides support for major commodity crops, including wheat, corn, soybeans, peanuts, rice, dairy, and sugar. Authorizes disaster assistance.

Title II, Conservation: Encourages environmental stewardship of farmlands and improved management through land retirement programs, working lands programs, or both.

Title III, Trade: Supports U.S. agricultural export programs and international food assistance programs.

Title IV, Nutrition: Provides nutrition assistance for low-income households through programs, including SNAP.

Title V, Credit: Offers direct government loans and guarantees to producers to buy land and operate farms and ranches.

Title VI, Rural Development: Supports rural housing, community facilities, business, and utility programs through grants, loans, and guarantees.

Title VII, Research, Extension, and Related Matters: Supports agricultural research and extension programs to expand academic knowledge and help producers be more productive.

Title VIII, Forestry: Supports forestry management programs run by U.S. Department of Agriculture (USDA) Forest Service.

Title IX, Energy: Encourages the development of farm and community renewable energy systems through various programs, including grants and loan guarantees.

Title X, Horticulture: Supports the production of specialty crops, USDA-certified organic foods, and locally produced foods and authorizes a regulatory framework for industrial hemp.

Title XI, Crop Insurance: Enhances risk management through the permanently authorized Federal Crop Insurance Program.

Title XII, Miscellaneous: Includes programs and assistance for livestock and poultry production, support for beginning farmers and ranchers, and other miscellaneous and general provisions.

Table I. Projected Budget for the 2018 Farm Bill, the June 2024 Baseline, and the CBO Score of H.R. 8467 (million dollars, 10-year mandatory outlays)

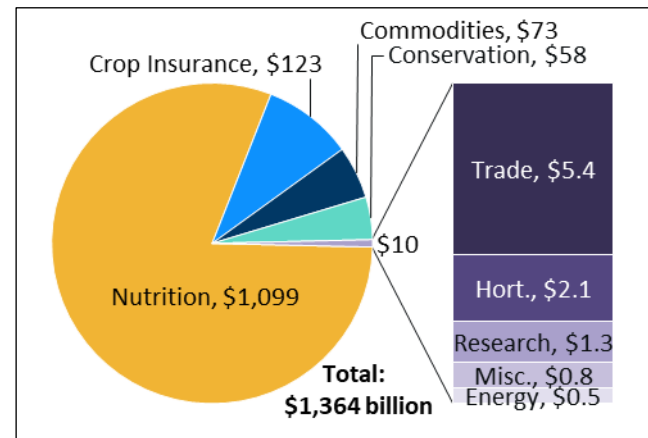
Title	2018 Farm Bill at Enactment	CBO Baseline (June 2024)	Changes in H.R. 8467 (CBO score) ^a
	FY2019-FY2028	FY2025-FY2034	FY2025-FY2034
Commodities	\$61,414	\$72,511	+\$37,027
Conservation	59,748	58,419	+4,521
Trade	4,094	5,430	+2,420
Nutrition	663,828	1,099,396	-27,099
Credit	-4,558	— ^b	0
Rural Dev.	-2,362	— ^b	0
Research	1,219	1,300	+3,493
Forestry	10	— ^b	+0
Energy	737	500	+50
Horticulture	2,047	2,100	+360

Title	2018 Farm Bill at Enactment	CBO Baseline (June 2024)	Changes in H.R. 8467 (CBO score) ^a
	FY2019-FY2028	FY2025-FY2034	FY2025-FY2034
Crop Ins.	77,933	123,468	+4,819
Miscellaneous	3,091	800	+2,495
Total	\$867,200	\$1,363,924	+\$28,086

Source: CRS Report R45425, *Budget Issues That Shaped the 2018 Farm Bill*; CRS analysis of the Congressional Budget Office (CBO) June 2024 baseline for SNAP and the USDA Mandatory Farm Programs for the five largest titles and amounts in law for other titles; and CBO, “Estimate of H.R. 8467 Relative to CBO’s June 2024 Baseline Projections,” November 8, 2024.

- a. The score is the change relative to the June 2024 baseline. CBO has not released a score for S. 5335.
- b. Baseline for the credit title is likely negative, indicating payments into the Farm Credit System Insurance fund. The rural development title has no current programs with baseline. Baseline for the forestry title is \$10 million or less.

Figure 1. Baseline for Farm Bill Programs, by Title (billion dollars, 10-year mandatory outlays, FY2025-FY2034)



Source: CRS using the CBO June 2024 baseline for the five largest titles and amounts in law for programs in other titles. The June 2024 Congressional Budget Office (CBO) baseline is the latest projection for the major farm bill programs. **Table 1** and **Figure 1** include these updates and the funding indicated in law for other farm bill programs not included in the CBO projection. The June 2024 baseline has \$662 billion over 5 years (FY2025-FY2029) and \$1,364 billion over 10 years (FY2025-FY2034).

What Are the Current Issues?

On May 23, 2024, the House Committee on Agriculture ordered reported a farm bill, H.R. 8467, the Farm, Food, and National Security Act of 2024. On November 18, 2024, the Senate Committee on Agriculture, Nutrition, and Forestry chair introduced a farm bill, S. 5335. The Senate committee took no further action on this bill.

Throughout 2024, budget issues pursuant to achieving various policy goals were leading obstacles in advancing the farm bill. The major policy issues included increasing

“reference prices” for the farm commodity programs that would provide greater payments to farmers when market prices fall below a target support level. Both bills would have provided some level of increases. Another policy goal in both bills was to incorporate one-time conservation funding from P.L. 117-169 (referred to as the Inflation Reduction Act) into the permanent farm bill conservation baseline. Both bills increased mandatory funding for export promotion, agricultural research, and animal health programs. Both bills would also have restricted USDA’s ability to use the Commodity Credit Corporation (CCC) to initiate farm assistance outside the farm bill. In nutrition policy, the House bill would have prevented USDA from reevaluating the market basket for the Thrifty Food Plan (TFP) in SNAP in a way that exceeds the cost of inflation.

The baseline CBO initially used to evaluate H.R. 8467 was the May 2023 baseline, which indicated that the bill would increase mandatory spending by \$33.0 billion over nine years (FY2025-FY2033). CBO subsequently scored the bill against the June 2024 baseline, which indicated a smaller increase in spending. Nonetheless, the score remained budget increasing for budget enforcement rules such as pay-

as-you-go (PAYGO), which assume bills should not increase the federal budget deficit. This latest score indicated that H.R. 8467 would increase mandatory spending by \$28 billion over 10 years (**Table 1**). CBO has not released a score of S. 5335.

By policy areas, the major budgetary changes in H.R. 8467 include a net increase of about \$37.0 billion over 10 years for commodity support programs, including limiting the CCC; a net increase of \$4.5 billion for conservation programs; a net decrease of \$27.1 billion for the domestic nutrition programs, including by limiting the TFP; and 10-year increases of \$2.4 billion for trade, \$3.5 billion for research, \$4.8 billion for crop insurance, and \$2.5 billion for the miscellaneous title (CRS Report R48167, *The 2024 Farm Bill: H.R. 8467 Compared with Current Law*).

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