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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. The Agriculture Improvement Act of 2018 (2018 farm bill; P.L. 115-334) expanded the title to include support for locally sourced products (not limited to crops) and hemp cultivation. Funding for the horticulture title totals about \$200 million annually, accounting for less than 0.5% of all farm bill spending. Support for specialty crops, certified organic and locally sourced foods, and hemp is not limited to the horticulture title but is also contained within other farm bill titles, covering a range of programs administered by the U.S. Department of Agriculture (USDA).

In December 2024, Congress provided a one-year extension for the 2018 farm bill (P.L. 118-158, Division D), which extended funding for most, but not all, horticulture title programs through FY2025. Horticulture title programs not extended include certain USDA-certified organic programs. Whether to fund these programs may be an issue for the 119<sup>th</sup> Congress. The 119<sup>th</sup> Congress also could consider changes to programs supporting specialty crops, organic products, and locally sourced foods (for descriptions, see **text box**) as it debates a new farm bill. Hemp cultivation is addressed in CRS In Focus IF12278, *Farm Bill Primer: Hemp Industry Support and Regulation*.

# **Specialty Crops**

The 2018 farm bill reauthorized and expanded funding for most 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 various regulatory and data collection efforts. Provisions in other titles included the Specialty Crop Research Initiative and various pest and disease research programs (including emergency funding for citrus disease research) and USDA purchases of fruits and vegetables for use in domestic assistance and nutrition programs. Other provisions related to specialty crops included federal crop insurance, disaster assistance, trade promotion, and other marketing programs.

#### **Selected Issues and Proposals**

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 a range of USDA programs pertaining to production and marketing, nutrition, and research. Other industry priorities may involve reforms outside of a farm bill. They include labor availability and H-2A agricultural guest worker programs or support for U.S. producer groups that are affected by competition from foreign imports.

#### **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 (7 U.S.C. §6503).

Locally or regionally produced agricultural food products — 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).

As Congress considers a next farm bill, it might consider proposals from the 118th Congress, including the examples listed here and in the following sections. Farm bill proposals in both chambers (H.R. 8467 as ordered to be reported and S. 5335) would have reauthorized and expanded existing USDA programs. These bills contained aspects of other 118th Congress bills covering market development and competitiveness (H.R. 4168, H.R. 4838, H.R. 5061); domestic producer support (H.R. 679, H.R. 5062); federal crop insurance (H.R. 4308/S. 2134, H.R. 8055); automation and mechanization (H.R. 4173); and pest, disease, and other research (H.R. 3856, H.R. 4359/S. 2135, H.R. 5199, S. 322, S. 2192). Other legislation would have addressed U.S. specialty crop trade (H.R. 545/S. 104, H.R. 2536, H.R. 6399/S. 3300, H.R. 9240/S. 4982) or federal fruit and vegetable purchases for a range of USDA programs (H.R. 3127/S. 2223, H.R. 4149/S. 2015, H.R. 4185, H.R. 5589/S. 2874, H.R. 6712, S. 1639) or modified adjusted gross income payment limits that SCFBA claims prohibit specialty crop producers from participating in USDA conservation and disaster programs (H.R. 2942/S. 1365).

In addition, USDA announced a new initiative in November 2024, Marketing Assistance for Specialty Crops (MASC), to support eligible specialty crop producers. MASC planned to provide \$2 billion in marketing assistance payments to expand domestic markets or develop new markets for

specialty crops in 2025. USDA's Commodity Credit Corporation (CCC) funds MASC, and it is executed at the discretion of USDA. It is not clear whether this program will continue under the current Administration. Some Members of Congress and industry groups support this initiative. Others might wish to use these funds for other farm sectors or USDA programs.

# **USDA-Certified Organic Agriculture**

The 2018 farm bill reauthorized and expanded support for agricultural products certified and labeled *USDA Organic*. Program changes addressed 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 and reauthorized the Organic Certification Cost-Share Program and USDA data collection. Provisions in other 2018 farm bill titles included the Organic Agriculture Research and Extension Initiative, transition assistance and incentives for organic production in USDA conservation programs, federal crop insurance, and in other marketing and promotion programs.

#### **Selected Issues and Proposals**

The U.S. organic industry represents diverse interests with often diverging priorities. Some shared priorities include a focus on USDA's regulatory backlogs, such as delays in finalizing regulations addressing transitioning dairy cows, livestock handling and poultry living conditions, as well as USDA efforts to improve oversight and enforcement of certified organic 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. Other producer groups are actively pursuing an alternative certification regime under a *Regenerative Organic* label, in part to address perceived USDA program shortcomings and the use of soilless hydroponic growing systems that qualify as *USDA Organic*.

The FY2025 farm bill extension (P.L. 118-158) did not extend USDA programs addressing organic cost sharing, market data collection, and certification and tracking efforts. Thus, the programs have ceased to operate. These programs had received a total of about \$10 million in mandatory annual funding under the 2018 farm bill and were extended for FY2024 (see CRS In Focus IF12115, Farm Bill Primer: Programs Without a Budget Baseline). The expiration of these programs could be addressed in the 119<sup>th</sup> Congress.

Both H.R. 8467 (as ordered to be reported) and S. 5335 of the 118<sup>th</sup> Congress would have reauthorized existing USDA organic programs and made certain policy changes. These bills contained aspects of other 118<sup>th</sup> Congress bills that proposed, for example, support for organic market development (H.R. 1167/S. 96, H.R. 3650/S. 1582), research and data collection (S. 2023, S. 2317, H.R. 2720, H.R. 6937, S. 2756, S. 3097), and conservation and climate-related practices (H.R. 1840/S. 1016). Other proposals would have amended USDA's National Organic Program (e.g., H.R. 5973, S. 5475). In addition, in May 2023, USDA announced its Organic Market Development Grant

(OMDG) initiative, supporting eligible certified organic producers for market development and promotion activities, processing capacity expansion, and simplified equipment-only projects. OMDG provided \$85 million in FY2023 from CCC funds and is executed at USDA's discretion. The 118<sup>th</sup> Congress proposed legislation would have codified OMDG (H.R. 5763/S. 2936). It is not clear whether this program will continue under the current Administration.

## **Locally Sourced Foods**

The 2018 farm bill reauthorized and expanded funding for many existing provisions supporting locally sourced foods (both crops and animal products) and expanded other related USDA programs spanning a diverse suite of producer and community priorities. The horticulture title created the Local Agriculture Market Program, 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, disaster assistance, and other support for some agricultural producers. Other 2018 farm bill titles created new support for urban food systems, establishing an Office of Urban Agriculture and Innovative Production at USDA and providing new grant authority supporting urban production and research. The 2018 farm bill also expanded support for historically underserved producers—beginning, socially disadvantaged, and veteran producers—who often are engaged in the production of locally sourced foods.

### **Selected Issues and Proposals**

Both H.R. 8467 (as ordered to be reported) and S. 5335 of the 118th Congress would have reauthorized existing USDA programs supporting local and urban agricultural producers as well as small-sized and limited resource producers. These bills contained aspects of other 118th Congress bills that proposed, for example, expanding support for local and urban food systems (H.R. 2378/S. 2659, H.R. 2723/S. 1205, H.R. 3902/S. 3420, H.R. 4149/S. 2015, H.R. 4185, H.R. 5915/S. 2591, H.R. 6449, S. 5106,); expanding federal purchases across a range of food production systems (H.R. 4185, H.R. 6569/S. 3390, H.R. 9538/S. 5020); expanding support and training for certain meat and poultry processing plants (H.R. 945/S. 354, S. 813); addressing industry consolidation (H.R. 4979/S. 2670); supporting agricultural conservation and research (H.R. 1840/S. 1016, H.R. 5354/S. 2180, S. 2614); and supporting resilient and diverse food systems (H.R. 3814, H.R. 4873). Other bills would have expanded program training and opportunities for small, local, and underserved producer groups.

In the past few years, USDA established initiatives providing financial and technical support across a range of food businesses and project types. These efforts were funded using COVID-19 pandemic-era funding and/or USDA's discretionary CCC authority and include two USDA cooperative agreements—Regional Food Business Centers and Local Food Purchase Assistance—as well as Resilient Food Systems Infrastructure grants. Combined funding for these efforts has totaled more than \$2.6 billion (FY2022-FY2024). As these USDA initiatives are executed at the discretion of USDA, the 119th Congress may debate aspects of these or other related agency efforts.

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