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Farm Bill Primer: What Is the Farm Bill?

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. In addition to developing and enacting farm legislation, Congress is involved in overseeing its implementation. The farm bill typically is renewed about every five years. Since the 1930s, Congress has enacted 18 farm bills.

Farm bills traditionally have 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 horticulture and bioenergy titles and expansion of conservation, research, and rural development titles.

Without reauthorization, some farm bill programs would expire, such as the nutrition assistance and farm commodity support programs. Other programs have permanent authority and do not need reauthorization (e.g., crop insurance) and are included in a farm bill to make policy changes or achieve budgetary goals. The farm bill extends authorizations of discretionary programs. The farm bill also suspends long-abandoned permanent laws for certain farm commodity programs from the 1940s that used supply controls and price regimes that would be costly if restored.

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 achieving majority support in the legislative process. 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 organic production. These factors can contribute to increased interest in the allocation of funds provided in a farm bill.

What Is in the 2018 Farm Bill?

The Agriculture Improvement Act of 2018 (2018 farm bill; P.L. 115-334, H.Rept. 115-1072)—enacted in December 2018 and generally expiring in 2023—is the most recent omnibus farm bill. It contains 12 titles (see **text box**). Provisions in the 2018 farm bill modified some of the farm commodity programs, expanded crop insurance, amended conservation programs, reauthorized and revised nutrition assistance, and extended authority to appropriate funds for many U.S. Department of Agriculture (USDA) discretionary programs through FY2023.

The 2018 Farm Bill (P.L. 115-334), by Title

Title I, Commodities: Provides support for major commodity crops, including wheat, corn, soybeans, peanuts, rice, dairy, and sugar, as well as 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 the Supplemental Nutrition Assistance Program (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 USDA's 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.

What Was the Estimated Cost in 2018?

Farm bills authorize programs in two spending categories: mandatory and discretionary. While both types of programs are important, mandatory programs usually dominate the farm bill debate. Programs with mandatory spending generally operate as entitlements, and the farm bill provides mandatory funding for programs based on multiyear budget estimates (*baseline*). Programs with authorized discretionary funding are not funded in the farm bill; any discretionary appropriations for these programs would be provided through separate congressional action.

At enactment in December 2018, the Congressional Budget Office (CBO) estimated that the total cost of the mandatory programs in the farm bill was \$428 billion over its five-year duration, FY2019-FY2023, or \$1.8 billion more than a five-year extension of the 2014 farm bill (P.L. 113-79).

Farm bills have both 5-year and 10-year budget projections. The 10-year score for the 2018 farm bill was budget neutral, and program outlays were projected to remain at \$867 billion over FY2019-FY2028 (**Table 1**). Four titles accounted for 99% of the 2018 farm bill’s mandatory spending: Nutrition (primarily SNAP), Commodities, Crop Insurance, and Conservation. Programs in all other farm bill titles accounted for about 1% of mandatory outlays; these programs were authorized to receive mostly discretionary (appropriated) funds.

Table 1. Budget for the 2018 Farm Bill and the Baseline in 2022 for Farm Bill Programs
(dollars in millions, 10-year mandatory outlays)

Titles	2018 Farm Bill at Enactment	Baseline as of May 2022
	FY2019-FY2028 (\$ millions)	FY2023-FY2032 (\$ millions)
Commodities	61,414	56,185
Conservation	59,748	59,214
Trade	4,094	4,810
Nutrition	663,828	1,090,484
Credit	-4,558	a/
Rural Development	-2,362	a/
Research	1,219	1,300
Forestry	10	a/
Energy	737	500
Horticulture	2,047	2,100
Crop Insurance	77,933	79,761
Miscellaneous	3,091	800
Total	867,200	1,295,154

Sources: CRS using CRS Report R45425, Budget Issues That Shaped the 2018 Farm Bill; CBO Baseline (May 2022), at <https://www.cbo.gov/about/products/baseline-projections-selected-programs>, for the five largest titles; and amounts in law for programs in other titles.

Notes: a/ = 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.

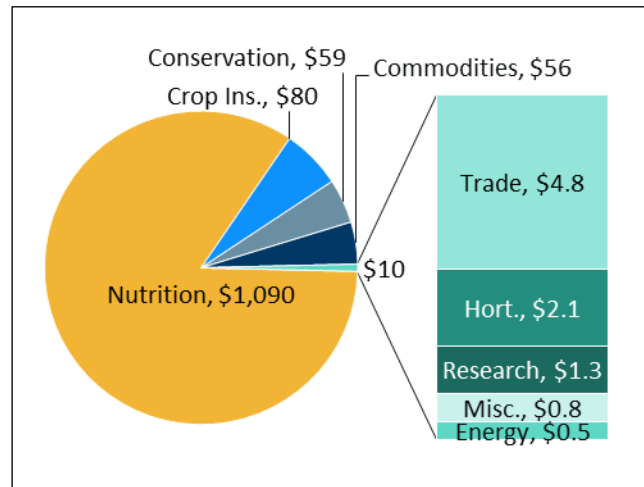
What Is the Farm Bill Budget for 2023?

The CBO baseline represents budget authority and is a projection at a particular point in time of what future federal spending on mandatory programs would be assuming current law continues. It is the benchmark against which proposed changes in law are measured. Having a baseline provides projected future funding if policymakers decide that programs are to continue.

CBO’s scoring baseline for the 2023 legislative session is expected in early 2023 and is to cover the 10-year period FY2024-FY2033. Presently, the May 2022 CBO baseline is the best indicator of future funding availability. 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 \$648 billion over 5 years (FY2023-FY2027) and \$1,295 billion over 10 years (FY2023-FY2032) (**Figure 1**). A new CBO baseline in 2023 is to update these amounts and add a future fiscal year.

Figure 1. Baseline for Farm Bill Programs, by Title
(billion dollars, 10-year mandatory outlays, FY2023-FY2032)



Source: CRS using the CBO Baseline (May 2022) for the five largest titles, and amounts in law for programs in other titles.

Note: Total estimated at \$1,295 billion.

The relative proportions of farm bill spending have shifted over time. In the 2022 projection, the Nutrition title is 84% 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 pandemic assistance and administrative adjustments made to SNAP benefit calculations. For non-nutrition farm bill programs, baseline amounts in 2022 are slightly lower than when the 2018 farm bill was enacted (\$205 billion over 10 years as of 2022 compared with \$210 billion over 10 years in 2018).

Supplemental spending is not part of the baseline but may be important because of its size in recent years. In FY2019 and FY2020, the Trump Administration increased outlays by a total of over \$25 billion to farmers and ranchers affected by retaliatory tariffs. Since FY2020, Congress and the White House have provided over \$30 billion of supplemental pandemic assistance to farms and over \$60 billion for nutrition.

Information in Selected CRS Reports

- CRS Report R47057, *Preparing for the Next Farm Bill*
- CRS Report R45425, *Budget Issues That Shaped the 2018 Farm Bill*
- CRS Report R45210, *Farm Bills: Major Legislative Actions, 1965-2018*

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