



## Farm Bill Primer: Programs Without Baseline Beyond FY2018

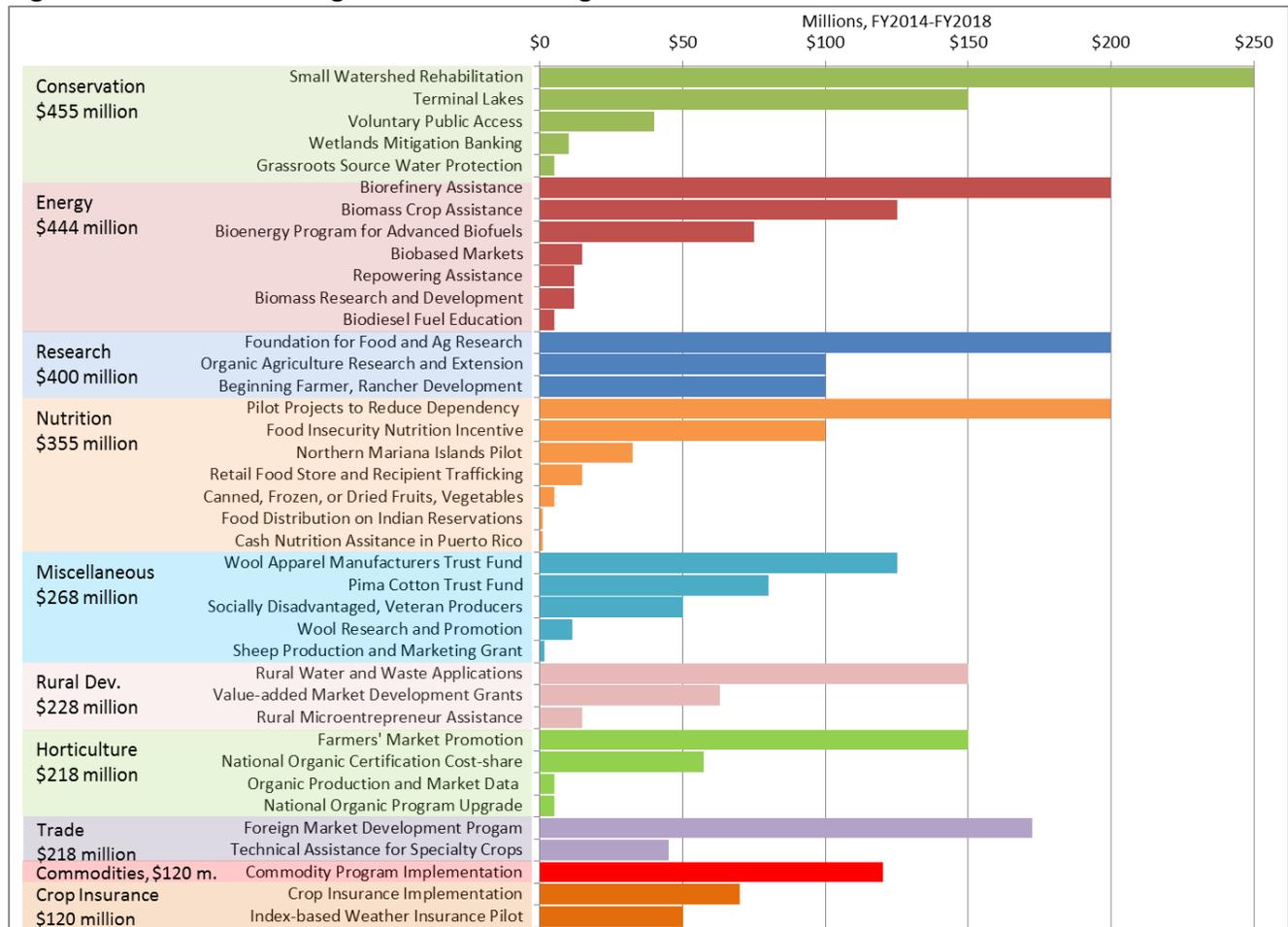
The 2014 farm bill (the Agricultural Act of 2014, P.L. 113-79) authorized \$489 billion of mandatory spending over FY2014-FY2018. It generally expires at the end of FY2018. From a budgetary perspective, many of these programs are assumed to continue beyond their authorization. That is, they have a “baseline” beyond the end of the farm bill. Having a baseline essentially gives programs built-in future funding if policymakers decide that the programs should continue, or, if not, the baseline can be reallocated to other programs or used as an offset for deficit reduction.

However, a subset of programs that received mandatory funding in the 2014 farm bill does not have a baseline beyond the end of the farm bill. These are referred to as “farm bill programs without a baseline” and do not have assured future funding. Reauthorization in the next farm bill would have a positive score (cost) and likely need to be offset by reductions elsewhere.

Generally, a program with estimated mandatory spending in the last year of its authorization will be assumed to continue in the baseline as if there were no change in policy and it did not expire. Other programs, though, are not assumed to continue in the baseline, because they have mandatory spending less than a minimum \$50 million scoring threshold in the last year of the farm bill or were not given baseline to continue by the authorizing committees.

The Congressional Budget Office (CBO) projects future government spending in its budget baselines but has not specifically published a list of expiring farm bill programs without a continuing baseline. To compile this list, CRS analyzed the CBO score of the 2014 farm bill, the statutory text of the law, and current CBO baseline projection, looking for programs that received mandatory funding but do not have baseline beyond FY2018 (**Figure 1, Table 1**).

**Figure 1. 2014 Farm Bill Programs Without a Budget Baseline After FY2018**



**Source:** Compiled by CRS using the text of P.L. 113-79; the CBO score of the Agricultural Act of 2014, Table 4, “Detailed Effects on Direct Spending,” January 28, 2014; and the CBO Baseline Projection for USDA Mandatory Farm Programs, June 29, 2017.

**Table I. 2014 Farm Bill Programs Without Baseline**

Section	Name of Provision
1614	Commodity Program Implementation
2502	Grassroots Source Water Protection
2503	Voluntary Public Access and Habitat Incentive
2505	Small Watershed Rehabilitation
2507	Terminal Lakes
2609	Wetlands Mitigation Banking
3013	Foreign Market Development Program
3205	Technical Assistance for Specialty Crops
4004	Food Distribution Indian Reservations Feasibility Study
4022	Pilot Projects to Reduce Dependency
4025	Review of Cash Assistance Program in Puerto Rico
4029	Retail Food Store and Recipient Trafficking
4031	Commonwealth of the Northern Mariana Islands Pilot
4208	Food Insecurity Nutrition Incentive
4214	Pilot for Canned, Frozen, or Dried Fruits, Vegetables
6023	Rural Microentrepreneur Assistance
6203	Value-added Ag. Product Market Development Grants
6210	Pending Water and Waste Disposal Applications
7211	Organic Agricultural Research and Extension
7409	Beginning Farmer and Rancher Development
7601	Foundation for Food and Agriculture Research
9002	Biobased Markets
9003	Biorefinery Assistance
9004	Repowering Assistance
9005	Bioenergy Program for Advanced Biofuels
9006	Biodiesel Fuel Education
9008	Biomass Research and Development
9010	Biomass Crop Assistance
10003	Farmers' Market and Local Food Promotion
10004(a)	Organic Production and Market Data Initiative
10004(b)	National Organic Program Technology Upgrade
10004(c)	National Organic Certification Cost-share
11020	Crop Insurance Implementation
11026	Index-based Weather Insurance Pilot
12102	Sheep Production and Marketing Grant
12201	Outreach: Socially Disadvantaged, Veteran Producers
12314	Pima Cotton Trust Fund
12315	Wool Apparel Manufacturers Trust Fund
12316	Wool Research and Promotion

**Source:** P.L. 113-79 and CRS Report R44758, *Farm Bill Programs Without a Budget Baseline Beyond FY2018*.

Based on this analysis, 39 programs across 10 of the 12 titles of the farm bill do not have a continuing baseline after FY2018. These programs had estimated mandatory spending totaling \$2.824 billion over the five-year window of the farm bill. Any extended authorization of these programs would be scored as new mandatory spending, which may require either offsets from existing baseline for other programs or an increase in net spending.

As a share of the \$489 billion five-year mandatory cost of the farm bill in 2014 when it was enacted, programs without a baseline beyond FY2018 are relatively small: 0.6% of the total projected farm bill spending, or 2.5% of the total excluding the nutrition programs. However, the impact of programs without a baseline varies by title of the farm bill.

Notable programs without continuing baseline include certain conservation programs; most of the bioenergy, rural development, and research title programs that received mandatory spending; various nutrition title pilot programs and studies; organic agriculture and farmers' market programs; trade promotion programs; and outreach to socially disadvantaged and military veteran farmers.

For the rural development title, 100% of the mandatory spending in the 2014 farm bill was by programs that do not have baseline beyond FY2018. For the bioenergy and research titles, the share was at least one-half. At the other extreme, nutrition programs and the farm safety net—including crop insurance and the commodity programs—have less than 1% in programs without a continuing baseline (CRS Report R44758, *Farm Bill Programs Without a Budget Baseline Beyond FY2018*).

With \$2.8 billion of programs without baseline, the 2014 farm bill has less dollar exposure to such programs than did the 2008 farm bill, which had 37 programs without baseline totaling an estimated \$9 billion to \$14 billion. The 2014 farm bill provided 29 of those 37 programs with \$6.2 billion of mandatory funding over FY2014-FY2018. Some of those programs reappear on the current list of 2014 farm bill programs without baseline, while others either received a continuing baseline or were not reauthorized.

### CRS Products

CRS In Focus IF10783, *Farm Bill Primer: Budget Issues*.

CRS Report R44758, *Farm Bill Programs Without a Budget Baseline Beyond FY2018*.

CRS In Focus IF10187, *The 2014 Farm Bill (Agricultural Act of 2014)*.

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