



The omnibus Farm Bill is renewed about every five years in a process that evaluates, revises, adds, removes, and extends components of federal farm law. The periodic process allows time for evaluation of policies and for participation from researchers, diverse interest groups, the Executive Branch, and Congress. There have been seven omnibus farm bills since the 1970s (2008, 2002, 1996, 1990, 1985, 1981, 1977). Prior farm legislation was in 1973, 1970, 1965, 1956, 1954, 1949, 1948, 1938, and 1933. If new legislation is not enacted, farm law will revert to 1940's provisions. The old provisions have little relevance to current American agriculture and thereby serve to ensure periodic review and enactment of new farm policy.

Farm Bills consist of multiple sections of related policy called titles. These packages of laws govern such elements federal farm support, food assistance, agricultural trade, marketing, and rural development.

The last Farm Bill was called the 2008 Food, Conservation, and Energy Act. It consisted of:

Title I: Commodity Programs

Reauthorizes farm commodity price and income support for designated grain, oilseed, and cotton program crops—major commodities being corn, cotton, wheat, rice and soybeans. The supports include the Marketing Assistance Loan program and Direct and Counter-cyclical payment program, as well as authority also for dairy programs—the dairy price support program (DPSP) and the Milk Income Loss Contract (MILC) program—and the sugar program which mandates 85% market share for domestic sugar.

Title II: Conservation

Reauthorizes and establishes USDA voluntary conservation programs providing producer support for land retirement, conservation easements, and conservation practices on agricultural land. It includes compliance requirements for soil erosion and wetland protections in order to maintain full eligibility for USDA benefits other than Crop Insurance.

Title III: Trade

Reauthorizes USDA's food aid, export market development, and export credit guarantee programs and gives authority for P.L. 480 food aid program, Food for Progress, and the McGovern-Dole International School Feeding and Child Nutrition Program.

Title IV: Nutrition

Reauthorizes and provides administration of, eligibility for, and benefits under the Food Stamp program, known as the Supplemental Nutrition Assistance Program (SNAP) and for The Emergency Food Assistance Program (TEFAP).

Title V: Credit

Reauthorizes two government-related farm lenders, the USDA Farm Service Agency (FSA) and the Farm Credit System (FCS).

Title VI: Rural Development

Reauthorizes rural development loan and grant programs, includes provisions for rural broadband, and provides technical and financial assistance for rural businesses.

Title VII: Research

Reauthorizes the Agricultural Research Service (ARS), Economic Research Service (ERS), and National Agricultural Statistics Service (NASS) and in 2008 established the Agriculture and Food

Research Initiative (AFRI) and the National Institute of Food and Agriculture (NIFA) to replace the Cooperative State, Education, and Extension Service (CSREES).

Title VIII: Forestry

Reauthorizes forestry programs and governs the U.S. Forestry Service, an agency of the USDA.

Title IX: Energy

Funds Federal agency procurement of biobased products, construction of advanced biofuel refineries, biomass research and energy efficiency improvements.

Title X: Horticulture and Organic Agriculture

A new title in 2008, provided funds to state agriculture departments for U.S. specialty crop marketing, promotion, research, and other activities. It also provided new mandatory funding for farmers' markets and transitioning producers to organic production, and provided for price reporting and organic data collection.

Title XI: Livestock

A new title in 2008, made changes to existing laws governing livestock and poultry marketing and competition, including arbitration in livestock or poultry contracts, required additional reporting and tracking of enforcement action under the Packers and Stockyards Act, and enabled state-inspected meat and poultry to enter interstate commerce.

Title XII: Crop Insurance and Disaster Assistance Programs

Reauthorizes the Federal Crop Insurance Program which provides subsidies to insurance companies for selling and servicing crop insurance policies, and subsidizes insurance policy premiums paid by producers.

Title XIII: Commodity Futures

Reauthorizes appropriations for the Commodity Futures Trading Commission (CFTC).

Title XIV: Miscellaneous

Includes various provisions not contained in other titles.

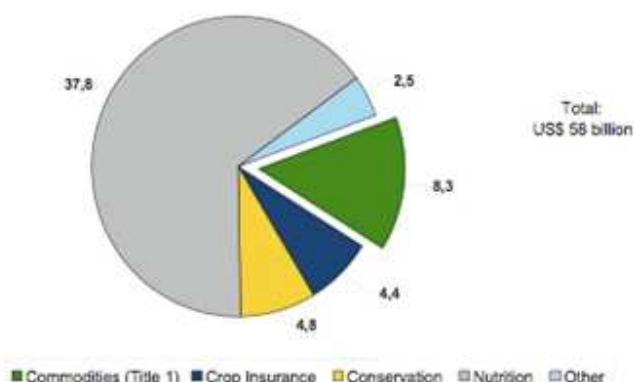
Title XV: Tax Provisions

Specific new title of tax provisions for revenue-raising that CBO estimated would generate a \$10 billion offset over 10 years to pay for the 2008 Farm Bill.

A Closer Look:

Projected Average Annual Expenditure of Farm Bill (2008-2012)

Source: CBO as referenced in CRS report June 2008



Nutrition Title: The Lion's Share

- The largest portion of the Farm Bill.
- More than 66% of Farm Bill total in 2008.
- Projection for 2012 Farm Bill budget is 75% of total.
- Food Stamps (SNAP) account for 72% of Nutrition Title.

Conservation Title: Continually Cut

- Received annual reductions in funding during the appropriations process each year throughout 2002 and 2008 Farm Bills.
- Additional cuts to Conservation programs made in FY Budget deal.

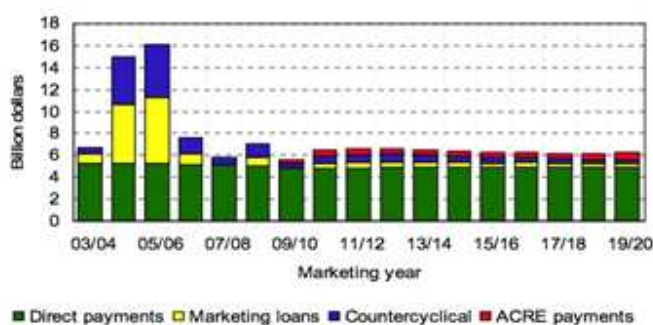
Commodity Title: Payment Profile

Price-based subsidies have dramatically reduced due to higher market prices for program crops, largely leaving only Direct Payments.

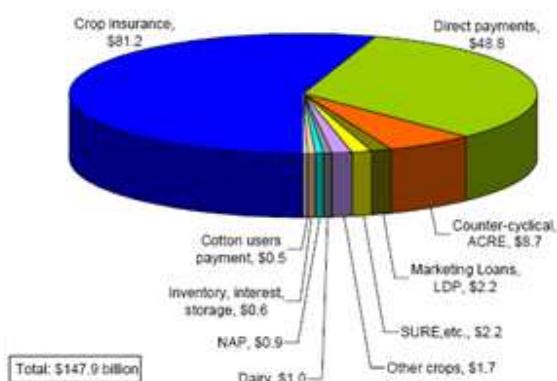
Crop Insurance Title: Outpacing Subsidies

Crop Insurance has become the second largest Farm Bill budget item, greater than Title I or II.

Direct Payment Dominate Program Payments



Projected Outlays for Title I Farm Commodity Programs, Crop Insurance, and Disaster Programs, FY2011-2020 Total (dollars in billions, 10-year total)



Source: CRS compilation, based on the August 2010 CBO baseline for crop insurance and SURE, and the March 2010 CBO baseline for the direct and counter-cyclical programs (the latest available by type of payment).

More Information: www.iwla.org/agconservation Izaak Walton League of America 651.649.1446