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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. Over the years, this title has included provisions supporting locally sourced products (not limited to crops) and hemp cultivation. Upon enactment of the Agriculture Improvement Act of 2018 (P.L. 115-334; 2018 farm bill), projected outlays for the Horticulture title totaled \$1.0 billion (FY2019-FY2023), accounting for less than 0.5% of total projected farm bill spending. Support for these sectors, however, 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). This In Focus provides an overview of selected 2018 farm bill provisions and issues for the next farm bill related to specialty crops, organically produced and locally sourced products, and hemp (for descriptions, see **text box**).

Specialty Crops

The 2018 farm bill reauthorized and expanded funding for many of the existing USDA programs supporting fruits, vegetables, and other specialty crops. In the Horticulture title, provisions included the Specialty Crop Block Grants to states, Specialty Crop Market News data collection, food safety education initiatives, and chemical regulation and information collection. Provisions in other 2018 farm bill titles included the Specialty Crop Research Initiative and other USDA programs supporting emergency citrus disease research (Research title); USDA purchases of fresh fruits and vegetables for use in domestic nutrition assistance programs (Nutrition title); federal crop insurance and supplemental disaster assistance; agricultural trade promotion; and other marketing programs (various titles).

Issues and Options

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 ways to address continued COVID-19-related supply-chain disruptions including access to workers and distribution challenges. While some of these priorities may involve reforms outside the farm bill, others could be addressed by increasing grant funding, changing USDA procurement rules (e.g., H.R. 5309), and expanding research into mechanization technologies. In addition, legislation pending before Congress addresses seasonal import competition in certain regions of the country (e.g., H.R. 4580 and H.R. 3926/S. 2080).

USDA-Certified Organic Agriculture

The 2018 farm bill reauthorized and expanded support for agricultural products certified and labeled as *USDA*

Organic. The Horticulture title of the 2018 farm bill primarily focused on addressing 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 (NOSB) and reauthorized the National Organic Certification Cost-Share Program and the Organic Production and Market Data collection. Provisions in other 2018 farm bill titles included the Organic Agriculture Research and Extension Initiative (Research title); transition assistance and incentives for organic production (Conservation title); and federal crop insurance and other marketing and promotion support in other titles.

Industry 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 refers to 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 for producers and handlers that use approved methods and standards, covering organically produced specialty crops, field crops, and animal products (e.g., meat and dairy products), as well as nonfood consumer products.

Locally Sourced Foods—No consensus exists for what constitutes locally sourced foods. In most cases, USDA farm programs that support local food systems base program eligibility on using a statutory definition of *locally or regionally produced agricultural food products* as 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).

Hemp—"the plant *Cannabis sativa* L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol [THC] concentration of not more than 0.3 percent on a dry weight basis" (7 U.S.C. §1639o).

Issues and Options

The organic industry represents highly diverse interests with often diverging priorities. Some shared priorities have focused on USDA not finalizing regulations addressing transitioning dairy cows, livestock handling and poultry living conditions, and oversight and enforcement of NOP-certified products. Some legislative priorities focus on

restoring organic certification cost-share program funding and ensuring organic agriculture is part of ongoing U.S. agricultural climate solutions (e.g., H.R. 2803/S. 1251). The next farm bill could consider further structural changes to NOP, including establishing a new framework for developing standards, elevating the role of the NOSB, and addressing the current backlog in developing NOP standards (e.g., H.R. 2918). Other actions could advance organic agriculture within USDA research, nutrition, and procurement programs (e.g., H.R. 5309), as well as improve crop insurance and risk management tools. Some producer groups are actively pursuing an alternative certification regime under a *Regenerative Organic* label, in part to address perceived NOP shortcomings related to animal welfare protections and objections by some that soilless hydroponic growing systems qualify as *USDA Organic*.

Local, Urban, and Innovative Production

The 2018 farm bill reauthorized and expanded funding for many of the existing provisions supporting locally sourced foods—both crops and animal products. The Horticulture title of the 2018 farm bill created the Local Agriculture Market Program (LAMP), 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 and disaster assistance for urban and small-scale production and made changes to food programs and grants in the Nutrition title.

The 2018 farm bill created new support for urban food systems in the Research and other titles, establishing an Office of Urban Agriculture and Innovative Production at USDA and providing new grant authority to facilitate urban production, harvesting, transportation, and marketing. The 2018 farm bill also included provisions supporting historically underserved producers (Title XII, Subtitle C). These provisions expanded USDA support for beginning, socially disadvantaged, and veteran farmers and ranchers, which often also supports farming operations within USDA programs benefitting local and urban farmers.

Issues and Options

Legislative priorities among groups representing generally small-sized local and urban producers—and beginning, socially disadvantaged, and veteran farmers and ranchers—span diverse food systems and community needs. Shared priorities include increased access to USDA programs and the need to address equity and competition—often related to small-sized and limited resource producers. Priorities also often focus on agricultural sustainability and access to USDA conservation funding, including for organic production systems. Climate-focused agricultural policies and ensuring that locally sourced food systems are part of U.S. agricultural climate solutions (as proposed in H.R. 2803/S. 1251) remain a priority for these groups. The next farm bill also could provide resources to improve agricultural and rural infrastructure and supply-chain resilience by expanding access to farm credit and crop insurance and to USDA nutrition and procurement programs (e.g., H.R. 2896, H.R. 5309), as well as address industry consolidation and anti-trust concerns (e.g., H.R. 1258). In previous farm bill debates, a range of proposed legislative changes across all farm bill titles were

introduced in comprehensive marker bills reflecting the interests of small-sized local and urban producers.

Hemp Production and Processing

The 2018 farm bill created new authorities to legalize hemp, a variety or cultivar of *Cannabis sativa*—the same plant as marijuana—grown for use in producing a range of nonpsychoactive food, beverage, consumer, and manufactured products. The 2018 farm bill's Horticulture title directed USDA to create a framework to regulate hemp cultivation under federal law and facilitate commercial cultivation, processing, marketing, and sale of hemp and hemp-derived products. USDA published final regulations under the Domestic Hemp Production Program in 2021. All U.S. states plan to allow growth of hemp in the 2022 crop year under a USDA-approved state plan or a USDA general license. Other 2018 farm bill titles made hemp producers eligible for federal crop insurance and agricultural research programs, largely implemented by USDA.

Issues and Options

Hemp industry interests reflect many national and regional groups with differing priorities, often depending on the products they produce and whether hemp is used for its fiber, grain, or flower. Some shared priorities call for relaxing USDA's regulatory requirements—perceived by the hemp industry and some state regulators to be overly restrictive and impractical—and reducing the role of the Drug Enforcement Administration in regulating hemp. The next farm bill could further amend the statutory definition of *hemp* (7 U.S.C. §1639o) to raise the allowable legal THC level from 0.3% to 1% (e.g., S. 1005) and increase research funding for hemp, including targeted support for processing capacity of hemp fibers for use in insulation, construction materials, and plastics. The National Association of State Departments of Agriculture supports adding hemp to the statutory definition of a *specialty crop* (7 U.S.C. §1621 note), which could qualify hemp for USDA programs that tie eligibility to the specialty crop definition. The next farm bill also could consider ways to ensure hemp is part of ongoing climate proposals involving agriculture.

Other leading efforts by some hemp groups seek to address longstanding concerns that the Food and Drug Administration (FDA) continues to restrict the marketing of food and dietary supplements containing added hemp-derived cannabidiol (CBD) (e.g., H.R. 841 and S. 1698). Related proposals would establish federal standards under FDA's jurisdiction for hemp-derived CBD products (H.R. 6134). Some interest groups contend that FDA is not properly regulating CBD, which could pose a public safety threat. An open question is whether changes to FDA laws and regulations are within the farm bill's jurisdiction.

More Information in Other CRS Reports

- CRS In Focus IF11317, *2018 Farm Bill Primer: Specialty Crops and Organic Agriculture*
- CRS In Focus IF11252, *2018 Farm Bill Primer: Support for Local Food Systems*
- CRS In Focus IF11210, *2018 Farm Bill Primer: Support for Urban Agriculture*
- CRS In Focus IF11227, *2018 Farm Bill Primer: Beginning Farmers and Ranchers*
- CRS In Focus IF11088, *2018 Farm Bill Primer: Hemp Cultivation and Processing*

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