

# **IN FOCUS**

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# Farm Bill Primer: Programs Without Baseline Beyond FY2023

In preparation for the next farm bill, Congress may give consideration to a subset of 21 programs in the 2018 farm bill (Agriculture Improvement Act of 2018, P.L. 115-334) that do not have a budget baseline for funding beyond FY2023. These programs received \$906 million of mandatory funding during the five years of the 2018 farm bill. Programs that receive mandatory funding do not require annual discretionary appropriations.

From a budgetary perspective, many programs are assumed to continue beyond the end of their authorization. That is, they have a continuing *baseline* beyond the end of a farm bill, which gives them built-in future funding if policymakers decide that the programs should continue, or, if not, the baseline can be reallocated or used as an offset for deficit reduction. Reauthorizing *farm bill programs without baseline* would have a positive score (cost) and likely need to be offset by reductions elsewhere.

### Why Some Programs Have Baseline, Others Not

Under budget rules, a program with mandatory spending authority in the last year of its authorization generally may be assumed to continue as if it did not expire. This is the case for long-standing farm bill programs. Some of the newer, smaller farm bill programs do not continue in the baseline because they (a) have mandatory spending less than a minimum \$50 million scoring threshold in the last year of the farm bill or (b) were not provided baseline to continue by the authorizing and budget committees.

The Congressional Budget Office (CBO) projects future government spending in its official budget baselines but has not published a list of expiring farm bill programs without a continuing baseline. To compile this list, CRS analyzed the CBO score of the 2018 farm bill, current CBO baseline projections, and the statutory text of the law, looking for programs that received mandatory funding but do not have baseline beyond FY2023.

Based on this analysis, 21 programs across 8 of the 12 titles of the 2018 farm bill received \$906 million of mandatory spending authority (out of total mandatory spending of \$428 billion across all farm bill programs) that do not have a continuing baseline after FY2023 (**Figure 1**, **Table 1**).

			\$ Millions, 5 years, FY2019-FY2023			
		0	50	100	150	200
Research	Foundation for Food & Ag. Research					
\$235 million	Scholarships for 1890s Institutions					
Urban, Indoor & Emerging Ag. Production						
Miscellaneous \$336 million	Emergency Citrus Disease Research					
	Wool Apparel Mfg. Trust Fund					
	Pima Cotton Trust Fund					
	Wool Research and Promotion					
	Sheep Production & Marketing Grants					
Conservation \$130 million	Feral Swine Eradication & Control	_				
	Voluntary Public Access & Habitat					
	Grassroots Source Water Protection					
Energy	Biorefinery Assistance	_				
\$125 million	Bioenergy Prog. for Advanced Biofuels	_				
	Biobased Markets Program					
Horticulture \$35 million	National Organic Cert. Cost-Share					
	Organic Prod. & Market Data Initiatives	-				
	Organic Cert./Trade Tracking & Data	-				
Multiple Crop & Pesticide Use Survey			_			
Nutrition, \$20 m. Farm to Food Bank program						
Commodities, \$16 m. Program Implementation						
Rural Develop	ment, \$10 m. Rural Econ. Dev. Program					

Figure 1. 2018 Farm Bill Programs Without a Budget Baseline After FY2023, by Title

Source: Created by CRS using CRS Report R45425, Budget Issues That Shaped the 2018 Farm Bill, Table 3, table notes b and c.

**Notes:** Programs in P.L. 115-334 are identified as having mandatory budgetary outlays during FY2019-FY2023 but no budget authority beyond FY2023. See CBO, *H.R. 2, Agriculture Improvement Act of 2018,* December 11, 2018, at https://www.cbo.gov/publication/54880.

Section	Name of Provision		
1706	Commodity Program Implementation		
2405	Grassroots Source Water Protection Program		
2406	Voluntary Public Access and Habitat Incentive		
2408	Feral Swine Eradication and Control Pilot		
4018(b)	Farm to Food Bank Program		
6504	Rural Economic Development Program		
7117	Scholarships for 1890s Institutions		
7212	Urban Agriculture		
7603	Foundation for Food and Agriculture Research		
9002	Biobased Markets Program		
9003	Biorefinery Assistance		
9005	Bioenergy Program for Advanced Biofuels		
10103	Organic Production and Market Data Initiatives		
10104	Organic Certification/Trade Tracking and Data		
10105	National Organic Certification Cost-Share		
10109	Multiple Crop and Pesticide Use Survey		
12102	Sheep Production and Marketing Grants		
12602	Pima Cotton Trust Fund		
12603	Wool Apparel Manufacturers Trust Fund		
12604	Wool Research and Promotion		
12605	Emergency Citrus Disease Research Trust Fund		

**Source:** CRS, using CRS Report R45425, Budget Issues That Shaped the 2018 Farm Bill, Table 3, table notes b and c.

**Notes:** Programs in P.L. 115-334 are identified as having mandatory budgetary outlays during FY2019-FY2023 but no budget authority beyond FY2023. See CBO, H.R. 2, Agriculture Improvement Act of 2018, December 11, 2018, at https://www.cbo.gov/publication/54880.

#### **Types of Programs Affected**

As a share of the \$428 billion, five-year cost of mandatory spending at enactment of the 2018 farm bill, programs without a baseline are small: 0.2% of the projected total 2018 farm bill mandatory spending, or 0.9% of a subtotal that excludes nutrition programs. However, the impact varies by title of the bill. The one program in the rural development title receiving mandatory funding is affected. For the research title, 34% of mandatory funding for the title is affected. By comparison, less than 0.1% of funding in the farm commodities and nutrition titles are affected.

For most of these programs, authority and/or funding to operate the programs expires at the end of FY2023.

#### **Comparison with Past Farm Bills**

Farm bill programs without a budget baseline have been an issue since the end of the 2008 farm bill. As Congress prepares for the next farm bill, there are fewer programs without a budget baseline than for previous farm bill reauthorizations (**Table 2**).

During past reauthorizations, some affected programs received mandatory funding for the farm bill but not permanent baseline. In other cases, programs received permanent baseline by consolidating them into a larger umbrella program to exceed the \$50 million scoring threshold, and required extra funding in the 10-year score.

- Of the 37 programs with no baseline after the 2008 farm bill expired, the 2014 farm bill provided 29 of the programs with \$6.2 billion over FY2014-FY2018.
- Of the 39 programs with no baseline after the 2014 farm bill expired, the 2018 farm bill provided 23 of the programs with \$1.6 billion over FY2019-FY2023, of which nine programs received permanent baseline costing an additional \$1.5 billion over FY2024-FY2028.

#### Table 2. Time Series of Programs Without Baseline

Farm Bill	Number	Expiration	\$ million
2008 farm bill	37	FY2012	<b>\$9, 3</b>  ª
2014 farm bill	39	FY2018	\$2,824
2018 farm bill	19	FY2023	\$876

**Source:** CRS, using CRS In Focus IF10780, Farm Bill Primer: Programs Without Baseline Beyond FY2018, and CRS Report R41433, Programs Without a Budget Baseline at the End of the 2008 Farm Bill.

a. At enactment in 2008, the five-year estimated cost of affected programs was \$9.131 billion. In 2012, the estimated cost to reauthorize the programs was as high as \$14 billion.

During the one-year extension of the farm bill in 2013 (P.L. 112-240, Title VII), programs without a budget baseline did not continue in FY2013 because no additional mandatory funding was provided during the extension. For an extension to provide mandatory funding for programs without a baseline, the new spending authority would come at a cost (score) to the bill, and the extension would not be budget neutral without offsets. Congress decided not to extend mandatory funding for programs without a baseline. While the one-year extension included new authorizations of appropriations for these programs for FY2013, those authorizations went unfunded in appropriations acts.

For the next farm bill reauthorization, a smaller number of programs have no baseline and comprise a smaller dollar amount than in previous reauthorizations. This and the availability of continuing baseline for more programs may make it easier for Congress to balance some budget considerations in the next farm bill than in the 2014 and 2018 farm bills.

## **CRS** Products

CRS In Focus IF12047, Farm Bill Primer: What Is the Farm Bill? CRS In Focus IF12233, Farm Bill Primer: Budget Dynamics CRS Report R47659, Expiration of the Farm Bill Jim Monke, Specialist in Agricultural Policy

IF12115

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