

THEMES OF 2018 US HOUSE AND SENATE FARM BILLS
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Senate Farm Bill Titles

TITLE I	Commodities	TITLE II	Conservation
TITLE III	Trade	TITLE IV	Nutrition
TITLE V	Credit	TITLE VI	Rural Development
TITLE VII	Research, Extension, and Related Matters	TITLE VIII	Forestry
TITLE IX	Energy	TITLE X	Horticulture
TITLE XI	Crop Insurance	TITLE XII	Miscellaneous

House Farm Bill titles are the same (some names differ slightly) except Energy title is eliminated. Most energy programs are moved to other titles. For example, bioenergy programs are added to its Title VI (Rural Infrastructure and Economic Development).

What follows is a compilation of contemporary themes that emerge to the author as he read the House and Senate farm bills. Selected provisions are provided as rationales for the theme. The focus in this paper is on themes that emerge in this farm bill or the last three farm bills. The selected provisions may be new to this farm bill or a continuing provision. Looking for themes in the farm bill is useful because themes indicate topics of interest to Congress. Moreover, differences in themes between the two Chambers indicate potential difficult hurdles to a farm bill. Please remember that this list is subjective and conditioned on the author.

Overarching, common theme of the 2 bills is limited change. Limited change reflects a tight budget combined with a fear of looming farm financial stress. Money is thus not available from the farm safety net to make sizable changes in other titles, a key tactic used to gain passage of both the 2008 and 2014 farm bills. The limited change overarching theme does not mean differences do not exist between the two bills.

Summary of House 2018 Farm Bill Themes	Summary of Senate 2018 Farm Bill Themes
<ul style="list-style-type: none"> ● Increases Work Eligibility Requirement for SNAP (Supplemental Nutrition Assistance Program) ● Favors Price over Revenue Support for Farms ● Large Farm Orientation ● Farm Production Risk Assistance ● Consolidates Working Land Conservation Programs ● Regulatory Relief ● Beginning Farmers and Ranchers 	<ul style="list-style-type: none"> ● Favors Revenue over Price Support For Farms ● Limit Payments / Increase Program Cost to Large Farms ● Farm Production Risk Assistance ● Urban Agriculture ● Conservation Easements ● Soil Health ● Water Quality ● Private-Public Partnerships ● Hemp ● Beginning Farmers and Ranchers

HOUSE 2018 FARM BILL THEMES

Increases Work Eligibility Requirement for SNAP (Supplemental Nutrition Assistance Program)

- ▶ Increases minimum to 20 hours/week, then 25 hours after fiscal year 2026. (*Nutrition Title*)

Favors Price over Revenue Support for Farms

- ▶ Calculation of Price Loss Coverage (PLC) payments changed to higher of (a) 2014 farm bill reference price or (b) 85% of 5-year Olympic moving average of crop year price, capped at 115% of reference price. No similar change made to Agriculture Risk Coverage–county (ARC-CO) revenue program (does mandate preference to Risk Management Agency yields in determining ARC-CO yields). (*Commodity Title*)
- ▶ PLC payment yield can be updated to 90% of average 2013-17 yield if farm is in county that had a severe enough drought during a year from 2008-12. No similar ARC-CO change (*Commodity Title*)
- ▶ Bars purchase of area insurance for a crop and acres for which ARC-CO is elected. (*Insurance Title*)

Large Farm Orientation

- ▶ Exempts marketing loan gains and loan deficiency payments from \$125,000 payment limit per payment entity and from Aggregate Gross Income (AGI) eligibility test. *(Commodity Title)*
- ▶ Creates a new farm entity category called a “qualified pass through entity.” Exempts them from payment limits and AGI. *(Commodity Title)*
- ▶ Increases limit on Farm Credit ownership and operating loans from \$700,000 to \$1,750,000 and acreage exception to loan limits from 1,000 to 2,000 acres. *(Credit Title)*

Farm Production Risk Assistance

- ▶ Adds Supplemental Disaster Assistance Program coverage for disease caused or transmitted by a vector that cannot be controlled by vaccination or management. *(Commodity Title)*
- ▶ Allows dairy gross margin insurance to be bought for milk not covered by the Dairy Risk Assistance Program (formerly, dairy Margin Protection Program). *(Commodity Title)*
- ▶ Authorizes catastrophic insurance can be independently indemnified on separate policy for crops that are both grazed and mechanically harvested on same acre during same growing season. *(Insurance Title)*
- ▶ Authorizes study of new insurance contracts for (1) tropical storm and hurricane caused crop damage and (2) subsurface irrigation. *(Insurance Title)*
- ▶ Authorizes study of alternative adjustment for quality losses that does not impact a producer’s average production history. *(Insurance Title)*
- ▶ Authorizes competitive grants for education activities on all risk management strategies. Includes forward pricing of all types, crop insurance, debt reduction, and production diversification. *(Insurance Title)*
- ▶ Authorizes National Animal Disease Preparedness and Response Program as well as a National Animal Health and Vaccine Bank. *(Miscellaneous Title)*
- ▶ Mandates national agriculture imagery program to annually acquire aerial imagery during the continental US agricultural growing season. *(Miscellaneous Title)*

Consolidates Working Land Conservation Programs

- ▶ Eliminates Conservation Security Program and moves most of its programs and activities into the Environmental Quality Incentives Program (EQIP). *(Conservation Title)*

Regulatory Relief

- ▶ Several provisions address “Insecticide, Fungicide, and Rodenticide Act,” including registration of pesticides and role of a state’s lead agency. *(Horticulture Title)*
- ▶ Authorizes qualified use of methyl bromide if specified authority declares emergency. *(Horticulture Title)*
- ▶ Enacts into law “Pesticide Registration Improvement Enhancement Act of 2017” as passed by House of Representatives on 3/20/2017. *(Horticulture Title)*
- ▶ “Availability of Categorical Exclusions to Expedite Forest Management Activities” is a subtitle in *Forestry Title*.

Beginning Farmers and Ranchers

- ▶ Minimum years of experience for ownership loan reduced to 2 from 3; can be 1 if criteria met. *(Credit Title)*
- ▶ Authorizes program to collect and analyze data on farmland ownership, tenure, transition, and entry of beginning farmers. *(Research, Extension Title)*
- ▶ Authorizes “Commission on Farm Transition Needs for 2050.” *(Miscellaneous Title)*

SENATE 2018 FARM BILL THEMES

Favors Revenue over Price Support for Farms

- ▶ ARC-CO benchmark county yield is adjusted for yield trends. *(Commodities Title)*
- ▶ Minimum ARC-CO county yield raised to 75% from 70%. *(Commodities Title)*
- ▶ Unlike House, no change to reference prices. *(Commodities Title)*

Limits Payments / Increases Program Cost to Large Farm

- ▶ Reduces Adjusted Gross Income Limit from \$900,000 to \$700,000. *(Commodities Title)*
- ▶ Allows only 1 person or legal entity per farming operation to be considered 'actively engaged' in farming based on active personal management. *(Commodities Title – Floor Amendment)*
- ▶ Authorizes a discount of 50% (25%) discount on producer paid premiums for dairy margin program if production history does not exceed 2 million pounds (is between 2-10 million pounds). *(Commodities Title)*

Farm Production Risk Assistance

- ▶ Allows a producer to establish a single enterprise unit by combining insurance units, including enterprise units, across counties. *(Insurance Title)*
- ▶ Directs that impact of drought years on historic revenue be moderated. *(Insurance Title)*
- ▶ Authorizes research and development to (a) expand availability of limited irrigation insurance, (b) establish adjustments for quality loss, (c) modify existing or develop new contracts for citrus, and (d) develop contracts

for hops, irrigated sorghum, local food and horticulture production, and controlled production environments such as greenhouses. (*Insurance Title*)

- ▶ Authorizes National Animal Disease Preparedness, Response, and Recovery Program and a National Animal Vaccine and Veterinary Countermeasures Bank. (*Miscellaneous Title*)
- ▶ Directs a study of creating a Livestock Dealer Statutory Trust. (*Miscellaneous Title*)

Urban Agriculture

- ▶ Authorizes competitive grants for research, education, and extension activities to enhance urban, indoor, and other emerging agricultural production. (*Research, Extension Title*)
- ▶ Directs Secretary of Agriculture to create Office of Urban Agriculture and Innovative Production. (*Miscellaneous Title*)

Conservation Easements

- ▶ Creates conservation reserve easement for program land in expiring Conservation Reserve Program (CRP) contracts. (*Conservation Title*)
- ▶ Increases funding for Agricultural Conservation Easement Program. (*Conservation Title*)

Soil Health

- ▶ Authorizes soil health pilot demonstration project in EQIP. (*Conservation Title*)
- ▶ Authorizes soil health and income protection plan to plant perennial cover crops on less productive soils on a farm. (*Conservation Title*)
- ▶ Authorizes Soil Testing and Remediation Program to mitigate presence of contaminants in soil. (*Conservation Title*)
- ▶ Adds soil health to Agricultural and Food Research Initiative. (*Research, Extension Title*)
- ▶ Specifies cover crop termination carried out according to guidelines will not impact insurability of the next crop. Defines "cover crop termination" as a practice that historically and under reasonable circumstances results in termination of a cover crop. (*Insurance Title*)
- ▶ Includes cover crop in new "voluntary good farming practice" insurance category. (*Insurance Title*)
- ▶ With 2020 reinsurance year, allows discounts on insurance for practices that have demonstrated lower risk relative to other practices. Mentions precision irrigation, precision fertilization, crop rotation, and cover crops. (*Insurance Title*)
- ▶ Includes soil health as an objective for mandating collection, review, and analysis of data on how conservation practices impact farm and ranch profitability and risk. (*Miscellaneous Title*)

Water Quality

- ▶ Identified water quality as a priority for enrollment in CRP. (*Conservation Title*)
- ▶ Authorizes interagency task force on water quality in rural area. (*Rural Development Title*)
- ▶ Increases authorized funds for rural decentralized water systems. (*Rural Development Title*)
- ▶ Authorizes a water source protection program. (*Forestry Title*)

Private-Public Partnerships

- ▶ Allows up to 15% of land in CRP to enroll in a conservation reserve enhancement program in which conservation partners help identify mutually agreed upon practices and pay an incentive fee to regularly maintain or enhance vegetative cover. (*Conservation Title*)
- ▶ Increases funding for Regional Conservation Partnership Program. (*Conservation Title*)
- ▶ Priority given to State and Indian Tribe requests for CRP acres enrolled in SAFE areas (acres designated by a State or Indian Tribe for wildlife enhancement) that provide funds for SAFE enrollment incentive payments. (*Conservation Title*)
- ▶ Permits Administrator to allow private voluntary organizations and cooperatives to sell commodities under nonemergency programs of Food for Peace Act to obtain funds to pursue program objectives. (*Trade Title*)
- ▶ Requires matching funds for several *Research and Extension Title* programs.

Hemp

- ▶ Adds hemp as agricultural commodity. Several provisions facilitate insurance for hemp. (*Insurance Title*)
- ▶ Directs Secretary of Agriculture to conduct a study of the economic viability of domestic production and sale of industrial hemp. (*Research, Extension Title*)
- ▶ Creates procedure for a state or Indian tribe to regulate production of hemp. (*Horticulture Title*)

Beginning Farmers and Ranchers

- ▶ Specifies a set of alternative experiences that can count toward the 3 years of experience needed to qualify for farm ownership loans. (*Credit Title*)
- ▶ Authorizes next generation agriculture technology challenge competition to develop innovative mobile technology to remove entry barriers for beginning farmers and ranchers. (*Research, Extension Title*)
- ▶ Creates federal and state coordinator for beginning farmers and ranchers. (*Miscellaneous Title*)
- ▶ Several *Miscellaneous Title* programs directed in part at beginning farmers and ranchers.